



4th
ANNUAL REPORT
FY 2023-2024

INDIA'S FIRST PRIVATE OIL AND GAS COMPANY



HINDUSTAN OIL EXPLORATION COMPANY LIMITED

TRANSFORMING THROUGH TALENT AND TECHNOLOGY

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CORPORATE INFORMATION


CIN: L11100GJ1996PLC029880

ISIN: INE345A01011

E-MAIL: CONTACT@HOEC.COM

WEBSITE: WWW.HOEC.COM

 Registered Office: 'HOEC House', Tandalja Road
Vadodara, Gujarat – 390020,
India

 Chennai Office: 'Lakshmi Chambers', 192, St. Mary's Road, Alwarpet, Chennai,
Tamil Nadu – 600 018, India

Statutory Auditor:
Deloitte Haskins & Sells LLP,
Chartered Accountants




Audit Partner:
Mr. C. Manish Muralidhar

Secretarial Auditor:
S Sandeep & Associates,
Company Secretaries

Internal Auditor:
Guru & Ram LLP,
Chartered Accountants

Cost Auditor:
Mr. K. Suryanarayanan,
Cost Accountant

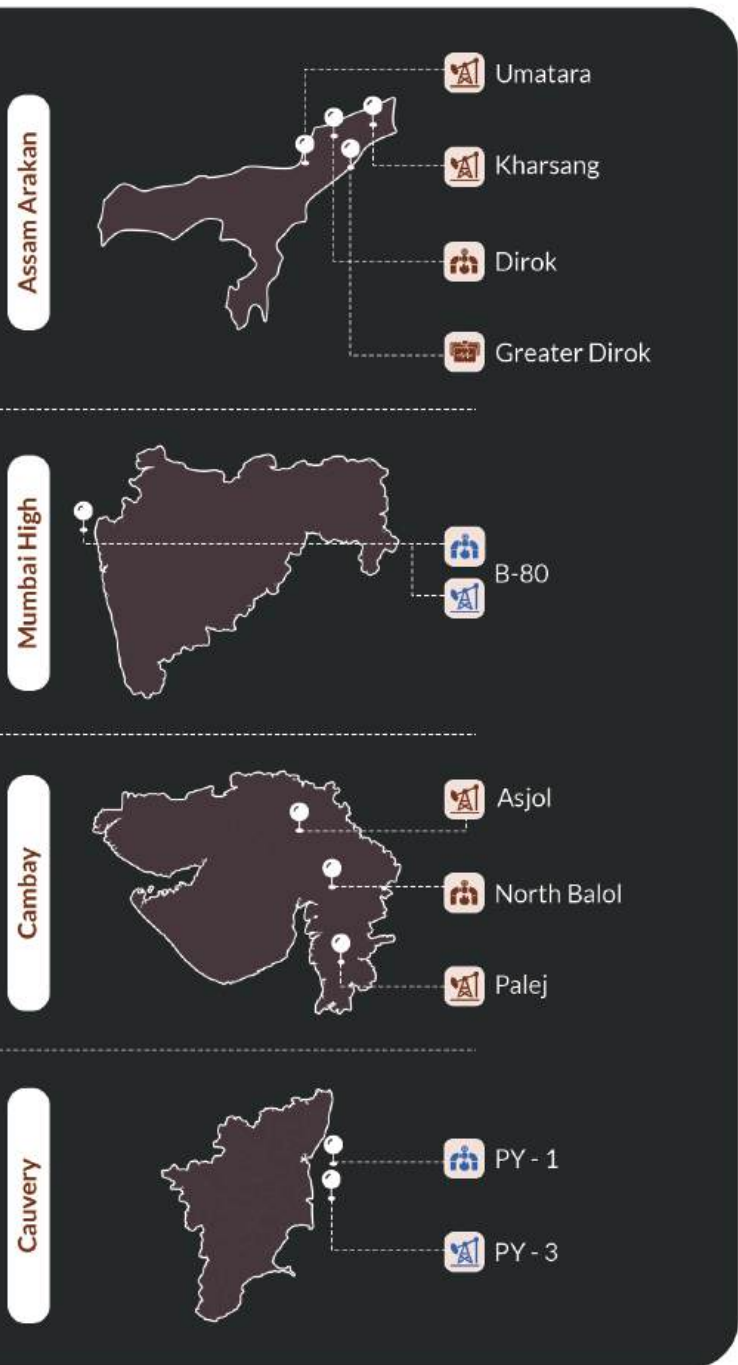
40th Annual General Meeting

| | | |
|---|---|--|
|  Day & Date Thursday, Sep 26, 2024 |  Time 10:30 a.m. |  Mode VC / OAVM |
|---|---|--|

Disclaimer Note: Certain sections of this Annual Report, in particular the Management's Discussion and Analysis, and operational highlights may contain forward-looking statements concerning the financial condition and results of operations of HOEC. Forward-looking statements are statements of future expectations that are based on management's current expectations & assumptions and involve known & unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. No assurances can be given as to future results, levels of activity and achievements & actual results. Level of activity and achievements may differ materially from those expressed or implied by any forward-looking statements contained in this Report. HOEC does not undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information.

HOEC AT A GLANCE

HOEC is one of the pioneer private players in the Indian Oil and Gas E&P sector, holding an asset portfolio of **9 Oil & Gas blocks of Discovered Resources** and **1 Exploratory block in a diverse geographical footprint in 4 out of 7 producing basins in India.**



Focus on Discovered Resources to fast track project and monetize resources at a faster pace



Asset Model by focussing on core operations, resource and outsource with global expertise



Take advantage of existing infrastructure and synergies with local contents



Follow low-cost operating model to emerge as self-funding company with sustainable cash flow from the producing assets



Create long term stakeholder value while ensuring that we 'Grow Responsibly'



Ensuring reserve replacement and scouting for organic and inorganic exploration and development opportunities on a continuous basis.



Onshore Oil Well



Offshore Oil Well



Onshore Gas



Offshore Gas



Onshore Exploration

BOARD OF DIRECTORS



Mr. Vivek Rae

*Non-Executive Independent
Director & Chairman*



Ms. Sharmila H. Amin

*Non-Executive Independent
Director*



Mr. P. K. Borthakur

*Non-Executive Independent
Director*



Mr. Ashok Kumar Goel

*Non-Executive
Non-Independent Director*



Mr. Rohit Rajgopal Dhoot

*Non-Executive
Non-Independent Director*



Mr. R. Jeevanandam

Managing Director



Audit Committee



Nomination and Remuneration Committee



Corporate Social Responsibility Committee



Stakeholders Relationship Committee



Risk Management Committee

OPERATIONAL HIGHLIGHTS

Average Production

 **Gross**
7,114 boepd

 **HOEC - Net**
2,730 boepd

Production Working Interest

 999,064 boe

HSE Lost Time Injury

 0.00

FINANCIAL HIGHLIGHTS

Turnover

FY 2023-24 ₹ 749 Crores

FY 2022-23 ₹ 559 Crores

Total Income

FY 2023-24 ₹ 768 Crores

FY 2022-23 ₹ 568 Crores

Net Worth

FY 2023-24 ₹ 1,174 Crores

FY 2022-23 ₹ 947 Crores

Profit

FY 2023-24 ₹ 226.43 Crores

FY 2022-23 ₹ 194.05 Crores

Gross Working Capital

FY 2023-24 ₹ 573 Crores

FY 2022-23 ₹ 469 Crores

Note : Figures are given on a consolidated basis

Block-wise Operational Highlights

ONSHORE

Dirok

- Average Production

Gas: 19.96 mmscfd

Condensate: 373 bopd

- Revised FDP completed and third-party reserve review is in progress with GCA
- Laying of 18" pipeline in forest segment is completed for connection to Duliajan hub

Cambay Blocks – Asjol, Palej & North Balol

- Average Production

Gas: 0.35 mmscfd

Oil: 72.41 bopd

- Applied and awaiting environmental clearance for drilling 2 development wells each in Asjol and North Balol
- Associated Natural Gas (ANG) sale commenced to achieve zero flaring
- Signed RFPSC for Palej submitted to MoP&NG for approval

Kharsang

- Average Production

Gas: 0.48 mmscfd

Oil: 391.14 bopd

- Plan for additional drilling including deeper prospects to increase the production
- EC approval is in progress

Block AA-ONHP-2017/19

- Reprocessed the 3D Seismic data and final well locations released
- EC clearance has been obtained
- Applied for 2 years RSC extension, post which it is planned to drill the first exploration well.

Umatara

- Indian Oil Corporation Ltd. is the Operator of this Block
- G&G study completed and location for first well released

OFFSHORE

B-80

- Average Production

Gas: 6.91 mmscfd

Oil: 878 bopd

- First crude offtake completed on 30th January 2024
- Volume of sale - 4,30,692 barrels; Realized price - \$ 80.27/bbl
- Optimum flow of the wells are yet to be established

PY-1

- Average Production

Gas: 0.59 mmscfd

Condensate: 0.98 bopd

- Interpretation of re-processed seismic data is completed and geological model is revised
- Three prospective well locations identified which has been confirmed by Third-party expert review

HOEC's Health and Safety Policy is centered around the belief that "All Lives Have Equal Value" and safe operations are paramount. The Company's Board and Management prioritize sustainable development by ensuring compliance with laws, regulations, and global best practices. This includes prioritizing the welfare, health, and safety of employees, contractors, and local communities, as well as ensuring the safety of all operational machinery and equipment.

HOEC prioritizes safe and sustainable operations that positively impact the local community. We have a robust health and safety practices in place, including regular audits and comprehensive training programs, which are continuously evolving to stay ahead of potential hazards and ensure employee safety.

At HOEC, we are committed to responsible growth while adhering to high health, safety, and environmental standards. We strive to create positive impacts on the environment and society. Through our commitment to sustainable practices and social responsibility, we aim to uplift the communities we work in by addressing key areas of need.

Our community development strategy focuses on education, infrastructure development, skill development, women empowerment, environmental conservation, and promoting art and culture in the areas where we operate.



Distribution of sports material to Gram Panchayats & Educational Institutions



Providing camera, traps and systems for Dihing Patkai National Park



Construction of classroom building in Lama Goan Middle School, Assam



Boundary wall construction at Lama Goan Middle School, Assam



Improving the quality of Anganwadi centres in our operating areas

Key Performance Indicators related to HSE

| KPI's statistics | FY 2023-24 | FY 2022-23 |
|--------------------------------|------------|------------|
| Fatalities Accident Rate (FAR) | 0.00 | 0.00 |
| Lost Time Injury Rate (LTIR) | 0.00 | 0.01 |
| LTI Severity Rating | 0.00 | 0.00 |
| No. of LTIs | 0 | 1 |
| Days since last LTI | 680 | 315 |
| Oil Spill Incidents | 0.00 | 0.00 |

The Indian upstream oil and gas sector presents a myriad of opportunities for growth and development, with its fair share of challenges. With the Government's focus on reducing dependency on imports and promoting domestic production, there is a need to increase exploration, develop the discovered fields and enhance production activities in the country. This has opened up opportunities for small oil and gas independents to explore, develop small and marginal fields, and use proven technologies to enhance production both offshore and onshore in India.

HOEC holds stakes in 4 blocks in the North-Eastern region, with discovered and developed reserves, resources and potential areas for further exploration. In the energy transition, natural gas plays a crucial role and the Government of India is making every effort to increase the contribution of natural gas in the energy mix of the growing economy, with due concern for the environment. HOEC's blocks are predominantly gas fields and could play a pivotal role in the exploration, development and production of hydrocarbons in the North-East region of India.

During FY 2023-24, the average production from Dirok was about 20 mmscfd of gas. With planned workover in FY 2024-25, the performance of legacy wells drilled in 2008-09 will be enhanced. The field has the potential to produce up to 55 mmscfd of gas after workover, and we plan for additional producers to ramp up the production to 70 mmscfd of gas. Due to demand constraints, the gas produced is getting stranded.

The North-Eastern National Pipeline Grid is a pivotal infrastructure project by the Government of India, aimed at linking the North-Eastern states through an integrated gas pipeline network. This pipeline grid, connecting states in the North-Eastern region to the national gas grid, is anticipated to be completed by the end of this year.

This development is expected to address energy constraints in the region and unlock the full potential of natural gas as a clean and efficient energy source for sustainable development.

Kharsang oilfield in Arunachal Pradesh, in which the Company now holds a 35% stake and operatorship in the field through its wholly-owned subsidiaries, produced on an average of about 400 barrels during FY 2023-24. This field has significant potential for further, exploration, appraisal and development of deeper prospects, which could unlock substantial value for all stakeholders. The upside gas potential of the block could become economically viable once the North-Eastern Gas Grid is operational. To ramp up production, additional shallow wells are planned, and to appraise the potential of the block, deeper wells are planned. As soon as the environmental clearance is received, the planned drilling activities will commence.

AA-ONHP- 2017/19, a block adjacent to Dirok, said to be greater Dirok, is analogue to Dirok structure. The Geo Technical Order has been approved to drill one exploration well with 7 seismic horizons. An application for a 2-year RSC extension has been made to the MoP&NG. Upon approval, our plan is to drill one exploration well initially, followed by a second well in the event of success.

AA/ONDSF/Umatara/2018, a Block awarded to the Company under the DSF Policy in consortium with Indian Oil Corporation Limited (IOCL), is part of the Upper Assam Shelf Petroleum system. This Block spans 52 sq. kms. and is operated by IOCL. Well locations have been identified in the area for drilling the first exploration well.



The Cambay Basin is one of the prolific petroleum provinces in India with substantial hydrocarbon resources. HOEC operates three fields in this basin: Asjol, Palej, and North Balol. Our G&G team conducted in-house studies that led to a marginal increase in production compared to the previous year. This modest improvement has instilled greater confidence in the potential value of these blocks. We are currently evaluating well data and have identified good potential in all three blocks to further enhance production. Upon signing the Ring-Fenced PSC, we anticipate adding more value to the Cambay blocks and plan to commence drilling operations at the earliest opportunity.

The Mumbai High Offshore region is one of the most important oil and gas blocks in India. With an estimated reserve of over 500 million tons of oil, this region has played a pivotal role in fuelling India's energy production for many years. HOEC operates Block B-80 in the Mumbai High Offshore region. Key Gibraltar – Offshore Installation, a customized Mobile Offshore Processing Unit and a Floating Storage Offshore facility with a capacity of 900,000-barrel oil storage, both owned by the wholly-owned subsidiaries of HOEC, are deployed in HOEC's B-80 field.

During FY 2023-24, the average production from B-80 field was 878 bopd of oil and 6.91 mmscfd of gas, with the first offloading of 430,000 barrels of oil made in January 2024. Despite the operational challenges posed by adverse weather conditions during monsoon in the western offshore, we continue with our production activities with intermittent shutdowns during monsoon. These lessons learned in western offshore added substantial value to the Company to establish as a successful marginal offshore field operator, which could help the Company to embark on any new opportunities in western offshore.

We remain committed to ensuring safe operations through continuous monitoring and maintenance of infrastructure. With a focus on strategic decision-making, effective risk mitigation, and proper planning, we are confident in our ability to reach sustainable production levels and with the drilling of additional wells, we would optimise the field production with a longer plateau of production.

The PY-1 Block in the Cauvery offshore Basin presents a promising opportunity for hydrocarbon exploration and development, with all facilities required for platform, pipeline, and processing facilities already in existence. It is a unique, gas-bearing reservoir that stands as the only offshore fractured granitic basement reservoir in India. Despite current minimal production levels, efforts are underway to increase production from this field.

Seismic data has been reprocessed, leading to the identification of three new drilling locations by our in-house G&G team. These locations have been evaluated and reviewed, with experts confirming their potential for both maximum and minimum volumes. Following further assessment by a team of Fractured Basement Specialists, we are preparing to drill three development wells in this promising Block. Considering, the marginal development cost, any additional reserves could contribute substantial value to the Company.

HOEC has accomplished a significant milestone by achieving a consolidated turnover of Rs. 830.27 crores in FY 2023-24, marking the first time in over 40 years. Additionally, the net profit after tax has surpassed Rs. 225 crores for the first time in the Company's history. Also, it is worth noting that all our subsidiary companies have operated in profit mode during FY 2023-24.

Looking ahead, our capital outlay for the next three financial years is projected to be around Rs. 1000 crores. This investment will be directed towards drilling a substantial number of development and exploratory wells, both onshore and offshore. We aim to fund these initiatives through our internal accruals, with the goal of creating value both below and above the ground. This strategic approach will position the Company to achieve its objectives while maintaining a reasonable and stable cash flow.

Despite the challenges presented by fluctuating global oil prices and environmental concerns, we are committed to overcoming these obstacles through strategic planning, investment in technology and innovation, strong risk management practices, sustainable operations, and effective stakeholder engagement. By navigating these challenges effectively, we aim to ensure long-term value creation by capitalizing the opportunities for further growth.

We would like to express our gratitude to all stakeholders for their unwavering support.

R. Jeevanandam
Managing Director



Board's Report

To

The Members of
Hindustan Oil Exploration Company Limited

Your Directors have pleasure in placing before you the 40th Annual Report on the business and operations of your Company along with the audited financial statements, for the financial year ended March 31, 2024.

The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL HIGHLIGHTS

(₹ in lakhs)

| Particulars | Standalone | | Consolidated | |
|--|------------------|------------------|------------------|------------------|
| | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Revenue from operations | 46,399.71 | 38,104.82 | 74,913.13 | 55,891.53 |
| Other Income | 3,264.77 | 2,790.85 | 1,868.14 | 879.55 |
| Total Income | 49,664.48 | 40,895.67 | 76,781.27 | 56,771.08 |
| Total Expenses | 41,263.55 | 24,528.94 | 55,214.98 | 35,831.02 |
| Profit before share of profit of associate, exceptional items and tax | 8,400.93 | 16,366.73 | 21,566.29 | 20,940.06 |
| Share of profit of associate | - | - | (24.38) | 11.11 |
| Profit before exceptional items and tax | 8,400.93 | 16,366.73 | 21,541.91 | 20,951.17 |
| Exceptional items | - | - | 3,286.64 | (1,221.99) |
| Profit before tax | 8,400.93 | 16,366.73 | 24,828.55 | 19,729.18 |
| Tax expense | - | - | 2,185.57 | 324.36 |
| Profit for the year | 8,400.93 | 16,366.73 | 22,642.98 | 19,404.82 |
| Other comprehensive income | (33.68) | 3.17 | (32.80) | 3.17 |
| Total comprehensive income for the year | 8,367.25 | 16,369.90 | 22,610.18 | 19,407.99 |

Note: The above figures are extracted from the audited standalone and consolidated financial statements prepared as per Indian Accounting Standards (Ind AS).

2. BUSINESS PERFORMANCE

During the year, on a standalone basis, your Company produced and sold 3.73 BCF of gas and 0.24 million barrels of oil (previous year: 4.59 BCF of gas and 0.18 million barrels of oil). In oil equivalent terms the production for the current year is 0.94 mmoeb (1.04 mmoeb in the previous year).

The revenue for the current year has increased to ₹ 46,399.71 lakhs from ₹ 38,104.82 lakhs in the previous year. Other income for the current year is ₹ 3,264.77 lakhs as against ₹ 2,790.85 lakhs in the previous year.

The cost towards production expenses has increased to ₹ 26,770.16 lakhs compared to ₹ 16,951.92 lakhs in the previous year due to increase in the number of operating days on account of commencement of production from B-80 field in the previous year. The total expenses for the current year has increased to ₹ 41,263.55 lakhs as compared to ₹ 24,528.94 lakhs in the previous year. This also includes the non-cash cost of depreciation, depletion & amortization and finance cost towards unwinding of decommissioning of ₹ 3,518.75 lakhs in the current year as against ₹ 3,527.28 lakhs incurred during the previous year.

On a standalone basis, the profit before exceptional items and tax has decreased to ₹ 8,400.93 lakhs as compared to ₹ 16,366.73 lakhs in the previous year. The profit after tax is ₹ 8,400.93 lakhs as against the profit of ₹ 16,366.73 lakhs in the previous year. The cash and cash equivalent in the Company as on March 31, 2024 is ₹ 879.77 lakhs, compared to ₹ 13,866.98 lakhs in the previous year.

On a consolidated basis, revenue from operations has increased from ₹ 55,891.53 lakhs to ₹ 74,913.13 lakhs and the profit after tax for the current year is ₹ 22,642.98 lakhs compared to ₹ 19,404.82 lakhs in the previous year.

Capital expenditure

During the year under review, a capital expenditure of ₹ 253.88 lakhs as against ₹ 501.20 lakhs for previous year was incurred for Dirok, ₹ 225.31 lakhs for block Umatara and ₹ 1.10 lakhs was incurred for Block B 80 as against ₹ 4,324.02 lakhs for previous year, towards development activities in these discovered fields, and ₹ 66.98 lakhs as compared to ₹ 1.53 lakhs for previous year was incurred for other development activities.

Transfer to reserves

During the year under review, no amount was transferred to the capital reserves of the Company. The land and buildings of the Company are stated at cost and are not being revalued.

Measures taken to improve the operational & financial performance

Your Company has been appropriately addressing the challenges posed by the evolving situation with renewed vigour, while ensuring the wellbeing of the employees and the communities in which we operate.

Your Company continues to closely monitor any material changes to future economic conditions and manage their impact and costs across the organization.

3. OUTLOOK

Your Company has adequate working capital and discretionary capital required for the development of existing oil and gas blocks. The capital required for exploration would be met by the internal accruals of the Company. The Company is continuously scouting for inorganic growth opportunities which will be risk - weighed before committing capital, for which the Company may raise additional capital and debt as and when necessary.

4. DIVIDEND

Your Company is positioned on a growth trajectory and is actively pursuing both exploration opportunities and appraisal / development of discoveries established in its existing portfolio. To finance this growth, the Company needs financial resources in the immediate term and hence your Directors do not recommend any dividend for the year.

The Dividend Distribution Policy framed in accordance with the provisions of the Act and the Listing Regulations is available on the Company's website at <https://www.hoec.com/policies/>

5. DEPOSITS FROM PUBLIC

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest are outstanding as at the Balance Sheet date.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 (the Act) form part of the Notes to the Standalone Financial Statements provided in this Annual Report.

7. CHANGE IN THE NATURE OF BUSINESS

Your Company did not undergo any change in the nature of its business during the year.

8. SHARE CAPITAL

There is no change in share capital during the year. The company has not issued any shares with differential rights as to voting, dividend or otherwise.

9. SUBSIDIARIES

As on March 31, 2024, we have 2 direct wholly-owned subsidiaries - Hindage Oilfield Services Limited and Geopetrol International Inc. and 2 wholly-owned step-down subsidiaries - Geopetrol Mauritius Ltd. and Geoenpro Petroleum Limited. There are no associates or joint venture companies within the meaning of Section 2(6) of the Act.

Hindage Oilfield Services Limited ("Hindage"), an Indian public unlisted company, operates in the Oil Field Equipment and Services sector. Hindage owns Prem Pride, a Floating Storage Offshore facility with a 900,000-barrel oil storage capacity, which is currently deployed for storage of oil produced from HOEC' B-80 offshore field.

Geopetrol International Inc. ("GPII"), is another wholly owned subsidiary of HOEC which was acquired in April 2018. This company, incorporated in the Republic of Panama, holds 25% participating interest in Kharsang oilfield in Arunachal Pradesh and operates through an Indian Project Office.

Geopetrol Mauritius Ltd. ("GML"), a company established under the laws of Mauritius holding Category I Global Business License, is wholly owned by GPII. GML owns Key Gibraltar - Offshore Installation, which is a customized Mobile Offshore Processing Unit currently deployed in HOEC's B-80 field at Mumbai offshore.

Geoenpro Petroleum Limited ("Geoenpro") is an Indian public unlisted company, which is co-owned by GML (50%) and Hindage (50%). Geoenpro is an Oil and Gas E&P company which holds 10% participating interest in Kharsang oilfield and is operator to the Block.

There has been no material change in the business of the subsidiaries. During the year, Hindage and GPII were material subsidiaries of HOEC and the Board of Directors of your Company has reviewed the affairs of the subsidiary companies.

In accordance with Section 129(3) of the Act, the Indian Accounting Standards (Ind AS) and relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Consolidated Financial Statements of the Company have been prepared which form part of this Annual Report.

Also, a statement containing salient features of the Company's subsidiaries is appended as Annexure - I to the Board's Report in the prescribed Form AOC-1.

Further, as per Section 136 of the Act, the Annual Audited Financial Statements including the Consolidated Financial Statements and related information of the Company and the Audited Financial Statements of the subsidiary companies are available on the company's website, at <https://www.hoec.com/annual-reports/>.

10. UNINCORPORATED JOINT VENTURES

The financial statements of the Company reflect its share of assets, liabilities, income and expenditure of the joint venture operations, which are accounted on the basis of available information on a line-by-line basis with similar items in the Company's Accounts, to the extent of the participating interest of the Company, as per various "Production Sharing Contracts" (PSCs) and "Revenue Sharing Contracts" (RSCs). The financial statements of the Unincorporated Joint Ventures are prepared by the respective Operators in accordance with the requirements prescribed by the respective PSCs and RSCs.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2024, the Company has six (6) Directors including one woman director. The Board comprises of five (5) Non-Executive Directors, out of which three (3) are Independent Directors.

The Company has received necessary declaration from each independent director that he/she meets the criteria of independence as laid down under Section 149(6) of the Act and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, the independent directors fulfil the conditions specified in these regulations and are independent of the management. There has been no change in the circumstances affecting their status as an Independent Director during the year.

The non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Changes in Directorate during the year

Mr. P. Elango retired as Managing Director effective from the closure of the business hours on September 30, 2023 upon completion of his term. The Board places on record its appreciation for his contribution to the Company.

Consequently, Mr. R. Jeevanandam was appointed as the Managing Director for a period of three (3) years w.e.f. October 01, 2023.

Mr. Vivek Rae was re-appointed as a Non-Executive Independent Director of the Company for a second term of five (5) consecutive years w.e.f. April 18, 2024 at the 39th Annual General Meeting (AGM) of the Company held on September 27, 2023.

Changes in Key Managerial Personnel during the year

Consequent to the change in designation of Mr. R. Jeevanandam from Executive Director & CFO to Managing Director of the Company effective October 01, 2023, the Board appointed Mr. N. Sivalai Senthilnathan as Chief Financial Officer w.e.f. November 15, 2023.

Ms. Deepika CS resigned from her position as Company Secretary on November 10, 2023 and Mr. S. Muthukrishnan was appointed as Company Secretary w.e.f. November 10, 2023.

As on March 31, 2024, Mr. R. Jeevanandam, Managing Director, Mr. N. Sivalai Senthilnathan, CFO and Mr. S. Muthukrishnan, Company Secretary were the Key Managerial Personnel (KMP) of the Company.

12. NUMBER OF MEETINGS OF THE BOARD

The Board met seven (7) times during the financial year. The details of meetings are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act.

13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board of Directors has framed a policy which lays down a framework for the nomination and remuneration payable to Directors and other Key Managerial Personnel. The details of the policy are stated in the Corporate Governance Report.

14. DIRECTORS REMUNERATION

Details of the remuneration paid to the Executive and Non-Executive Directors of the Company are given in the Corporate Governance Report Section of this Annual Report.

15. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board has carried out an annual evaluation of its own performance, the Committees of the Board and individual directors. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

16. COMMITTEES OF THE BOARD

The Board has five (5) Committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The composition of the Board and its Committees are provided in the Corporate Governance Report section of this Annual Report. During the year, all recommendations made by the respective Committees were approved by the Board.

17. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the year under review were on an arm's length basis and in the ordinary course of business. Disclosures relating to the related party transactions are set out in Note No. 44 of the standalone financial statements and Annexure II of this Report.

18. DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon and the Management Discussion and Analysis including the Business Responsibility and Sustainability Report are set out in a separate section and form part of this Report.

19. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024, is available on the Company's website at <https://hoec.com/annual-reports/>

20. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments which affect the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

22. DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values, the relevant provisions of the Companies Act, 2013 and the Rules made thereunder, guidelines issued by SEBI and guidance note on accounting for oil and gas producing activities (Ind AS) issued by the Institute of Chartered Accountants of India.

In terms of Section 134(5) of the Act, your directors, to the best of their knowledge and belief and according to the information and explanation obtained by them, state that:

- (i) in the preparation of annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. AUDIT REPORTS AND AUDITORS

Audit Reports for the financial year ended March 31, 2024:

- The Auditors Report on the standalone and consolidated financial statements forms part of this Annual Report and do not contain any qualifications, reservations or adverse remark.
- The Secretarial Audit Report for the year is included as Annexure III to this Report and it does not contain any qualification, reservation or adverse remark. The Company complies with all applicable secretarial standards.
- Your Company has maintained cost records which were duly audited in terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. The cost audit report for the financial year ended March 31, 2023 was filed with the Central Government within the prescribed timelines.

- The Internal Auditors' findings are discussed, and actions, as required, are taken as per the directions of the Audit Committee on an ongoing basis to improve efficiency in operations.
- Neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would be required to be mentioned in the Board's Report.

Auditors for the financial year ending March 31, 2025**Statutory Auditor**

At the 36th AGM of the Company held on September 30, 2020, the Members approved re-appointment of M/s. Deloitte Haskins & Sells LLP (FRN: 117366 W/W 100018), Chartered Accountants, as Statutory Auditors for a second term of five (5) years to hold office from the conclusion of the 36th AGM of the Company until the conclusion of 41st AGM.

Secretarial Auditor

In terms of Section 204 of the Companies Act, 2013 and rules made there under M/s. S. Sandeep & Associates, Company Secretaries in Practice are appointed to conduct the secretarial audit.

Cost Auditor

The Board of Directors have appointed Mr. K. Suryanarayanan, a Cost Accountant in Practice, as Cost Auditor of the Company at a fee of ₹ 2,00,000 (Rupees Two Lakhs only) plus applicable taxes and out of pocket expenses, subject to ratification of the said fees by the shareholders at the ensuing Annual General Meeting.

Internal Auditor

The Board has engaged M/s. Guru & Ram LLP, Chartered Accountants, as its Internal Auditors. Their scope of work includes review of internal controls and its adherence, statutory compliances, health, safety and environment compliance, compliance towards related party transactions and risk assessments.

28. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Board and Audit Committee, the Company's internal financial controls were adequate and effective during the year under review.

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis section of this Annual Report.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Our Company embraces technological innovation and operates in an environmentally responsible manner to provide tangible benefit to all stakeholders. Our company is dedicated to advancing both technology and environmental stewardship, ensuring that our operations benefit all stakeholders. During the year under review, we implemented several key initiatives aimed at conserving energy and driving technological progress. A few of these are listed as follows:

A) Conservation of Energy:

a) Steps taken or impact on conservation of energy:

In an effort to become more energy efficient, the Company has taken the following steps -

1. **BEE Star Rated Equipment:** We have procured Bureau of Energy Efficiency (BEE) Star rated equipment wherever feasible to minimize energy consumption and enhance operational efficiency.
2. **Reduction of Greenhouse Gas (GHG) Emissions:** In alignment with climate change policies, we are continually working to reduce our GHG emissions through various effective measures and practices.
3. **Energy Source Optimization:** Our in-house power requirements are primarily met using natural gas-based generators, with diesel-based generators used only in emergencies. We are also exploring the viability of solar energy to further meet our operational needs.
4. **Air Emission Monitoring:** We regularly monitor air emission sources and ambient air quality to ensure that emission levels remain below statutory limits stipulated by the Central Pollution Control Board.
5. **Automatic Lighting Controls:** Automatic timers have been installed for all lights, except emergency lighting, to ensure they are turned off during daylight hours, thereby reducing unnecessary energy consumption.
6. **Timer-Controlled Equipment:** Air compressors and fire water jockey pumps are equipped with timers to minimize runtime and conserve energy.
7. **Preventive Maintenance:** Periodic preventive maintenance and condition monitoring of aging equipment are conducted to extend asset life, reduce premature replacements, and lower energy consumption.
8. **Sustainable Design and Planning:** Our project planning and design processes are focused on minimizing environmental impact and maximizing resource efficiency throughout the project lifecycle.
9. **Solar Streetlights:** We have installed 355 nos. of solar streetlights at selected locations within our operational areas to reduce reliance on traditional power sources.
10. **Rainwater Harvesting:** We have implemented rainwater harvesting systems to recharge groundwater resources at our operational sites.
11. **Groundwater Quality Monitoring:** Regular analysis of groundwater samples in our operational areas ensures that water quality meets statutory standards as per Central Ground Water Authority Guidelines.
12. **Optimized Air Conditioning:** Air conditioning systems are set to 25°C to optimize power consumption and improve energy efficiency.
13. **Greenhouse Gas Emission Reporting:** We calculate and report our greenhouse gas emissions annually, using the HOEC Dirak benchmark for GHG emission as a reference.
14. **LED Lighting Conversion:** The transition from sodium vapor lamps to LED fittings has been initiated at the PY-1 site as part of our energy conservation efforts.

b) Steps taken by the Company for utilizing alternate source of energy:

The Company has successfully installed 355 solar street lamps at our operational areas in the Assam Block. This initiative not only enhances visibility and safety within the operational areas but also reduces our reliance on conventional power sources, contributing to our goal of energy conservation and reduced carbon footprint.

By utilizing solar energy for street lighting, we are effectively lowering our energy consumption and operational costs, while also supporting our commitment to environmental responsibility. This project exemplifies our dedication to integrating renewable energy solutions into our operations.

c) Capital investment on energy conservation equipment:

In order to enhance operational efficiency and reduce environmental impact, we have successfully replaced the manually operated choke valve with a remote-operated choke valve on one of our high-producing wells at the Dirok field in Assam.

This upgrade offers several key benefits:

- **Reduced Travel:** The remote operation capability eliminates the need for frequent site visits, minimizing travel to wellsites and associated logistics.
- **Fuel Savings:** By decreasing travel requirements, we also reduce fuel consumption, further contributing to our sustainability goals.

This initiative not only streamlines operations but also supports our commitment to improving efficiency and reducing our carbon footprint.

d) Impact of the measures mentioned in (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Our commitment to energy efficiency has led to notable reductions in both energy consumption and greenhouse gas (GHG) emissions. Key actions contributing to these outcomes include:

- **Minimal Use of Air Conditioning:** By optimizing air conditioning settings and usage, we have significantly reduced the overall energy demand for cooling.
- **Deployment of Energy-Efficient Systems:** The implementation of advanced, energy-efficient systems across our operations has further decreased power and fuel consumption.

These measures have not only contributed to a substantial decrease in energy use and GHG emissions but have also resulted in lower operational costs. This aligns with our goal of achieving greater sustainability and efficiency in our operations.

B) Technology absorption:

(a) Efforts made towards technology absorption, adaptation, and innovation:

The Company is committed to adopting innovative approaches to enhance energy efficiency and minimize environmental impact. Our key initiatives include:

- **Modular Gas Processing Plant:** We have implemented an energy-efficient modular approach for our Gas Processing Plant in Assam. This includes the installation of Variable Frequency Drives (VFDs) on plant equipment and machinery to optimize energy use. Additionally, we adhere to a Leak Detection and Repair (LDAR) program to monitor and address gas leaks, thereby controlling emissions effectively.
- **Elephant Corridor Protection:** To safeguard an Elephant Corridor in Assam, we have laid a 21 km pipeline 1.5 meters below the ground, connecting our Gas Gathering Station (GGS) to the Modular Gas Processing Plant (MGPP). This approach has significantly reduced our ecological footprint in this sensitive area.
- **Horizontal Flare System:** At our MGPP in Assam, we have installed a sonic, natural draft, horizontal flare system with an enclosure. This system is designed to minimize environmental harm and ensure that flare operations are conducted with reduced impact on the surrounding environment.
- **Carbon Footprint Reduction:** We are actively working to reduce our carbon footprint through a combination of major and minor process changes. This includes supplying surplus power to the state grid and local tea factories, creating additional carbon sinks through plantation, and adopting green energy sources whenever feasible.

- LED Lighting Conversion: We are transitioning from conventional lighting to energy-efficient LED lights in a phased manner, which contributes to reduced energy consumption and lower operational costs.
- Technological Advancements: We plan to adopt new technologies, such as surface jet pumps (ejectors), to enhance well production efficiency and further improve our operational effectiveness.

These efforts underscore our commitment to sustainability and environmental stewardship, aligning with our goals of energy efficiency and reduced ecological impact.

(b) Technology import made during the last 3 years:

- the details of technology imported: Remote operated choke valve was imported and installed on one of the high producing well.
- the year of import: 2022 & 2024
- whether the technology been fully absorbed: yes

(c) No Research and Development expenditure was incurred during the year.

(d) No benefits like product improvement, product development or import substitution were derived during the year

C) Foreign exchange earnings and outgo:

(a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:

Company is engaged in production of crude oil and natural gas. The existing Government policies and Production Sharing Contracts (PSCs), to which Company is a party, is subject to domestic market obligations till self-sufficiency in domestic production of hydrocarbons.

(b) The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows

(₹ in lakhs)

| Particulars | FY 2023-24 | FY 2022-23 |
|----------------------------------|------------|------------|
| Foreign exchange earning | Nil | Nil |
| Expenditure in foreign currency: | | |
| - Operating expenditure | 6,604.34 | 8,956.59 |
| - Capital expenditure | 88.96 | 341.20 |

30. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has in place a CSR policy which is available on our website at <https://hoec.com/corporate-social-responsibility/>. A brief outline of the CSR policy of the Company and the CSR expenditure incurred during the year are set out in Annexure IV of this Report as per the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014. The details of the composition and meetings of the CSR Committee are provided in the Corporate Governance Report section of this Annual Report.

31. RISK MANAGEMENT

The Company is responsible for reviewing the risk factors and ensuring effective mitigation and management. The Risk Management Committee identifies and monitors the risks associated with the Company's operations. In addition, the Audit Committee oversees the areas of financial risks and controls.

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis Report, which forms part of this Annual Report.

32. HUMAN RESOURCES MANAGEMENT

Your Company continues to pursue the best practices to develop its human capital by hiring and retaining the best talent. The Company has a transparent performance appraisal system with focus on the organizational objectives aligned with Key Performance Indicators. An objective performance measurement with an assessment of potential and identification of training needs for individual growth are being pursued.

The total permanent employee count, as on March 31, 2024, was 112 and the annualized attrition rate for the year stands at 16.9%.

33. PARTICULARS OF EMPLOYEES

The particulars of employees including their remuneration as required to be reported under the provisions of Section 197(12) of the Act, read with Rules 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in Annexure V to this Report.

34. PROTECTION TO WOMEN EMPLOYEES

The Company has in place a Corporate Policy on Anti-Sexual Harassment of Employees, in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has also been duly constituted and during the year under review no complaints were received from any employee.

35. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven years. Further according to the said Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

Accordingly, the Company has duly transferred all unclaimed / unpaid dividends and the corresponding shares as per the above requirements to the IEPF and has filed necessary forms with the Ministry of Corporate Affairs in this regard. Details of the same are provided in the Shareholder information section of the Corporate Governance Report and are also available on our website at <https://www.hoec.com/dividend-information/>

36. LISTING ON STOCK EXCHANGES

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited and has duly paid the Annual Listing Fees as applicable.

37. ACKNOWLEDGEMENTS

Your Directors place on record their gratitude for the support and co-operation received from the Ministry of Petroleum & Natural Gas, Directorate General of Hydrocarbons, Ministry of Defence, Ministry of Environment, Forests and Climate Change, the State Governments of Assam, Gujarat, Maharashtra and Tamil Nadu and the authorities working under them. Your Directors express their gratitude to the Company's stakeholders, shareholders, business partners and bankers for their continuous support. Your Directors appreciate and value the professionalism, dedication and commitment of the HOEC team to overcome any challenges and to drive growth.

For and on behalf of the Board of Directors

Date : 12-08-2024
Place : Chennai

Vivek Rae
Chairman
DIN: 01866765

R. Jeevanandam
Managing Director
DIN: 07046442

Annexures to the Board's Report:

Annexure - I Form No. AOC - 1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statements of subsidiary / associate company / joint ventures as on 31.03.2024.

PART A: Subsidiaries

(₹ in lakhs)

| Particulars | Details | |
|---|-----------------------------------|---|
| Name of the subsidiary | Hindage Oilfield Services Limited | Geopetrol International Inc. |
| The date since when subsidiary was acquired | 30/03/1992 | 09/04/2018 |
| Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA | NA |
| Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA | Reporting currency: USD Exchange rate: ₹ 83.3739 |
| Share capital | 50.00 | 6,506.20 |
| Reserves & surplus | 5,341.69 | 7,427.48 |
| Total assets (excluding investments) | 17,227.37 | 39,445.51 |
| Total liabilities | 16,835.68 | 27,428.53 |
| Investments | 5,000.00 | 1,916.70 |
| Turnover | 12,390.57 | 15,357.32 |
| Profit before taxation | 6,333.28 | 7,429.62 |
| Provision for taxation | (1,421.91) | 715.28 |
| Profit after taxation | 4,911.37 | 6,714.34 |
| Proposed Dividend | - | - |
| Extent of shareholding (In percentage) | - | - |

Note:

- There are no subsidiaries which are yet to commence operations
- No subsidiaries have been liquidated or sold during the year.

PART B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

The Company does not have any associate companies / joint ventures.

For and on behalf of the Board of Directors

| | | | | |
|-------------------|---|--|---|--|
| Date : 12-08-2024 | Vivek Rae Chairman DIN: 01866765 | R Jeevanandam Managing Director DIN: 07046442 | N Sivalai Senthilnathan Chief Financial Officer | Josephin Daisy Company Secretary |
| Place : Chennai | | | | |

**Annexure - II
Form No. AOC - 2**

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

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 third proviso thereto

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2024, which were not at arm's length basis.

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

| # | Particulars | I | II |
|-----|---|--|---|
| (a) | Name(s) of the related party & nature of relationship | Hindage Oilfield Services Limited - Wholly owned subsidiary of HOEC | Geopetrol Mauritius Limited - Wholly owned step-down subsidiary of HOEC |
| (b) | Nature of contracts / arrangements / transaction | Provision of Floating Storage Offshore Services for B-80 offshore field | Provision of Offshore Installation for processing oil and gas from B-80 offshore field |
| (c) | Duration of the contracts / arrangements / transaction | 5 years | 5 years |
| (d) | Salient terms of the contracts or arrangements or transaction including the value, if any | i. Contract period of 5 years, subject to extension on mutually agreed terms ii. Charter hire day rate of US\$ 47,500 all inclusive iii. GST extra, as applicable, on account of B-80 Consortium iv. Fuel required for operation shall be supplied by the Operator v. Income Tax shall be borne by Hindage | i. Contract period of 5 years, subject to extension on mutually agreed terms ii. Charter hire day rate of US\$ 49,500 all inclusive iii. GST extra, as applicable, on account of B-80 Consortium iv. Fuel required for operation shall be supplied by the Operator v. Income Tax shall be borne by Geopetrol Mauritius Ltd. |
| (e) | Date of approval by the Board | May 30, 2022 | May 30, 2022 |
| (f) | Amount paid as advances, if any | Nil | Nil |

| # | Particulars | III | IV | V |
|-----|---|--|--|---|
| (a) | Name(s) of the related party & nature of relationship | Hindage Oilfield Services Limited - Wholly owned subsidiary of HOEC | Geopetrol International Inc. - Wholly owned subsidiary of HOEC | Geopetrol Mauritius Limited with Geopetrol International Inc. - Transaction between wholly-owned subsidiaries |
| (b) | Nature of contracts / arrangements / transaction | Interest on Loan | Interest on Loan | Interest on Loan |
| (c) | Duration of the contracts/arrangements/ transaction | 1 year, extendable on mutual consent. | 1 year, extendable on mutual consent. | 1 year, extendable on mutual consent. |
| (d) | Salient terms of the contracts or arrangements or transaction including the value, if any | The outstanding inter-corporate loan of ₹ 65.43 Crores at an interest of 9% p.a. | The outstanding inter-corporate loan of ₹ 58.78 Crores at an interest of LIBOR+3%. | The outstanding inter-corporate loan of ₹ 81.69 Crores at an interest of LIBOR+3.4%. |
| (e) | Date of approval by the Board | August 12, 2022 | February 13, 2020 | January 20, 2022 |
| (f) | Amount paid as advances, if any | Nil | Nil | Nil |

For and on behalf of the Board of Directors

Date : 12-08-2024
Place: Chennai

Vivek Rae
Chairman
DIN: 01866765

R. Jeevanandam
Managing Director
DIN: 07046442

Annexure - III
Form No. MR-3
Secretarial Audit Report

for the financial year ended 31st March 2024

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

To

The Members

Hindustan Oil Exploration Company Limited

CIN: L11100GJ1996PLC029880

Tandalja Road, Off Old Padra Road,
Vadodara - 390 020, Gujarat.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of **M/s HINDUSTAN OIL EXPLORATION COMPANY LIMITED (CIN: L11100GJ1996PLC029880)** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2024, generally has 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2024 according to the provisions of :
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
 - v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:
 - a) The Securities and Exchange Board of India (Registrars to an Issue and Transfer Agents) Regulations, 1993, regarding Companies Act and dealing with client;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018; - Not Applicable for the year under review.
 - f) The Securities and Exchange Board of India (Depository and Participants) Regulations 2018;

- g) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - Not Applicable for the year under review.
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable for the year under review.
 - i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not Applicable for the year under review.
 - j) The Securities and Exchange Board of India (Delisting of Equity Shares Regulations), 2021; Not Applicable for the year under review.
2. We further report that, based on examination, on test check basis, of the relevant documents, information received, records maintained and representation received, there are adequate systems and processes in place to monitor and ensure compliance with the below mentioned laws applicable specifically to the Company in the Oil and Gas Exploration Sector, and also all other applicable laws, rules, regulations and guidelines, which includes the following :
- a) The Petroleum Act, 1934 and Petroleum Rules, 2002
 - b) The Petroleum Tax Guide, 1999
 - c) The Petroleum and Natural Gas Rules 1959 and amendments thereunder
 - d) The Oilfields (Regulation & Development) Act, 1948
 - e) Indian Explosives Act, 1910
 - f) The Water (Prevention and Control of Pollution) Act, 1974
 - g) The Air (Prevention and Control of Pollution) Act, 1981
3. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India
 - ii. The Listing Agreements entered into by the Company for the equity shares listed with BSE Limited and National Stock Exchange of India Limited and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further report that during the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above within the prescribed time or later on payment of additional fees.

4. We further report that:
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a proper system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
 - The Company has obtained all necessary approvals under the various provisions of the Companies Act, 2013 to the extent applicable; and

There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Securities Exchange Board of India Act, 1992, The Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, Foreign Exchange Management Act, 1999 and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers, except for monetary penalty of ₹ 3,95,900/- (in total) imposed by Regional Director (North-Western Region), Ahmedabad, Ministry of Corporate Affairs, by order dated 8th February 2024, on the Company and its Officers in default, arising out of inadvertent omission to file form MGT-14 with ROC for appointment of Internal auditor for the financial year 2016-17.

- The Directors have complied with the disclosure requirements in respect of their eligibility for appointment, their independence, wherever applicable and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
- We further report that based on the information received, records maintained and representation received, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.
- We further report that during the period under review no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above have taken place.

For S.Sandeep & Associates

S.Sandeep

Managing Partner

FCS No.: 5853; C P No.: 5987

PR No: 1116/2021

UDIN: F005853F000442157

Place : Chennai

Date : 24-05-2024

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

'Annexure - A'

To,

The Members,

Hindustan Oil Exploration Company Limited

CIN: L11100GJ1996PLC029880

Tandalja Road, Off Old Padra Road,

Vadodara - 390 020, Gujarat.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S.Sandeep & Associates

S.Sandeep

Managing Partner

FCS No.: 5853; C P No.: 5987

PR No: 1116/2021

UDIN: F005853F000442157

Place : Chennai

Date : 24-05-2024

Annexure - IV

Annual Report on CSR Activities for the Financial Year 2023-24

(Pursuant to Section 135 of the Companies Act, 2013)

1. Brief outline on the CSR policy of the Company:

HOEC's Corporate Social Responsibility policy is to:

- * Proactively develop trusting and productive relationships with host communities through effective consultations
 - Positively engage with relevant stakeholders, understand their concerns and be responsive to their needs;
 - Use & encourage systematic processes to engage with the local stakeholders; and
 - Actively involve pertinent individuals and programme participants in designing and implementing CSR programmes.
- * Respect local customs and traditions and leverage technology in all CSR programmes
 - Valuing cultural customs and pride of individuals and nurture positive relationship with the people in the project areas where the Company operates;
 - Aligning CSR programmes to build on existing capacities and initiatives to create greatest possible impact; and
 - Giving development opportunities to local communities in a culturally appropriate manner, in consultation & co-operation with local government authorities and other stakeholders, as may be appropriate.
- * Treat host communities as valued partners in our resource development endeavours
 - Valuing local entrepreneurship and encouraging use of local goods, services and manpower to promote comprehensive economic growth of our operating footprint area;
 - Establishing infrastructure and platforms to make sustainable contribution to social and economic development; and
 - Enabling CSR programs to complement and support the developmental priorities at local and state level

In line with this CSR policy, the Company's CSR programmes focus on the following five broad themes with the objective to improve overall socio-economic indicators in the Company's area of operations:

- Promote local content by developing entrepreneurship;
- Upgrade local infrastructure;
- Enhance the quality of education in our operating area;
- Promote personal safety, environmental and technology awareness; and
- Support promotion of local culture and sports.

Details of the company's CSR policy are available in the weblink: <https://hoec.com/corporate-social-responsibility/>

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 |
|---------|--|---|--|--|
| 1 | Mr. Vivek Rae | Chairman, Non-Executive Independent Director | 3 | 3 |
| 2 | Ms. Sharmila Amin (Member upto 30.09.2023) | Member, Non-Executive Independent Director | 3 | 2 |
| 3 | Mr. P. K. Borthakur | Member, Non-Executive Independent Director | 3 | 3 |
| 4 | Mr. P. Elango (Member upto 30.09.2023) | Member, Managing Director | 3 | 2 |
| 5 | Mr. Ashok Kumar Goel (Member w.e.f. 01.10.2023) | Member, Non-Executive Non-Independent Director | 3 | 1 |
| 6 | Mr. R. Jeevanandam (Member w.e.f. 01.10.2023) | Member, Managing Director | 3 | 1 |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://hoec.com/corporate-social-responsibility/>
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. Impact Assessment of CSR projects is Not applicable.
5. a. Average net profit of the Company as per sub-section (5) of Section 135.
₹ 9,559.15 lakhs
- b. Two percent of average net profit of the company as per sub-section (5) of Section 135.
₹ 191.18 lakhs
- c. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.
NIL
- d. Amount required to be set-off for the financial year, if any.
₹ 13.43 lakhs
- e. Total CSR obligation for the financial year [(b) + (c) - (d)].
₹ 177.75 lakhs
6. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).
₹ 53.51 lakhs
- b. Amount spent in Administrative Overheads.
₹ 0.83 lakhs
- c. Amount spent on Impact Assessment, if applicable.
Not Applicable
- d. Total amount spent for the Financial Year [(a) + (b) + (c)].
₹ 54.34 lakhs

e. CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year (in ₹) | Amount Unspent (in ₹) | | | | |
|--|---|------------------|--|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5). | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| ₹ 54.34 Lakhs | ₹ 124.66 Lakhs | 29.04.2024 | | NA | |

f. Excess amount for set-off, if any:

| Sl.No. | Particular | Amount (in ₹) |
|--------|---|---------------|
| i. | Two percent of average net profit of the Company as per sub-section (5) of Section 135 | 191.18 lakhs |
| ii. | Total amount spent for the Financial Year | 54.34 lakhs |
| iii. | Excess amount spent for the Financial Year [(ii) - (i)] | Nil |
| iv. | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | Nil |
| v. | Amount available for set-off in succeeding Financial Years [(iii) - (iv)] | Nil |

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

| 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 any a fund as specified under Schedule VII as per second proviso to subsection (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 | 2020-21 | 183.57 | Nil | Nil | Nil | Nil | Nil | Nil |
| 2 | 2021-22 | 199.80 | Nil | Nil | Nil | Nil | Nil | Nil |
| 3 | 2022-23 | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

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

No capital assets have been created or acquired.

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.

During the FY 2023-24, the Company has spent ₹ 54.34 Lakhs and transferred the balance amount pertaining to various ongoing / multi-year CSR projects as approved by the Board to the designated unspent CSR Account, which will be spent within a period of 3 years in accordance with CSR Rules.

For and on behalf of the Board of Directors

Date : 12-08-2024
Place: Chennai

Vivek Rae
Chairman, CSR Committee
DIN: 01866765

R. Jeevanandam
Managing Director
DIN: 07046442

Annexure - V

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

| a) | Name of Director / KMP | Title* | Remuneration FY 2023-24 | Remuneration FY 2022-23 | % increase / in decrease remuneration in FY 2023-24 as compared to FY 2022-23 | Ratio of remuneration to MRE excluding WTDs | Ratio of remuneration to MRE including WTDs |
|----|---------------------------------------|--------|-------------------------|-------------------------|---|---|---|
| | Mr. Vivek Rae | NE-ID | 10,25,000 | 9,75,000 | 5% | 1.18 | 1.18 |
| | Ms. Sharmila Amin | NE-ID | 10,75,000 | 11,75,000 | -9% | 1.24 | 1.24 |
| | Mr. P. K. Borthakur | NE-ID | 12,00,000 | 13,50,000 | -11% | 1.38 | 1.38 |
| | Mr. Ashok Goel | NED | - | - | - | - | - |
| | Mr. Rohit Dhoot | NED | - | - | - | - | - |
| | Mr. P. Elango ⁽¹⁾ | MD | 69,72,378 | 1,39,44,756 | - | 8.03 | 8.03 |
| | Mr. R. Jeevanandam ⁽²⁾ | MD | 1,63,05,066 | 1,33,86,960 | 22% | 18.78 | 18.78 |
| | Mr. N.S. Senthilnathan ⁽³⁾ | CFO | 34,56,667 | - | - | 3.98 | 3.98 |
| | Ms. Deepika C.S. ⁽⁴⁾ | CS | 4,68,810 | 2,96,143 | 50% | 0.54 | 0.54 |
| | Mr. S. Muthukrishnan ⁽⁵⁾ | CS | 9,16,137 | - | - | 1.06 | 1.06 |
| | Mrs. G. Josephin Daisy ⁽⁶⁾ | CS | - | 3,16,390 | - | - | - |

* [NE-ID - Non-Executive Independent Director NED - Non-Executive Director MD - Managing Director
CFO - Chief Financial Officer CS - Company Secretary MRE - Median Remuneration Employees]

Note: (1) Mr. P. Elango retired as Managing Director effective September 30, 2023

(2) Mr. R. Jeevanandam held the position of Executive Director & CFO upto September 30, 2023 and was subsequently appointed as Managing Director w.e.f. October 01, 2023.

(3) Mr. N.S. Senthilnathan was appointed as CFO w.e.f. November 15, 2023.

(4) Ms. Deepika C.S. resigned from her position as Company Secretary & Compliance Officer on November 10, 2023

(5) Mr. S. Muthukrishnan was appointed as Company Secretary & Compliance Officer w.e.f. November 10, 2023

(6) Mrs. G. Josephin Daisy resigned from her position as Company Secretary & Compliance Officer on June 30, 2022

(7) The Commission payable to Independent Directors for FY 2022-23 and FY 2023-24 has been included.

b) The MRE excluding WTDs was ₹ 8,68,088 for FY 2023-24 as against ₹ 8,89,932 for FY 2022-23. There is a 2% decrease in MRE (excluding WTDs) for FY 2023-24 as compared to FY 2022-23 and a decrease of 3% in MRE (including WTDs) for FY 2023-24 as compared to FY 2022-23.

c) The number of permanent employees on the rolls of Company as on March 31, 2024: 112 (including ED)

d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: There was an increase of 22% in the overall salaries of the employees.

e) The Company affirms that the remuneration is as per the remuneration policy of the Company.

f) Names and details of top ten employees (excluding WTDs) in terms of remuneration drawn during the year:

| Sr. No. | Name | Designation | Remuneration Received (in ₹) | Qualifications and experience in yrs. | Date of commencement of employment | Age (in yrs.) | Last employment held |
|---------|-------------------------|--|------------------------------|---------------------------------------|------------------------------------|---------------|---------------------------------|
| 1 | Krishnan Raghavan | Chief Technical Officer - Exploration & Production | 1,42,19,754 | M. Tech - Applied Geology 27 yrs. | 11-12-2019 | 58 | CNOOC |
| 2 | Sagar Mehta | Asset Manager - Cambay Assets | 60,75,164 | M.Sc., MBA 32 yrs. | 01-06-1989 | 58 | - |
| 3 | Satyanarayan S Zanwar | Sr. Manager - Production | 38,58,096 | B.E Instrumentation 26 yrs. | 03-02-2005 | 48 | Swazi Paper Mills Swaziland Ltd |
| 4 | V. Srinivasan | Principal Geologist (Exploration & Development) | 37,61,657 | M.Sc. Geology 25 yrs. | 13-11-2015 | 42 | Hardy Oil & Gas |
| 5 | N. Sridhar | Head of Accounts | 37,61,657 | B.Com 25 yrs. | 01-10-2015 | 48 | Hardy Oil & Gas |
| 6 | Nagaraju Rangaraju | Head (Commercial & Strategy) | 35,17,176 | PG in Management 18 yrs. | 16-04-2018 | 44 | Cairn India |
| 7 | Divya Prakash Singh | Principal Geophysicist | 34,72,290 | M. Tech Geophysics 24 yrs. | 16-08-2022 | 48 | Bharat Petro Resource Limited |
| 8 | Kali Bahadur Chetri | Principal Geologist | 34,72,290 | M. Tech - Applied Geology 22 yrs. | 01-04-2008 | 48 | Premier Oil |
| 9 | Sivalai Senthilnathan | Chief Financial Officer | 34,56,667 | B.Com, FCA, ACS 28 yrs. | 15-11-2023 | 54 | Electro Steel Casting Limited |
| 10 | Mhatre Santosh Padmakar | Offshore Installation Manager | 34,06,238 | MBA in Oil & Gas Mgmt. 27 yrs. | 20-04-2022 | 49 | Cairn India |

Note:

The aforementioned employees have / had been in permanent employment with the Company and are neither relatives of any directors of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of the Board of Directors

Date : 12-08-2024
Place: Chennai

Vivek Rae
Chairman
DIN: 01866765

R. Jeevanandam
Managing Director
DIN: 07046442

Management Discussion and Analysis Report

THE INDIAN OIL & GAS INDUSTRY SCENARIO

The oil and gas sector is a crucial component of India's economy, serving as one of the eight core industries that significantly impact decision-making across various sectors.

With a landscape of 26 sedimentary basins, covering a total area of 3.4 million sq.km, India's crude oil production stood at 29.4 MMT during April-March 2024 and the cumulative gross production of natural gas stood at 36,438 MMSCM for the financial year upto March 2024. There are still substantial reserves of crude oil and natural gas which are yet to be tapped.

Over the years, India's consumption of petroleum products has steadily increased, rising from 158.4 million metric tons (MMT) in the financial year 2013-14 to 234.3 MMT in the financial year 2023-24. To meet this growing demand, the nation has had to import significant volumes of crude oil and LNG, amounting to 233.1 MMT and 31,350 MMSCM respectively between April 2023 and March 2024. This highlights the importance of the oil and gas sector in India's economy and the need for strategic planning to ensure sustainable growth and energy security.

Pricing

India meets more than 80% of its crude oil demand from imports, and a rise in global oil prices is a negative shock to the economy as it leads to a widening of Current Account Deficit (CAD), an increase in inflation, and a weaker rupee.

The financial year 2023-24 began on a positive note with the decrease in international crude oil prices compared to the levels seen during the financial year 2022-23. In June 2023, the monthly average price of dated Brent was \$74.70 per barrel. However, prices began to rise again in the second half of the financial year, with the average dated Brent price settling around \$85.48 per barrel as of March 2024.

The average price of dated Brent during financial year 2023-24 decreased to \$83.15 per barrel from the average of \$95.95 per barrel in financial year 2022-23. Similarly, the average price of the Indian Basket of crude oil during financial year 2023-24 decreased to \$82.58 per barrel from the average of \$93.15 per barrel in financial year 2022-23.

The price for domestic natural gas, determined by a combination of gas prices in various global markets, as notified by the Petroleum Planning & Analysis Cell (PPAC) of the Ministry of Petroleum & Natural Gas (MoP&NG) of the Government of India, increased to US\$ 8.19 per MMBTU in the financial year 2023-24 from US\$ 7.34 per MMBTU in the financial year 2022-23.

Energy demand of India

India's energy demand is expected to outpace that of all major global economies, over the next two decades driven by sustained economic growth. The country's share of global primary energy consumption is projected to double by 2035.

Primary energy demand is forecasted to nearly double to 1,123 million tonnes of oil equivalent, as the country's GDP is expected to reach US\$8.6 trillion by 2040. Crude oil consumption is projected to grow at a CAGR of 4.59% to 500 million tonnes by FY '40, while natural gas consumption is expected to increase at a CAGR of 12.2% to 550 million cubic meters per day (MCMPD) by 2030. India's oil consumption is expected to double to 11 million barrels per day by 2045, with natural gas consumption growing by 25 billion cubic meters (BCM).

India has significant reserves of both crude oil and natural gas in its sedimentary basins. With 651.8 million metric tons (MMT) of recoverable crude oil reserves and 1138.6 BCM of recoverable natural gas reserves, the potential for domestic exploration and production is huge.

To further strengthen its position, India aims to expand its exploration acreage to 1.0 million sq. km. by 2030, contributing to the country's energy security goals and supporting efforts to achieve energy self-sufficiency and sustained economic growth.

PROSPECTS IN INDIA'S E&P LANDSCAPE

The Government of India has implemented significant reforms in the oil and gas E&P sector, empowering stakeholders to contribute to the nation's progress. Key initiatives such as the National Data Repository (NDR), granting marketing and pricing freedom for natural gas, the National Seismic Programme (NSP) for unappraised areas, early production royalty concessions for different categories of basins and accelerated pace of exploration activities through DSF and OALP policies demonstrate the commitment of the Ministry of Petroleum and Natural Gas (MoP&NG) to unlocking India's untapped upstream hydrocarbon resources.

An interconnected National Gas Grid has been envisaged to ensure the availability and equitable distribution of natural gas across the country. With over 23,391 km of operational natural gas pipelines and 4,125 km under construction as of December 2023, the Government targets a 54% increase in pipeline coverage to 34,500 km by 2024-25, connecting all states with the trunk natural gas pipeline network by 2027. In February 2024, the Government of India unveiled a strategic investment plan of US\$ 67 billion for the Indian gas sector over the next 5-6 years.

HOEC' BUSINESS - AN OVERVIEW

As one of the pioneer private players in the Indian E&P sector, HOEC holds a portfolio comprising 9 Oil & Gas blocks of Discovered Resources and 1 Exploratory block, strategically located across 4 out of the 7 producing basins in India. Given the paramount importance of energy security for the nation, HOEC's operations are squarely aligned with national interests.

Our unwavering commitment lies in the discovery, development, and delivery of oil & gas resources, with a focus on transforming these resources into valuable assets. Through this process, we aim to generate value for all stakeholders involved, while simultaneously contributing to the nation's energy landscape. Our approach is rooted in responsible growth, ensuring sustainable practices that will energize the future of our nation.

Our vision is to establish and transform 'Resources' to 'Assets' to create value for all stakeholders and 'Grow Responsibly'. We seek to realize our vision by:

- Exploring for Oil & Gas;
- Execute to transform Resources to Reserves; and
- Enhancing value for all stakeholders by converting Reserves to Revenues.

Our Core Values

| | |
|-------------------------|--|
| Honesty | We uphold the highest standards of honesty and integrity in all aspects of our business operations. |
| Ownership | As a unified team, we take full responsibility for our choices, behaviours, mindsets, and outcomes. |
| Entrepreneurship | We embrace a spirit of entrepreneurship, constantly seeking new ways to create value and positively impact all those we serve. |
| Care | We demonstrate care and concern for one another, our communities, and the environment in which we live and operate. |

HOEC recognizes the importance of obtaining and upholding the social license to operate by demonstrating excellence in environmental, social, health, and safety practices. This commitment is essential to our overall business success. Our goal is to be a responsible corporate citizen in India, prioritizing the utilization of local talent, services, and equipment to support sustainable development.

OUR STRENGTHS

Our Company holds a well-balanced asset portfolio of oil and gas blocks, with all blocks containing discoveries that are either producing or ready to be developed. We have a diverse geographical footprint, with a presence in four out of the seven producing basins in India.

One of our key strengths is the upside potential for exploration within our portfolio, supported by infrastructure that allows for rapid monetization. We hold operatorship in majority of our blocks, enabling us to drive value creation and make strategic decisions.

Our Company is led by a team of professional managers with proven industry experience, supported by competent technical talent. We have a track record of delivering fast-track development and low-cost operations, both onshore and offshore with a strong focus on health, safety, and environmental performance, ensuring safe and sustainable operations.

In summary, our Company's strengths lie in our diverse portfolio of quality assets, experienced management team, and commitment to safe and sustainable operations.

OUR STRATEGIC DIRECTION

With over four decades of experience in the E&P sector, HOEC is well-positioned to drive sustainable growth and value creation for all stakeholders while enhancing profitability through:

- Prioritizing the development of Discovered Resources to fast-track project timelines and monetize resources at a faster pace.
- Implementing an Asset Model that focuses on core operations, resources, and outsourcing with expertise to optimize performance.
- Leveraging existing infrastructure and fostering synergies with local contents to maximize operational efficiency
- Follow low-cost operating model to emerge as self-funding company with sustainable cash flow from the producing assets
- Committing to creating long-term stakeholder value by conducting business with respect and consideration for our communities and the environment in which we operate.
- Ensuring reserve replacement and actively seeking both organic and inorganic exploration and development opportunities on a continuous basis.

OPERATIONAL HIGHLIGHTS

In alignment with our business strategy, we meticulously evaluate all projects for technical and economic viability. Leveraging our in-house geoscience expertise and collaborating with third-party independent specialists, we identify, assess, and prioritize opportunities. As an optimum cost operator in the industry, we analyse every value proposition to ensure excellence in execution.

Throughout the financial year 2023-24, our primary focus has been on safely maintaining operations in our producing fields, while navigating through the operational challenges.

KEY OPERATIONAL HIGHLIGHTS OF FY 2023-24

- **Production-wise performance:**

The Company's aggregate production on consolidated basis during the FY 2023-24 was 0.99 million barrels of oil equivalent (MMBOE) (Crude oil: 0.29 million barrels; Gas: 3.73 BCF) as against 1.08 million barrels of oil equivalent (MMBOE) (Crude oil: 0.22 million barrels; Gas: 4.59 BCF) during the previous year.

- **Block-wise operations and performance:**

- a. Dirok:

- Average Production – Gas: 19.96 mmscfd & Condensate: 373 bopd
 - Revised FDP completed and third-party reserve review is in progress with GCA
 - Laying of 18" pipeline in forest segment is completed for connection to Duliajan hub

- b. B-80:

- Average Production – Gas: 6.91 mmscfd & Oil: 878 bopd
 - First crude offtake completed on January 30, 2024
 - Volume of sale - 4,30,692 barrels; Realized price - \$ 80.27/bbl
 - Optimum flow of the wells are yet to be established

- c. PY-1:

- Average Production – Gas: 0.59 mmscfd & Condensate: 0.98 bopd
 - Interpretation of re-processed seismic data is completed and geological model is revised
 - Three prospective well locations identified which has been confirmed by Third-party expert review

- d. Kharsang:

- Average Production – Gas: 0.48 mmscfd & Oil: 391.14 bopd
 - Plan for additional drilling including deeper prospects to increase the production
 - EC approval is in progress

- e. Cambay Blocks - Asjol, Palej & North Balol:

- Average Production – Gas: 0.35 mmscfd & Oil: 72.41 bopd
 - Applied and awaiting environmental clearance for drilling 2 development wells each in Asjol and North Balol
 - Signed RFPSC for Palej submitted to MOPNG for approval

- f. Block AA-ONHP-2017/19:

- Reprocessed the 3D Seismic data and final well locations released
 - EC clearance has been obtained
 - Applied for 2 years RSC extension, post which it is planned to drill the first exploration well.

- g. Umatara:

- Indian Oil Corporation Ltd. is the Operator of this Block
 - G&G study completed and location for first well released
 - Environment clearance has been obtained

- **Key Performance Indicators related to HSE:**

| KPI's statistics | FY 2023-24 | FY 2022-23 |
|--------------------------------|------------|------------|
| Fatalities Accident Rate (FAR) | 0.00 | 0.00 |
| Lost Time Injury Rate (LTIR) | 0.00 | 0.01 |
| LTI Severity Rating | 0.00 | 0.00 |
| No. of LTIs | 0 | 1 |
| Days since last LTI | 680 | 315 |
| Oil Spill Incidents | 0.00 | 0.00 |

Reserves

As of March 31, 2024, our in-house estimates of Proved and Probable (P+P) reserves, on a working interest basis, stand at 39.72 MMBOE.

FINANCIAL PERFORMANCE

Your company achieved a consolidated turnover of ₹ 74,913.13 lakhs crores in the financial year 2023-24, the highest over the past 40 years. Additionally, our net profit after tax was ₹ 22,642.98 lakhs, marking a significant milestone in our company's history. Furthermore, all subsidiary companies are operating in profit mode in the financial year 2023-24.

On standalone basis, the revenue for the current year has increased to ₹ 46,399.71 lakhs from ₹ 38,104.82 lakhs in the previous year.

The average price realised on sale of crude oil for financial year 2023-24 is US\$ 78.73/bbl and for gas is US\$ 11.57 per mmbtu against US\$ 76.43/bbl for crude oil and US\$ 9.91 per mmbtu for gas in the previous year.

The Company's production on working interest basis during the year is 9,42,154 boe (2,574 boepd) and for the previous year was 10,39,297 boe (3,647 boepd). The decrease is mainly due to less offtake from Dirok field.

Other income for the current year stands at ₹ 3,264.77 lakhs as against ₹ 2,790.85 lakhs in the previous year, which includes interest income and income from financial investments.

Operating Costs

During the year, the cost towards production expenses has increased to ₹ 26,770.16 lakhs compared to ₹ 16,951.92 lakhs in the previous year. This increase is mainly due to increase in the number of operating days pursuant to the commencement of production from Block B-80. Other expenses have decreased to ₹ 1,139.91 lakhs from ₹ 1,759.62 lakhs in the previous year. This decrease is mainly on account of reduction in forex fluctuation loss.

Finance Costs

The Company has incurred finance cost during the financial year 2023-24 to the tune of ₹ 1,385.48 lakhs in addition to the finance cost on unwinding of decommissioning liability, compared to ₹ 2,423.15 lakhs in the previous year. This decrease is on account of repayment of loans during the year.

Net Profit / Loss

On a standalone basis, the Profit-After-Tax is ₹ 8,400.93 lakhs as against ₹ 16,366.73 lakhs in the previous year. The decrease in profits is mainly due to less offtake from Dirok field.

However, on a consolidated basis, the Profit-After-Tax is ₹ 22,642.98 lakhs as against ₹ 19,404.82 lakhs in the previous year. This is on account of increase in profits from the subsidiary companies during the year.

Cash Flow

The Operating profit before working capital changes is ₹ 10,255.16 lakhs in the current financial year compared to ₹ 20,158.47 lakhs in the previous year. The net decrease in cash and cash equivalents during the financial year is ₹ 12,987.21 lakhs. The effective cash and cash equivalents of the Company at the end of the financial year is ₹ 879.77 lakhs as against ₹ 13,886.98 lakhs in the previous year. This decrease is mainly due to repayment of loan ₹ 21,100.89 lakhs.

Ratio Analysis

The key financial ratios on a standalone basis are as follows:

| Particulars | FY 2023-24 | FY 2022-23 |
|--------------------------|------------|-------------|
| Debtors Turnover Ratio | 3.79 times | 13.49 times |
| Inventory Turnover Ratio | 8.50 times | 10.02 times |
| Current Ratio | 1.88 times | 1.45 times |
| Debt-Equity Ratio | 0.07 times | 0.31 times |
| Operating Profit Margin | 18% | 43% |
| Return on Net Worth | 10% | 16% |

Companies (Indian Accounting Standards), Rules 2015

In accordance with the Companies (Indian Accounting Standards), Rules 2015 of the Companies Act, 2013, HOEC has followed the Indian Accounting Standards (Ind AS) for preparation of its financial statements.

Critical Accounting Policies and Estimates

The preparation of the financial statements requires the Company's management to make several estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. When alternatives exist among various accounting methods, the choice of accounting method can have a significant impact on reported amounts. The following is a discussion of the accounting policies, estimates and judgment which management believes are most significant in the preparation of the financial statements.

Oil and Gas Properties

We account for crude oil and natural gas properties under the Successful Efforts Method (SEM) of accounting. Under the SEM, costs to acquire mineral interests in crude oil and natural gas properties, to drill and equip exploratory wells that find commercial quantities of proved reserves, and to drill and equip development wells are capitalized. Proved property acquisition costs are amortized by the unit of production method on a field-by-field basis, based on total proved developed crude oil and natural gas reserves, as approved by the Management Committees of the respective Unincorporated Joint Ventures. Costs associated with drilling successful exploratory wells and drilling development wells are amortized by the unit of production method on a field-by-field basis. These costs, along with support equipment and facilities, are amortized based on proved developed crude oil and natural gas reserves. Survey and seismic acquisition costs are expensed.

Besides being the recommended method under the Guidance Note issued by the Institute of Chartered Accountants of India, we believe that the SEM is the most appropriate method to use in accounting for our crude oil and natural gas properties because it provides a better representation of the operational results for a Company of our size.

Site Restoration Liability

Our site restoration liability consists of estimated costs of dismantling and abandoning producing well sites and facilities, site reclamation and similar activities associated with our oil and gas properties. The recognition of Site Restoration Liability requires that management make estimates, assumptions, and judgments regarding such factors as estimated probabilities, amounts and timings of obligation. The corresponding amount is added to the cost of the producing property and is expensed in proportion to the production for the year and the remaining estimated proved reserves of hydrocarbons based on latest technical assessment available with the Company. Any change in the value of the estimated liability is dealt with prospectively and reflected as an adjustment to the provision and the corresponding producing property.

Liquidity

At the year end, HOEC had cash and cash equivalent of ₹ 879.77 lakhs. Cash surplus is placed in debt-oriented liquid funds and bank deposits as approved by the Board. HOEC manages its short-term liquidity to generate returns by investing its surplus funds, while ensuring safety of capital.

Capital Requirements

Your Company has adequate working capital and discretionary capital required for the development of existing oil and gas blocks. The capital required for exploration would be met by the internal accruals of the Company. The Company is continuously scouting for inorganic growth opportunities which will be risk - weighed before committing capital for which the Company may raise additional capital and debt as and when necessary.

Internal Control Systems and their Adequacy

The Company maintains a comprehensive system of internal control. This comprises the management systems, organizational structures, processes, and standards that are implemented to conduct our business operations. The Company has a proper and adequate system of internal control commensurate with the size and nature of business. These systems provide reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, and ensuring compliance with corporate policies.

The Company also conducts periodic evaluations, mainly through its Internal Audit and statutory audit, to determine the adequacy of its internal controls system.

The Company has appointed M/s Guru & Ram LLP, Chartered Accountants, an independent firm with expertise in internal audit and assurance, which *inter-alia* ensures the adequacy of the procedures of recognizing and managing risks applied by the Management, the effectiveness of the Internal Controls System and the quality and reliability of the information given to the Management with regards to the System of Internal Controls. The adequacy of the Internal Controls System is monitored by the Audit Committee, through reports submitted to it. Reports by the Management and the Internal Auditors include assessments of the major risks and the effectiveness of the Internal Controls System in addressing them.

Systemic weaknesses identified, if any, are incorporated in the reports, including the impact they had or could have had, as well as the actions of Management to correct them. No significant control failures were reported during the year.

As part of the Company's internal control process, any transactions with related parties are approved by the Audit Committee and Board of Directors, and appropriately disclosed in the financial statements.

The Company's Information Technology (IT) Department provides the required tools and solutions to all employees to manage the operations with support of IT systems and applications efficiently using internal and external resources.

The Company has internal controls regarding fixed assets, inventories, cash and bank checks, etc., such as physical security, inventory counts and reconciliations of physically counted quantities with the recorded ones. Further, the Company has a schedule of quarterly inventory counts to confirm inventory levels as per accounting records. The Company also has a list of delegated authorities and responsibilities, which depicts assigned authorities to various Company executives, to conduct certain transactions or actions (e.g., payments, receipts, contracts, etc.).

RISK MANAGEMENT

HOEC, being an upstream oil and gas company, operating both in onshore and offshore contract areas, is inherently exposed to multiple risks at both surface and subsurface levels. Furthermore, the Company faces numerous other challenges including foreign exchange fluctuations, insurance risks, joint ventures, competition, credit risks, transportation infrastructure issues, general safety concerns, as well as legal and regulatory obstacles.

Such risks and uncertainties, not all of which are within our control, could impact HOEC's business, financial stability, and reputation. Hence, we actively identify and monitor the key risks and uncertainties so as to minimize their impact on our operations.

The Senior Management, Risk Management Committee and the Board of Directors regularly discuss and review HOEC's risk level and its management approach to ensure the Company operates in a manner that mitigates potential risks effectively.

Outlined below are some of the key risks and opportunities, along with the anticipated impact on the Company and corresponding mitigation strategies.

Risk and Response

The various operational, financial, HSE, compliance, ethical and governance risks which may have a significant impact on the Company's operational and financial stability and profitability and the corresponding mitigation efforts are briefly stated as follows.

Strategic and Operational Risks:

| Risk | Mitigation |
|--|---|
| Business Model | Our Risk Management Committee along with the Management team and the Board Members regularly assess the Company's business model to make necessary adjustments in response to changing economic conditions. |
| Portfolio Mix | In order to mitigate potential risks, our Company strategically manages a diverse portfolio of oil and gas assets. Maintaining a well-balanced portfolio mix spread across various sedimentary basins and at different stages of the project life cycle, help us minimize our exposure to geographical, geological, and commodity market risks. |
| Exploration, Geological and Reservoir Risk | Exploration is a high-risk endeavor, as only a small percentage of exploration wells lead to commercial discoveries. At HOEC, we follow a systematic geo-scientific workflow under internal technical guidance, which is then peer-reviewed by third-party experts. This approach helps us have a clear understanding of the asset's potential and make informed decisions moving forward, thereby minimizing geological and reservoir risks while maximizing opportunities for success. |
| Reserves Estimation and Recovery Risk | The process of estimating underground accumulations of crude oil and natural gas involves a high level of technical judgment and relies heavily on the quality of geological and reservoir data. Due to the inherent uncertainties in this process, actual recoverable reserves often differ significantly from initial estimates. Reservoir engineering plays a key role in navigating these uncertainties and ensuring accurate estimations. The Company carefully considers these factors when making decisions regarding resource development and production. |
| Community Relationship | We have implemented a robust local content policy to ensure that we are actively engaging with our stakeholders. We prioritize hiring local personnel whenever possible and provide support for their skill development. This commitment to the community not only benefits our operations but also fosters a positive and collaborative environment for all involved. |

Economic / Financial Risks:

| Risk | Mitigation |
|--|--|
| Commodity Price Volatility | HOEC, does not currently use any hedging instruments to manage our oil and gas revenue. By remaining vigilant and proactive in our cost optimization efforts, we aim to mitigate the potential negative impacts of commodity price fluctuations on our Company's financial performance. Additionally, the impact of a declining oil / gas price is partially offset by the production sharing formula in the Production Sharing Contracts (PSCs), which results in an increased share of gross production for the Company in a falling oil price scenario due to the cost recovery mechanism in place. |
| Foreign Exchange Exposure and Interest Rate Risk | HOEC benefits from a natural hedge to a certain extent. This is because a large portion of its receivables and expenditures are denominated in United States Dollars (US\$). This helps to reduce the Company's vulnerability to fluctuations in foreign exchange rates and interest rates. |
| Cost Inflation impacting both Goods and Services | HOEC implements structured planning processes that provide ample time for procuring services and tracking critical path activities. The Company also maintains historical procurement cost data and consistently monitors market changes to stay ahead of potential cost increases. |

Health, Safety and Environmental Risks:

| Risk | Mitigation |
|---------------------------------|--|
| Health, Safety and Environment | <p>Prior to the commissioning of production installations, HOEC conducts HAZOP, HAZID, SIMOPS, and Safety Integrity Level (SIL) studies to identify and mitigate process hazards related to safety and environmental impact. The Company maintains a risk register and Emergency Response Plan for all operating installations.</p> <p>HOEC has established a comprehensive policy on Health, Safety, and Environment, outlining the organization's commitment and approach to managing these aspects in the workplace. The Company adheres to the guidelines set forth by regulatory authorities at both the Central and State levels, and conducts compliance audits regularly.</p> <p>Operations are only initiated after Environmental Impact Assessments are prepared and approvals from authorities are obtained. A robust HSE management system is implemented across all HOEC installations.</p> <p>In preparation for any potential crises, a Crisis Management Plan (CMP) has been developed, and a Crisis Management Team (CMT) has been formed to ensure safe operations in challenging offshore environments.</p> |
| Natural catastrophes | <p>HOEC diligently conducts pre-monsoon preparations and consistently maintains its facilities to withstand normal weather variations. Furthermore, the Company conducts regular mock drills and has a strong crisis management system in place to effectively respond to any emergencies.</p> <p>HOEC also ensures that appropriate insurance coverage is in place to protect its properties.</p> |
| Industrial Accidents, Oil spill | Increased focus on health and safety measures, inspections and process assessments, communication assessments and proper emergency response preparation are the key components of mitigating the impact of industrial accidents and oil spills. |

Compliance, Ethical and Governance Risks:

| Risk | Mitigation |
|----------------------------------|---|
| Legal, Regulatory and Litigation | HOEC's operations are governed by various laws and regulations. Any changes in regulations could potentially affect the Company's overall value. To mitigate these risks, we conduct proactive assessments and ensure strict compliance with all applicable laws. The Company is currently involved in several ongoing litigations. Adverse rulings in these cases could impact the Company's financial standing. |
| Ethical Conduct | At HOEC, we place a high value on ethical conduct and strive to maintain transparent and responsible relationships with all our stakeholders. To ensure accountability and integrity within our organization, we have implemented a robust Whistleblower Policy. This policy allows employees to report any unethical behavior directly to the Chairman of the Board, providing a safe and confidential channel for addressing concerns. By fostering a culture of transparency and accountability, we are committed to upholding the highest ethical standards in all aspects of our operations. |
| Corporate Governance | HOEC acknowledges the critical importance of upholding strong corporate governance procedures and processes. The Company has implemented a robust governance framework to ensure compliance with regulatory guidelines and best practices. The Board regularly reviews and monitors compliance with applicable regulatory guidelines. |

Insurance Coverage

Our business is subject to varied risks. As protection against potential financial losses resulting from the operational hazards such as physical damage, seepage and pollution, employer's liability, third party liability, goods in transit and comprehensive general liability insurance, we maintain insurance coverage for all operated and non-operated assets.

The coverage is subject to customary deductibles and recovery limits. We ensure that our insurance levels are adequate and in line with industry standards by regularly assessing our risks and evaluating the cost and availability of insurance and accordingly we adjust our insurance program as needed to provide optimal protection for our business. The Company also secures Directors liability insurance to cover the expenses associated with legal representation.

Overall, HOEC is proactive in managing the risks which affect its operational and financial aspects and has strategies in place to mitigate the same in the face of potential challenges.

TALENT DEVELOPMENT

At HOEC, our primary business objective is to drive transformation through the power of talent and technology. We have strategically focused on cultivating a pool of talented individuals of exceptional caliber in our core areas of expertise: Exploration, Drilling, and Development. To streamline our operations, we have partnered with reputed Oilfield Service providers who possess the necessary scale, size, and systems to support our endeavors.

HOEC provides a robust platform for talented individuals to nurture their ideas, collaborate as a team, and deliver value that resonates with all stakeholders. Our commitment to creating sustainable stakeholder value is directly tied to our ability to attract, motivate, and retain top-tier talent. To this end, we continuously reinforce our technical talent pool by engaging experienced experts on both full-time and part-time basis.

We are dedicated to fostering a supportive and vibrant work environment where employee engagement thrives. We value work life balance and embrace gender diversity within our workforce. We are unwavering in our commitment to developing and deploying individuals with the requisite skills, capabilities, and determination to achieve our business objectives. Opportunities for advancement are based on performance and aptitude, ensuring a level playing field for all employees.

BALANCING ENERGY NEEDS WITH SUSTAINABLE OPERATIONS

As India emerges as a key player in the global energy landscape, the delicate balance between economic growth and environmental conservation becomes increasingly critical. Hence, it is imperative that we increase the energy supply by navigating the challenges of onshore and offshore oil and gas exploration along with a steadfast commitment to environmental stewardship in the pursuit of sustainable development.

Driven by the vision to emerge as the finest Independent Oil and Gas Company that beneficially transforms the interest of every stakeholder through 'Talent and Technology', HOEC is committed on building a strong organisation and create long-term stakeholder value while ensuring that we 'Grow Responsibly'. We strive to demonstrate the highest standards of corporate behavior towards all stakeholders and the local communities in which we operate.

We believe that "All Lives Have Equal Value" and nothing that we do can be more important than ensuring safety. HSE statistics with leading and lagging indicators are generated for each operational sites every month to monitor HSE performance and compliance. Company ensures conduct of Environmental Impact Assessment (EIA) studies to analyze the environmental and social implications on the surrounding areas like ambient air, ground water, surface water, soil quality & emissions etc. for securing approval from Ministry of Environment, Forests and Climate Change.

We have implemented a robust Emergency Response Plan (ERP) for our production operations, drilling campaigns, and project execution activities to ensure swift response during any emergency. Monthly mock drills are conducted to verify the effectiveness of our emergency response procedures.

In the financial year 2023-24, HOEC has maintained a strong health and safety record. We have provided special skills training on Job Safety Awareness (JSA) and Risk Assessment, as well as conducted various HSE awareness campaigns at our operating sites.

Above information has been provided as per the guidelines laid down by Securities and Exchange Board of India in the Business Responsibility and Sustainability Report ("BRSR"), which forms part of this Annual Report.

BUSINESS OUTLOOK

The business outlook for oil and gas upstream companies for FY 2024-25 appears promising yet challenging. On one hand, the increasing global energy demand, particularly from developing economies, is expected to drive growth in oil and gas production. However, the industry is facing several challenges including regulatory pressures to reduce carbon emissions, volatility in oil prices due to geopolitical factors, and competition from renewable energy sources. As a result, upstream companies will need to adapt by investing in sustainable practices and optimizing their operations to remain competitive in the evolving energy landscape.

Based on our business plan to convert the discovered resources in our portfolio of assets, HOEC is well-positioned for long-term success by adopting best practices, leveraging new technologies and collaborating with stakeholders to contribute to a more sustainable future.

Note:

In preceding sections of this Annual Report, in particular the Board's Report and Management Discussion and Analysis Report:

- (a) previous year figures have been re-grouped to confirm to the current year presentation; and
- (b) figures have been rounded off.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

| | | |
|-----|--|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L11100GJ1996PLC029880 |
| 2. | Name of the Listed Entity | Hindustan Oil Exploration Company Limited |
| 3. | Year of incorporation | 1983 |
| 4. | Registered office address | Tandalja Road, Off Old Padra Road, Vadodara, Gujarat - 390 020 |
| 5. | Corporate address | Lakshmi Chambers, 192, St. Mary's Road, Alwarpet, Chennai, Tamil Nadu - 600 018 |
| 6. | E-mail | hoecshare@hoec.com |
| 7. | Telephone | 044-6622 9000 |
| 8. | Website | www.hoec.com |
| 9. | Financial year for which reporting is being done | April 01, 2023 to March 31, 2024 |
| 10. | Name of the Stock Exchange(s) where shares are listed | BSE Limited National Stock Exchange of India Limited |
| 11. | Paid-up Capital | ₹ 13,225.93 lakhs |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | G. Janakiraman Head - HSE & CSR 044-6622 9000 gjanakiraman@hoec.com |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Standalone basis |
| 14. | Name of assurance provider | NA |
| 15. | Type of assurance obtained | NA |

II. Products / services

16. Details of business activities (accounting for 90% of the turnover):

| S.No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|-------|--|---|-----------------------------|
| 1 | Exploration, development and production of oil and natural gas | Extraction of Crude petroleum and Natural gas | 100 |

17. Products / Services sold by the entity (accounting for 90% of the entity's Turnover):

| S.No. | Product / Service | NIC Code | % of total contributed Turnover |
|-------|------------------------------------|----------|---------------------------------|
| 1 | Offshore extraction of petroleum | 11101 | 30% |
| 2 | Onshore extraction of petroleum | 11102 | 5% |
| 3 | Offshore extraction of natural gas | 11103 | 34% |
| 4 | Onshore extraction of natural gas | 11104 | 31% |

III. Operations
18. Number of locations where plants and / or operations / offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | 8 | 3 | 11 |
| International | - | - | - |

19. Markets served by the entity:
a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States) | 4 |
| International (No. of Countries) | - |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c. A brief on types of customers

The Company's products are sold to industrial buyers / customers only.

IV. Employees
20. Details as at the end of Financial Year:
a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 112 | 103 | 91.97 | 9 | 8.03 |
| 2. | Other than Permanent (E) | 185 | 185 | 100 | 0 | 0 |
| 3. | Total employees (D + E) | 297 | 288 | 96.97 | 9 | 3.03 |
| WORKERS | | | | | | |
| 4. | Permanent (F) | | | | | |
| 5. | Other than Permanent (G) | | | | | |
| 6. | Total workers (F + G) | | | | | |
| | | | NIL | | | |

b. Differently abled Employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|---|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | | NIL | | | |
| 2. | Other than Permanent (E) | | | | | |
| 3. | Total differently abled employees (D + E) | | | | | |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | | NIL | | | |
| 5. | Other than Permanent (G) | | | | | |
| 6. | Total workers (F + G) | | | | | |

21. Participation / Inclusion / Representation of women

| | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 6 | 1 | 16.67% |
| Key Management Personnel | 3 | - | - |

22. Turnover rate for permanent employees and workers

| | FY 2023-24 (Turnover rate in current FY) | | | FY 2022-23 (Turnover rate in previous FY) | | | FY 2021-22 (Turnover rate in the year prior to the previous FY) | | |
|---------------------|---|--------|-------|--|--------|-------|--|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 16.04 % | 28.57% | 16.9% | 10% | 34% | 11.6% | 12.6% | 26.7% | 13.5% |
| Permanent Workers | NIL | | | | | | | | |

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding / Subsidiary / Associate / Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|---|-----------------------------------|---|
| 1 | Hindage Oilfield Services Limited | Subsidiary | 100% | No |
| 2 | Geopetrol International Inc. | Subsidiary | 100% | No |
| 3 | Geopetrol Mauritius Limited | Step-down Subsidiary | 100% | No |
| 4 | Geoenpro Petroleum Limited | Step-down Subsidiary | 100% | No |

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) 4,639,971,413.00

(iii) Net worth (in ₹) 10,133,365,336.00

VII. Transparency and Disclosures Compliances

25. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy) | FY 2023-24 | | | FY 2022-23 | | |
|---|---|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes Grievances can be heard through public hearing | - | - | - | - | - | - |
| Investors (other than shareholders) | Yes Through e-mail | - | - | - | - | - | - |
| Shareholders | Yes Through investor calls / e-mails | 2 | 0 | - | 6 | 0 | - |
| Employees and workers | Yes Email to HR Manager and through Whistle Blower Mechanism | - | - | - | - | - | - |
| Customers | Yes Through e-mails and Whistle Blower mechanism | - | - | - | - | - | - |
| Value Chain Partners | Yes Through e-mails and Whistle Blower mechanism | - | - | - | - | - | - |
| Other (please specify) | - | - | - | - | - | - | - |

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|--|--|---|--|--|
| 1. | Hazardous waste generated during the production in the form of effluents | Environmental risk | Nature of the effluent which may pollute the environment | <ul style="list-style-type: none"> i. The effluents are treated to minimise the impact as per Central Pollution Control Board guidelines. ii. Effluent sample are analysed through third party authorised agency. iii. Approval from Pollution Control Board are obtained for handling the wastes | It may pose negative implications if the hazardous waste, is not treated and handled properly. |
| 2. | Oil spills can cause ecological damage and land pollution | Environmental pollution risk | Nature of the oil spill which may pollute the environment | <ul style="list-style-type: none"> i. Robust spill prevention and response strategies are implemented ii. Oil spill contingency plan developed. iii. Oil spill containment and response equipment are made available. | It may pose negative implications if the oil spill is not contained and handled properly |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| S.No. | Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|--|--|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | | |
| 1. a. | Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. | Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. | Web Link of the Policies, if available | Policies of the Company are available at the following links: - https://www.hoec.com/policies/ - https://www.hoec.com/corporate-social-responsibility/ - https://www.hoec.com/safety-first/ - https://www.hoec.com/business-responsibility-and-sustainability/ Policies on HR are available on the Company's intranet. | | | | | | | | |
| 2. | Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. | Do the enlisted policies extend to your value chain partners? (Yes / No) | No | No | No | No | No | No | No | No | No |
| 4. | Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 5. | Specific commitments, goals and targets set by the entity with defined timelines, if any. | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 6. | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| S.No. | Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|--|--|----|----|----|----|----|----|----|----|
| Governance, leadership and oversight | | | | | | | | | | |
| 7. | Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) | Please refer to the Management Discussion Analysis Report for our management approach and commitments. | | | | | | | | |
| 8. | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Name : G. Janakiraman Designation : Head - HSE Telephone No. : 044-6622 9000 E-mail ID: <i>gjanakiraman@hoec.com</i> | | | | | | | | |
| 9. | Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | The Corporate Social Responsibility (CSR) Committee of the Board of Directors is responsible for decision making on making on sustainability related issues. Refer to Corporate Governance Report for additional information on CSR Committee. | | | | | | | | |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee | | | | | | | | | Frequency (Annually / Half yearly / Quarterly / Any other - please specify) | | | | | | | | |
|--|---|-----|-----|-----|-----|-----|-----|-----|-----|---|----|----|----|----|----|----|----|----|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | A | A | A | A | A | A | A | A | A |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any compliances | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | A | A | A | A | A | A | A | A | A |

| S.No. | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|-------|---|----|----|----|----|----|----|----|----|----|
| 11. | Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. | No | No | No | No | No | No | No | No | No |

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact programmes | %age of persons in respective category covered by awareness |
|-----------------------------------|--|--|---|
| Board of Directors | 01 | 09 | 100 |
| Key Managerial Personnel | 01 | 09 | 100 |
| Employees other than BoD and KMPs | 01 | 09 | 59 |
| Workers | - | - | - |

2. Details of fines / penalties / punishment / award/ compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format.

| Monetary | | | | | |
|-----------------|---|---|-----------------|-------------------|--|
| | NGRBC Principle | Name of the regulatory/enforcement agencies/judicial institutions | Amount (In INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty / Fine | Refer to the Company's website for all disclosures made under Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 at https://hoec.com/news-and-filings/ | | | | |
| Settlement | | | | | |
| Compounding fee | | | | | |
| Non-Monetary | | | | | |
| | NGRBC Principle | Name of the regulatory/enforcement agencies/judicial institutions | Amount (In INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment | | | NIL | | |
| Punishment | | | | | |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/enforcement agencies/ judicial institutions |
|---|--|
| Refer to the Company's website for all disclosures made under Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 at https://hoec.com/news-and-filings/ | |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, our company has a well-defined policy on Anti-Bribery and Anti-Corruption. It is our primary responsibility to conduct all of our business in an honest and ethical manner and take a zero-tolerance approach to bribery and corruption. The policy is available on our website at <https://hoec.com/business-responsibility-and-sustainability/>

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

| | FY 2023-24 | FY 2022-23 |
|-----------|------------|------------|
| Directors | - | - |
| KMPs | - | - |
| Employees | - | - |
| Workers | - | - |

6. Details of complaints with regard to conflict of interest:

| | FY 2023-24 | | FY 2022-23 | |
|--|------------|---------|------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | - | - | - | - |
| Number of Complaints received in relation to issues of Conflict of Interest of the KMPs | - | - | - | - |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA

8. Number of days of accounts payables ((Accounts payable * 365) / Cost of goods/services procured) in the following format

| | FY 2023-24 | FY 2022-23 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 150 | 154 |

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter | Metrics | FY 2023-24 | FY 2022-23 |
|----------------------------|--|------------|------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | - | - |
| | b. Number of trading houses where purchases are made from | - | - |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | - | - |
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales | - | - |
| | b. Number of dealers / distributors to whom sales are made | - | - |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | - | - |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | - | - |
| | b. Sales (Sales to related parties / Total Sales) | - | - |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | - | - |
| | d. Investments (Investments in related parties / Total Investments made) | - | - |

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

| | FY 2023-24 | FY 2022-23 | Details of improvements in environmental and social impacts |
|-------|------------|------------|---|
| R&D | - | - | - |
| Capex | - | - | - |

- Does the entity have procedures in place for sustainable sourcing?
No
 - If yes, what percentage of inputs were sourced sustainably?
NA

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

All forms of waste, hazardous or otherwise, that are generated by the Company's operating assets are recorded based on type, quantity, method of storage and disposal location. Each container used for the disposal of hazardous and solid wastes onsite is labelled with standardized labels with clear hazard symbols, handling instructions, and contents information to ensure safety and compliance. All onsite wastes are stored in appropriate separate containers based on the type of waste. HOEC has also laid special emphasis on the 'Reduce, Reuse and Recycle' policy as part of its operations. An Annual Return for the generated waste is submitted annually to the respective State Pollution Control Board for the period from April to March by the 30th of June every year. An annual Environmental Statement is also submitted to the respective State Pollution Control Board. Training is provided to employees on waste management practices, labelling requirements, and the importance of the 'Reduce, Reuse, Recycle' policy. An emergency response plan is in place for incidents involving hazardous waste, including spill containment and clean-up procedures.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) is not applicable to the entity's activities.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

| Category | % of employees covered by | | | | | | | | | | |
|---------------------------------------|---------------------------|------------------|------------|--------------------|------------|--------------------|------------|--------------------|----------|---------------------|----------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | 103 | 103 | 100 | 103 | 100 | - | - | - | - | - | - |
| Female | 9 | 9 | 100 | 9 | 100 | 9 | 100 | - | - | - | - |
| Total | 112 | 112 | 100 | 112 | 100 | 9 | 100 | - | - | - | - |
| Other than Permanent employees | | | | | | | | | | | |
| Male | 185 | 185 | 100 | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - |

b. Details of measures for the well-being of workers:

| Category | % of workers covered by | | | | | | | | | | |
|-------------------------------------|-------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent workers | | | | | | | | | | | |
| Male | NA | | | | | | | | | | |
| Female | | | | | | | | | | | |
| Total | | | | | | | | | | | |
| Other than Permanent workers | | | | | | | | | | | |
| Male | NA | | | | | | | | | | |
| Female | | | | | | | | | | | |
| Total | | | | | | | | | | | |

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Cost incurred on wellbeing measures as a % of total revenue of the Company | - | - |

2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Benefits | FY 2023-24 | | | FY 2022-23 | | |
|-------------------------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 100% | - | Y | 100% | - | Y |
| Gratuity | 100% | - | Y | 100% | - | Y |
| ESI | - | - | - | - | - | - |
| Others - please specify | - | - | - | - | - | - |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Offices are accessible to disabled personnel with functional elevators and ramps for wheelchairs.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The entity has an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016.

The policy is available on our website, at <https://www.hoec.com/business-responsibility-and-sustainability/>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | | Permanent workers | |
|--------|---------------------|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | - | - | - | - |
| Female | - | - | - | - |
| Total | - | - | - | - |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| | Yes/No (If Yes, then give details of the mechanism in brief) |
|--------------------------------|---|
| Permanent Workers | - |
| Other than Permanent Workers | - |
| Permanent Employees | The complaints, if any, are received through the respective Asset Managers or HR at corporate office and resolved in consultation with the aggrieved / reporting manager & Management as necessary. |
| Other than Permanent Employees | The complaints, if any, are received through the respective Asset Manager or HR at corporate office and resolved in consultation with the aggrieved / reporting manager & Management as necessary. |

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|---------------------------|---|---|-----------|---|---|-----------|
| | Total employees/ workers in respective category (A) | No. of employees/ workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees/ workers in respective category (c) | No. of employees/ workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| Total Permanent Employees | | | | | | |
| Male | | | | | | |
| Female | | | | | | |
| Total Permanent Workers | | | | | | |
| Male | | | | | | |
| Female | | | | | | |

NIL

8. Details of training given to employees and workers:

| Category | FY 2023-24 | | | | | FY 2022-23 | | | | |
|------------------|------------|-------------------------------|-------------|----------------------|-------------|------------|-------------------------------|-------------|----------------------|-------------|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Male | 296 | 185 | 62.5 | 111 | 37.5 | 210 | 150 | 71.4 | 60 | 28.5 |
| Female | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total | 296 | 185 | 62.5 | 111 | 37.5 | 210 | 150 | 71.4 | 60 | 28.5 |
| Workers | | | | | | | | | | |
| Male | NA | | | | | | | | | |
| Female | | | | | | | | | | |
| Total | | | | | | | | | | |

9. Details of performance and career development reviews of employees and worker:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|------------------|------------|------------|-----------|------------|-----------|-----------|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| Employees | | | | | | |
| Male | 103 | 99 | 96 | 84 | 78 | 93 |
| Female | 9 | 9 | 100 | 5 | 5 | 100 |
| Total | 112 | 108 | 96 | 89 | 83 | 93 |
| Workers | | | | | | |
| Male | NA | | | | | |
| Female | | | | | | |
| Total | | | | | | |

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, health and safety management system has been implemented. The safety management system of the Company defines a series of policies and procedures used to reduce accidents and illnesses in the workplace at all the operational Blocks. The system includes a systematic approach to managing safety, including organizational structures, accountabilities, policies and procedures.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Risk assessment process is used to identify, evaluate and reduce the likelihood of any hazard related to design and operation of facilities and to ensure that appropriate measures to minimise the consequences of such hazards are implemented.

- c. Whether you have processes for employees / workers to report the work-related hazards and to remove themselves from such risks.

Yes

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes

11 Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2023-24 | FY 2022-23 |
|--|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0.00 | 0.01 |
| | Workers | - | - |
| Total recordable work-related injuries | Employees | 0.00 | 0.00 |
| | Workers | - | - |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | - | - |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | - | - |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

- a. Risk Assessment and Hazard Identification:

- Regular Risk Assessments: Regular and comprehensive risk assessments are conducted at our installations to identify potential hazards in the workplace. This includes physical, chemical, biological and ergonomic hazards.
- Hazard Reporting System: A system for employees to report hazards or unsafe conditions is implemented and it is ensured that reports are reviewed and addressed promptly.

- b. Safety Procedures and Policies:

- Development of Safety Procedures: Developed and documented safety procedures for various tasks and operations. These procedures are reviewed periodically to reflect current best practices and regulations.
- Emergency Response Plan (ERP): A robust ERP is in place for all the installations that includes protocols for different types of emergencies, such as fires, chemical spills and medical emergencies. Regular drills are being conducted to ensure preparedness level by the site team.

- c. Training and Education:

- Induction Training: Comprehensive safety induction training are provided for all new employees, covering company policies, emergency procedures, and specific job hazards.
- Specialized Training: Specialized training are arranged for offshore employees like sea survival and life safety training and for employees involved in high-risk activities.

- d. Personal Protective Equipment (PPE):

- Provision of PPE: Appropriate PPE is provided to employees based on their specific job roles and identified hazards. This includes items like helmets, gloves, eye protection, hearing protection and respiratory gear.
- Training on PPE Use: Employees are trained on the correct use, maintenance and storage of PPE. Regular inspection of PPE are performed to ensure it is in good condition.

- e. Workplace Environment:
 - Cleanliness and Maintenance: Periodical hygiene inspection are conducted to maintain a clean workplace to prevent accidents and health issues. Regular cleaning and maintenance of equipment and facilities are performed as per preventive maintenance schedule.
- f. Health and Safety Committees:
 - Formation of Committees: Health and safety committees established that include employee representatives. These committees meets every month to discuss safety issues, review incident reports and propose improvements.
 - Employee Involvement: Employees are encouraged for active participation in safety meetings and initiatives to foster a culture of safety.
- g. Incident Reporting and Investigation:
 - Incident Reporting System: A system for reporting accidents, near misses, and unsafe conditions is implemented. The reports are submitted and reviewed promptly.
 - Incident Investigation: Thorough investigations of incidents are conducted to identify root causes and corrective actions are taken to prevent recurrence.
- h. Regulatory Compliance:
 - Adherence to Regulations: Compliance with local, national and international health and safety regulations and standards is ensured. We stay updated on changes in regulations and adopted practices accordingly.
 - Documentation and Reporting: Records of safety inspections, training, incidents and compliance activities are maintained by HSE department and the required reports are submitted to the regulatory bodies as per regulatory requirements.

13. Number of Complaints on the following made by employees and workers:

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | - | - | - | - | - | - |
| Health & Safety | - | - | - | - | - | - |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 85% |
| Working Conditions | 85% |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- a. Rigorous and frequent maintenance schedule for the equipment is implemented.
- b. Inspection protocols are developed and strictly enforced to identify potential issues before they cause failures.

- c. Additional training for maintenance personnel is conducted on new protocols and best practices.
- d. Defective and worn-out parts of critical equipment are replaced and periodical preventive maintenance is carried out to prevent incidents related to process, equipment, etc.
- e. It is ensured that all incidents and corrective actions are documented in detail, including the steps taken and outcomes.
- f. Updates on corrective actions and improvements is regularly communicated to all employees through meetings and training sessions.

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The stakeholders are the people who are affected by HOEC's work, who have influence or power over it, or have an interest in its successful or unsuccessful conclusion. Accordingly, the Company has identified its key stakeholder groups as -

- Joint venture partners
- Local community
- Employees
- Shareholders
- Central and State Government
- Regulatory authorities

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|------------------------------|--|---|--|---|
| JV partners | Yes | Emails & Meetings | Need basis | Business matters |
| Local community | Yes | Community Meetings | Need basis | For expression of interests / opinions |
| Employees | Yes | Meetings & Emails | Quarterly | Organisation updates |
| Shareholders | Yes | Meetings & Concalls | Quarterly / Need basis | Earnings of the Company / operational updates |
| Central and State Government | Yes | Meetings & Emails | Need basis | Regulatory requirements |
| Regulatory authorities | Yes | Meetings & Emails | Need basis | Regulatory requirements |

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|------------------------|------------|--|-----------|------------|--|-----------|
| | Total (A) | No. of employees/ workers covered (B) | % (B / A) | Total (C) | No. of employees/ workers covered (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | 112 | 67 | 59 | 89 | 53 | 59 |
| Other than permanent | 185 | - | - | 186 | - | - |
| Total Employees | 112 | 67 | 59 | 89 | 53 | 59 |
| Workers | | | | | | |
| Permanent | NA | | | | | |
| Other than permanent | | | | | | |
| Total Employees | | | | | | |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category | FY 2023-24 | | | | | | FY 2022-23 | | | | | |
|----------------------|------------|-----------------------|---------|------------------------|---------|-----------|-----------------------|---------|------------------------|---------|--|--|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | | | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) | | |
| Employees | | | | | | | | | | | | |
| Permanent | 112 | - | - | 112 | 100 | 89 | - | - | 89 | 100 | | |
| Male | 103 | - | - | 103 | 100 | 84 | - | - | 84 | 100 | | |
| Female | 9 | - | - | 5 | 100 | 5 | - | - | 5 | 100 | | |
| Other than Permanent | 185 | - | - | 185 | 100 | 186 | - | - | 186 | 100 | | |
| Male | 185 | - | - | 185 | 100 | 186 | - | - | 186 | 100 | | |
| Female | | | | | | - | - | - | - | - | | |
| Workers | | | | | | | | | | | | |
| Permanent | NA | | | | | | | | | | | |
| Male | | | | | | | | | | | | |
| Female | | | | | | | | | | | | |
| Other than Permanent | | | | | | | | | | | | |
| Male | | | | | | | | | | | | |
| Female | | | | | | | | | | | | |

3. Details of remuneration / salary / wages, in the following format:

a. Median remuneration / wages:

| | Male | | Female | |
|--|--------|--|--------|--|
| | Number | Median remuneration/ salary/wages of respective category | Number | Median remuneration/ salary/wages of respective category |
| Board of Directors (BoD) | 2 | 12,00,000 | 1 | 10,75,000 |
| Key Managerial Personnel | 4 | 1,16,38,722 | 1 | 4,68,810 |
| Permanent Employees other than BoD and KMP | 112 | 8,68,088 | 9 | 3,80,572 |
| Workers | - | - | - | - |

KMP includes MD, CFO & CS as on 31-03-2024 and erstwhile MD & CS.

b. Gross wages paid to female as % of total wages paid by the entity, in the following format:

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Gross wages paid to female as % of total wages | 4% | 2% |

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The complaints if any, are addressed by the HR / Asset Managers after discussing with the aggrieved as necessary.

6. Number of Complaints on the following made by employees and workers:

| | FY 2023-24 | | | FY 2022-23 | | |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | | | | | | |
| Discrimination at workplace | | | | | | |
| Child Labour | | | | | | |
| Forced Labour/ Involuntary Labour | | Nil | | | Nil | |
| Wages | | | | | | |
| Other human rights related issues | | | | | | |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

| | FY 2023-24 | FY 2022-23 |
|---|-------------------|-------------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | Nil | Nil |
| Complaints on POSH as a % of female employees / workers | | |
| Complaints on POSH upheld | | |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Processes recommended by the Internal Complaints Committee are followed to prevent any adverse consequences.

9. Do human rights requirements form part of your business agreements and contracts?

No.

10. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child labour | - |
| Forced / involuntary labour | - |
| Sexual harassment | - |
| Discrimination at workplace | - |
| Wages | - |
| Others - please specify | - |

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

NA

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment.**Essential Indicators**

- 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

| Parameter | FY 2023-24 | FY 2022-23 |
|---|-----------------|-----------------|
| From renewable sources | | |
| Total electricity consumption (A) | 36873.45 | 31878.38 |
| Total fuel consumption (B) | 53606.34 | 49505.38 |
| Energy consumption through other sources (C) | 3456.23 | 3099.35 |
| Total energy consumed from renewable sources (A+B+C) | 93936.02 | 84483.11 |
| From non-renewable sources | | |
| Total electricity consumption (D) | | |
| Total fuel consumption (E) | | |
| Energy consumption through other sources (F) | | |
| Total energy consumed from non-renewable sources (D+E+F) | - | - |
| Total energy consumed (A+B+C+D+E+F) | 93936.02 | 84483.11 |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) | 0.00002024 | 0.00002217 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 0.000463205 | 0.000507278 |
| Energy intensity in terms of physical output (BOE) | 0.09970 | 0.08127 |

Note:

No independent assessment / evaluation / assurance has been carried out by an external agency.

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank of India which is 22.88

- 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. Not applicable.**
- 3. Provide details of the following disclosures related to water, in the following format:**

| Parameter | FY 2023-24 | FY 2022-23 |
|--|-------------------|-------------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | 0 | 0 |
| (ii) Groundwater | 813.464 | 1387 |
| (iii) Third party water | 2562 | 0 |
| (iv) Seawater / desalinated water | 5400 | 3042.3 |
| (v) Others | 4981.36 | 0 |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 13756.824 | 4429.3 |
| Total volume of water consumption (in kilolitres) | 13756.824 | 4429.3 |
| Water intensity per rupee of turnover (Total water consumption / Revenue from operations) | 0.00000296 | 0.00000116 |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) | 0.00006784 | 0.00002660 |
| Water intensity in terms of physical output (BOE) | 0.01460 | 0.00426 |

Note:

No independent assessment / evaluation / assurance has been carried out by an external agency.

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank of India which is 22.88

4. Provide the following details related to water discharged:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|-----------------|----------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | | |
| - No treatment | 813.46 | 1387.00 |
| - With treatment - please specify level of treatment | 277.83 | 364.35 |
| (ii) To Groundwater | | |
| - No treatment | - | - |
| - With treatment - please specify level of treatment | - | - |
| (iii) To Seawater | | |
| - No treatment | 4084.41 | 1284.40 |
| - With treatment - please specify level of treatment | 4981.36 | 3042.30 |
| (iv) Sent to third-parties | | |
| - No treatment | - | - |
| - With treatment - please specify level of treatment | - | - |
| (v) Others | | |
| - No treatment | - | - |
| - With treatment - please specify level of treatment | 2490.00 | 1387.00 |
| Total water discharged (in kilolitres) | 12647.06 | 7465.05 |

No independent assessment / evaluation / assurance has been carried out by an external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

There is no mechanism for Zero Liquid Discharge in the entity.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Please specify unit | FY 2023-24 | FY 2022-23 |
|--|----------------------|--------------------------------|--------------------------------|
| NOx | mg / Nm ³ | 386.86 | 392 |
| SOx | mg / Nm ³ | 41.9 | 13 |
| Particulate matter (PM) (PM 2.5 / PM 10) | mg / Nm ³ | 22.2/ 50 | 54.5 / 83.1 |
| Persistent organic pollutants (POP) | N/A | Nil | Nil |
| Volatile organic compounds (VOC) | µg / m ³ | BDL- Below Detectable Limit | BDL- Below Detectable Limit |
| Hazardous air pollutants (HAP) | µg / m ³ | Nil | Nil |
| Others - please specify | | Nil | |

No independent assessment / evaluation / assurance has been carried out by an external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---|--|------------|------------|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent per year | 3101 | 3175.90 |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent per year | 2 | 1.9 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | | 0.00000067 | 0.00000083 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | | 0.00001530 | 0.00001908 |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output (BOE) | | 0.003294 | 0.003057 |

Note:

No independent assessment / evaluation / assurance has been carried out by an external agency.

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank of India which is 22.88

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

At HOEC, we are deeply committed to preserving the nature and environment in our operating areas. As part of our ongoing efforts towards achieving NET ZERO and reducing Greenhouse Gas (GHG) emissions, we have outlined the following key commitments under our Environmental Policy:

- a) Annual GHG Accounting: We will account for our greenhouse gas emissions every financial year and publicly declare the results.
- b) Year-on-Year Reduction: We are dedicated to reducing our GHG emissions on a continuous, year-on-year basis to minimize our environmental impact.
- c) Low GHG Emission Dirok Gas: We are focused on delivering Dirok Gas with low GHG emissions to our consumers, aligning our products with our sustainability goals.
- d) Net Zero Emissions: Our ultimate objective is to achieve Net Zero Emissions and sustain this level to contribute positively to environmental preservation.

We are committed to these goals and will continue to work diligently towards minimizing our carbon footprint and fostering a sustainable future.

9. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|-------------------|-------------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | 1.94 | 0.51 |
| E-waste (B) | 0.04 | 0.03 |
| Bio-medical waste (C) | - | - |
| Construction and demolition waste (D) | - | - |
| Battery waste (E) | 0.06 | - |
| Radioactive waste (F) | - | - |
| Other Hazardous waste. Please specify, if any. (G) | 1.32 | 5.78 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 2.10 | - |
| Total (A + B + C + D + E + F + G + H) | 5.46 | 6.32 |
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) | 0.0000000012 | 0.0000000017 |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 0.00000000269 | 0.00000000379 |
| Waste intensity in terms of physical output (BOE) | 0.00000580 | 0.00000608 |

For each category of waste generated, total waste recovered through recycling,
re-using or other recovery operations (in metric tonnes)

| Category of waste | | |
|---------------------------------|----------|-------------|
| (i) Recycled | 0 | 1.59 |
| (ii) Re-used | 0 | 0 |
| (iii) Other recovery operations | 0 | 0 |
| Total | 0 | 1.59 |

For each category of waste generated, total waste disposed by nature of
disposal method (in metric tonnes)

| Category of waste | | |
|---------------------------------|-------------|-------------|
| (i) Incineration | - | - |
| (ii) Land filling | 3.60 | 4.19 |
| (iii) Other disposal operations | 0 | 0 |
| Total | 3.60 | 4.19 |

Note:

No independent assessment / evaluation / assurance has been carried out by an external agency.

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank of India which is 22.88

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

At HOEC, we are committed to responsible and effective management of hazardous waste to ensure environmental protection and regulatory compliance. Our hazardous waste management practices include the following key procedures:

- Recycling and Disposal: All items classified as hazardous waste are either recycled or disposed off-site by a qualified hazardous waste contractor.

- **Treatment and Recycling:** Hazardous wastes will be shipped off-site for treatment, disposal, and recycling to facilities that are legally permitted and operated by qualified hazardous waste contractors and licensed hazardous waste transporters.
- **Regulatory Authorization:** We have obtained the necessary authorization from the Pollution Control Board for the generation, storage, and disposal of hazardous waste, ensuring compliance with regulatory requirements.
- **Labeling and Container Standards:** Containers holding hazardous wastes are accurately labeled to identify the contents as "hazardous waste" the date the waste was accumulated, and the type of hazard presented. The containers are compatible with the type of waste they hold and are suitable for safe transportation.
- **Personnel Training:** All personnel working with or around hazardous materials and wastes are informed about the associated hazards and the precautions necessary to protect themselves. This training is conducted in accordance with the provisions of the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016.

We are dedicated to adhering to these practices to safeguard both our environment and the health of our personnel.

- 11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

| Sl. No. | Location of operations /offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|---------|---------------------------------|--|---|
| 1 | Dirok site of Assam Block | Operation of wells, Gas Gathering Station and Gas Processing Plant | Yes, the conditions of environmental approval / clearance are being complied with. |

- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---|-----------------------|--------------------|---|--|---|
| Drilling of infill and development wells in Mehsana district of Cambay Block | EIA Notification 2006 | April to June 2023 | EIA study conducted by independent agency | Yes | https://parivesh.nic.in/ |
| Drilling of development wells and Exploratory wells in Changlang district of Kharsang Block | EIA Notification 2006 | April and May 2024 | EIA study conducted by independent agency | Yes | https://parivesh.nic.in/ |

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

Yes

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers / associations - 1
- b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers / associations | Reach of trade and industry chambers / associations (State / National) |
|--------|--|--|
| 1 | Association of Oil and Gas Operators | National |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Nil | | |

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
| Nil | | | | | |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|--------|--|-------|----------|---|--------------------------|---|
| Nil | | | | | | |

3. Describe the mechanisms to receive and redress grievances of the community.

Public hearings are a crucial component of the environmental clearance process. They provide a platform for stakeholders to engage directly regarding their concerns about proposed projects. This interactive process allows individuals to express their objections, offer suggestions, and influence the decision-making process related to the project.

Stakeholder Engagement: Public hearings enable the community to voice their opinions and concerns, ensuring that their perspectives are considered in the decision-making process. This engagement can lead to more informed and balanced project outcomes.

Project Proponent's Advantages: For project proponents, public hearings serve as an opportunity to communicate the results of the Environmental Impact Assessment (EIA) to the community. They allow for the verification of EIA findings against real-world conditions and confirm that stakeholders have been adequately consulted and involved in the process.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers | - | - |
| Directly from within India | - | - |

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employee or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural | 26.8% | 24.8% |
| Urban | 24.1% | 25.8% |
| Metropolitan | 49.1% | 49.4% |
| Semi-urban | - | - |

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**
Consumers can raise their complaints or feedback to the Company's mail ID contact@haec.com
- Turnover of products and / services as a percentage of turnover from all products / service that carry information about:**

| | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 100% |
| Safe and responsible usage | 100 % |
| Recycling and / or safe disposal | 100 % |

3. Number of consumer complaints in respect of the following:

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------------------|--------------------------|---------------------------------------|---------|--------------------------|---------------------------------------|---------|
| | Received during the year | Pending resolution at the end of year | Remarks | Received during the year | Pending resolution at the end of year | Remarks |
| Data privacy | | | | | | |
| Advertising | | | | | | |
| Cyber-security | | | | | | |
| Delivery of essential services | | Nil | | | Nil | |
| Restrictive Trade Practices | | | | | | |
| Unfair Trade Practices | | | | | | |
| Other | | | | | | |

4. Details of instances of product recalls on account of safety issues:

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | Nil | NA |
| Forced recalls | Nil | NA |

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The cyber security and data protection policy of the Company is available on our website at <https://www.hoec.com/business-responsibility-and-sustainability/>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

c. Impact, if any, of the data breaches

Nil

Report on Corporate Governance

HOEC adheres to the prescribed corporate governance practices as per SEBI Listing Regulations and is also committed to adopt emerging best principles and practices worldwide. In accordance with provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at HOEC is as follows:

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Good governance practices stem from a progressive culture and positive mindset of an organization, anchored to the principles of transparency and trust, thereby creating an enduring value for all the stakeholders.

The key to your Company's Corporate Governance principles is to maintain the highest degree of integrity, transparency, accountability, ethical behaviour and long-term sustainability in its business conduct. HOEC aspires to be a good corporate citizen by ensuring investor protection, strict compliance with statutory laws and regulations and by adopting best industry practices.

The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainability to increase the Company's value and to 'Grow Responsibly'. The Company has defined policy and guidelines for ethical conduct of business and has an established framework for the meetings of the Board and its Committees. These guidelines seek to systematize the decision-making process, at the meeting of the Board and its Committees in an informed and efficient manner.

The Board critically evaluates the strategic direction of the Company, management policies and their effectiveness. The agenda for Board reviews include strategic review from each of the Board Committees, a detailed analysis and review of annual plans, operating plans, budgets and financial reports.

At the heart of our processes is the extensive use of technology. This ensures robustness and integrity of financial reporting, internal controls, allows optimal use and protection of assets, facilitates accurate and timely compilation of financial statements and management reports and ensures compliance with statutory laws, regulations and company policies.

Over the years, governance processes and systems have been strengthened at HOEC. Corporate Governance is a continuous process for constant improvement of governance. We have undertaken several initiatives towards maintaining the highest standards of governance which includes formulating and adhering to the following management systems, guidelines, policies and codes.

- Corporate Governance Policy
- Whistle Blower Policy
- Directors' Code of Conduct
- Code of Conduct for Independent Directors
- Code of Ethics for Senior Management
- Code of Conduct for Regulating, Monitoring and Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions
- Policy for Disclosure of Event or Information and Determination of Materiality

- Policy on Material Subsidiaries
- Policy on Board papers
- Policy on Cyber Security
- Policy on Document Retention
- Corporate Social Responsibility Policy
- Health Safety and Environment (HSE) Policy
- Contracts and Procurement Procedure Manual
- Human Resources Policies and Guidelines
- Policy on Anti Sexual Harassment of Employees
- Policy on Sustainability
- Anti-Corruption Guideline

In addition, Your Company positions itself for a meaningful role towards communities and its environs which directly or indirectly co-relate themselves with Company's success and growth.

The Company has a strong sense of participation in community development such as using and developing local content wherever possible for our operations. It has an established system to encourage and recognize employees' participation in environmental and social initiatives, that contribute to organizational sustainability, conservation of energy and promotion of safety and health.

2. BOARD OF DIRECTORS

(i) Board composition and category of Directors

As on March 31, 2024, the Company has six (6) Directors - three (3) Non-Executive Independent Directors, two (2) Non-Executive Non-Independent Directors and one (1) Executive Director.

Mr. Vivek Rae is the Non-Executive Independent Director & Chairman of the Company. Ms. Sharmila Amin is a Non-Executive Independent Woman Director. There are no inter-se relationships between the Board members.

Accordingly, the composition of the Board is in compliance with provisions of Regulation 17 of SEBI Listing Regulations and Section 149 of Companies Act, 2013. The profile of the Directors is available at <https://www.hoec.com/leadership/>

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors.

(ii) Functions of the Board

The Board is the highest decision-making body subject to the powers and matters reserved to Members that may be exercised in their meeting. The Board accords its approval to all the key decisions of the Company. For day-to-day routine operations, the Board has delegated authority to the Managing Director. All matters of strategic or material nature are placed before the Board with background, proposal, situational and option analysis, notes and relevant documents, thereby enabling the Board to take informed decisions.

(iii) Separation of Board's supervisory role from Executive Management

The Company, in line with the best corporate governance practice, has separated the Board's supervisory role from that of the executive management.

(iv) Selection of Directors and their Role

Considering the requirement of skill sets on the Board, eminent people having a good standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination & Remuneration Committee for appointment as Directors on the Board. The Committee, inter alia, considers their qualification, positive attributes, area of expertise and number of Directorships and memberships held in various Committees of other companies by such persons. The Board considers the Committee's recommendations and takes appropriate decision.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act, having vast, diversified, professional and operational experience in the areas of oil and gas, general management, finance, logistics and public administration. This pool of rich and diverse experience enriches and adds value to the discussions and decisions arrived by the Board.

The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. In the opinion of the Board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Also, all independent directors have completed the registration with the Independent Directors Databank pursuant to the notification dated October 22, 2019 issued by the Ministry of Corporate Affairs. Requisite disclosures have been received from the directors in this regard.

The format of letter of appointment issued to Independent Directors is available on our website at <https://www.hoec.com/policies/>

(v) Key Board qualifications, expertise and attributes

The Board of Directors of the Company comprises qualified members who possess the requisite skills, expertise and competency to effectively contribute to the functioning of the Board and its Committees.

The following are the key skills, qualifications and attributes which are taken into consideration when nominating candidates to the Board of the Company.

| | |
|--|---|
| Vision and Leadership | The ability to see the big picture and the courage to set direction to achieve the organization's mission. |
| Sector Specific Knowledge and Expertise | Knowledge of the organization's operations and relevant work experience. |
| Financial Acumen | Management of the organization's finance function with proficiency in complex financial management, capital allocation and financial reporting processes. |
| Collegiality | A sincere and respectful attitude towards fellow Board members and their views. |
| Diligence and Discretion | Commitment to fulfilling the organization's goals and maintaining confidentiality of Board discussions and decisions. |

| Name of Directors | Key skills / qualification / attributes | | | | |
|---------------------|---|---|------------------|--------------|------------------------|
| | Vision and Leadership | Sector specific knowledge and expertise | Financial Acumen | Collegiality | Diligence & Discretion |
| Mr. Vivek Rae | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ms. Sharmila Amin | ✓ | | ✓ | ✓ | ✓ |
| Mr. P. K. Borthakur | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Ashok Goel | ✓ | | ✓ | ✓ | ✓ |
| Mr. Rohit Dhoot | ✓ | | ✓ | ✓ | ✓ |
| Mr. R. Jeevanandam | ✓ | ✓ | ✓ | ✓ | ✓ |

Note: The above table reflects the specific areas of focus or expertise of the existing individual Board members as on the date of this Report. However, the absence of a mark against a member's name does not necessarily mean that the member does not possess the corresponding qualification / attribute.

(vi) Names and categories of the Directors on Board, other Directorships and Committee Chairmanships / Memberships and shareholding as on March 31, 2024

| Name of the Directors | Initial Date of Appointment | Category | No. of Directorship(s) including in this listed Entity ⁽¹⁾ | | No. of Committee positions held including in this listed entity ⁽²⁾ | | No. of shares held in the company |
|--|-----------------------------|--------------------------------|---|--------|--|-----------------------|-----------------------------------|
| | | | Chairperson | Member | Chairperson | Member ⁽³⁾ | |
| Mr. Vivek Rae (Chairman) | 18.04.2019 | Independent, Non-Executive | 1 | 1 | Nil | 1 | Nil |
| Ms. Sharmila Amin | 17.12.2014 | Independent, Non-Executive | Nil | 2 | 2 | 2 | Nil |
| Mr. Pronip Kumar Borthakur | 15.06.2016 | Independent, Non-Executive | Nil | 1 | Nil | 1 | Nil |
| Mr. Ashok Kumar Goel | 01.03.2018 | Non-Independent, Non-Executive | Nil | 2 | Nil | Nil | 1,84,65,078 ⁽⁴⁾ |
| Mr. Rohit Rajgopal Dhoot | 10.03.2018 | Non-Independent, Non-Executive | Nil | 3 | Nil | 3 | 30,34,107 ⁽⁵⁾ |
| Mr. Ramasamy Jeevanandam (Executive Director & CFO upto 30.09.2023; Managing Director w.e.f. 01.10.2023) | 02.02.2015 | Managing Director | Nil | 1 | Nil | 1 | 49,92,124 |

Note: (1) Other directorships and committee positions do not include directorships/memberships of private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

(2) As per Regulation 26 of SEBI Listing Regulations, Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

(3) In the Board Directorship and Committee details provided, every chairpersonship is also considered as a membership.

(4) Mr. Ashok Kumar Goel holds the said shares on behalf of Ashok Goel Trust.

(5) Mr. Rohit Rajgopal Dhoot holds the said shares on behalf of Dhoot Rohit Kumar Family Trust I.

As on March 31, 2024, apart from the Board of HOEC, Ms. Sharmila Amin was as an Executive Director on the Board of a Listed company viz. Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited); Mr. Ashok Kumar Goel was on the Board of Nilkamal Limited and Mr. Rohit Rajgopal Dhoot was on the Board of two (2) other listed entities namely Dhoot Industrial Finance Limited and Sutlej Textiles and Industries Limited in his capacity as Managing Director and as Non-Executive Non-Independent Director respectively.

(vii) Board Meetings

During the year under review, Seven (7) Board meetings were held and the intervening gap between the meetings did not exceed one hundred and twenty days. The required quorum was present for all the meetings.

Details of the attendance of Directors at the Board meetings and Annual General Meeting held during the year are as follows:

| Name of the Director | Date of the Meeting | | | | | | | No. of Meetings entitled to attend | No. of Meetings attended | Attendance at last AGM 27-Sep-23 |
|---------------------------|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------------------------|--------------------------|----------------------------------|
| | 25 May 2023 | 05 Jul 2023 | 14 Aug 2023 | 10 Nov 2023 | 16 Nov 2023 | 13 Feb 2024 | 29 Feb 2024 | | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | | | Yes/No |
| Mr. Vivek Rae | *Yes | *Yes | *Yes | *Yes | *Yes | *Yes | Yes | 7 | 7 | Yes |
| Ms. Sharmila Amin | *Yes | *Yes | *Yes | *Yes | *Yes | *Yes | Yes | 7 | 7 | Yes |
| Mr. P. K. Borthakur | *Yes | *Yes | *Yes | *Yes | *Yes | *Yes | Yes | 7 | 7 | Yes |
| Mr. Ashok Goel | *Yes | *Yes | *Yes | *Yes | No | *Yes | Yes | 7 | 6 | Yes |
| Mr. Rohit Dhoot | *Yes | *Yes | *Yes | *Yes | *Yes | *Yes | No | 7 | 6 | Yes |
| Mr. P. Elango | Yes | Yes | Yes | - | - | - | - | 3 | 3 | Yes |
| Mr. R. Jeevanandam | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 7 | 7 | Yes |
| Total strength | 7 | 7 | 7 | 6 | 6 | 6 | 6 | | | |
| Director's present | 7 | 7 | 7 | 6 | 5 | 6 | 5 | | | |

* Meeting attended by the Director through video conferencing.

(viii) Directors appointment / re-appointment / retiring during the year

The details of the appointment / re-appointment of directors during the year are given in the Board's Report section of this Annual Report.

(ix) Code of Conduct for the Directors and Senior Executives

In compliance with the SEBI Listing Regulations, the Company has laid down and implemented the Directors' Code of Conduct and Code of Ethics for Senior Management of the Company.

All Board Members and Senior Management who are instrumental in the critical operations / functions are covered under the said Codes and have affirmed their compliance thereof to the said Code.

The Company continues to ensure effective implementation and enforcement of these Codes to achieve the objectives enshrined in these Codes. All directors and employees are updated and sensitized about these Codes. Copies of the Codes are available on the intranet and have been also hosted on the Company's website <https://www.hoec.com/policies/> for their reference and compliance.

The annual report of the Company contains a certificate from the Managing Director in terms of SEBI Listing Regulations on affirmation of compliance with the Company's Code of Conduct by the Board members and Senior Management Personnel.

(x) Code of Conduct for prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has laid down and adopted a Code of Conduct for Regulating, Monitoring and Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information based and modelled on said Regulations. The said Code incorporates the amendments made in the aforesaid Regulations from time to time. The Company inter-alia observes a closed period for trading in securities of the Company for Directors / Officers and Designated Employees of the Company from the end of every quarter and until 48 hours of declaration of quarterly results.

The trading window is also closed in anticipation of price sensitive information / announcements / events. The said closure extends up to at least 48 hours after the disclosure of the said results / price sensitive information / announcements / events to the Stock Exchanges.

(xi) Information provided to the Board

During the year, the information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.

The Managing Director gives a certificate of compliance of the laws applicable to the Company on a periodical basis to the Board, for its review and noting. These certificates also contain reasons and action plans to remedy non-compliance, if any.

The agenda and notes on the agenda items are circulated to the Directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is circulated prior to the day of the meeting and tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted by the Chairman.

Draft minutes are circulated to all the members of the Board / Committee for their comments within the prescribed time. The minutes are entered in the Minutes Book within thirty (30) days from conclusion of the meeting.

The Company complies with all applicable Secretarial Standards.

3. COMMITTEES OF THE BOARD**(i) Procedure at the Committee Meetings**

The Company's guidelines relating to the Board Meetings are also applicable to the Committee Meetings as far as practicable. Each Committee and also their Chairman have the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of the Committee Meetings are circulated to the concerned Committee members for approval and then placed before the Board for taking note thereof.

(ii) Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. As on March 31, 2024, the Audit Committee comprised of Ms. Sharmila Amin as Chairperson, Mr. Pronip Kumar Borthakur, Mr. Vivek Rae and Mr. Rohit Rajgopal Dhoot as members.

All the members of this Committee possess relevant financial / accounting expertise / exposure. The Audit Committee invites such executives as it considers appropriate, representatives of the statutory auditors and representatives of the internal auditors as necessary, to be present at its meetings.

The Company Secretary acts as the Secretary to the Audit Committee. The Chairperson of the Audit Committee was present at the last Annual General Meeting held on September 27, 2023.

During the year under review, five (5) Audit Committee meetings were held and the intervening gap between the meetings did not exceed one hundred and twenty days. The required quorum was present for all the meetings.

The Audit Committee is empowered to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

An extract of the terms of reference of the Audit Committee is as follows.

- Oversight of the Company's financial reporting process.
- Reviewing with the management, the quarterly financial results, annual financial statements and the auditors' reports thereon, before submission to the Board for approval.
- Recommendation for the appointment, remuneration and terms of appointment of the auditors of the Company.
- Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process.
- Approval or any subsequent modification / material modification of transactions of the Company with related parties.
- Evaluation of internal financial controls and risk management systems.
- Reviewing the adequacy of internal audit function, coverage and frequency of internal audit.
- Discussion with the auditors of any significant findings on matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- To review the investments made by the Company and its subsidiaries
- To review the functioning of the Whistle Blower mechanism.
- To review and monitor the compliances with regard to the Company's Code on Insider Trading.

Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. During the year, no personnel have been denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company at <https://www.hoec.com/wp-content/uploads/2024/08/whistle-blower.pdf>. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

(iii) Nomination and Remuneration Committee

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI Regulations as amended from time to time.

As on March 31, 2024, the Nomination and Remuneration Committee comprised of Ms. Sharmila Amin, as Chairperson and Mr. Vivek Rae, Mr. Pronip Kumar Borthakur and Mr. Ashok Kumar Goel as Members.

During the year under review, three (3) Nomination and Remuneration Committee meetings were held and the required quorum was present for all the meetings. The Chairperson of the Nomination and Remuneration Committee was present at the last Annual General Meeting held on September 27, 2023.

An extract of the terms of reference of the Nomination and Remuneration Committee is as follows.

- Identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment / removal.
- Recommendation to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for determining qualifications, positive attributes and independence of a Director.
- Formulation of the criteria for evaluation of Independent Directors and the Board.
- To administer, monitor and formulate detailed terms and conditions of the Incentive schemes

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, annual performance evaluation of Board, the Committees of the Board and the individual Directors were carried out.

The performance of the Board was evaluated by the Board by seeking inputs from all the directors on the basis of criteria such as board composition and quality, effectiveness of meetings and procedure, board development, strategy and risk management and board and management relations.

The performance of the Committees was evaluated by the Board by seeking inputs from the Committee members on the basis of criteria such as committee composition, function and duties and effectiveness of meetings and procedure.

In a separate meeting of the independent directors, performance of the non-independent directors, the Chairman and the Board as a whole was evaluated, taking into account the views of the executive and non-executive directors.

Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

The Board and Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as contribution of the individual director to the meetings, preparedness, adherence to Code of Conduct, initiatives and advisory role, ability to contribute and monitor governance level at Board / Committee meetings, effective deployment of domain knowledge and expertise, independence of behaviour and judgement, etc.

(iv) Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. As on March 31, 2024, the Committee was constituted with Ms. Sharmila Amin as Chairman and Mr. Rohit Kumar Dhoot and Mr. R. Jeevanandam as members.

During the year under review, four (4) Stakeholders Relationship Committee meetings were held and the intervening gap between the meetings did not exceed one hundred and twenty days. The required quorum was present for all the meetings.

An extract of the terms of reference of the Stakeholders Relationship Committee is as follows:

- To consider and resolve the investor grievances / complaints pertaining to transfer and transmission of shares, issue of duplicate shares, non-receipt of annual report, non-receipt of dividends declared, etc.
- Oversight of the performance of the Company's Registrars and Transfer Agent.
- Monitoring the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

Details of the Compliance Officer & Nodal officer for the purpose of IEPF Regulations

Ms. G. Josephin Daisy
Company Secretary & Compliance Officer,
Hindustan Oil Exploration Company Limited,
'Lakshmi Chambers', 192, St. Mary's Road,
Alwarpet, Chennai - 600 018, Tamil Nadu
Tel: +91 (044) 66229000 ; E-mail: hoecshare@hoec.com

Details of investor complaints received and replied / resolved during the year

| Particulars | Total grievances / complaints received | Total grievances / complaints addressed | Pending grievances / complaints as on March 31, 2024 |
|-------------------------------|--|---|--|
| Received from Investors | 1 | 1 | - |
| Received from NSDL / CDSL | - | - | - |
| Referred by SEBI | 1 | 1 | - |
| Referred by Stock Exchange(s) | - | - | - |
| RBI / Govt. Authorities | - | - | - |
| Total | 2 | 2 | - |

There were no grievances / complaints from shareholders which remained unaddressed / unresolved. Every effort is made to redress investors' grievances / complaints in least possible time.

(v) Risk Management Committee

Business risk evaluation and management is an ongoing process within the organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

Risk Management Committee of the Company is constituted with Mr. Pronip Kumar Borthakur as Chairman, Mr. R. Jeevanandam and Mr. Ashok Kumar Goel, as members and also Mr. Krishnan Raghavan, CTO-E&P and Mr. Janakiraman, Head-HSE as members of the Committee. During the year under review, three (3) Risk Management Committee meetings were held and the required quorum was present for the meetings.

(vi) Other Committees**Corporate Social Responsibility (CSR) Committee**

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Act. As on March 31, 2024, the Committee comprised of Mr. Vivek Rae as Chairman and Mr. Pronip Kumar Borthakur, Mr. Ashok Kumar Goel and Mr. R. Jeevanandam as members.

During the year under review, three (3) CSR Committee meetings were held and the required quorum was present for all the meetings.

Policy on Corporate Social Responsibility for the Company has been formulated and the same is available on the company's website <https://www.hoec.com/wp-content/uploads/2024/08/csr-policy-version-1-dated-8th-feb-2021.pdf>.

The broad terms of reference of the CSR committee is as follows:

- To formulate and recommend to the Board, a CSR policy and Annual Action Plan indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- To recommend the amount of expenditure to be incurred on the activities referred to above.
- To monitor the CSR activities of the Company from time to time.

(vii) Details of of committee meetings held and attendance records

| Name of the Committee | Audit Committee | Nomination & Remuneration Committee | Stakeholders' Relationship Committee | Corporate Social Responsibility Committee | Risk Management Committee |
|-----------------------|---|-------------------------------------|--|---|-------------------------------------|
| No. of meetings held | 5 | 3 | 4 | 3 | 2 |
| Date of meetings | 25-May-23 14-Aug-23 10-Nov-23 16-Nov-23 13-Feb-24 | 25-May-23 14-Aug-23 10-Nov-23 | 25-May-23 14-Aug-23 10-Nov-23 13-Feb-24 | 25-May-23 14-Aug-23 13-Feb-24 | 09-Aug-23 29-Jan-24 25-Mar-24 |
| Name of Member | No. of meetings attended | | | | |
| Mr. Vivek Rae | *3 | *3 | - | *3 | - |
| Ms. Sharmila Amin | *5 | *3 | *2 | *2 | - |
| Mr. P. K. Borthakur | *5 | *3 | *2 | *3 | *2 |
| Mr. Ashok Goel | - | *3 | - | *1 | *2 |
| Mr. Rohit Dhoot | *5 | - | *2 | - | - |
| Mr. P. Elango | - | - | 2 | 2 | - |
| Mr. R. Jeevanandam | - | - | 4 | 1 | 3 |

- Notes :
- * Meeting attended through Video conferencing.
 - Mr. Vivek Rae was appointed as member of Audit Committee effective 01.10.2023.
 - Ms. Sharmila Amin and Mr. Rohit Dhoot were appointed as members of Stakeholders Relationship Committee effective 01.10.2023 and Mr. P.K. Borthakur and Mr. P. Elango were members upto 30.09.2023.
 - Mr. Ashok Goel and Mr. R. Jeevanandam were appointed as members of CSR Committee effective 01.10.2023 and Ms. Sharmila Amin & Mr. P. Elango were members upto 30.09.2023.
 - Mr. Ashok Goel was appointed as member of Risk Management Committee effective 25.05.2023 and Mr. P. Elango was member upto 30.09.2023.

The necessary quorum was present for all the above committee meetings.

(viii) Independent Directors' Meeting

During the year, a meeting of the Independent Directors was held on February 13, 2024.

The Independent Directors reviewed:

- the performance of the non-independent directors and the Board as a whole;
- the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Remuneration of Directors
Remuneration Policy

The Company *inter-alia* while deciding the remuneration package takes into consideration, the employment scenario and demand for talent in the upstream oil and gas sector. In addition, the remuneration package of the industry / other industries for the requisite managerial talent and the qualification and experience held by the appointee are being considered. Annual increments, if any, of the employees are considered and recommended by the Nomination and Remuneration Committee and approved by the Board.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors within the ceilings prescribed under the Act, based on the performance of the Company as well as that of the Executive Director.

During the year under review, the Company paid sitting fees of ₹ 25,000 per meeting to its Non-Executive Independent Directors for attending meetings of the Board and meetings of Committees of the Board. The Company also reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending the meetings. The shareholders of the Company have, at the 34th Annual General Meeting held on August 20, 2018, approved payment of commission to the Non-Executive Independent Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 2013 from the financial year 2017-18. The said commission is decided by the Board of Directors and distributed amongst the Non-Executive Independent Directors based on their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at meetings.

Details of Remuneration of Directors for the year ended March 31, 2024

Remuneration to Executive Directors:

The remuneration paid to Executive Directors comprises of salary, allowances, perquisites and bonuses, if any, which were approved by the shareholders as recommended by the Board.

| Name of Director | Fixed Component (in ₹) | | | | Performance Linked Incentive (in ₹) | | Total (in ₹) Remuneration (Refer Note 2 below) |
|--|------------------------|---|---|-------------|-------------------------------------|-----------|--|
| | Salary | Contribution to Provident Fund & Superannuation | Other allowances/perquisites (Refer Note 1 below) | Total (A) | Bonus / Variable Pay | Total (B) | |
| Mr. P. Elango (Managing Director upto 30.09.2023) | 31,38,750 | 3,76,650 | 38,33,628 | 73,49,028 | - | - | 73,49,028 |
| Mr. R. Jeevanandam (Executive Director & CFO upto 30.09.2023; Managing Director w.e.f. 01.10.2023) | 72,82,800 | 8,73,936 | 88,98,330 | 1,70,55,066 | - | - | 1,70,55,066 |

Notes: 1. In computing the above Managerial Remuneration, perquisites have been valued in terms of actual expenditure incurred by the Company in providing the benefits.

2. Apart from the above, they are entitled to gratuity and eligible leave encashment as per their respective terms of appointment approved by the shareholders.

Remuneration to Non-Executive Directors:

The details of remuneration paid to the Non-Executive Directors for the year ended March 31, 2024 is as follows:

| Name of Director | Sitting Fees (in ₹) | Commission (in ₹) |
|----------------------------|---------------------|-------------------|
| Mr. Vivek Rae | 4,25,000 | 7,00,000 |
| Ms. Sharmila Amin | 4,75,000 | 7,00,000 |
| Mr. Pronip Kumar Borthakur | 6,00,000 | 7,00,000 |
| Mr. Ashok Kumar Goel | - | - |
| Mr. Rohit Rajgopal Dhoot | - | - |

Service contracts, notice period, severance fees of Executive Directors

| Particulars | Ramasamy Jeevanandam |
|---------------------|--|
| Designation | Managing Director |
| Term of appointment | October 01, 2023 - September 30, 2026 |
| Remuneration | <ul style="list-style-type: none"> • Remuneration with allowances of ₹ 16,66,667 per month. • Performance-based variable pay of ₹ 50,00,000 at 100% performance. • Reimbursement of out-of-pocket expenses, in actuals. • Driver, fuel and maintenance expenses for the car. |
| Severance fees | In the event that there is a change in control and management during the employment with Company, which results in loss of employment, the unexpired period of the term of employment based on the last salary drawn immediately before the cessation of employment shall be compensated. |
| Termination | Either Party may terminate the Employment Agreement by giving the other six months written notice. |

The Company has not granted any stock option to any of its Non-Executive Directors.

4. GENERAL BODY MEETINGS

(a) Location, Date and Time of last three Annual General Meetings are as follows:

| Year | Location | Date | Time |
|---------|--|------------|------------|
| 2020-21 | Meeting conducted through VC / OAVM pursuant to the MCA & SEBI Circulars | 28.09.2021 | 10.30 a.m. |
| 2021-22 | | 28.09.2022 | 10.30 a.m. |
| 2022-23 | | 27.09.2023 | 10.30 a.m. |

b) Special resolutions passed at the Annual General Meeting (AGM) for the last 3 years are as under:

- i) At the Annual General Meeting held on September 28, 2021: NIL
- ii) At the Annual General Meeting held on September 28, 2022:
 - To consider fixing of borrowing limits for the Company
 - To consider and approve creation of charges
 - To approve raising of capital
- iii) At the Annual General Meeting held on September 27, 2023:
 - To appoint Mr. Ramasamy Jeevanandam as Managing Director of the Company
 - To re-appoint Mr. Vivek Rae as an Independent Director
 - To adopt a new set of Memorandum of Association (MoA) of the Company, as per Companies Act, 2013
 - To adopt a new set of Articles of Association (AoA) of the Company, as per Companies Act, 2013

c) Resolution passed through postal ballot:

There were no resolutions passed through postal ballot during the year 2023-24.

None of the business proposed to be transacted in the 40th AGM require passing resolution through postal ballot.

No Extra-Ordinary General Meetings of the members held during the financial year 2023-24.

5. MATERIAL SUBSIDIARY

Hindage Oilfield Services Limited (wholly owned subsidiary) contributes 16.54% of the consolidated income and 4.55% of the consolidated net worth of the Company as on March 31, 2024. Further, Geopetrol International Inc. (wholly owned subsidiary) contributes 20.50% of the consolidated income and 6.92% of the consolidated net worth of the Company as on March 31, 2024.

Independent Director(s) of HOEC is appointed as a director on the board of both the above unlisted material subsidiaries. The Policy for determining material subsidiary is available on the Company's website at <https://hoec.com/policies/>

6. MEANS OF COMMUNICATION

- a) Quarterly / Annual Results of the Company are published in the newspapers viz., Business Line, Business Standard and Loksatta. The results are displayed on the Company's website <https://www.hoec.com/financial-results/>
- b) Presentations made to the institutional investors and analysts after the declaration of the quarterly, half-yearly and annual results are sent to the Stock Exchanges and are also displayed on the Company's website <https://www.hoec.com/earnings-call/>
- c) Official news releases and official media releases are sent to the Stock Exchanges and are also displayed on the Company's website <https://www.hoec.com/news-and-filings/>
- d) Annual Report

The Annual Report containing, *inter-alia*, the Audited Annual Standalone and Consolidated Financial Statements, along with Auditor's Reports thereon, Board's Report and other Reports, and important information are circulated to the members and others entitled thereto and is also available on the website in a user-friendly and downloadable form.

- e) SEBI Complaints Redressal System (SCORES)

The investors' complaints are processed through SCORES, a centralized web-based redressal system. The salient features of this system are:

- (i) centralized database of all complaints;
- (ii) online upload of Action Taken Reports (ATRs) by the concerned companies; and
- (iii) online viewing by investors of actions taken on the complaint and its current status.

- f) Electronic filing with the Stock Exchanges

- i) NSE Electronic Application Processing System (NEAPS) is a web-based application designed by NSE for Corporates. The Shareholding pattern, Corporate Governance Report, and other announcements are also filed electronically on NEAPS.
- ii) BSE Corporate Compliance & Listing Centre (the 'Listing Centre') is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

- g) Designated exclusive e-mail ID

The Company has designated the email-ID hoecshare@hoec.com exclusively for investor servicing.

- h) Green Initiative

As a responsible corporate citizen, the Company supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, by its Circulars, enabling electronic delivery of documents including the Annual Report to the shareholders at their e-mail address registered with the Depository Participants (DPs) / Registrars & Share Transfer Agents.

Shareholders who have not registered their e-mail addresses so far, and who hold shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA - Link Intime India Pvt. Ltd. Also, the shareholders may register / update their email ID with the Company by filling the registration form given at <https://www.hoec.com/green-initiative/>

Company's website is a comprehensive reference on the Company's management, business, policies, corporate governance, investor relations, HSE, updates and news, as it serves to inform the shareholders by giving complete financial details, annual reports, shareholding patterns, corporate benefits, information relating to stock exchanges, Registrars and Share Transfer Agent etc.

7. GENERAL SHAREHOLDERS INFORMATION

- a) Annual General Meeting: As given in the Notice of the 40th AGM
- b) Financial Year: 1st April to 31st March
- c) Dividend Payment Date: Board has not recommended dividend for the FY 2023-24
- d) Corporate Identity Number (CIN) of the Company: L11100GJ1996PLC029880
- e) Listing on Stock Exchanges: Equity Shares of the Company at present are listed at -

- (i) BSE Limited (BSE)
1st Floor, P. Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
- (ii) National Stock Exchange of India Limited (NSE)
"Exchange Plaza", Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

The Company has paid the applicable annual listing fees to the said Stock Exchanges.

- f) Stock / Scrip Code:

BSE - 500186 ; NSE - HINDOILEXP

The Company has established connectivity for trading of equity shares in the depository system with both depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

ISIN Number for NSDL/CDSL (Dematerialised Shares): INE345A01011

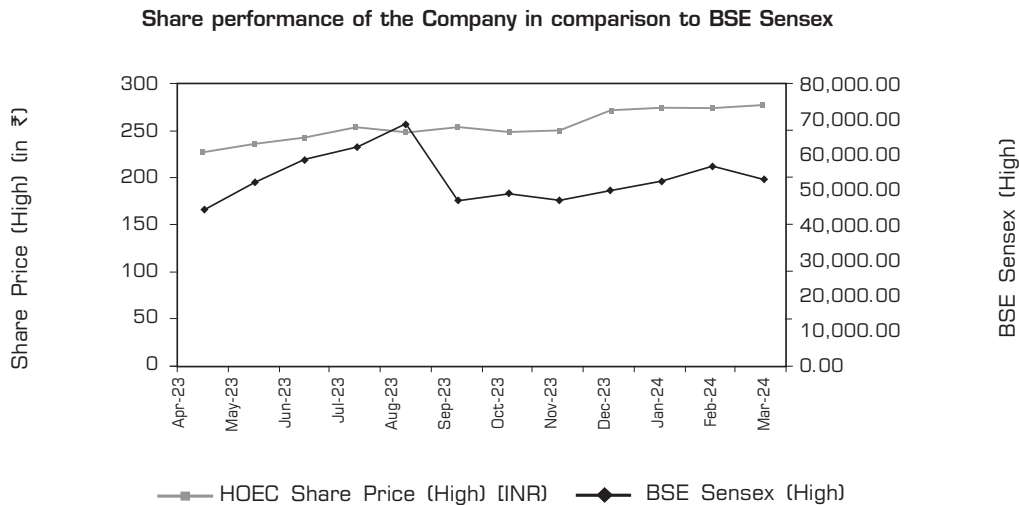
- g) Registrar & Transfer Agents: Link Intime India Private Limited
Regd. Office: C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai - 400083, Maharashtra
Tel No.: 022 49186270 ; Fax: 022 49186060
E-mail id: rnt.helpdesk@linkintime.co.in

Service Branch: 'Geetakunj', 1, Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road,
Vadodara, Gujarat - 390 015.
Tel.: 0265 - 3566768 ; Fax: 0265-2356791
E-mail id: vadodara@linkintime.co.in

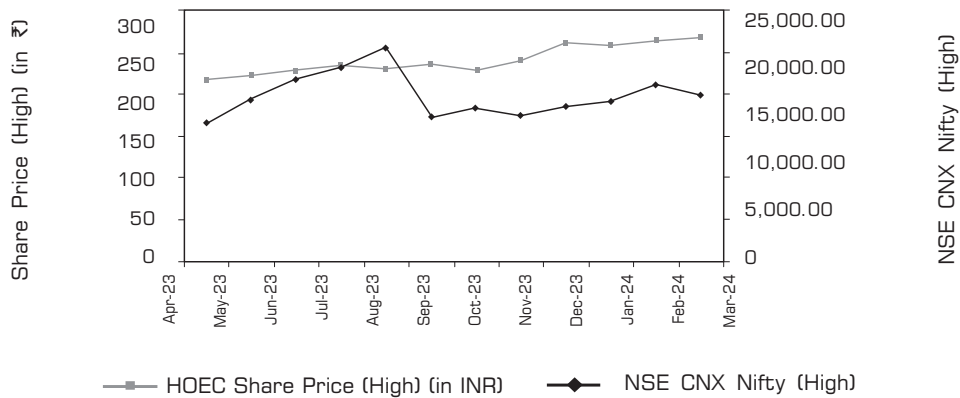
h) Stock market data:

The monthly high and low prices, as well as the volume of shares traded at BSE and NSE for FY 2023-24 are provided as follows:

| 2023-24 Month | BSE | | | | NSE | | | |
|------------------|-------------------------|--------|--------|-------------------------|-------------------------|--------|--------|-------------------------|
| | HOEC Share price (in ₹) | | | Number of shares traded | HOEC Share price (in ₹) | | | Number of shares traded |
| | High | Low | Close | | High | Low | Close | |
| Apr-23 | 167.65 | 124.55 | 164.65 | 12,59,321 | 167.50 | 124.15 | 164.50 | 1,59,03,439 |
| May-23 | 195.00 | 159.60 | 181.90 | 16,28,448 | 195.00 | 159.65 | 181.55 | 2,04,12,868 |
| Jun-23 | 219.30 | 181.35 | 206.05 | 19,15,950 | 219.40 | 181.55 | 206.10 | 2,38,68,225 |
| Jul-23 | 233.50 | 204.80 | 228.25 | 12,06,964 | 233.70 | 205.00 | 228.45 | 1,71,50,955 |
| Aug-23 | 258.00 | 155.25 | 164.80 | 39,35,770 | 257.95 | 155.55 | 164.80 | 5,29,87,284 |
| Sep-23 | 176.00 | 155.00 | 172.70 | 53,12,718 | 175.30 | 154.70 | 172.70 | 4,13,77,360 |
| Oct-23 | 184.15 | 155.80 | 164.30 | 26,66,233 | 184.25 | 155.40 | 164.25 | 3,32,93,662 |
| Nov-23 | 175.90 | 157.70 | 160.80 | 20,60,150 | 175.90 | 157.65 | 160.65 | 1,98,94,898 |
| Dec-23 | 187.75 | 158.10 | 182.40 | 43,84,406 | 187.90 | 158.20 | 182.15 | 4,67,10,192 |
| Jan-24 | 196.50 | 168.05 | 187.60 | 39,97,241 | 196.85 | 167.95 | 187.20 | 4,59,72,543 |
| Feb-24 | 213.30 | 166.40 | 190.65 | 50,16,627 | 213.55 | 166.00 | 190.75 | 6,26,60,654 |
| Mar-24 | 199.60 | 156.85 | 177.45 | 19,58,273 | 199.70 | 156.75 | 177.70 | 1,89,22,157 |

i) Share Price Chart (BSE)

Share performance of the Company in comparison to NSE CNX Nifty



j) De-materialisation of shares and liquidity

The break-up of equity shares held in physical and dematerialized form as on March 31, 2024 is as given below:

| Particulars | Physical Segment | Demat Segment | | Total |
|---------------|------------------|---------------|-------------|--------------|
| | | NSDL | CDSL | |
| No. of Shares | 8,10,580 | 8,49,12,966 | 4,65,19,743 | 13,22,43,289 |
| Percentage | 0.61 | 64.21 | 35.18 | 100.00 |

k) Distribution of Shareholding as on March 31, 2024

| Distribution of Shares | Number of Shareholders | Percentage of total shareholders | Shares | Percentage of Total Share Capital |
|------------------------|------------------------|----------------------------------|---------------------|-----------------------------------|
| 1-500 | 86,468 | 86.00 | 99,18,729 | 7.50 |
| 501-1000 | 6,443 | 6.40 | 51,14,358 | 3.87 |
| 1001-2000 | 3,441 | 3.42 | 52,22,400 | 3.95 |
| 2001-3000 | 1,375 | 1.37 | 35,21,054 | 2.66 |
| 3001-4000 | 602 | 0.60 | 21,72,734 | 1.64 |
| 4001-5000 | 523 | 0.52 | 24,84,415 | 1.88 |
| 5001-10000 | 834 | 0.83 | 62,18,296 | 4.70 |
| 10001 & above | 860 | 0.86 | 9,75,91,303 | 73.80 |
| Total | 1,00,546 | 100 | 13,22,43,289 | 100 |

l) Shareholding Pattern as on March 31, 2024

| Category of Shareholders | No. of Shares held | % of Total Shares |
|--------------------------------|---------------------|-------------------|
| Body Corporate - LLP | 91,74,645 | 6.93 |
| Mutual Funds | 7,19,539 | 0.54 |
| Foreign Portfolio Investors | 17,37,449 | 2.31 |
| Financial Institutions/ Banks | 2,160 | 0.00 |
| Indian Public - individuals | 6,23,57,118 | 47.15 |
| NBFCs registered with RBI | 36,575 | 0.03 |
| Bodies Corporate | 2,62,40,787 | 19.84 |
| IEPF | 7,40,589 | 0.56 |
| Non-Resident Indian (NRI) | 13,17,780 | 1.00 |
| Non-Resident (Non Repatriable) | 8,49,499 | 0.64 |
| HUF | 23,83,063 | 1.80 |
| Foreign Company | 5,745 | 0.00 |
| Trusts | 14,081 | 0.01 |
| Directors & KMP | 2,64,91,309 | 20.03 |
| Office Bearers | 8,106 | 0.00 |
| Alternate Investment Funds | 1,60,000 | 0.12 |
| Others | 4,844 | 0.00 |
| Total | 13,22,43,289 | 100 |

m) Statement showing shareholding of more than 1% of the Capital as on March 31, 2024

| Sr.No. | Name of Shareholders | No. of Shares | % of Capital |
|--------|-------------------------------------|---------------|--------------|
| 1 | Ashok Kumar Goel ⁽¹⁾ | 1,84,65,078 | 13.96 |
| 2 | LCI Estates LLP | 81,00,000 | 6.12 |
| 3 | Dhoot Industrial Finance Ltd | 61,98,431 | 4.69 |
| 4 | Poddar Pigments Limited | 50,00,000 | 3.78 |
| 5 | Ramasamy Jeevanandam | 49,92,124 | 3.77 |
| 6 | P Elango | 46,46,912 | 3.51 |
| 7 | Vijai Shree Private Limited | 46,16,270 | 3.49 |
| 8 | Rohit Rajgopal Dhoot ⁽²⁾ | 30,34,107 | 2.29 |
| 9 | Hitesh Satishchandra Doshi | 24,72,591 | 1.87 |
| 10 | GKS Logistics Private Limited | 23,00,000 | 1.74 |

Notes: (1) Mr. Ashok Kumar Goel holds the said shares on behalf of Ashok Goel Trust

(2) Mr. Rohit Rajgopal Dhoot holds the said shares on behalf of Dhoot Rohit Kumar Family Trust I

(3) Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder

n) Share Transfer System

- i) Share Transfer in physical form requests are generally registered and returned within a period of 30 days from the date of receipt, in demat mode and the requests for dematerialization are generally confirmed within a period of 21 days from the date of its receipt, if documents are complete in all respect.
- ii) As on March 31, 2024, 13,14,32,709 equity shares representing 99.39% of total equity shares are dematerialized.
- iii) Nomination facility for shareholding
As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form from the Company. Members holding shares in dematerialized form shall contact their Depository Participants (DP) in this regard.
- iv) Permanent Account Number (PAN)
Members who hold shares in physical form are advised to furnish to the Company a copy of the PAN card of the transferees, members, surviving joint holders, legal heirs while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates in accordance with the SEBI mandates.

o) Dividend

- i) Payment of dividend through National Electronic Clearing Service (NECS)
The Company provides the facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS, Members who hold shares in demat mode should inform their Depository Participant and such of the Members holding shares in physical form should inform the Company / RTA of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / RTA / Depository Participant, the Company will issue dividend warrants to the Members.
- ii) Transfer of unclaimed dividend and corresponding shares to the Investor Education and Protection Fund.
Your Company has transferred the funds lying unpaid or unclaimed for a period of more than seven years and the corresponding shares in accordance with the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time), to Investor Education and Protection Fund (IEPF). As on the date of this Report there is no outstanding dividends liable to be transferred to IEPF.
Details of the same are uploaded on the Company's website at <https://www.hoec.com/dividend-information/>
Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all the benefits accruing on such shares, if any, can be claimed back from IEPF by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

p) No ADR / GDR / Warrants have been issued by the Company.

q) Credit Rating

| Rating Agency | Instrument / Type | Amount (₹ Crores) | Rating / Outlook |
|--|-------------------------|-------------------|---------------------------|
| India Ratings & Research Private Limited | Long term Issuer Rating | - | IND A / Positive |
| | Bank Loan | 500.00 | IND A / Positive / IND A1 |

r) Facilities location

The Company is engaged in the business of Oil & Gas exploration, development & production and is presently operating at various fields as mentioned in section "HOEC at a Glance" in the Annual Report. The address of the respective production facilities as on March 31, 2024 are summarized as follows:

- | | |
|---|--|
| i) PY-1 Offshore Production facility SUN Platform, Offshore Cauvery Basin Block PY-1, Tamil Nadu, India. | ii) PY-1 Gas Processing Plant Pillaiyerumalnallur, Thirukadaiyur, Nagapattinam Dist. Tamil Nadu - 609 311, India. |
| iii) Palej Production Facility (PPF) Block-CB-ON-7, Near Palej, Village Makan, Vadodara Dist., Gujarat - 392 220, India. | iv) North Balol Gas Collection Station (GCS) Block North Balol, Near Village Palaj, Mehsana Dist., Gujarat - 384 410, India. |
| v) Asjol Early Production System (EPS) Block Asjol, Village Katosan, Mehsana Dist., Gujarat - 384 430, India. | vi) Dirok Gas Gathering Station (GGS) HOEC Gas Gathering Station, Near Tongline, Dirok Tea Estate, P. O. Margherita, Tinsukia Dist., Assam - 786181, India. |
| vii) Hollong Modular Gas Processing Plant (H-MGPP) Augbandha Village, Near Dehing TE, Margherita, Tinsukia Dist. Assam - 786187, India | viii) KGB - Offshore Installation, Mumbai Offshore Block - MB/OSDSF/B80/2016 Off West Coast, Arabian Sea, Other Territory, 999999 |

s) Address for Correspondence:

Secretarial Department,
Hindustan Oil Exploration Company Limited
'Lakshmi Chambers', 192, St. Mary's Road, Alwarpet, Chennai - 600018, Tamil Nadu, India
Tel.: +91 (044) 66229000; E-mail: hoecshare@hoec.com

8. OTHER DISCLOSURES

- a) All related party transactions are negotiated on arm's length basis and are intended to further the interests of the Company. None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with related parties set out in Note no. 44 of the financial statements, forming part of the Annual Report. Further, the policy for dealing with related party transaction is available on the Company's website <https://www.hoec.com/wp-content/uploads/2024/08/policy-on-materiality-of-related-party-transactions.pdf>.
- b) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.
- c) The Company has adopted a Policy on determination of materiality for disclosures and a policy on Retention of Documents is also in place.
- d) Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 2018 M/s. S. Sandeep & Associates, Company Secretaries in Practice carried out the Share Capital Audits periodically, to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital. The said Audit Report is submitted to BSE and NSE and also placed before the Stakeholders' Relationship Committee and the Board of Directors.
- e) Compliance Certificate of the Auditors
As required under Schedule V of SEBI Listing Regulations, a certificate from M/s. S. Sandeep & Associates, Company Secretaries in Practice confirming compliance with the conditions of Corporate Governance is given below.
- f) MD and CFO Certification
As required under SEBI Listing Regulations, a certificate from Managing Director and Chief Financial Officer of the Company is provided in this Annual Report.

- g) **Certificate on Directors' Disqualification**
As required under Schedule V of SEBI Listing Regulations, a certificate from M/s. S. Sandeep & Associates, Company Secretaries in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority is attached.
- h) **Adoption of mandatory and non-mandatory requirements of SEBI Listing Regulations**
The Company has complied with all the mandatory requirements and has adopted some of the non-mandatory requirements of SEBI Listing Regulations. In respect of adoption of non-mandatory and discretionary requirements, the Company will review its implementation from time to time.
- i) **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
An Internal Complaints Committee has been constituted and during the year under review no complaints were received from any employee.
- j) **Commodity price risk or foreign exchange risk and hedging activities:**
The Company does not deal in commodities and hedging activities. Hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.
- k) **The Company has complied with applicable regulations specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.**
- l) **Training of Board members**
The Board members are provided with the necessary documents, brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic presentations are made at the meetings of the Board and its Committees on business and performance updates of the Company, global business environment, business strategy and risks involved.
- m) **Compliance with Indian Accounting Standards (Ind AS)**
In the preparation of financial statements, the Company has followed the Indian Accounting Standards in accordance with the Companies (Indian Accounting Standards), Rules, 2015 of the Companies Act, 2013. The significant accounting policies used for the preparation of the financial statements are set out in the Notes to the financial statements.
- n) **Details of Auditors' fees**
As required under Schedule V of SEBI Listing Regulations, the details of total fees to the Statutory Auditors M/s Deloitte Haskins & Sells LLP, Chartered Accountants, for all services paid by the Company and its subsidiaries, on a consolidated basis is given below.

(₹ in lakhs)

| Particulars | For the year ended March 31, 2024 |
|---------------|--------------------------------------|
| Audit fee | 39.00 |
| Tax audit fee | 2.00 |
| Total | 41.00 |

- o) **Participation and voting at 40th AGM**
Pursuant to the circulars issued by the Ministry of Corporate Affairs and SEBI, the 40th AGM of the Company will be held through video-conferencing and the detailed instructions for participation and voting at the meeting is available in the Notice of the 40th AGM.

For and on behalf of the Board of Directors

Date : 12-August-2024
Place : Chennai

Vivek Rae
Chairman
DIN: 01866765

R. Jeevanandam
Managing Director
DIN: 07046442

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Para E of Schedule V to
the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Hindustan Oil Exploration Company Limited
(CIN: L11100GJ1996PLC029880)

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by **HINDUSTAN OIL EXPLORATION COMPANY LIMITED (CIN: L11100GJ1996PLC029880)** ("the **Company**"), for the financial year ended on March 31, 2024, as stipulated in Regulations 17 to 27 and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility:

The compliance of conditions of Corporate Governance is the responsibility of the Management. The responsibility includes design, implementation and maintenance of internal control and procedures to ensure compliance with conditions of Corporate Governance as stated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our Responsibility:

Our examination was limited to examining procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Our Opinion:

In our opinion, on the basis of our examination of the relevant records produced, information provided, the explanations and clarifications given to us, the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with all mandatory regulations and the conditions of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended March 31, 2024.

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

For S.Sandeep & Associates
Company Secretaries

S.Sandeep
Company Secretary in Practice
C P No.: 5987; FCS No.: 5853
PR : 1116/2021
UDIN: F005853F000440606

Date : 24-05-2024
Place : Chennai

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I hereby declare that all the members of the Board and the Senior Management Personnel of the Company have affirmed compliance with their respective Code of Conduct, as applicable to them for the Financial Year ended March 31, 2024.

For and on behalf of the Board

Date : 29-05-2024

Place: Chennai

R. Jeevanandam

Managing Director

DIN: 07046442

MD & CFO CERTIFICATE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

We, R. Jeevanandam and N. Sivalai Senthilnathan in our capacity as the Managing Director and Chief Financial Officer, respectively of Hindustan Oil Exploration Company Limited, to the best of our knowledge and belief certify that:

- A. We have reviewed the standalone and consolidated financial statements and cash flow statements of Hindustan Oil Exploration Company Limited for the year ended March 31, 2024 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) significant changes in internal control over financial reporting during the year, if any;
 - (2) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

This certificate is being issued in compliance of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

R. Jeevanandam
Managing Director

DIN: 07046442

N. Sivalai Senthilnathan
Chief Financial Officer

Date : 29-05-2024

Place : Chennai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Reg. 34(3) and Schedule V, Para C, Clause (10)(i) of the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

Hindustan Oil Exploration Company Limited
(CIN: L11100GJ1996PLC029880)

Tandalja Road, Off: Old Padra Road,
Vadodara, Gujarat 390 020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hindustan Oil Exploration Company Limited** having CIN : L11100GJ1996PLC029880 and having registered office at Tandalja Road, Off Old Padra Road, Vadodara, Gujarat 390020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of initial appointment in Company |
|---------|--------------------------|----------|--|
| 1 | Vivek Rae | 01866765 | 18/04/2019 |
| 2 | Sharmila Hiralal Amin | 06770401 | 17/12/2014 |
| 3 | Pronp Kumar Borthakur | 06417854 | 15/06/2016 |
| 4 | Ashok Kumar Goel | 00025350 | 01/03/2018 |
| 5 | Rohit Rajgopal Dhoot | 00016856 | 10/03/2018 |
| 6 | Elango Pandarinathan (*) | 06475821 | 02/02/2015 |
| 7 | Ramasamy Jeevanandam | 07046442 | 02/02/2015 |

(*) Retired on 30.09.2023

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

For S.Sandeep & Associates
Company Secretaries

S.Sandeep
Company Secretary in Practice
C P No.: 5987; FCS No.: 5853
PR : 1116/2021
UDIN: F005853F000438351

Date : 24-05-2024
Place : Chennai

INDEPENDENT AUDITOR'S REPORT

To the Members of
Hindustan Oil Exploration Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Hindustan Oil Exploration Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information and which includes eight unincorporated joint ventures accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial information of the unincorporated joint ventures referred to in the Other Matters section below, 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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| S.No | Key Audit Matter | Auditor's Response |
|------|--|---|
| 1 | <p>Impairment of Upstream Oil and Gas assets included in PP&E and Capital Work in Progress and loans and advances given to subsidiary companies for Oil and Gas assets</p> <p>Oil and Gas assets included in Property, Plant and Equipment (PP&E) and Capital Work in Progress of the Company aggregate ₹ 78,652 lakhs and Loans and advances given to its subsidiary companies which have Oil and Gas assets aggregate ₹ 12,421 lakhs.</p> | <p>Principal audit procedures performed:</p> <p>Our procedures relating to testing the impairment of the upstream Oil and Gas assets, Capital work in Progress and loans and advances given to subsidiary companies for oil and gas assets included the following, among others:</p> <p>a) We tested the effectiveness of internal controls over the Company's process in estimating the oil and gas reserves, the completeness and accuracy</p> |

| S.No | Key Audit Matter | Auditor's Response |
|------|--|--|
| | <p>Recoverability of such Oil and Gas assets has been identified as a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the carrying value of the assets being assessed; • The assessment of the recoverable amount of the Company's Cash Generating Units (CGUs) involves significant judgements about future cash flow forecasts and the discount rates applied; and • The estimation of oil and natural gas reserves is a significant area of judgement due to the technical uncertainty involved and this has a substantial impact on impairment testing. <p>As required by Ind AS 36 'Impairment of Assets', management estimated the recoverable amount of the CGU to determine if any impairment charges or reversals were required.</p> | <p>of the input data used and the reasonableness of key assumptions considered in the impairment evaluation including the discount rates and future oil and gas prices.</p> <p>b) We obtained the impairment workings prepared by the Company and performed the following procedures:</p> <ul style="list-style-type: none"> (i) Assessed the valuation methodology used by management, evaluated the appropriateness of management's identification of the CGU's and tested the arithmetical accuracy of the impairment calculations. (ii) Conducted corroborative inquiries with the Company personnel, including internal reserve experts, to identify factors, if any, which should be considered in the analysis. (iii) Tested the key assumptions used in the assessment including reserve estimate, oil and gas prices by comparing them with prior year's data and external data, where relevant. (iv) Assessed the reasonableness of the discount rates used. (v) Verified the estimated future capital and operational costs, by comparing the same with the budgets and the production forecasts. (vi) Performed sensitivity analysis of key assumptions, including estimate of production-based revenue growth rates and the discount rates applied in the valuation workings. |
| 2 | <p>Measurement of provision for decommissioning, dismantling, removal and restoration ("DDRR")</p> <p>The provision outstanding for DDRR of the Company amounts to ₹ 14,461 Lakhs. The estimation of DDRR provision, involves significant degree of judgement and uncertainty in estimation.</p> <p>DDRR provisions are inherently subjective given they are based on estimates of costs that will be settled in the future. The Company reviews the DDRR provision on an annual basis, of which key components include the interest rate, inflation rate and expected future costs.</p> | <p>Principal audit procedures performed:</p> <p>Our procedures relating to testing the measurement of the provision for DDRR included the following, among others:</p> <ul style="list-style-type: none"> (i) Tested the effectiveness of internal controls over the Company's process in estimating the future costs, the completeness and accuracy of the input data used and the reasonableness of key assumptions considered in their evaluation including the inflation and discount rates. (ii) Obtained the calculation of the DDRR provision prepared by the Company and performed the following procedures: <ul style="list-style-type: none"> • Obtained and evaluated the workings received by the Company from internal specialist for reasonableness. • Tested the completeness of the provision by comparing the list of operating blocks with the obligation to create a provision for DDRR. • Tested the arithmetical accuracy of the Decommissioning liability. |

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Board's Report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility and Sustainability Report are 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 will 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 identified above when it becomes available and, compare with the financial information of the unincorporated joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the unincorporated joint ventures, is traced from their financial information audited by the other auditors.
- When we read the Board's Report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility and Sustainability Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and unincorporated joint ventures to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

- a) We have placed reliance on the technical/commercial evaluation performed by the management in respect of the categorization of wells as exploratory, development, producing and dry wells, allocation of costs incurred on them, proved developed hydrocarbon reserves and depletion thereof on Oil and Gas assets, impairment and liability for site restorations costs.
- b) Management had performed year end physical verification of inventory of crude oil at offshore location. However, we were not able to physically observe the verification of the inventory that was carried out by the Management due to practical and safety considerations. Consequently, we have performed alternate procedures to audit the existence and condition of inventory as per the guidance provided in SA 501 "Audit evidence - Specific consideration for selected items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these standalone financial statements. Our report on the standalone financial statements is not modified in respect of this matter.
- c) We did not audit the financial information of seven unincorporated joint ventures included in the standalone financial statements of the Company, whose financial statements reflect total assets of ₹ 591 lakhs as at March 31, 2024 and total revenues of ₹ Nil lakhs for the year ended on that date, as considered in the standalone financial statements. The financial information of these unincorporated joint ventures have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these unincorporated joint ventures and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid unincorporated joint ventures, is solely based on the report of such other auditors.
- d) We did not audit the financial information of one unincorporated joint venture included in the standalone financial statements, whose financial information reflect total assets of ₹ 248 lakhs as at March 31, 2024 and total revenues of ₹ Nil lakhs for the year ended on that date, as considered in the standalone financial statements. The financial information of this unincorporated joint ventures is unaudited and have been furnished to us by the Management and our opinion in so far as it relates to the amounts and disclosures included in respect of this unincorporated joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Company.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the unincorporated joint ventures, referred to in the Other Matters section above we report, to the extent applicable 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 and its unincorporated joint ventures so far as it appears from our examination of those books and the reports of the other auditors except for not complying with the requirement of audit trail as stated in (i)(vi) below.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act
- f. The modification relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer note 45 of the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 58 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities, with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 59 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 has 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 misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except that:
 - a. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used by the Company.
 - b. In respect of a software operated by a third party software service provider, for maintaining payroll records, based on the independent auditor's system and organization controls report covering the requirement of audit trail, the Company has used a software which has a feature of recording audit trail (edit log) facility and the same has operated during the period April 1, 2023 till December 31, 2023 and no instance of audit trail feature being tampered with has been reported in such independent auditor's report for the aforesaid period. In the absence of an independent auditor's report covering the audit trail requirement for the remaining period, we are unable to comment whether the audit trail feature of the said software was enabled and operated from January 1, 2024, for all relevant transactions recorded in the software or whether there was any instance of the audit trail feature been tampered with.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 24213649BKCJGA2867)

Place : Hyderabad
Date : May 29, 2024
MM/JM/2024/17

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Hindustan Oil Exploration Company Limited** ("the Company") as at March 31, 2024 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions

of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366WW-100018)

Place : Hyderabad
Date : May 29, 2024
MM/JM/2024/17

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 24213649BKCJGA2867)

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

- (i) In respect of Property, Plant and Equipment and Intangible Assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment other than Oil & Gas Assets. The Company has maintained proper records showing full particulars of intangible assets.
 - b) On the basis of our examination of the records of the Company, the Property, Plant and Equipment having substantial value, other than those which are underground/ submerged/ under unincorporated joint ventures have been physically verified by the management in a phased manner to cover all items over a period of three years, which in our opinion is reasonable, having regard to the size of Company and nature of its business. No material discrepancies were noticed on such verification.
 - c) Based on the examination of the title deeds provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and investment property, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.
 - d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) In respect of Inventory:
- a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
 - b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at various points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock, trade receivables, trade payables, sales and other financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) In respect of Loans and Advances:
- The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

- a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable. The details of such loans provided during the previous years and outstanding as at March 31, 2024 is as below:

| Particulars | Loan Balance outstanding as at March 31, 2024 |
|----------------|---|
| - Subsidiaries | ₹ 12,421 Lakhs |

- b) The Company has not made any investments in, provided any guarantee or security during the year, and hence reporting under clause (iii)(b) of the Order is not applicable.
- c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation/renewal except the following:

| Name of the entity | Nature | Interest Accrued as at March 31, 2024 (₹ Lakhs) | Remarks, if any |
|--|------------------|---|--|
| Geopetrol International Inc. (Wholly Owned Subsidiary of the Company) | Interest on Loan | 2,138 | Terms of payment of interest is not stipulated in the agreement and hence we are unable to comment on the regularity of the payment of interest. |
| Hindage Oilfield Services Limited (Wholly Owned Subsidiary of the Company) | Interest on Loan | 2,030 | Interest is payable on a monthly basis. The interest accrued is for the past 24 months is unpaid as at March 31, 2024. |

- d) In respect of loans granted by the Company, an amount of ₹ 1,844 lakhs pertaining to interest with respect to one subsidiary is overdue for more than 90 days as at March 31, 2024. In respect of loan granted to another subsidiary where the payment terms of interest is not stipulated an amount of ₹ 2,138 lakhs is overdue, as explained to us, the Management has taken reasonable steps for recovery of the interest.
- e) During the year loans or advances in the nature of loans amounting to ₹ 5,879 lakhs (47% of the aggregate loans and advances) fell due from the subsidiary Geopetrol International Inc. has been renewed during the year.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2024 and hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government

under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Provident Fund, Income-tax, Goods and Service Tax, Value Added Tax, cess and other material statutory dues applicable to the Company have been generally regularly deposited by it with the appropriate authorities though there have been few delays in respect of remittances of Goods and Service Tax, Value Added Tax and Tax deducted at Source. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, Goods and Service Tax, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) Details of dues of Service Tax which have not been deposited as on March 31, 2024 on account of disputes are given below:

| Name of Statute | Nature of dues | Forum where dispute is pending | Period to which the amount relates | Amount Demanded (₹ in lakhs) | Amount Unpaid (₹ in lakhs) |
|-------------------|----------------|--------------------------------|------------------------------------|------------------------------|----------------------------|
| Finance Act, 1994 | Service Tax | CESTAT, Chennai | April 2006 to November 2007 | 14.74 | 14.74 |
| | | | October 2007 to March 2011* | 146.46 | 146.46 |
| | | | April 2020 to March 2015 | 24,283.25 | 24,283.25 |

(*) Net of ₹ 7.71 lakhs paid under protest

Note: The above does not include the show cause notices received by the Company and disclosed in contingent liabilities as part of the standalone financial statements.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) In respect of Borrowings:

- (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, 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 upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2020 Order is not applicable
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. 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 issued to the Company during the year and covering the period upto September 30, 2023 and the draft of the internal audit reports where issued after the balance sheet date covering the period October 1, 2023 to March 31, 2024 for the period under audit.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable. The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(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.
- (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) The Company has not fully spent the required amount towards Corporate Social Responsibility (CSR) and transferred the unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) (a) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No.117366W/W-100018)

C Manish Muralidhar

(Partner)

(Membership No. 213649)

(UDIN:24213649BKCJGA2867)

Place : Hyderabad

Date : May 29, 2024

MM/JM/2024/17

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

| Particulars | Notes | As at March 31, 2024 | As at March 31, 2023 |
|--|-------|-------------------------|-------------------------|
| ASSETS | | | |
| 1 Non-current assets | | | |
| Property, plant & equipment | | | |
| a) Oil and gas assets | 4 | 75,535.14 | 78,139.20 |
| b) Others | 4 | 343.16 | 338.27 |
| Capital work-in-progress | 5 | 3,117.01 | 2,660.62 |
| Investment property | 6 | 278.05 | 292.24 |
| Intangible assets - Exploration | 7 | 1,012.40 | 985.55 |
| Intangible assets - Others | 7 | - | - |
| Financial assets | | | |
| Investments in subsidiaries | 8 | 5,945.83 | 5,945.83 |
| Deposits under site restoration fund | 9 | 7,978.29 | 7,458.06 |
| Other bank balances | 10 | 116.00 | 108.97 |
| Other financial assets | 11 | - | - |
| Income tax assets (net) | 12 | 211.73 | 137.18 |
| Deferred tax asset (net) | 13 | - | - |
| Other non-current assets | 14 | 7.71 | 7.78 |
| Total non-current assets | | 94,545.32 | 96,073.70 |
| 2 Current assets | | | |
| Inventories | 15 | 3,808.46 | 7,825.22 |
| Financial assets | | | |
| Investments | 16 | 42.35 | 11,470.90 |
| Trade receivables | 17 | 20,169.40 | 4,287.86 |
| Cash and cash equivalents | 18 | 837.42 | 2,396.08 |
| Other bank balances | 19 | 1,725.79 | 3,350.70 |
| Loan to subsidiaries | 20 | 12,420.72 | 22,436.60 |
| Other financial assets | 21 | 17,044.03 | 9,014.03 |
| Other current assets | 22 | 208.53 | 246.52 |
| Total current assets | | 56,256.70 | 61,027.91 |
| TOTAL ASSETS | | 150,802.02 | 157,101.61 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 23 | 13,225.93 | 13,225.93 |
| Other equity | 24 | 88,107.72 | 79,740.47 |
| Total equity | | 101,333.65 | 92,966.40 |
| Liabilities | | | |
| 1 Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 25 | 4,902.93 | 7,335.33 |
| Other financial liabilities | 26 | 231.03 | 1,075.97 |
| Provisions | 27 | 14,482.42 | 13,635.94 |
| Total non-current liabilities | | 19,616.38 | 22,047.24 |
| 2 Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 28 | 2,500.00 | 21,025.82 |
| Trade payables | | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 29 | 13,174.02 | 9,537.65 |
| Other financial liabilities | 30 | 1,448.43 | 4,733.33 |
| Provisions | 31 | 23.10 | 30.38 |
| Other current liabilities | 32 | 12,706.44 | 6,760.79 |
| Total current liabilities | | 29,851.99 | 42,087.97 |
| Total liabilities | | 49,468.37 | 64,135.21 |
| TOTAL EQUITY & LIABILITIES | | 150,802.02 | 157,101.61 |

See accompanying notes forming part of the Standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN-117366W/W-100018

For and on behalf of the Board of Directors

C Manish Muralidhar
Partner

Vivek Rae
Chairman
DIN: 01866765

R. Jeevanandam
Managing Director
DIN: 07046442

N. Sivalai Senthilnathan
Chief Financial Officer

Josephin Daisy
Company Secretary

Place : Hyderabad
Date : May 29, 2024

Place: Delhi
Date : May 29, 2024

Place : Mumbai
Date : May 29, 2024

Place : Mumbai
Date : May 29, 2024

Place: Mumbai
Date : May 29, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

| Particulars | Notes | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| Revenue from operations | 33 | 54,428.89 | 41,110.30 |
| Less: Profit petroleum / revenue share to GOI | | (8,029.18) | (3,005.48) |
| Other income | 34 | 3,264.77 | 2,790.85 |
| Total income | | 49,664.48 | 40,895.67 |
| EXPENSES | | | |
| Share of expenses from producing oil and gas blocks | 35 (a) | 26,770.16 | 16,951.92 |
| Royalty, cess and national calamity contingent duty | 35 (b) | 5,310.63 | 5,672.14 |
| (Increase) / decrease in stock of crude oil and condensate | 36 | 3,094.23 | (5,869.98) |
| Employee benefits expense | 37 | 44.41 | 64.81 |
| Finance costs | | | |
| - Banks and financial institutions | 38 | 1,385.46 | 2,423.15 |
| - Unwinding of discount on decommissioning liability | 38 | 846.63 | 762.19 |
| Depreciation, depletion and amortization expense | 4,6,7 | 2,672.12 | 2,765.09 |
| Other expenses | 39 | 1,139.91 | 1,759.62 |
| Total expenses | | 41,263.55 | 24,528.94 |
| Profit before exceptional items and tax | | 8,400.93 | 16,366.73 |
| Exceptional items | | - | - |
| Profit before tax | | 8,400.93 | 16,366.73 |
| Tax expense | | | |
| (1) Current tax | | - | - |
| (2) Deferred tax | | - | - |
| Total tax expense | | - | - |
| Profit for the year | | 8,400.93 | 16,366.73 |
| Other comprehensive income | | | |
| Items that will not to be reclassified to profit or loss: | | | |
| - Re-measurement (loss)/gain of defined benefit plans, net of tax | | (33.68) | 3.17 |
| Other comprehensive income (net of tax) | | (33.68) | 3.17 |
| Total Comprehensive income | | 8,367.25 | 16,369.90 |
| Earnings per equity share of ₹ 10 attributable to equity holders. | 40 | | |
| Basic | | 6.35 | 12.37 |
| Diluted | | 6.35 | 12.37 |

See accompanying notes forming part of the Standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN-117366W/W-100018

For and on behalf of the Board of Directors

C Manish Muralidhar
Partner

Place : Hyderabad
Date : May 29, 2024

Vivek Rae
Chairman
DIN: 01866765

Place: Delhi
Date : May 29, 2024

R. Jeevanandam
Managing Director
DIN: 07046442

Place : Mumbai
Date : May 29, 2024

N. Sivalai Senthilnathan
Chief Financial Officer

Place : Mumbai
Date : May 29, 2024

Josephin Daisy
Company Secretary

Place: Mumbai
Date : May 29, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

a) Equity Share Capital

| Particulars | As at | | | |
|---|----------------|------------|----------------|------------|
| | March 31, 2024 | | March 31, 2023 | |
| | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs |
| Balance at the beginning of the current reporting year | 132,243,289 | 13,225.93 | 132,243,289 | 13,225.93 |
| Changes in Share Capital due to prior period errors | - | - | - | - |
| Restated balance at the beginning of the current reporting year | - | - | - | - |
| Changes in share capital during the current year | - | - | - | - |
| Balance at the end of the current reporting year | 132,243,289 | 13,225.93 | 132,243,289 | 13,225.93 |

b) Other Equity

| Particulars | Other Equity | | | Total ₹ in lakhs |
|--|--------------------|------------------|---------------------|---------------------|
| | Securities premium | Capital reserve | Retained earnings | |
| Balance as at April 1, 2022 | 78,865.42 | 96,084.50 | (111,579.35) | 63,370.57 |
| Profit for the year | - | - | 16,366.73 | 16,366.73 |
| Other comprehensive income (net of tax) | - | - | 3.17 | 3.17 |
| Total comprehensive income for the year | - | - | 16,369.90 | 16,369.90 |
| Balance as at March 31, 2023 | 78,865.42 | 96,084.50 | (95,209.45) | 79,740.47 |
| Profit for the year | - | - | 8,400.93 | 8,400.93 |
| Other comprehensive income (net of tax) | - | - | (33.68) | (33.68) |
| Total comprehensive income for the year | - | - | 8,367.25 | 8,367.25 |
| Balance as at March 31, 2024 | 78,865.42 | 96,084.50 | (86,842.20) | 88,107.72 |

See accompanying notes forming part of the Standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN-117366W/W-100018

For and on behalf of the Board of Directors

C Manish Muralidhar
 Partner

Vivek Rae
 Chairman
 DIN: 01866765
 Place: Delhi
 Date : May 29, 2024

R. Jeevanandam
 Managing Director
 DIN: 07046442
 Place : Mumbai
 Date : May 29, 2024

N. Sivalai Senthilnathan
 Chief Financial Officer
 Place : Mumbai
 Date : May 29, 2024

Josephin Daisy
 Company Secretary
 Place: Mumbai
 Date : May 29, 2024

Place : Hyderabad
 Date : May 29, 2024

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Cash flow from operating activities | | |
| Profit after tax | 8,400.93 | 16,366.73 |
| Adjustments for: | | |
| Tax expenses | - | - |
| Depreciation, depletion and amortization expense | 2,672.12 | 2,765.09 |
| Unwinding of discount on decommissioning liability | 846.63 | 762.19 |
| Provision for compensated absences | (7.43) | (5.54) |
| Write back of excess provision no longer required | (680.07) | - |
| Net foreign exchange differences | (117.40) | 620.76 |
| Interest income | (2,199.24) | (2,602.57) |
| Interest expenses | 1,385.46 | 2,423.15 |
| Net gain on sale of investments | - | (44.68) |
| Net gain on sale or fair valuation of investments | (12.65) | (94.92) |
| Rental income | (33.09) | (31.52) |
| Dividend income | (0.10) | (0.22) |
| Operating profit before working capital changes | 10,255.16 | 20,158.47 |
| Working capital adjustments for: | | |
| Trade receivables | (15,881.54) | (2,927.72) |
| Inventories | 4,016.76 | (7,352.03) |
| Other financial and non-financial assets | (7,000.22) | (3,022.60) |
| Trade payables, other financial and non-financial liabilities | 6,710.77 | 11,573.05 |
| Cash (used in)/generated from operations | (1,899.07) | 18,429.17 |
| Direct taxes (payment) (net of refunds) | (74.55) | (72.98) |
| Net cash (used in)/generated from operating activities | (1,973.62) | 18,356.19 |
| Cash flow from Investing activities | | |
| Property, plant and equipment (net) | (919.33) | (6,587.41) |
| Intangible assets | (26.85) | (15.03) |
| Loan to subsidiaries | 10,107.95 | - |
| Rent received | 33.09 | 31.52 |
| Dividend received | 0.10 | 0.22 |
| Net gain on sale of investments | - | 44.68 |
| Net gain on sale or fair valuation of investments | 12.65 | 94.92 |
| Interest received | 712.60 | 629.55 |
| Bank deposit- Under site restoration fund | - | (25.41) |
| Bank deposit -Lien for bank guarantees/facilities | 1,617.89 | (209.94) |
| Net cash flows generated from/(used in) investing activities | 11,538.10 | (6,036.90) |
| Cash flow from financing activities | | |
| Term loan repayment | (9,100.89) | (9,547.98) |
| Short term loan received (Net of repayment) | (12,000.00) | 12,000.00 |
| Interest paid | (1,450.80) | (2,231.73) |
| Net cash flows (used in) / from financing activities | (22,551.69) | 220.29 |
| Net (decrease) / increase in cash and cash equivalents | (12,987.21) | 12,539.58 |
| Cash and cash equivalents at the beginning of the year | 13,866.98 | 1,327.40 |
| Cash and cash equivalents at the end of the year | 879.77 | 13,866.98 |
| Balances with banks | | |
| - In deposit accounts | 5.45 | 5.12 |
| - In current accounts | 831.97 | 2,390.96 |
| Current Investments | 42.35 | 11,470.90 |
| Total cash and cash equivalents | 879.77 | 13,866.98 |

See accompanying notes forming part of the Standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN-117366W/W-100018

For and on behalf of the Board of Directors

C Manish Muralidhar
Partner

Vivek Rae
Chairman
DIN: 01866765
Place: Delhi
Date: May 29, 2024

R. Jeevanandam
Managing Director
DIN: 07046442
Place: Mumbai
Date: May 29, 2024

N. Sivalai Senthilnathan
Chief Financial Officer
Place: Mumbai
Date: May 29, 2024

Josephin Daisy
Company Secretary
Place: Mumbai
Date: May 29, 2024

Place : Hyderabad
Date : May 29, 2024

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
1. Corporate Information

Hindustan Oil Exploration Company Limited ('the Company' or "HOEC") was incorporated in India on September 22, 1983 under the provisions of the Companies Act, 1956. The Company's shares are listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). HOEC is engaged in the exploration, development and production of crude oil and natural gas in India, both onshore and offshore.

The Company is a participant in various oil and gas blocks/fields which are in the nature of joint operation through Production Sharing Contracts ('PSC')/ Revenue Sharing Contracts ('RSC') entered by the Company with Government of India along with other entities. The details of Company's participating interests and of the other entities are as follows:

| Sl. No. | Unincorporated Joint Ventures | Participants | Share (%) | |
|---------|-------------------------------|---|----------------------|----------------------|
| | | | As at March 31, 2024 | As at March 31, 2023 |
| 1 | MB/OSDSF/B80/2016 | Hindustan Oil Exploration Company Limited (O) | 60 | 60 |
| | | Adbhoot Estates Private Limited | 40 | 40 |
| 2 | PY-1 | Hindustan Oil Exploration Company Limited (O) | 100 | 100 |
| 3 | CY-OS-90/1 (PY-3)** | Hardy Exploration & Production (India) Inc. (O) | 18 | 18 |
| | | Oil and Natural Gas Corporation Limited | 40 | 40 |
| | | Hindustan Oil Exploration Company Limited | 21 | 21 |
| 4 | AAP-ON-94/1 (Assam) | Tata Petrodyne Limited | 21 | 21 |
| | | Hindustan Oil Exploration Company Limited (O) | 26.882 | 26.882 |
| | | Indian Oil Corporation Limited | 29.032 | 29.032 |
| 5 | AA-ONHP-2017/19 | Oil India Limited | 44.086 | 44.086 |
| | | Hindustan Oil Exploration Company Limited (O) | 100 | 100 |
| 6 | AA/ONDSF/KHEREM/2016* | Hindustan Oil Exploration Company Limited (O) | 40 | 40 |
| | | Oil India Limited | 40 | 40 |
| | | Prize Petroleum Company Limited | 20 | 20 |
| 7 | AA/ONDSF/Umatara/2018 | Hindustan Oil Exploration Company Limited | 10 | 10 |
| | | Indian Oil Corporation Limited (O) | 90 | 90 |
| 8 | Asjol | Hindustan Oil Exploration Company Limited (O) | 50 | 50 |
| | | Gujarat State Petroleum Corporation Limited | 50 | 50 |
| 9 | North Balol | Hindustan Oil Exploration Company Limited (O) | 25 | 25 |
| | | Gujarat State Petroleum Corporation Limited | 45 | 45 |
| | | Gujarat Natural Resources Limited (GNRL) | 30 | 30 |
| 10 | CB-ON/7 (Palej) | Hindustan Oil Exploration Company Limited (O) | 35 | 35 |
| | | Gujarat State Petroleum Corporation Limited | 35 | 35 |
| | | Oil and Natural Gas Corporation Limited | 30 | 30 |

(O) Operator

The Company has wholly owned subsidiaries M/s. Hindage Oilfield Services Limited ("HOSL") and Geopetrol International Inc. ("GPII") which has a wholly owned subsidiary Geopetrol Mauritius Limited ("GML"). GML is holding 50% of the share capital of GeoEnpro Petroleum Limited ("GeoEnpro") and during the year, HOSL had acquired balance 50% of the share capital.

* Surrendered the block on May 16, 2024.

** Block is non-operative since 2011.

2. Material accounting policies
i) Statement of compliance and basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and Guidance note on Accounting for oil and gas producing activities (Ind AS) issued by the Institute of Chartered Accountants of India. These financial statements for the year ended March 31, 2024 for the Company has been prepared in accordance with Ind AS.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

For all periods up to and including the year ended March 31, 2024, the Company had prepared its financial statements under historical cost convention on accrual basis in accordance with the generally accepted accounting principles and the accounting standards notified under section 133 of the Companies Act 2013.

The Financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

As the operating cycle cannot be identified in normal course due to the nature of industry, the same has been assumed to have a duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The financial statements are presented in Indian Rupees, unless otherwise stated.

Fair value measurement

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 under the current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

ii) Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have the joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

The Company has entered into Unincorporated Joint Ventures (UJVs) with other entities and executed Production Sharing Contracts ("PSC") and Revenue Sharing Contracts ("RSC") with the Government of India. These UJVs are in the form of joint arrangements wherein the participating entity's assets and liabilities are proportionate to its participating interest.

The UJVs entered into by the company are joint operations wherein the liabilities are several, not joint, and not joint and several and therefore do not come under the category of Joint Venture as defined under the Ind AS. In accounting for these joint operations, the company recognizes its assets and liabilities in proportion to its participating interest in the respective UJV. Likewise, revenue and expenses from the UJV are recognized for its participating interest only. The Company accounts for the assets, liabilities, revenues and expenses relating to its interest in the UJVs in accordance with the Ind AS.

The financial statements of the Company reflect its share of assets, liabilities, income and expenditure of the Unincorporated Joint Ventures ("UJV") which are accounted, based on the available information in the audited financial statements of UJV on line by line basis with similar items in the Company's accounts to the extent of the participating interest of the Company as per the various PSCs and RSCs. The financial statements of the UJVs are prepared by the respective Operators in accordance with the requirements prescribed by the respective PSCs. Hence, in respect of these UJV's, certain disclosures required under the relevant accounting standards have been made in the financial statements.

iii) Investment in subsidiaries, associate and joint ventures

The Company records the investments in subsidiaries, associate and joint ventures at cost less impairment loss, if any. On disposal of investment in subsidiaries, associates and joint ventures, the difference between the net disposal proceeds and the carrying amounts (including corresponding value of dilution in deemed investment) are recognized in the statement of profit and Loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

iv) Foreign exchange transactions

The functional currency of the Company is Indian Rupee which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized 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 translated using mean exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

v) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at transaction price allocated to that performance obligation.

(i) Revenue from the sale of crude oil, condensate and natural gas, net of value added tax and profit petroleum to the Government of India, is recognized on transfer of custody to customers, and the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

(ii) Income from service if any is recognized on accrual basis on its completion and is net of taxes.

Other income

(iii) Interest income is recognized on the basis of time, by reference to the principal outstanding and at effective interest rate applicable on initial recognition.

(iv) Dividend Income from investments is recognized when the right to receive has been established.

(v) Rental income arising from operating leases is accounted on straight-line basis over the lease term.

vi) Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

The tax rates and tax laws used to compute are the laws that are enacted or substantively enacted as on the reporting date. The management evaluates and makes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current taxes

The current tax expense includes income taxes payable by the Company. Advance taxes and provisions for current taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred taxes

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 utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

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 realized, 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.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

vii) Property plant and equipment (other than oil and gas assets)

Land and buildings held for use in the production and supply of goods or services, or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and the accumulated impairment losses. Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation.

Historical cost comprises the purchase price and any attributable cost of bringing the asset for its intended use. It includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs for acquisition of fixed assets are capitalized till such assets are ready to be put to use.

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

Improvements to Leasehold premises are amortized over the remaining primary lease period.

Capital work in progress are items of property, plant and equipment which are not ready for their intended use and are carried at cost, comprising direct cost and related incidental expense. Capital work in progress includes items of drilling materials which are held for use in extraction or production of oil and gas, and are expected to be used for more than one period.

(i) Useful lives used for depreciation:

The Company follows the useful lives set out under Schedule II of the Companies Act 2013 for the purpose of determining the useful lives of respective blocks of property plant and equipment. The following are the useful lives followed:

| | | |
|--------------------------|---|----------|
| - Buildings | : | 60 years |
| - Office Equipment | : | 05 years |
| - Computers | : | 03 years |
| - Furniture and Fixtures | : | 10 years |
| - Vehicles | : | 08 years |

Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the written down value method.

(ii) De-recognition of property, plant and equipment

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continuous use of the asset. Any gain or loss arising from such disposal, retirement or de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item. Such gain or loss is recognized in the statement of profit and loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

In case of de-recognition of a revalued asset, the corresponding portion of the revaluation surplus as is attributable to that asset is transferred to retained earnings on such de-recognition. Such transfers to retained earnings are made through Other Comprehensive Income and not routed through profit or loss.

viii) Oil and gas assets

Oil and gas assets are stated at historical cost less accumulated depletion and impairment. These are accounted in respect of an area / field having proved oil and gas reserves, when the wells in the area / field is ready to commence commercial production.

The Company generally follows the "Successful Efforts Method" of accounting for oil and gas assets as set out by the Guidance Note issued by the ICAI on "Accounting for Oil and Gas Producing Activities".

Expenditure incurred on acquisition of license interest is initially capitalized on license by license basis as Intangible Assets as "Exploration". Costs are not depleted within exploratory and development work in progress until the exploration phase is completed or commercial oil and gas reserves are discovered.

- (a) Cost of surveys and studies relating to exploration activities are expensed as and when incurred.
- (b) Cost of exploratory/appraisal well(s) are expensed when it is not successful and the cost of successful well(s) are retained as exploration expenditure till the development plan is submitted. On submission of development plan, it is transferred to capital work in progress. On commencement of commercial production, the capital work in progress is transferred to producing property as Property, plant and equipment .
- (c) Cost of temporary occupation of land and cost of successful exploratory, appraisal and development wells are considered as development expenditure. These expenses are capitalized as producing property on commercial production.
- (d) Development costs on various activities which are in progress are accounted as capital work in progress. On completion of the activities the costs are moved to respective oil and gas assets.

Depletion to oil and gas assets

Depletion is charged on a unit of production method based on proved reserves for acquisition costs and proved and developed reserves for capitalized costs consisting of successful exploratory and development wells, processing facilities, assets for distribution, estimated site restoration costs and all other related costs. These assets are depleted within each cost center. Reserves for these purposes are considered on working interest basis which are assessed annually. Impact of changes to reserves if any are accounted prospectively.

ix) Site restoration

Provision for decommissioning costs are recognized as and when the Company has a legal or constructive obligation to plug and abandon a well, dismantle and remove plant and equipment to restore the site on which it is located. The estimated liability towards the costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is completed, and the plant and equipment are installed.

The amount recognized is the present value of the estimated future expenditure determined using existing technology at current prices and escalated using appropriate inflation rate till the expected date of decommissioning and discounted up to the reporting date using the appropriate risk-free interest rate.

The corresponding amount is also capitalized to the cost of the producing property and is depleted on unit of production method. Any change in the estimated liability is dealt with prospectively and is also adjusted to the carrying value of the producing property.

Any change in the present value of the estimated decommissioning expenditure other than the periodic unwinding of discount is adjusted to the decommissioning provision and the carrying value of the asset. In case reversal of provision exceeds the carrying amount of the related asset, the excess amount is recognized in the Statement of Profit and Loss. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance cost.

Provision for decommissioning cost in respect of assets under joint operations is considered as per the participating interest of the Company in the block / field.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***x) Investment property**

Properties held to on rentals and / or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs.

Depreciation is recognized using the Written Down Value Method, so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful lives are determined by technical evaluation, over the useful lives so determined. Depreciation method, useful life and the residual values are reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property and the value thereon. The effect of any change in the estimates of useful lives / residual value is accounted on a prospective basis.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognized in the Statement of Profit and Loss in the same period.

xi) Intangible assets

Intangible assets - Exploration

Exploration expenditure includes cost of exploration activities such as:

- Acquisition cost- cost associated with acquisition of licenses and rights to explore, including related professional fees.
- General exploration cost- cost of surveys and studies, rights of access to properties to conduct those studies (e.g cost incurred for environment clearance etc), salaries and other expenses of geologists, geophysical personnel conducting those studies.
- Cost of exploration drilling and equipping exploration and appraisal wells.

Intangible assets - others

Intangible assets with a finite useful life acquired separately are measured on initial recognition, at costs. Intangible assets are carried at cost less accumulated amortization and impairment losses if any.

The Company amortizes intangible assets with a finite useful life using the straight-line method. The useful life considered for computer software is 6 years.

xii) Impairment

The carrying values of assets/cash generating units are assessed for impairment at the end of every reporting period. If the carrying amount of an asset exceeds the estimated recoverable amount, an impairment is recognized as expense in the statement of profit and loss. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In that case, the carrying amount of the asset is increased to its recoverable amount. However, such reversal shall not exceed the carrying amount had there been no impairment loss.

xiii) Inventories

The accounting treatment in respect of recognition and measurement of inventory is as follows:

- (i) Closing stock of crude oil and condensate in saleable condition is valued at the estimated net realizable value in the ordinary course of business.
- (ii) Stores, spares, capital stock and drilling tangibles are valued at cost on first in first out basis and estimated net realizable value, whichever is lower.

Inventories other than closing stock of crude oil and condensate are periodically assessed for restatement at lower of cost and net realizable value. On restatement, any write-down of inventory to net realizable value is recognized as an expense in the period the write-down or loss occurs. In case of increase in the net realizable value, the increase is recognized and reversed to the extent of write-down.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***xiv) Employee benefits**

Employee benefits include salaries, wages, provident fund, gratuity, leave encashment towards un-availed leave, compensated absences and other terminal benefits.

All short-term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

a) Defined contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and are recognized as and when the employees have rendered services entitling them to contributions.

b) Defined benefit plan

The Company makes annual contribution to a Gratuity Fund administered by trustees and managed by the Life Insurance Corporation of India. The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date using the Projected Unit Credit method.

Re-measurement comprising actuarial gains and losses are reflected immediately in the balance sheet with a charge or credit recognized in the Other Comprehensive Income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognized the Statement of Profit and Loss except those included in cost of assets as permitted.

Defined benefit costs are categorized as Service cost, Net interest expense and re-measurement cost.

c) Long term employee benefit

The liability for long term compensated absences which are not expected to occur within 12 months after the end of the period in which the employee rendered related service are recognized as liability based on actuarial valuation as at the balance sheet date.

d) Other Employee Benefits including allowances, incentives etc. are recognized based on the terms of the employment.**xv) Employee share based payment**

Equity settled share-based payments if any, to employees are measured at fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payment is expensed on straight line basis over the vesting period based on the Company's estimate of the equity instrument that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that cumulative expense reflects the revised estimate, with corresponding adjustment to the equity -settled employee benefits reserve.

xvi) Financial instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are initially measured at fair value except for trade receivables which are initially measured at a transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular purchases or sales of financial assets are recognized and derecognized on the fair value. Recognized financial assets are subsequently measured in their entirety at the fair value. In case of investments in wholly owned subsidiary, the investments are considered at cost subject to impairment if any. However, trade receivables that do not contain a significant financing component are measured at transaction price.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

A financial asset is de-recognized only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Financial assets held with the objective to collect contractual cash flows and the terms give rise on specified dates to cash flows that are solely payments of principal and interest are subsequently measured at amortized cost except for financial assets that are designated at fair value through profit or loss on initial recognition.

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

Financial liabilities

All financial liabilities are recognized initially at fair value. In the case of loans, borrowings and payables, recognition is net of directly attributable transaction and other costs. The Company's financial liabilities may include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments. The measurement of financial liabilities is at fair value and adjustment thereon is routed through profit or loss.

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

Derivative financial instruments

The Company uses derivative financial instruments such as forward and options currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised and subsequently measured at fair value through profit or loss (FVTPL). Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivative financial instrument are recognised in the Statement of Profit and Loss and reported with foreign exchange gains / (loss). Changes in fair value and gains / (losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

xvii) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions (excluding retirement benefits, compensated absences and decommissioning liability) 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.

In case of contingent liabilities, where there is no certainty of outflow or the amount of obligation cannot be measured reliably, disclosure is made in the notes forming part of the financial statements. Contingent assets are not recognized in the financial statements. However, where the realization of income is reasonably certain, a disclosure of the fact is provided.

xviii) Leases

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

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. 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 costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The company has elected not to recognize right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Operating lease payments for land are recognized as prepayments and amortized on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

xix) Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

xx) Statement of cash flow

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

xxi) Cash and cash equivalents

Cash comprises for the purposes of cash flow statement comprise cash on hand and demand deposits with banks. Cash equivalents are short-term balances with a maturity of not exceeding three months, highly liquid investments that are readily convertible in to known amounts of cash which are subject to insignificant risk of change in value.

xxii) Borrowing costs

Borrowing costs include interest and amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the statement of Profit and Loss during extended periods when active development activity on the

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

qualifying assets is interrupted. Interest Income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period which they incurred.

3. Critical accounting judgments, assumptions and key sources of estimation uncertainty

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

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

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of oil and gas reserves, impairment, useful lives of property, plant and equipment, depletion of oil and gas assets, decommissioning provision, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

3.1 Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer note 4.2), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

(a) Determination of functional currency

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹). In case of foreign subsidiaries in United States Dollar, it is converted using the year end exchange rates.

(b) Evaluation of indicators for impairment of oil and gas assets

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors such as significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc. and internal factors such as obsolescence or physical damage of an asset, poor economic performance of the asset etc. which could result in significant change in recoverable amount of the oil and gas assets.

3.2 Assumptions and key sources of estimation uncertainty**a) Estimation of provision for decommissioning**

The Company estimates provision for decommissioning for the future decommissioning of oil & gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future, the exact requirements that may have to be met when the occurrence of removal events are uncertain. Technologies and costs for decommissioning are varying constantly. The timing and amounts of future cash flows are subject to significant uncertainty.

The timing and the future expenditures are reviewed at the end of each reporting period, together with rate of inflation for current cost estimates and the interest rate used in discounting the cash flows. The economic life of the oil & gas assets is estimated based on the economic production profile of the relevant oil & gas asset.

b) Estimation of reserves

Management estimates production profile (proved and developed reserves) in relation to all the oil and gas assets determined as per the industry practice. The estimates so determined are used for the computation of depletion and loss of impairment if any.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

The year-end reserves of the Company have been estimated by the Geological & Geophysical team which follows the guidelines for application of the petroleum resource management system consistently. The Company has adopted the reserves estimation by following the guidelines of Society of Petroleum Engineers (SPE) which defines "Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: They must be discovered, recoverable, commercial and remaining (as of a given date) based on development project(s) applied". Volumetric estimation is made which uses reservoir rock and fluid properties to calculate hydrocarbons in-place and then estimate the recoverable reserves from it. As the field gets matured with production history the material balance, simulation, decline curve analysis are applied to get more accurate assessments of reserves.

The annual revision of estimates is based on the yearly exploratory and development activities and results thereof. In addition, new in- place volume and ultimate recoverable reserves are estimated for any new discoveries or new pool of discoveries in the existing fields and the appraisal activities may lead to revision in estimates due to new sub-surface data. Similarly, reinterpretation is also carried out based on the production data by updating the static and dynamic models leading to change in reserves. New interventional technologies, change in classifications and contractual provisions may also necessitate revision in the estimation of reserves.

c) Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***4. Property, plant & equipment****Summary**

| Carrying amount of: | As at March 31, 2024 | As at March 31, 2023 |
|------------------------|----------------------|----------------------|
| a) Oil and gas assets | 75,535.14 | 78,139.20 |
| b) Others | | |
| - Freehold land | 227.52 | 227.52 |
| - Buildings | 91.53 | 96.11 |
| - Furniture & fixtures | 2.83 | 2.54 |
| - Vehicles | 0.64 | 0.64 |
| - Office equipment | 2.43 | 2.51 |
| - Computers | 18.21 | 8.95 |
| Total (b) | 343.16 | 338.27 |

| Particulars | a) Oil and gas assets | b) Others | | | | | | Total (b) |
|---|-----------------------|---------------|--------------|-----------------------|-------------|------------------|--------------|---------------|
| | | Freehold land | Buildings | Furnitures & fixtures | Vehicles | Office equipment | Computers | |
| Gross block | | | | | | | | |
| Balance as at April 1, 2022 | 259,658.87 | 227.52 | 421.08 | 65.57 | 12.86 | 102.37 | 110.55 | 939.95 |
| Add: Additions | 53,294.72 | - | - | - | - | - | 9.91 | 9.91 |
| Balance as at March 31, 2023 | 312,953.59 | 227.52 | 421.08 | 65.57 | 12.86 | 102.37 | 120.46 | 949.86 |
| Add: Additions | 41.62 | - | - | 1.22 | - | 0.42 | 15.50 | 17.14 |
| Balance as at March 31, 2024 | 312,995.21 | 227.52 | 421.08 | 66.79 | 12.86 | 102.79 | 135.96 | 967.00 |
| Accumulated depletion, depreciation and impairment | | | | | | | | |
| Balance as at April 1, 2022 | 232,073.35 | - | 320.16 | 62.16 | 12.22 | 99.24 | 108.68 | 602.46 |
| Depletion / Depreciation for the year | 2,741.04 | - | 4.81 | 0.87 | - | 0.62 | 2.83 | 9.13 |
| Balance as at March 31, 2023 | 234,814.39 | - | 324.97 | 63.03 | 12.22 | 99.86 | 111.51 | 611.59 |
| Depletion / Depreciation for the year | 2,645.68 | | 4.58 | 0.93 | | 0.50 | 6.24 | 12.25 |
| Balance as at March 31, 2024 | 237,460.07 | | 329.55 | 63.96 | 12.22 | 100.36 | 117.75 | 623.84 |
| Net Carrying value as at March 31, 2024 | 75,535.14 | 227.52 | 91.53 | 2.83 | 0.64 | 2.43 | 18.21 | 343.16 |
| Net Carrying value as at March 31, 2023 | 78,139.20 | 227.52 | 96.11 | 2.54 | 0.64 | 2.51 | 8.95 | 338.27 |

4.1 For the details relating to charge on movable and immovable property - (refer Note 25)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
5. Capital work-in-progress

| Particulars | Development | Exploration | Total |
|--|-----------------|-----------------|-----------------|
| Cost | | | |
| Balance as at April 1, 2022 | 52,244.45 | 2,385.94 | 54,630.39 |
| Add: Additions | 3,251.84 | - | 3,251.84 |
| Less: Transferred to Oil and gas assets | (51,726.95) | - | (51,726.95) |
| Balance as at March 31, 2023 | 3,769.34 | 2,385.94 | 6,155.28 |
| Add: Additions | 456.39 | - | 456.39 |
| Balance as at March 31, 2024 | 4,225.73 | 2,385.94 | 6,611.67 |
| Accumulated impairment | | | |
| Balance as at April 1, 2022 | 1,108.72 | 2,385.94 | 3,494.66 |
| Add: Additions | - | - | - |
| Balance as at March 31, 2023 | 1,108.72 | 2,385.94 | 3,494.66 |
| Add: Additions | - | - | - |
| Balance as at March 31, 2024 | 1,108.72 | 2,385.94 | 3,494.66 |
| Net Carrying value as at March 31, 2024 | 3,117.01 | - | 3,117.01 |
| Net Carrying value as at March 31, 2023 | 2,660.62 | - | 2,660.62 |

5.1 For the details relating to charge on movable and immovable property - (refer Note 25)

(a) Capital work-in-progress ageing schedule

| Particulars | As at March 31, 2024 | | | | |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|----------|
| | Amount in CWIP for a period of | | | | |
| Capital work-in-progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 456.39 | 389.89 | 8.32 | 2,262.41 | 3,117.01 |
| Projects temporarily suspended | - | - | - | - | - |

| Particulars | As at March 31, 2023 | | | | |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|----------|
| | Amount in CWIP for a period of | | | | |
| Capital work-in-progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 389.89 | 8.32 | 2.46 | 2,259.95 | 2,660.62 |
| Projects temporarily suspended | - | - | - | - | - |

Note: There are no projects which are under suspension. With regard to the above ongoing projects there are no projects where completion is overdue or has exceeded the cost as compared to its original plan, and consequent amendments approved by the Board thereon.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***6. Investment property**

| Particulars | Building |
|--|---------------|
| Gross block | |
| Balance as at April 1, 2022 | 622.24 |
| Add: Additions | - |
| Balance as at March 31, 2023 | 622.24 |
| Add: Additions | - |
| Balance as at March 31, 2024 | 622.24 |
| Accumulated depreciation | |
| Balance as at April 1, 2022 | 315.08 |
| Depreciation for the year | 14.92 |
| Balance as at March 31, 2023 | 330.00 |
| Depreciation for the year | 14.19 |
| Balance as at March 31, 2024 | 344.19 |
| Net Carrying value as at March 31, 2024 | 278.05 |
| Net Carrying value as at March 31, 2023 | 292.24 |

6.1 Fair value of the Company's investment property

The following table gives details of the fair value of the Company's investment property as at March 31, 2024 and March 31, 2023.

| Particulars | Level 3 : March 31, 2024 | Level 3 : March 31, 2023 |
|-------------|--------------------------|--------------------------|
| Building | 2,208.00 | 2,208.00 |

The fair values of the Company's investment properties are assessed on the basis of a valuation carried out by an independent valuer not related to the Company in March 31, 2020. Fair value is derived using the market comparable approach based on the recent market/government prices without any significant adjustments being made to the market observable data.

The buildings of the Company are hypothecated as charge for the purpose of term loan facilities from Axis Bank Ltd (Refer Note 25)

The property rental income earned by the company from its investment property, all of which is leased out under operating leases, amounted to ₹ 33.09 lakhs (2022-23: ₹ 31.52 lakhs).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
7. Intangible assets

| Particulars | Intangible assets - Exploration | Intangible assets - Others (Software) | Total |
|--|------------------------------------|--|-----------------|
| Gross block | | | |
| Balance as at April 1, 2022 | 970.52 | 526.67 | 1,497.19 |
| Add: Additions | 15.03 | - | 15.03 |
| Balance as at March 31, 2023 | 985.55 | 526.67 | 1,512.22 |
| Add: Additions | 26.85 | - | 26.85 |
| Balance as at March 31, 2024 | 1,012.40 | 526.67 | 1,539.07 |
| Accumulated amortization and impairment | | | |
| Balance as at April 1, 2022 | - | 526.67 | 526.67 |
| Amortization for the year | - | - | - |
| Balance as at March 31, 2023 | - | 526.67 | 526.67 |
| Amortization for the year | - | - | - |
| Balance as at March 31, 2024 | - | 526.67 | 526.67 |
| Net Carrying value as at March 31, 2024 | 1,012.40 | - | 1,012.40 |
| Net Carrying value as at March 31, 2023 | 985.55 | - | 985.55 |

Intangible assets - Exploration aging schedule:

| Particulars | As at March 31, 2024 | | | | |
|---------------------------------|------------------------|-----------|-----------|----------------------|----------|
| | Amount for a period of | | | | |
| Intangible assets - Exploration | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 26.85 | 15.03 | 66.74 | 903.78 | 1,012.40 |
| Projects temporarily suspended | - | - | - | - | - |

| Particulars | As at March 31, 2023 | | | | |
|---------------------------------|------------------------|-----------|-----------|----------------------|--------|
| | Amount for a period of | | | | |
| Intangible assets - Exploration | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 15.03 | 66.74 | - | 903.78 | 985.55 |
| Projects temporarily suspended | - | - | - | - | - |

- 7.1 There are no projects which are under suspension. With regard to the above ongoing projects there are no projects where completion is overdue or has exceeded the cost as compared to its original plan, and consequent amendments approved by the Board thereon.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***8. Investments in subsidiaries**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| <i>Unquoted equity shares of subsidiaries (at cost)</i> | | |
| 50,002 (March 31,2023: 50,002) equity shares of ₹ 100 each fully paid-up in Hindage Oilfield Services Limited | 50.00 | 50.00 |
| 10,000,000 (March 31,2023: 10,000,000) equity shares of \$1 each fully paid-up in Geopetrol International Inc | 5,895.83 | 5,895.83 |
| Total | 5,945.83 | 5,945.83 |

9. Deposit under site restoration fund

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Site restoration deposit with bank with maturity period in excess of 12 months | 7,978.29 | 7,458.06 |
| Total | 7,978.29 | 7,458.06 |

Note: The above amount has been deposited with bank and can be withdrawn for the purposes of site restoration pursuant to an abandonment plan agreed with the Government of India. Therefore, this amount is considered as restricted cash and not considered as 'Cash and cash equivalents'

10. Other bank balances

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Bank Deposits with maturity >12 months (refer note 10.1) | 116.00 | 108.97 |
| Total | 116.00 | 108.97 |

10.1 Fixed deposits with banks are under lien for issue of bank guarantees and term loan facilities availed from the bank

11. Other non-current financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|-------------------------|-------------------------|
| Other advances | 13.55 | 13.55 |
| Less: Provision for doubtful advances | (13.55) | (13.55) |
| Total | - | - |

12. Income tax assets (net)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|-------------------------|-------------------------|
| Advance income tax (net) | 211.73 | 137.18 |
| Total | 211.73 | 137.18 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
13. Deferred tax asset (net)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Exploration expenses | 1,300.18 | 2,658.81 |
| Development expenses | - | 660.17 |
| Depreciation, depletion, amortization and impairment of assets | (8,409.80) | (3,107.48) |
| Unabsorbed business losses and depreciation | 24,099.43 | 18,605.39 |
| Deferred tax assets | 16,989.81 | 18,816.89 |
| Less: Amounts not recognised (refer note below) | (16,989.81) | (18,816.89) |
| Deferred tax assets (net) | - | - |

13.1 Deferred tax asset has not been recognized as it is not probable that future profit will arise against which the deductible temporary difference and unabsorbed business losses and depreciation can be utilised. It will be adjusted based on the actual realization. There is no provision for tax in view of the brought forward losses / unabsorbed depreciation relating to earlier years available for set off while computing income under the provisions of the Income Tax Act, 1961.

14. Other non-current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Capital advances | 44.71 | 44.78 |
| Pre-deposit - Service tax (refer note 45 (b)) | 7.71 | 7.71 |
| | 52.42 | 52.49 |
| Less: Provision for doubtful advances | (44.71) | (44.71) |
| Total | 7.71 | 7.78 |

15. Inventories

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| Finished goods | | |
| - Crude oil | 3,302.55 | 7,300.45 |
| - Condensate | 157.35 | 151.80 |
| Production stores and spares | 348.56 | 327.97 |
| Total | 3,808.46 | 7,825.22 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***16. Investments - Current**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|-------------------------|--------------|-------------------------|------------------|
| | Quantity | ₹ in lakhs | Quantity | ₹ in lakhs |
| Financial assets carried at fair value through profit and loss. | | | | |
| i) Quoted equity instruments | | | | |
| Reliance Industries Limited Equity Shares @ ₹ 10 each | 1,272 | 37.80 | 1,272 | 29.66 |
| Reliance Communication Limited Equity Shares @ ₹ 5 each | 318 | 0.01 | 318 | - |
| Reliance Infrastructure Limited Equity Shares @ ₹ 10 each | 23 | 0.06 | 23 | 0.03 |
| Reliance Capital Limited Equity Shares @ ₹ 10 each | 15 | - | 15 | - |
| Reliance Home Finance Limited Equity Shares @ ₹ 10 each | 15 | 0.00 | 15 | 0.00 |
| Reliance Power Limited Equity Shares @ ₹ 10 each | 79 | 0.02 | 79 | 0.01 |
| Jio Financial Services Limited @ ₹ 10 each | 1,272 | 4.46 | - | - |
| (i) | | 42.35 | | 29.70 |
| ii) Mutual Funds | | | | |
| Units of Liquid / Liquid plus / Short Term / Medium Term schemes | | | | |
| TATA Overnight Fund Regular Plan - Growth | - | - | 60,336 | 710.47 |
| TATA Liquid Fund - Regular Plan - Growth | - | - | 56,988 | 2,005.05 |
| SBI Liquid Fund Regular Growth | - | - | 1,20,737 | 4,221.08 |
| Bhandan Overnight Fund Regular Plan - Growth | - | - | 85,008 | 1,011.56 |
| Nippon India Overnight Fund - Growth Plan (ONGPG) | - | - | 1,660,520 | 1,990.34 |
| Nippon India Liquid Fund - Growth Plan - Growth option - (LFIGG) | - | - | 18,371 | 1,001.80 |
| HDFC Liquid Fund - Growth | - | - | 11,426 | 500.90 |
| (ii) | | | | 11,441.20 |
| ii) Unquoted Equity Instruments | | | | |
| Gujarat Securities Limited Equity Shares @ ₹ 10 each | 100,000 | 10.00 | 100,000 | 10.00 |
| Aggregate amount of impairment in value of investments | | (10.00) | | (10.00) |
| (iii) | | - | | - |
| Total | (i)+(ii)+(iii) | 42.35 | | 11,470.90 |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Aggregate amount (cost) of quoted Investments | 0.49 | 0.49 |
| Market value of quoted investments | 42.35 | 29.70 |
| Aggregate amount (cost) of mutual fund investments | - | 11,392.65 |
| Fair value of mutual fund investments | - | 11,441.20 |
| Aggregate value of unquoted equity instruments | 10.00 | 10.00 |
| Total investments | 52.35 | 11,480.90 |
| Impairment of investments | (10.00) | (10.00) |
| Net total investments | 42.35 | 11,470.90 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

17. Trade receivables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Unsecured and considered good (unless otherwise stated) | | |
| Trade receivables | 20,169.40 | 4,287.86 |
| Less: Allowance for expected credit loss | - | - |
| Total | 20,169.40 | 4,287.86 |

17.1 The Company enters into long-term crude oil and gas sales arrangement with its customers. The average credit period on sale of products is varying from 7- 45 days. No interest is charged on trade receivables for the first 45 days from the date of the invoice.

Accordingly, the Company assess the impairment loss on dues from the customers on facts and circumstances relevant to each transaction. Usually, the Company collects all its receivables from its customers within 45 days.

The Company has less credit risk due to the fact that the Company has significant receivables from customers which are reputed and creditworthy public-sector undertakings (PSUs).

17.2 The Company has trade receivable outstanding of more than 5% from two customers amounting to ₹ 18,725.98 lakhs (As at March 31, 2023 ₹ 3,907.64 lakhs)

Ageing of receivables as on March 31, 2024 and March 31, 2023

| Particulars | As at March 31, 2024 | | | | | |
|--|--|----------------------|-----------|-----------|----------------------|-----------|
| | Outstanding for following periods from the date of invoice | | | | | |
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed trade receivables - considered good | 20,169.40 | - | - | - | - | 20,169.40 |
| (ii) Undisputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed trade receivables - credit impaired | - | - | - | - | - | - |
| (iv) Disputed trade receivables - considered good | - | - | - | - | - | - |
| (v) Disputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed trade receivables - credit impaired | - | - | - | - | - | - |

| Particulars | As at March 31, 2023 | | | | | |
|--|--|----------------------|-----------|-----------|----------------------|----------|
| | Outstanding for following periods from the date of invoice | | | | | |
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed trade receivables - considered good | 4,287.86 | - | - | - | - | 4,287.86 |
| (ii) Undisputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed trade receivables - credit impaired | - | - | - | - | - | - |
| (iv) Disputed trade receivables - considered good | - | - | - | - | - | - |
| (v) Disputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed trade receivables - credit impaired | - | - | - | - | - | - |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***18. Cash and cash equivalents**

For the purposes of statement of cash flow, cash and cash equivalents include cash on hand and balance with banks, cash & cash equivalents and term deposits not exceeding 3 months at the end of the reporting period which can be reconciled to the related items in the balance sheet as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Balances with banks: | | |
| Current accounts | 831.97 | 2,390.96 |
| Bank deposits- maturity < 3 months | 5.45 | 5.12 |
| Total | 837.42 | 2,396.08 |

The above current account balance includes balances held by the Company in the capacity as Operator for the UJVs. The cash held on behalf of UJVs is indicated in the payables / receivables to/from UJVs partners.

19. Other bank balances

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Bank Deposits- maturity > 3 months <12 months (refer note 19.1) | 1,725.79 | 3,350.70 |
| Total | 1,725.79 | 3,350.70 |

19.1 Fixed deposits with banks are under lien for issue of bank guarantees and term loan facilities availed from the bank.

20. Loan to subsidiaries (current)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Loan to wholly owned subsidiaries | | |
| Loan to Geopetrol International Inc, ("GPII") (refer note 44) | 5,877.86 | 10,893.74 |
| Loan to Hindage Oilfield Services Limited ("HOSL") (refer note 44) | 6,542.86 | 11,542.86 |
| Total | 12,420.72 | 22,436.60 |

21. Other Financial assets (current)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Unsecured and considered good | | |
| Security deposits | 82.61 | 79.67 |
| Advances recoverable | 72.54 | - |
| Receivable from joint venture partners (net) | 12,720.34 | 6,277.78 |
| Interest accrued on loan to wholly owned subsidiaries (refer note 44) | 4,168.54 | 2,656.58 |
| Total | 17,044.03 | 9,014.03 |

22. Other current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Unsecured and considered good | | |
| Advances recoverable | 71.09 | 123.94 |
| Prepaid expenses | 94.66 | 122.58 |
| Gratuity fund (refer note 41 b) | 42.78 | - |
| Total | 208.53 | 246.52 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
23. Equity share capital

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|------------------|----------------------|------------------|
| | No. of shares | Amount | No. of shares | Amount |
| Authorized | | | | |
| Equity shares of ₹ 10 each | 500,000,000 | 50,000.00 | 500,000,000 | 50,000.00 |
| Issued | | | | |
| Equity shares of ₹ 10 each | 132,313,363 | 13,231.34 | 132,313,363 | 13,231.34 |
| Subscribed and Fully Paid up | | | | |
| Equity shares of ₹ 10 each | 132,243,289 | 13,224.33 | 132,243,289 | 13,224.33 |
| Add: Amount Paid-up on Shares Forfeited | 32,975 | 1.60 | 32,975 | 1.60 |
| Total subscribed and fully paid-up share capital | | 13,225.93 | | 13,225.93 |

(a) Reconciliation of equity shares and the amount outstanding at the beginning and at the end of the year:

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|------------------|----------------------|------------------|
| | No. of shares | Amount | No. of shares | Amount |
| At the beginning of the year | 132,243,289 | 13,224.33 | 132,243,289 | 13,224.33 |
| Add / (Less) - Changes during the year | - | - | - | - |
| Outstanding at the end of the year | 132,243,289 | 13,224.33 | 132,243,289 | 13,224.33 |

(b) Terms / rights attached to equity shares

The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities.

(c) Details of shareholders holding more than 5% of the aggregate shares in the Company

| Name of the shareholders | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|----------------------|--------------|--------------------------|----------------------|--------------|--------------------------|
| | No. | % of holding | % Change during the year | No. | % of holding | % Change during the year |
| Ashok Kumar Goel | 18,465,078 | 13.96 | - | 18,465,078 | 13.96 | - |
| Housing Development Finance Corporation Limited | - | - | (100) | 8,463,850 | 6.40 | (2.53) |
| LCI Estates LLP | 8,100,000 | 6.13 | - | 8,100,000 | 6.13 | - |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***24. Other equity**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Capital reserve | 96,084.50 | 96,084.50 |
| Securities premium account | 78,865.42 | 78,865.42 |
| Retained earnings | | |
| Opening balance | (95,209.45) | (111,579.35) |
| Profit for the year | 8,400.93 | 16,366.73 |
| Other comprehensive income for the year | (33.68) | 3.17 |
| Closing balance | (86,842.20) | (95,209.45) |
| Total other equity | 88,107.72 | 79,740.47 |

25. Non-current Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------|-------------------------|-------------------------|
| Secured | | |
| Term Loan from Axis Bank Limited | 4,902.93 | 7,335.33 |
| Total | 4,902.93 | 7,335.33 |

| Particulars | Original Tenor | Interest Rate | Outstanding tenor as at March 31, 2024 | Repayment Terms | Security details | As at March 31, 2024 | As at March 31, 2023 |
|--|--------------------------|---------------|--|-----------------------|------------------|----------------------|----------------------|
| Secured term Loan from Axis Bank Ltd | 20 Quarterly Instalments | 9.95% | 12 Quarterly Instalments | Quarterly Instalments | Refer note 1 | 7,402.93 | 9,835.33 |
| Secured term Loan from HDFC Bank Ltd | 27 Monthly Instalments | 11% | - | Monthly instalments | Refer note 2 | - | 6,525.82 |
| Sub Total | | | | | | 7,402.93 | 16,361.15 |
| Less: Current Maturities of non-current borrowings (refer note 28) | | | | | | 2,500.00 | 9,025.82 |
| Non-Current Borrowings | | | | | | 4,902.93 | 7,335.33 |

Note: 1 Exclusive charge over land and building of PY1 block and Oil & Gas asset of Dirok block and second charge over current asset of B80 block.

Note: 2 During the year term loan from HDFC Bank Ltd had been duly repaid. During the previous year exclusive charge over Offshore processing unit owned by GML, Corporate guarantee of GML, First *pari passu* charge with Axis Bank 60% PI on cash flow from B80 block. Exclusive hypothecation charge on 60% Participating interest of HOEC in the B80 field. Second charge on all the property collateral mortgaged to Axis bank.

The Company facilities are subject to certain financial and non-financial covenants. The Company has complied with the covenants as per the original / amended / extended terms of the loan agreement.

There is no difference in terms of quarterly returns or statements of current assets filed by the company with banks with the books of accounts for the year ended March 31, 2024 and March 31, 2023.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
26. Other non-current financial liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Security deposit | 13.50 | 13.50 |
| Fair value of foreign exchange derivative liabilities | 217.53 | 1,062.47 |
| Total | 231.03 | 1,075.97 |

27. Provisions (non-current)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for decommissioning liability | 14,461.15 | 13,614.52 |
| Provision for compensated absences | 21.27 | 21.42 |
| Total | 14,482.42 | 13,635.94 |

27.1 Movement of Provision for decommissioning liability

| Particulars | 2023-24 | 2022-23 |
|-----------------------------------|------------------|------------------|
| Balance at beginning of the year | 13,614.52 | 11,473.29 |
| Additions (Refer note 27.3) | - | 1,379.04 |
| Unwinding of discount | 846.63 | 762.19 |
| Balance at end of the year | 14,461.15 | 13,614.52 |

27.2 The Company estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of oil & gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future for which the exact requirements that may have to be met when the removal events occur are uncertain. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty. The economic life of the oil & gas assets is estimated on the basis of long term production profile of the relevant oil & gas asset. The timing and amount of future expenditures are reviewed annually, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows.

27.3 During the previous year decommissioning liability for B80 field was estimated at ₹ 1,379.04 lakhs as on March 31, 2023 by an independent engineering consultant after adjusting for inflation and discounting thereon.

28. Current Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Current maturity of long-term borrowings (refer note 25) | 2,500.00 | 9,025.82 |
| Borrowings (Refer note 28.2) | - | 12,000.00 |
| Total | 2,500.00 | 21,025.82 |

28.1 The Company has not been declared a willful defaulter by any bank or financial Institution or any other lender. The Company has used the borrowings from banks for capital expenditure and working capital purposes.

28.2 During the year, the company repaid the short-term loan of ₹ 10,000 lakhs received from Axis Bank Ltd and outstanding loan of ₹ 2,000 lakhs received from IIFL Wealth Prime Ltd.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***29. Trade payables**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Total outstanding dues of Micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 13,174.02 | 9,537.65 |
| Total | 13,174.02 | 9,537.65 |

29 (i) Trade Payables ageing schedule as at March 31, 2024 and March 31, 2023

| Particulars | As at March 31, 2024 | | | | |
|-------------------------------|--|-----------|-----------|----------------------|-----------|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed dues - MSME | - | - | - | - | - |
| (ii) Undisputed dues - Others | 10,909.62 | 1,266.03 | 998.37 | - | 13,174.02 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

| Particulars | As at March 31, 2023 | | | | |
|-------------------------------|--|-----------|-----------|----------------------|----------|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed dues - MSME | - | - | - | - | - |
| (ii) Undisputed dues - Others | 8,539.28 | 998.37 | - | - | 9,537.65 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

(ii) Details of dues to micro, small & medium enterprises

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Principal amount remaining unpaid to any supplier as at the end of the accounting year | - | - |
| Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | - | - |
| The amount of interest due and payable for the year | - | - |
| The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding period, 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. | - | - |

Note: The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
30. Other current financial liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Payable to joint venture partners (net) | 359.05 | 2,608.42 |
| Payable towards property, plant and equipment | 1,089.38 | 1,493.56 |
| Interest payable | - | 65.33 |
| Fair value of foreign exchange derivative liabilities | - | 566.02 |
| Total | 1,448.43 | 4,733.33 |

31. Provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for compensated absences(current) | 23.10 | 30.38 |
| Total | 23.10 | 30.38 |

32. Other current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Statutory dues payable | 944.58 | 2,439.07 |
| Gratuity fund payable to LIC | - | 9.86 |
| Profit petroleum/ revenue Share payable to GOI | 11,761.86 | 4,311.86 |
| Total | 12,706.44 | 6,760.79 |

33. Revenue from operations

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Domestic sales | | |
| Sale of crude oil / condensate | 19,953.03 | 4,148.40 |
| Sale of Natural gas | 34,475.86 | 36,961.90 |
| Total | 54,428.89 | 41,110.30 |
| Less: Profit petroleum / revenue share to Government of India | (8,029.18) | (3,005.48) |
| Net sales | 46,399.71 | 38,104.82 |

33.1 Details of sales

| Product | UOM | For the year ended March 31, 2024 | | For the year ended March 31, 2023 | |
|------------------------|-------------|--------------------------------------|------------------|--------------------------------------|------------------|
| | | Quantity | Amount | Quantity | Amount |
| Crude oil / condensate | Barrels | 305,094 | 16,429.59 | 67,725 | 3,898.25 |
| Natural gas | Million SCF | 3,456 | 29,970.12 | 4,383 | 34,206.57 |
| Total | | | 46,399.71 | | 38,104.82 |

33.2 Revenue is recognized based on supplies made over a period of time from the Company's contract with customers in India.

33.3 More than 85% of revenue is realized from three major customers to the Company

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***34. Other income**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Interest income on bank deposits | 192.37 | 144.91 |
| Interest on site restoration deposits with banks | 520.23 | 484.65 |
| Interest income on loan to wholly owned subsidiary (refer note 44) | 1,486.64 | 1,973.01 |
| Interest on Income tax refund | 3.53 | 16.94 |
| Rental income | 33.09 | 31.52 |
| Net gain on sale of mutual fund investments | 259.57 | 94.92 |
| Net gain on fair valuation of investments | 12.65 | 44.68 |
| Net gain on foreign exchange | 69.55 | - |
| Write back of excess provision no longer required | 680.07 | - |
| Dividend income | 0.10 | 0.22 |
| Miscellaneous Income | 6.97 | - |
| Total | 3,264.77 | 2,790.85 |

35. Share of expenses from producing oil and gas blocks

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| a) Share of expenses-producing oil and gas blocks | | |
| Plant hire charges | 17,313.45 | 10,609.44 |
| Manpower costs | 1,215.01 | 1,118.30 |
| Repairs and maintenance | 367.97 | 273.29 |
| Other statutory charges | 64.39 | 65.88 |
| Insurance | 426.09 | 331.49 |
| Other production expenses | 479.98 | 814.94 |
| Consumables | 558.52 | 53.94 |
| Transportation and logistics | 6,344.75 | 3,684.64 |
| | 26,770.16 | 16,951.92 |
| b) Royalty, cess & national calamity contingent duty | 5,310.63 | 5,672.14 |
| Total | 32,080.79 | 22,624.06 |

36. Decrease / (increase) in stock of crude oil and condensate

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Inventories at the end of the year | (3,459.91) | (7,452.25) |
| Inventories at the beginning of the year | 7,452.25 | 156.31 |
| Decrease / (increase) in inventories | 3,992.34 | (7,295.94) |
| Less: Profit petroleum / revenue share to Government of India | (898.11) | 1,425.96 |
| Net decrease / (increase) in inventories | 3,094.23 | (5,869.98) |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
37. Employee benefits expense

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus | 39.75 | 51.79 |
| Contribution to provident fund and other funds | 2.05 | 4.25 |
| Staff welfare expenses | 2.61 | 8.77 |
| Total | 44.41 | 64.81 |

38. Finance costs

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Banks and financial institutions | 1,385.46 | 2,423.15 |
| Unwinding of discount on decommissioning liability | 846.63 | 762.19 |
| Total | 2,232.09 | 3,185.34 |

39. Other expenses

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Office and guest house rent | 4.45 | 4.17 |
| Power | 1.12 | 1.08 |
| Rates and taxes | 516.92 | 111.86 |
| Repairs and maintenance - others | 9.82 | 5.30 |
| General office expenses | 0.04 | - |
| Travelling and conveyance | 6.30 | 4.10 |
| Communication expenses | 3.40 | 4.30 |
| Membership and subscription | 24.93 | 29.20 |
| Legal and professional fees | 151.34 | 166.07 |
| Insurance | 1.78 | 1.71 |
| Directors' sitting fees | 17.70 | 20.06 |
| Directors' commission (refer note 44) | 18.00 | 18.00 |
| Printing and stationery | 1.16 | 1.06 |
| Bank charges | 74.41 | 9.74 |
| Expenditure for corporate social responsibility (refer note 47) | 193.25 | 155.15 |
| Net loss on foreign exchange | - | 892.59 |
| OIL Digboi field expenses | - | 289.52 |
| Development expenses written off | 49.78 | |
| Miscellaneous expenses | 23.91 | 9.68 |
| | 1,098.31 | 1,723.59 |
| Payment to Auditor: | | |
| Statutory audit fee | 39.24 | 33.67 |
| Tax audit fee | 2.36 | 2.36 |
| | 41.60 | 36.03 |
| Total other expenses | 1,139.91 | 1,759.62 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***40. Earnings per share (EPS)**

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

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Profit for the year as per statement of profit & loss | 8,400.93 | 16,366.73 |
| Weighted average number of equity shares used in calculating basic EPS (number) | 132,243,289 | 132,243,289 |
| Par value per share | ₹ 10 | ₹ 10 |
| Earnings per equity share in ₹ computed on the basis of profit for the year - Basic | 6.35 | 12.37 |
| Weighted average number of equity shares used in calculating diluted EPS (number) | 132,243,289 | 132,243,289 |
| Earnings per equity share in ₹ computed on the basis of profit for the year - Diluted | 6.35 | 12.37 |

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Weighted average number of equity shares used in the calculation of basic earnings per share | 132,243,289 | 132,243,289 |
| Shares deemed to be issued for no consideration in respect of: - employee options | - | - |
| Weighted average number of equity shares used in the calculation of diluted earnings per share | 132,243,289 | 132,243,289 |

41. Significant Accounting Estimates, Assumptions and Judgements**(a) Site Restoration Costs**

The Company estimates and provides for abandoning of wells, decommissioning of facilities and restoration of sites expected to be incurred at a future date. The same is capitalized as part of producing property in accordance with Ind AS 16. The estimation of liability is as per the industry practice and adjusted for inflation. The estimated cost is discounted to the reporting date by an appropriate discount factor. Accordingly, the difference in cost and depletion is adjusted.

(b) Employee Benefit Estimates**i. Defined contribution plan**

The Company makes provident fund contribution under defined contribution plan for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll cost to fund the benefits. The company recognized ₹ 27.14 lakhs (March 31, 2023: ₹ 20.76 lakhs) for provident fund contribution in the statement of profit and loss. The contributions are payable to this plan by the company at rates specified in the rules of the scheme.

ii. Defined benefit plan**a) Gratuity**

The following table sets out funded status of the gratuity and the amount recognized in the financial statements.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
Profit and loss account for current year

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Service cost: | | |
| Current service cost | 25.81 | 26.48 |
| Past Service cost | - | - |
| Loss / (gain) on curtailments and settlement | - | - |
| Net interest cost | (0.23) | 0.57 |
| Total | 25.58 | 27.05 |

Other Comprehensive Income for the current year

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Components of actuarial gain/losses on obligations: | | |
| Due to Change in financial assumptions | 1.75 | (3.87) |
| Due to change in demographic assumptions | - | 8.81 |
| Due to experience adjustments | 33.06 | (8.99) |
| Return on plan assets excluding amounts included in interest income | (1.13) | 0.89 |
| Amounts recognized in Other Comprehensive Income | 33.68 | (3.17) |

Changes in the present value of the defined benefit obligation ("DBO")

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Opening Defined Benefit Obligation | 174.87 | 156.23 |
| Current service cost | 25.81 | 26.48 |
| Interest cost | 10.37 | 9.86 |
| Actuarial (gain) / loss due to change in financial assumptions | 1.75 | (3.87) |
| Actuarial (gain) / loss due to change in demographic assumptions | - | 8.81 |
| Actuarial (gain) / loss due to experience adjustments | 33.06 | (8.99) |
| Benefits paid | (86.20) | (13.65) |
| Closing defined benefit obligation | 159.66 | 174.87 |

Changes in fair value of plan assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Opening value of plan assets | 165.01 | 134.68 |
| Interest Income | 10.60 | 9.29 |
| Return on plan assets excluding amounts included in interest income | 1.13 | (0.89) |
| Contributions by employer | 111.91 | 35.58 |
| Benefits paid | (86.20) | (13.65) |
| Closing value of plan assets | 202.45 | 165.01 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Net liability recognized in the balance sheet**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Present value of funded obligation | 159.66 | 174.87 |
| Fair value of plan assets | (202.45) | (165.01) |
| Plan (asset) / liability | (42.78) | 9.86 |

The principal assumptions used in determining gratuity and for the Company's plans are shown below:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Discount rate | 7.20% p.a | 7.40% p.a |
| Future salary increase | 5.00% p.a | 5.00% p.a |
| Rate of return on plan assets | 7.20% p.a | 7.40% p.a |
| Withdrawal rates | 9.94% at all ages | 9.94% at all ages |

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The Company expects to contribute ₹ 27.39 lakhs towards its gratuity plan for the next year.

Maturity profile of defined benefit obligation as at March 31, 2024:

| Year 1 % | Year 2 % | Year 3 % | Year 4 % | Year 5 % | Year 6 to 10 % |
|-------------|-------------|-------------|-------------|-------------|-------------------|
| 11.2 | 6.5 | 7.6 | 6.8 | 5.4 | 31.6 |

Maturity profile of defined benefit obligation as at March 31, 2023:

| Year 1 % | Year 2 % | Year 3 % | Year 4 % | Year 5 % | Year 6 to 10 % |
|-------------|-------------|-------------|-------------|-------------|-------------------|
| 28.4 | 7.7 | 4.7 | 5.4 | 5.0 | 22.9 |

Sensitivity analysis

| Significant actuarial assumptions | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Discount Rate | | |
| Increase by 0.5% | (155.35) | (171.54) |
| Decrease by 0.5% | 164.21 | 178.38 |
| Salary growth rate | | |
| Increase by 0.5% | 163.61 | 177.99 |
| Decrease by 0.5% | (155.54) | (171.75) |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
b) Compensated absences

The key assumptions used in computation of provision for long term compensated absences are as given below:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|------------------------|--------------------------------------|--------------------------------------|
| Discount rate | 7.20% p.a | 7.40% p.a |
| Future salary increase | 5.00% p.a | 5.00% p.a |
| Withdrawal Rates | 9.94% at all ages | 9.94% at all ages |

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

| Significant actuarial assumptions | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Discount Rate | | |
| Increase by 0.5% | (43.59) | (51.09) |
| Decrease by 0.5% | 45.20 | 52.54 |
| Salary growth rate | | |
| Increase by 0.5% | (45.21) | (52.56) |
| Decrease by 0.5% | 43.57 | 51.07 |

42. Oil and gas reserves

Proved & probable Reserves for the working interest of the Company is estimated by management in line with the development plan approved by the Directorate General of Hydrocarbons. Accordingly, the reserves as on March 31, 2024 and March 31, 2023 are as follows:

Developed and undeveloped: (As at March 31, 2024)

| | Unit of Measurement | As at April 1, 2023 | Addition / (Deletion) | Production | As at March 31, 2024 |
|--------------------------|------------------------|------------------------|--------------------------|------------|-------------------------|
| Proved reserves (1P) | | | | | |
| - Oil | MMBBL | 10.28 | - | 0.24 | 10.04 |
| - Gas | BCF | 84.04 | - | 3.72 | 80.32 |
| Proved and probable (2P) | | | | | |
| - Oil | MMBBL | 16.16 | - | 0.24 | 15.92 |
| - Gas | BCF | 133.41 | - | 3.72 | 129.69 |

Developed:

| | Unit of Measurement | As at April 1, 2023 | Addition | Production | As at March 31, 2024 |
|----------------------|------------------------|------------------------|----------|------------|-------------------------|
| Proved reserves (1P) | | | | | |
| - Oil | MMBBL | 10.28 | - | 0.24 | 10.04 |
| - Gas | BCF | 84.04 | - | 3.72 | 80.32 |

Note 1: The above reserve estimates excludes the reserves of PY-3 as there is no viable plan for recommencement as on date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Developed and undeveloped: (As at March 31, 2023)**

| | Unit of Measurement | As at April 1, 2021 | Addition | Production | As at March 31, 2023 |
|--------------------------|---------------------|---------------------|----------|------------|----------------------|
| Proved reserves (1P) | | | | | |
| - Oil | MMBBL | 10.46 | - | 0.18 | 10.28 |
| - Gas | BCF | 86.75 | 1.88 | 4.59 | 84.04 |
| Proved and probable (2P) | | | | | |
| - Oil | MMBBL | 16.34 | - | 0.18 | 16.16 |
| - Gas | BCF | 134.93 | 3.07 | 4.59 | 133.41 |

Developed:

| | Unit of Measurement | As at April 1, 2022 | Addition | Production | As at March 31, 2023 |
|----------------------|---------------------|---------------------|----------|------------|----------------------|
| Proved reserves (1P) | | | | | |
| - Oil | MMBBL | 10.46 | - | 0.18 | 10.28 |
| - Gas | BCF | 86.75 | 1.88 | 4.59 | 84.04 |

Note 1: The above reserve estimates excludes the reserves of PY-3 as there is no viable plan for recommencement as on date.

43. Segment reporting

The Company is primarily engaged in a single business segment of "Oil and Gas" in one geographic segment in India. Therefore, there are no separate reportable segments for Segment Reporting.

44. Related Party Disclosures

a) Related Parties as of March 31, 2024:

i) Wholly owned subsidiaries:

- a) Hindage Oilfield Services Limited ("HOSL")
- b) Geopetrol International Inc. ("GPII")
- c) GeEnpro Petroleum Limited ("GeoEnpro") (from July 10, 2023) - step down subsidiary
- d) Geopetrol Mauritius Limited ("GML") - step down subsidiary

ii) Key management personnel:

Whole-time directors

- Mr. P. Elango - Managing Director (Upto September 30, 2023)
- Mr. R. Jeevanandam - Executive Director & CFO (Upto September 30, 2023) and Managing Director (Effective from October 1, 2023)
- Mr. N. Sivalai Senthilnathan - Chief Financial Officer (Effective from November 15, 2023)

Non-Executive Independent Directors

- Mr. Vivek Rae
- Ms. Sharmila H. Amin
- Mr. P. K. Borthakur

Non-Executive, Non-Independent Directors

- Mr. Ashok Kumar Goel
- Mr. Rohit Rajgopal Dhoot

Company Secretary

- Ms. Deepika C S (Up to November 10, 2023)
- Mr. S. Muthukrishnan (Effective from November 10, 2023 up to May 8, 2024)
- Ms. Josephin Daisy (Effective from May 8, 2024)

iii) Other related party - Related to Non-Executive, Non-Independent Director

- SSA Finserv Pvt. Ltd

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

- b) Nature and volume of transactions during the year and outstanding balances as at March 31, 2024 and March 31, 2023 with the above parties:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Interest income on loan to GPII | 626.40 | 803.01 |
| Interest income on loan to HOSL | 860.24 | 1,170.00 |
| Key managerial personnel remuneration - | | |
| 1. Mr. P. Elango | 73.49 | 146.98 |
| 2. Mr. R. Jeevanandam | 170.55 | 141.10 |
| 3. Ms. Josephin Daisy | - | 3.31 |
| 4. Ms. Deepika | 4.92 | 3.12 |
| 5. Mr. Muthukrishnan Swaminathan | 9.65 | - |
| 6. Mr. N. Sivalai Senthilnathan | 36.88 | - |
| Sitting fee - Independent Directors | 17.70 | 17.00 |
| Commission - Independent Directors* | 18.00 | 18.00 |
| Advances- Wholly owned subsidiary company ** | | |
| Advance paid to HOSL | - | 2,067.28 |
| Advance receivable adjusted against payable to HOSL | - | 2,089.73 |
| Loan repaid by HOSL | 5,000.00 | - |
| Loan repaid by GPII | 5,107.95 | - |
| Loan receivable adjusted against payable to HOSL | - | 1,457.14 |
| Loan from SSA Finserv Pvt. Ltd | - | 1,000.00 |
| Loan repaid to SSA Finserv Pvt. Ltd | - | 1,000.00 |

* which is within 1% of the net profit of the Company.

** represents advance made for business purposes.

Note: The above excludes transactions between the UJVs (for which the company is the operator) and the subsidiaries of the Company, in the normal course of business. As indicated in Note 2 (ii), the Company accounts for its share of UJV expenses based on the Company's participating interest

Loan and advances to wholly owned subsidiary

| Particulars | Outstanding as at March 31, 2024 | Maximum amount outstanding during the year | Outstanding as at March 31, 2023 | % of total loan as at March 31, 2024 | % of total loan as at March 31, 2023 |
|--|-------------------------------------|--|-------------------------------------|--|--|
| Loan to GPII | 5,877.86 | 10,893.74 | 10,893.74 | 47% | 49% |
| Loan to HOSL | 6,542.86 | 11,542.86 | 11,542.86 | 53% | 51% |
| Interest accrued on loan to GPII (including gain on foreign exchange) | 2,138.30 | 2,138.30 | 1,486.58 | - | - |
| Interest accrued on loan to HOSL | 2,030.24 | 2,030.24 | 1,170.00 | - | - |

Other related parties with whom transactions have taken place during the year and balances outstanding at the year end.

| Particulars | Outstanding as at March 31, 2024 | Maximum amount outstanding during the year | Outstanding as at March 31, 2023 |
|----------------|-------------------------------------|--|-------------------------------------|
| Loan from IIFL | - | 2,000.00 | 2,000.00 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***45. Commitments and Contingencies**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| (i) Contingent Liabilities | | |
| (a) Claims not acknowledged as debts CY-OS-90/1 (refer note a) | 3,112.00 | 3,112.00 |
| (b) Service tax liability (refer note b) | 168.92 | 168.92 |
| (c) Service tax liability (refer note c) | 24,283.35 | 24,283.35 |
| (d) Goods and Service tax liability (refer note e) | 218.99 | 218.99 |
| (e) Goods and Service tax liability (refer note f) | 888.03 | 888.03 |
| (ii) Commitments | | |
| Estimated value of contracts remaining to be executed on capital account and not provided for | 585.16 | 24.36 |

a) i. In CY-OS-90/1 (PY-3) block, an arbitration award dated February 28, 2020 was issued against the Company and two other co-respondents, by a majority of two to one dissent by an Arbitration Tribunal which was received and acknowledged by the Company in June 2020. The share of the Company's exposure to the claim is ₹ 1,624 lakhs in addition to other ancillary awards that are subject to reconciliation of cash call payments and net off other credits to be given to the Company towards refund of excess service tax granted by the Tribunal, which are yet to be quantified.

HOEC initially appealed at the Malaysian High Court and subsequently at the Malaysian Court of Appeal both of which were dismissed. The Company further appealed before the Federal Court of Malaysia which also rejected HOEC's plea. Enforcement proceedings in respect of the said award is currently pending before Gujarat High Court.

ii. The claim not acknowledged as debt by the Company includes ₹ 1,488 lakhs for the participating interest of the Company relating to the dispute between Aban Offshore Limited and the operator Hardy.

b) During the year ended March 2020, there was a demand for service tax for ₹ 77.09 lakhs with an equivalent amount of penalty due to disallowance of Cenvat credit for the period from October 2007 to March 2011. An appeal was filed after paying an amount of ₹ 7.71 lakhs to the tax authorities. This dispute is before the CESTAT for adjudication and no provision is made in the financial statements. The above amount also includes a demand of ₹ 14.74 lakhs pertaining to one of the unincorporated joint ventures.

c) Service tax demand was made on cash call contributions, cost and profit petroleum share of the contractors and Government of India, for the period commencing from April 2010 to March 2015 for various unincorporated joint ventures under production sharing contracts for ₹ 8,676.85 lakhs with equivalent amount as penalty and interest of which the participating interest of the Company is ₹ 6,638.84 lakhs. The Honorable High Court of Madras has remanded back to the Commissionerate for fresh adjudication based on the merits of the case on April 8, 2022, in response to the writ appeal filed by the company. Further, the statement of demand received ₹ 6,901.11 lakhs for the period April 2015 to June 2017 of which the participating interest of the Company is ₹ 2,705.35 lakhs is being dealt with the same for disposal awaiting the outcome in respect of the earlier year. This being an industry issue, the above claim of the tax authority is disputed by the Company and is being redressed at various appellate forum and hence no provision has been considered in the financial statements. This industry issue is taken up by the Ministry of Petroleum and Natural Gas with Finance Ministry of Government of India for appropriate clarification and redressal. The department issued the letter dated July 4, 2022, kept it in abeyance.

d) Further, for the period April 2016 to June 2017 a show cause notice has been received towards service tax on royalty amounting to ₹ 28.54 lakhs of which the participating interest of the Company is ₹ 24.86 lakhs. The company filed the submission and seeking redressal before Ministry of Petroleum and Natural Gas, Government of India. The department issued the order against that company filed an Appeal dated Nov 29, 2023.

e) During the year a show cause notice has been received for the period July 2017 to March 2021 towards GST on royalty amounting to ₹ 218.99 lakhs of which the participating interest of the Company is ₹ 208.76 lakhs. The company is in the process of filing submission and seeking redressal before Ministry of Petroleum and Natural Gas, Government of India.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

- f) During the year order received by HOEC from GST Commissionerate as Company rendering manpower and business support service to UJV for the period July 2017 to March 2021 amounting to ₹ 888.03 lakhs of which the participating interest of the Company is ₹ 315.73 lakhs. The company filed a writ petition on April 26, 2023.

46. Effects of Changes in Foreign Exchange Rates
a) Expenditure in foreign currency (on accrual basis)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|-----------------------|--------------------------------------|--------------------------------------|
| Operating expenditure | 6,604.34 | 8,956.59 |

b) Value of Imports calculated on CIF basis (on accrual basis)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|----------------------------|--------------------------------------|--------------------------------------|
| Components and spare parts | 14.20 | 2.30 |

47. Corporate Social Responsibility

Gross amount required to be spent towards CSR activities from the profits calculated as per Section 198 of the Companies Act, 2013 during the year: ₹ 193.25 lakhs (March 31, 2023: ₹ 155.15 lakhs). Amount spent during the year on:

| Particulars | 2023-24 | 2022-23 |
|---|------------------|---------|
| Gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 (on annual basis) (A) | 193.25 | 155.15 |
| Amount expenditure incurred during the year (B) | 68.59 | 155.15 |
| In cash | | |
| (i) Construction / acquisition of any asset | - | - |
| (ii) On purposes other than (i) above: | - | - |
| Promoting preventive health care | - | - |
| Promoting education | - | - |
| Conservation of natural resources and other allied areas | - | - |
| Shortfall at the end of the year (C) | 124.66 | - |
| Total of previous years shortfall, (D) | - | - |
| Reason for shortfall (E) | Ongoing projects | - |
| Nature of CSR activities (F) | | |
| Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to csr expenditure as per relevant accounting standard, (g) | NA | NA |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. (h) | 124.66 | - |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***48. Financial instrument disclosure****(a) Capital Management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings disclosed in notes 25, 28 and 16, 18 after deducting cash and bank balances) and equity of the Company (comprising issued capital, reserves and surplus, retained earnings as disclosed in notes 23 and 24). The Company monitors capital using a gearing ratio which is net debt divided by total capital plus net debt.

Gearing Ratio:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------|-------------------------|-------------------------|
| Borrowings | 7402.93 | 28,361.15 |
| Less: Cash and cash equivalent | (879.77) | (13,866.98) |
| Net Debt | 6,523.16 | 14,494.17 |
| Equity | 101,333.65 | 92,966.40 |
| Capital and Net Debt | 107,856.81 | 107,460.57 |
| Gearing Ratio | 6.05% | 13.48% |

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Financial instruments by category**As at March 31, 2024****Financial Assets:**

| Particulars | At cost | Amortised cost | Financial assets/ liabilities at fair value through Profit or Loss | Financial assets at fair value through OCI | Total carrying value |
|--------------------------------------|-----------------|-------------------|---|--|----------------------------|
| Non-Current Financial Asset | | | | | |
| Investments in subsidiaries | 5,945.83 | - | - | - | 5,945.83 |
| Deposits under site restoration fund | - | 7,978.29 | - | - | 7,978.29 |
| Other bank balances | - | 116.00 | - | - | 116.00 |
| Total | 5,945.83 | 8,094.29 | - | - | 14,040.12 |
| Current Financial Asset | | | | | |
| Investments | - | - | 42.35 | - | 42.35 |
| Trade receivables | - | 20,169.40 | - | - | 20,169.40 |
| Cash and cash equivalents | - | 837.42 | - | - | 837.42 |
| Other bank balances | - | 1,725.79 | - | - | 1,725.79 |
| Loan to subsidiary | - | 12,420.72 | - | - | 12,420.72 |
| Other financial assets | - | 17,044.03 | - | - | 17,044.03 |
| Total | - | 52,197.36 | 42.35 | - | 52,239.71 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
Financial Liabilities :

| Particulars | At cost | Amortised cost | Financial assets/ liabilities at fair value through Profit or Loss | Financial assets at fair value through OCI | Total carrying value |
|--|----------|------------------|--|--|----------------------|
| Non-Current Financial Liability | | | | | |
| Borrowings | - | 4,902.93 | - | - | 4,902.93 |
| Deposits | - | 13.50 | - | - | 13.50 |
| Other financial liabilities | - | - | 217.53 | - | 217.53 |
| Total | - | 4,916.43 | 217.53 | - | 5,133.96 |
| Current Financial Liability | | | | | |
| Borrowings | - | 2,500.00 | - | - | 2,500.00 |
| Trade Payables | - | 13,174.02 | - | - | 13,174.02 |
| Other financial liabilities | - | 1,448.43 | - | - | 1,448.43 |
| Total | - | 17,122.45 | - | - | 17,122.45 |

As at March 31, 2023
Financial Assets:

| Particulars | At cost | Amortised cost | Financial assets/ liabilities at fair value through Profit or Loss | Financial assets at fair value through OCI | Total carrying value |
|--------------------------------------|-----------------|------------------|--|--|----------------------|
| Non-Current Financial Asset | | | | | |
| Investments in subsidiaries | 5,945.83 | - | - | - | 5,945.83 |
| Deposits under site restoration fund | - | 7,458.06 | - | - | 7,458.06 |
| Other bank balances | - | 108.97 | - | - | 108.97 |
| Total | 5,945.83 | 7,567.03 | - | - | 13,512.86 |
| Current Financial Asset | | | | | |
| Investments | - | - | 11,470.90 | - | 11,470.90 |
| Trade receivables | - | 4,287.86 | - | - | 4,287.86 |
| Cash and cash equivalents | - | 2,396.08 | - | - | 2,396.08 |
| Other bank balances | - | 3,350.70 | - | - | 3,350.70 |
| Loan to subsidiary | - | 22,436.60 | - | - | 22,436.60 |
| Other financial assets | - | 9,014.03 | - | - | 9,014.03 |
| Total | - | 41,485.27 | 11,470.90 | - | 52,956.17 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Financial Liabilities :**

| Particulars | At cost | Amortised cost | Financial assets/ liabilities at fair value through Profit or Loss | Financial assets at fair value through OCI | Total carrying value |
|--|----------|------------------|--|--|----------------------|
| Non-Current Financial Liability | | | | | |
| Borrowings | - | 7,335.33 | - | - | 7,335.33 |
| Deposits | - | 13.50 | - | - | 13.50 |
| Other financial liabilities | - | - | 1,062.47 | - | 1,062.47 |
| Total | - | 7,348.83 | 1,062.47 | - | 8,411.30 |
| Current Financial Liability | | | | | |
| Borrowings | - | 21,025.82 | - | - | 21,025.82 |
| Trade Payables | - | 9,537.65 | - | - | 9,537.65 |
| Other financial liabilities | - | 4,167.31 | 566.02 | - | 4,733.33 |
| Total | - | 34,730.78 | 566.02 | - | 35,296.80 |

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

(b) Financial assets and liabilities valued at fair value

The following table gives information about how the fair value of these financial assets are determined.

As at March 31, 2024

| Particulars | Fair Value Measurements using | | | |
|---|-------------------------------|---------|---------|---------|
| | Total | Level 1 | Level 2 | Level 3 |
| Assets measured at fair value (refer note 16) | | | | |
| - Quoted equity instruments | 42.35 | 42.35 | - | - |
| - Mutual fund investments | - | - | - | - |
| Liabilities measured at fair value (refer note 26) | | | | |
| - Derivatives | 217.53 | 217.53 | - | - |

As at March 31, 2023

| Particulars | Fair Value Measurements using | | | |
|--|-------------------------------|-----------|---------|---------|
| | Total | Level 1 | Level 2 | Level 3 |
| Assets measured at fair value (refer note 16) | | | | |
| - Quoted equity instruments | 29.70 | 29.70 | - | - |
| - Mutual fund investments | 11,441.20 | 11,441.20 | - | - |
| Liabilities measured at fair value (refer note 26 and 30) | | | | |
| - Derivatives | 1,628.49 | 1,628.49 | - | - |

Level 1: Quoted market prices in active markets, where available.

Level 2: Valuation techniques where fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques where fair value measurement is unobservable.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
(c) Financial assets and liabilities measured at amortised cost

The Company has not disclosed fair values of financial instruments such as trade receivables, cash and cash equivalents, other Bank balances, security deposits, loans and advances to related parties, interest accrued on fixed deposits, trade payables and employee benefits payables (that are short term in nature), because their carrying amounts are reasonable approximations of their fair values.

(d) Offsetting

The Company has not offset financial assets and financial liabilities as at March 31, 2024 and March 31, 2023. The Company's borrowings are secured, the details of which are more fully described in Note 25.

49. Derivative contract swap

| Bank Name | Nature of Agreement | Rate / Currency | Outstanding Amount | Amount ₹ lakhs |
|---------------|---------------------|-----------------|--------------------|----------------|
| Axis Bank Ltd | Derivative | 7.95% on USD | USD 9,218,289.07 | 7,717.53 |

50. Financial Risk Management Objectives & Policies

The Company's principal financial liabilities comprise of short tenured borrowings, trade and other payables. Most of these liabilities relate to the Company's working capital cycle. The Company has trade and other receivables, loans and advances that arise directly from its operations.

The Company is accordingly exposed to market risk, credit risk and liquidity risk.

The Company's Senior Management oversees Management of these risks. The senior professionals working to manage the financial risks for the Company are accountable to the Audit Committee and the Board of Directors. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and overall risk appetite.

The Audit Committee reviews and agree policies for managing each of these risks which are summarised below:

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign currency rate risk, commodity risk and interest rate risk. Financial instruments affected by market risk include borrowings.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities and operational contracts with the rates payable in foreign currencies. The Company manages its foreign currency risk by having natural hedge as the revenue on sale of oil and gas is determined and paid in equivalent US dollars.

Details of Unhedged Foreign Currency Exposure

The details of unhedged Foreign Currency Exposure of the Company, are as under:

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|------------------|----------------------|-------------------|
| | \$ | ₹ | \$ | ₹ |
| Receivables | | | | |
| Loan to wholly owned subsidiary | \$ 7,050,000 | ₹ 5,877.86 lakhs | \$ 13,250,000 | ₹ 10,893.74 lakhs |
| Interest accrued on loan to wholly owned subsidiary | \$ 2,564,714 | ₹ 2,138.30 lakhs | \$ 1,808,122 | ₹ 1,486.58 lakhs |
| Payables | | | | |
| Loan from banks INR to USD / EURO swaps | \$ 9,156,533 | ₹ 7,717.53 lakhs | \$ 33,987,578 | ₹ 28,229.38 lakhs |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Foreign Currency Sensitivity**

The Company having outstanding derivatives as at 31 March 2024 and 31 March 2023 (Nil) and all of its foreign currency exposure is unhedged. The following table demonstrates the sensitivity in the USD to the functional currency of the Company, with all other variables held constant. The impact on the Company's Profit before tax is due to changes in the fair value of monetary assets

| Particulars | Changes in currency exchange rate | Effect on profit before tax | |
|-------------|-----------------------------------|----------------------------------|----------------------------------|
| | | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
| US Dollars | +5% | 14.93 | 777.88 |
| | -5% | (14.93) | (777.88) |

(ii) Commodity risk

The Company is exposed to volatility in the oil and gas prices since the Company does not undertake any oil price hedge. The impact of a falling oil price is however partly mitigated via the production sharing formula in the PSCs, whereby the share of gross production to the Company increases in a falling oil price environment and the recovery of costs. Gas prices are fixed for certain duration and the same are based on policy guidelines issued by the Government.

(iii) Interest rate risk

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|----------------------|----------------------|
| Variable Rate Borrowings | - | - |
| Fixed Rate Borrowings | 7,402.93 | 28,361.15 |
| Total | 7,402.93 | 28,361.15 |

The Company has only fixed rate borrowings and hence sensitivity analysis is not provided.

(b) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk as its sale of oil and gas is to Government Nominees.

Cash and Bank balances

The Company holds cash and cash equivalents with credit worthy Banks as at the reporting date. The credit worthiness of such Banks are evaluated by the Management on an ongoing basis and is considered to be good.

(i) Financial instruments and cash deposits

Credit risk from balances with Banks is managed by Company's treasury team in accordance with the policy approved by the Board. Investments of surplus funds are made temporarily with approved counterparties, mainly mutual funds, who meet the minimum threshold requirements under the counterparty risk assessment process.

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash Management system. It maintains adequate sources of financing including loans from domestic banks at an optimised cost.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

The table below summarise the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

| Particulars | As at March 31, 2024 | | | | Carrying Value |
|-----------------------------|----------------------|-----------------|-------------------|------------------|------------------|
| | Less than 1 year | 1-5 years | More than 5 years | Total | |
| Borrowings | 2,500.00 | 4,902.93 | - | 7,402.93 | 7,402.93 |
| Trade Payables | 10,909.62 | 2,264.40 | - | 13,174.02 | 13,174.02 |
| Other Financial liabilities | 1,448.43 | - | - | 1,448.43 | 1,448.43 |
| Total | 14,858.05 | 7,167.33 | - | 22,025.38 | 22,025.38 |

| Particulars | As at March 31, 2023 | | | | Carrying Value |
|-----------------------------|----------------------|-----------------|-------------------|------------------|------------------|
| | Less than 1 year | 1-5 years | More than 5 years | Total | |
| Borrowings | 21,025.82 | 7,335.33 | - | 28,361.15 | 28,361.15 |
| Trade Payables | 9,537.65 | - | - | 9,537.65 | 9,537.65 |
| Other Financial liabilities | 4,733.33 | 1,075.97 | - | 5,809.30 | 5,809.30 |
| Total | 35,296.80 | 8,411.30 | - | 43,708.10 | 43,708.10 |

51. Events after the reporting period

There are no material events after the reporting period.

52. Previous Year Figures

Previous year's figures have been regrouped and reclassified wherever necessary to conform to the current year's presentation.

53. Ratio analysis:

| Particulars | As at FY 2023-24 | As at FY 2022-23 | Variation | Remarks for variation more than 25% |
|--|---------------------|---------------------|-----------|---|
| (a) Current Ratio (in times) | 1.88 | 1.45 | 30% | Due to repayment of current borrowings |
| (b) Debt-Equity Ratio (in times) | 0.07 | 0.31 | (77%) | Due to repayment of borrowings |
| (c) Debt Service Coverage Ratio (in times) | 0.59 | 1.79 | (67%) | Due to decrease in profit and repayment of short term loan |
| (d) Return on Equity Ratio (in %) | 8.65 | 19.30 | (55%) | Due to decrease in net profit |
| (e) Inventory turnover ratio (in times) | 8.50 | 10.02 | (15%) | - |
| (f) Trade Receivables turnover ratio (in times) | 3.79 | 13.49 | (72%) | Due to B80 crude stock sold during the year end |
| (g) Trade payables turnover ratio (in times) | 2.93 | 4.34 | (33%) | Due to increase in trade payables on account of increase in operating expenditure |
| (h) Net capital turnover ratio (in times) | 2.05 | 3.05 | (33%) | Due to decrease in liability and increase in sales |
| (i) Net profit ratio (in %) | 18.11 | 42.95 | (58%) | Due to increase in operating cost |
| (j) Return on Capital employed (in %) | 9.78 | 16.12 | (39%) | Due to decrease in net profit |
| (k) Return on investment (in %) | 5.60 | 3.14 | 78% | Due to increase in investment in mutual funds |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Explanations to items included in computing the above ratios:**

1. Current Ratio: Current Asset over Current Liabilities
 2. Debt-Equity Ratio: Debt (Borrowings) over total shareholder's equity (including Reserves & Surplus)
 3. Debt Service Coverage Ratio: EBIT + Interest+ Depreciation over (principal repayment + interest payments)
 4. Return on Equity Ratio: Profit After Tax over average Equity (including Reserves & Surplus)
 5. Inventory turnover ratio: Revenue over average Inventory
 6. Trade Receivables turnover ratio: Revenue from operations over average Trade Receivable
 7. Trade payables turnover ratio: Purchases/Expenses over average Trade Payable
 8. Net capital turnover ratio: Revenue from operations over average working capital
 9. Net profit ratio: Profit After Tax over Revenue from operations
 10. Return on Capital employed: Profit Before Interest & Tax over Capital employed (Capital employed includes total shareholders equity, borrowings)
 11. Return on investment: Interest income on fixed deposit + Mutual fund investment gain over average investments (investments includes investments in mutual funds, margin money and other bank deposits)
54. The Company has not been declared a willful defaulter by any bank or financial institution or other lender.
 55. No proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any benami property under Benami Property Transactions (prohibition) Act, 1988.
 56. Transactions and balances with companies which have been removed from Register of Companies [struck off companies] as at the above reporting periods is Nil.
 57. The Company has not traded / invested in Crypto currency or virtual currency.
 58. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
 59. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
 60. The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
 61. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
 62. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
 63. No schemes of arrangements have been applied or approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013.
 64. The title deeds of all immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

65. The Companies (Accounts) Rules, 2014 read with the Companies (Accounts) Fourth Amendment Rules 2022 dated August 05, 2022, mandates that the back-up of the books of accounts and the other papers of the company maintained in electronic mode, shall be kept in server physically located in India, requiring backup on a daily basis. The Company is maintaining back-up of the accounting software on daily basis in a server physically located in India.
66. As per the requirements of rule 3(1) of the Companies (Accounts) Rules, 2014, the Company uses only such accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account. This feature of recording audit trail has operated throughout the year and not tampered with during the year. However, in respect of an accounting software, audit trail was not enabled at the database level to log any data changes. In respect of a software operated by a third party software service provider, for maintaining payroll records, based on the independent auditor's system and organization controls report, the Company has used a software which has a feature of recording audit trail (edit log) facility and the same has operated during the period April 1, 2023 till December 31, 2023 and no instance of audit trail feature being tampered with has been reported in such independent auditor's report for the aforesaid period. The Company has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended March 31, 2024 were effective.
67. **Approval of financial statements**

The financial statements were approved for issue by the board of directors on May 29, 2024.

For and on behalf of the Board of Directors

Vivek Rae

Chairman

DIN: 01866765

Place: Delhi

Date : May 29, 2024

R. Jeevanandam

Managing Director

DIN: 07046442

Place : Mumbai

Date : May 29, 2024

N. Sivalai Senthilnathan

Chief Financial Officer

Place : Mumbai

Date : May 29, 2024

Josephin Daisy

Company Secretary

Place: Mumbai

Date : May 29, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of
Hindustan Oil Exploration Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Hindustan Oil Exploration Company Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") and the Group's share of loss in its associate which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information and which includes nine unincorporated joint ventures of the Group accounted on a proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the considerations of reports of the other auditors on separate financial information of the unincorporated joint ventures and separate financial statements of subsidiaries referred to in Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (c),(d) and (e) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| S.No | Key Audit Matter | Auditor's Response |
|------|--|---|
| 1. | <p>Impairment of Upstream Oil and Gas assets included in PP&E and Capital Work in Progress</p> <p>Oil and Gas assets included in Property, Plant and equipment (PP&E) and Capital Work in progress of the Group aggregate ₹ 87,923 lakhs</p> <p>Recoverability of such Oil and Gas assets has been identified as a key audit matter due to:</p> <ul style="list-style-type: none"> The significance of the carrying value of the assets being assessed; The assessment of the recoverable amount of the Group's Cash Generating Units (CGUs) involves significant judgements about future cash flow forecasts and the discount rates applied; and | <p>Principal audit procedures performed:</p> <p>Our procedures relating to Impairment of Upstream Oil and Gas PP&E and Capital Work in Progress included the following, among others:</p> <p>i. Tested the effectiveness of internal controls over the Group's process in estimating the oil and gas reserves, the completeness and accuracy of the input data used and the reasonableness of key assumptions considered in the impairment evaluation including the discount rates and future oil and gas prices.</p> <p>We had discussions with the component auditors in regard to the impairment evaluation of Upstream Oil</p> |

| S.No | Key Audit Matter | Auditor's Response |
|------|---|---|
| | <ul style="list-style-type: none"> The estimation of oil and natural gas reserves is a significant area of judgement due to the technical uncertainty involved and this has a substantial impact on impairment testing. <p>As required by Ind AS 36 'Impairment of Assets', management estimated the recoverable amount of the CGU to determine if any impairment charges or reversals were required.</p> | <p>and Gas PP&E and Capital Work in Progress assets. Also, we have sent out referral instructions to the auditor of the component and evaluated the responses received from them. The procedures performed by the component auditors and which were evaluated by us are as follows:</p> <ol style="list-style-type: none"> Assessed the valuation methodology used by management, evaluated the appropriateness of management's identification of the CGU's and tested the arithmetical accuracy of the impairment calculations. Conducted corroborative inquiries with the Group personnel, including internal reserve experts, to identify factors, if any, which should be considered in the analysis. Tested the key assumptions used in the assessment including reserve estimate, oil and gas prices by comparing them with prior year's data and external data, where relevant. Assessed the reasonableness of the discount rates used. Verified the estimated future capital and operational costs, by comparing the same with the budgets and the production forecasts. Performed sensitivity analysis of key assumptions, including estimate of production-based revenue growth rates and the discount rates applied in the valuation workings. |
| 2. | <p>Measurement of provision for decommissioning, dismantling, removal and restoration ("DDRR")</p> <p>The provision outstanding for DDRR of the Group amounts to ₹ 14,998 lakhs. The estimation of DDRR provision, involves significant degree of judgement and uncertainty in estimation.</p> <p>DDRR provisions are inherently subjective given they are based on estimates of costs that will be settled in the future. The Group reviews the DDRR provision on an annual basis, of which key components include the interest rate, inflation rate and expected future costs.</p> | <p>Principal audit procedures performed:</p> <p>Our procedures relating to Measurement of provision for decommissioning, dismantling, removal and restoration included the following, among others:</p> <ol style="list-style-type: none"> Tested the effectiveness of internal controls over the Group's process in estimating the future costs, the completeness and accuracy of the input data used and the reasonableness of key assumptions considered in their evaluation including the inflation rate and discount rates. <p>We had discussions with the component auditors in regard to the Measurement of provision for decommissioning, dismantling, removal and restoration. As Principal auditors. Also, we have sent out referral instructions to the auditor of the component and evaluated the responses received from them. The procedures performed by the component auditors and which were evaluated by us are as follows:</p> <ol style="list-style-type: none"> Obtained and evaluated the workings received by the Group from an internal specialist for reasonableness. Tested the completeness of the provision by comparing the list of operating blocks with the obligation to create a provision for DDRR. Tested the arithmetical accuracy of the Decommissioning liability. |

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

- The Parent's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Board's Report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility and Sustainability Report are expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, compare with the financial statements of the subsidiaries and unincorporated joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and unincorporated joint ventures, is traced from their financial statements audited by the other auditors.
- When we read the Board's Report, Corporate Governance Report, Management Discussion and Analysis and Business Responsibility and Sustainability Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720. The Auditor's responsibilities Relating to Other Information'.

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

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India, included INDAS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- (a) We have placed reliance on the technical/commercial evaluation performed by the management in respect of the categorization of wells as exploratory, development, producing and dry wells, allocation of costs incurred on them, proved developed hydrocarbon reserves and depletion thereof on Oil and Gas assets, impairment and liability for site restorations costs.
- (b) Management had performed year end physical verification of inventory of crude oil at offshore locations. However, we were not able to physically observe the verification of the inventory that was carried out by the Management due to practical and safety considerations. Consequently, we have performed alternate procedures to audit the existence and condition of inventory as per the guidance provided in SA 501 "Audit evidence - Specific consideration for selected items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these consolidated financial statements. Our report on the consolidated financial statements is not modified in respect of this matter.
- (c) We did not audit the financial information of seven unincorporated joint ventures included in the consolidated Ind AS financial statements of the Group, whose financial statements reflect total assets of ₹ 591 Lakhs as at March 31, 2024 and total revenues of ₹ Nil for the year ended on that date, as considered in the respective standalone financial statements of the companies included in the Group. The financial information of these unincorporated joint ventures have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far relates to the amounts and disclosures included in respect of these unincorporated joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid unincorporated joint ventures, is solely based on the report of such other auditors.
- (d) We did not audit the financial information of one unincorporated joint venture included in the standalone financial statements, whose financial information reflect total assets of ₹ 248 lakhs as at March 31, 2024 and total revenues of ₹ Nil lakhs for the year ended on that date, as considered in the standalone financial statements. The financial information of this unincorporated joint ventures is unaudited and have been furnished to us by the Management and our opinion in so far as it relates to the amounts and disclosures included in respect of this unincorporated joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Company.

- (e) We did not audit the financial statements of two subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 45,308 lakhs as at March 31, 2024 and total revenues of ₹ 16,123 lakhs and net cash outflows amounting to ₹ 355 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of net loss of ₹ 24 lakhs in respect of an associate for the period April 1, 2023 to July 9, 2023, as considered in the consolidated financial statements. These financial statements have been audited by the other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of the other auditors.

The other auditors, without qualifying his opinion, has reported that financial statements of the aforesaid two subsidiaries, includes assets of ₹ 5,264 lakhs and total revenues of ₹ Nil lakhs which represents its participating interest in an unincorporated joint venture based on audited financial information. The financial information have been audited by the other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as relates to the amounts and disclosures included in respect of the same is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the respects of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the of the report of the other auditors on the separate financial information of unincorporated joint ventures and separate financial statements of subsidiaries referred to in the Other Matter section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law maintained by Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except (a) for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India by two of its subsidiaries and (b) in relation to compliance with the requirements of audit trail as stated in (i)(vi) below.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,
- in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent Company and such subsidiary companies to their respective directors during the year is in accordance with the provisions of Section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer note 47 of the consolidated financial statements.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies.
 - iv) (a) The respective Managements of the Parent Company and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in note 62 to the consolidated financial statements, 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 Parent Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in note 62 to the consolidated financial statements, no funds have been received by the Parent Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, 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 performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors 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 misstatement.
- (v) The Parent Company and its subsidiaries which are companies incorporated in India, have not declared or paid any dividend during the year and has not proposed final dividend for the year.
- (vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for instances mentioned below, the Parent Company and its subsidiary companies incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares.

In respect of the Parent Company:

- i. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used by the Company.
- ii. in respect of a software operated by a third party software service provider, for maintaining payroll records, based on the independent auditor's system and organization controls report, the Company has used a software which has a feature of recording audit trail (edit log) facility and the same has operated during the period April 1, 2023 till December 31, 2023 and no instance of audit trail feature being tampered with has been reported in such independent auditor's report for the aforesaid period. In the absence of an independent auditor's report covering the audit trail requirement for the remaining period, we are unable to comment whether the audit trail feature of the said software was enabled and operated from January 1, 2024, for all relevant transactions recorded in the software or whether there was any instance of the audit trail feature been tampered with.

In respect of one subsidiary, the accounting software did not have a feature of recording audit trail (edit log) facility.

In respect of one subsidiary, as reported by the other auditor, the accounting software used by that subsidiary did not have a feature of recording audit trail (edit log) facility.

Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent Company, have not come across any instance of the audit trail feature being tampered with, in respect of accounting softwares for the period for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial

statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

| S No. | Name of the Company | CIN | Nature of relationship | Clause number of CARO report with qualification or adverse remark |
|-------|-----------------------------------|-----------------------|-----------------------------------|---|
| 1 | GeoEnpro Petroleum Limited | U74899DL1994PLC063063 | Wholly Owned step-down subsidiary | (vii)(b) |
| 2 | Hindage Oilfield Services Limited | U11100GJ1988PLC011536 | Wholly Owned subsidiary | (vii)(b) |

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 24213649BKJG09422)

Place : Hyderabad
Date : May 29, 2024
MM/JM/2024/18

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of **HINDUSTAN OIL EXPLORATION COMPANY LIMITED** (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the parent and its subsidiary companies, which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 24213649BKCJGC9422)

Place : Hyderabad
Date : May 29, 2024
MM/JM/2024/18

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

| Particulars | Notes | As at March 31, 2024 | As at March 31, 2023 |
|---|-------|-------------------------|-------------------------|
| ASSETS | | | |
| 1 Non-current assets | | | |
| Property, plant & equipment | | | |
| a) Oil and gas assets | 4 | 84,111.75 | 79,961.28 |
| b) Others | 4 | 39,259.17 | 43,405.54 |
| Capital work-in-progress | 5 | 3,811.53 | 3,153.74 |
| Investment property | 6 | 278.05 | 292.23 |
| Intangible assets - Exploration | 7 | 1,012.40 | 985.55 |
| Intangible assets - Others | 7 | - | - |
| Financial assets | | | |
| Investment in associate | 8 | - | 1,848.93 |
| Deposits under site restoration fund | 9 | 8,452.86 | 7,774.91 |
| Other Bank balances | 10 | 116.00 | 108.97 |
| Other financial assets | 11 | 49.89 | 5.93 |
| Income tax assets (net) | 12 | 732.00 | 605.64 |
| Deferred tax asset (net) | 13 | - | - |
| Other non-current assets | 14 | 13.63 | 7.78 |
| Total non-current assets | | 137,837.28 | 138,150.50 |
| 2 Current assets | | | |
| Inventories | 15 | 4,232.95 | 8,093.76 |
| Financial assets | | | |
| Investments | 16 | 42.35 | 11,470.90 |
| Trade receivables | 17 | 31,447.64 | 11,694.09 |
| Cash and cash equivalents | 18 | 1,372.40 | 2,987.87 |
| Other bank balances | 19 | 5,477.89 | 4,818.91 |
| Other financial assets | 20 | 13,301.77 | 6,364.43 |
| Other current assets | 21 | 1,432.92 | 1,448.08 |
| Total current assets | | 57,307.92 | 46,878.04 |
| TOTAL ASSETS | | 195,145.20 | 185,028.54 |
| EQUITY & LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 22 | 13,225.93 | 13,225.93 |
| Other equity | 23 | 104,215.70 | 81,494.32 |
| Total equity | | 117,441.63 | 94,720.25 |
| Liabilities | | | |
| 1 Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 24 | 8,212.47 | 9,335.33 |
| Other financial liabilities | 25 | 8,172.60 | 10,790.42 |
| Provisions | 26 | 16,512.95 | 15,468.05 |
| Deferred tax liability (Net) | 27 | 1,223.79 | 95.92 |
| Total non-current liabilities | | 34,121.81 | 35,689.72 |
| 2 Current Liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 28 | 9,195.48 | 27,084.47 |
| Trade payables | 29 | | |
| Total outstanding dues of Micro enterprises and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 15,703.87 | 11,651.41 |
| Other financial liabilities | 30 | 4,840.00 | 8,053.84 |
| Provisions | 31 | 24.68 | 30.38 |
| Other current liabilities | 32 | 13,817.73 | 7,798.47 |
| Total current liabilities | | 43,581.76 | 54,618.57 |
| Total Liabilities | | 77,703.57 | 90,308.29 |
| TOTAL EQUITY & LIABILITIES | | 195,145.20 | 185,028.54 |

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN-117366W/W-100018

For and on behalf of the Board of Directors

C Manish Muralidhar
Partner

Vivek Rae
Chairman
DIN: 01866765

R. Jeevanandam
Managing Director
DIN: 07046442

N. Sivalai Senthilnathan
Chief Financial Officer

Josephin Daisy
Company Secretary

Place : Hyderabad
Date : May 29, 2024

Place: Delhi
Date : May 29, 2024

Place : Mumbai
Date : May 29, 2024

Place : Mumbai
Date : May 29, 2024

Place: Mumbai
Date : May 29, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

| Particulars | Notes | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|-------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| Revenue from operations | 33 | 83,027.06 | 59,220.27 |
| Less: Profit petroleum / revenue share to GOI | | (8,113.93) | (3,328.74) |
| Other income | 34 | 1,868.14 | 879.55 |
| Total income | | 76,781.27 | 56,771.08 |
| EXPENSES | | | |
| Share of expenses from producing oil and gas blocks | 35(a) | 27,826.62 | 17,649.40 |
| Royalty, cess and National calamity contingent duty | 35(b) | 6,355.34 | 6,779.69 |
| Facility operating expenses | 35(c) | 4,497.98 | 2,646.95 |
| (Increase) / decrease in stock of crude oil and condensate | 36 | 3,205.46 | (5,949.00) |
| Employee benefits expense | 37 | 173.24 | 93.47 |
| Finance costs | | | |
| - Banks and financial institutions | 38 | 2,238.58 | 3,016.35 |
| - Unwinding of discount on decommissioning liability | 39 | 875.26 | 771.73 |
| Depreciation, depletion and amortization expense | 4,6,7 | 8,002.34 | 7,370.08 |
| Other expenses | 40 | 2,040.16 | 3,452.35 |
| Total expenses | | 55,214.98 | 35,831.02 |
| Profit before share of profit of associate, exceptional items and tax | | 21,566.29 | 20,940.06 |
| Share of profit of associate | 8 | (24.38) | 11.11 |
| Profit before exceptional items and tax | | 21,541.91 | 20,951.17 |
| Exceptional items | 41 | 3,286.64 | (1,221.99) |
| Profit before tax | | 24,828.55 | 19,729.18 |
| (1) Current tax | | 1,088.74 | 326.31 |
| (2) Adjustment of tax relating to earlier periods | | (1.24) | 0.02 |
| (3) Deferred tax | | 1,098.07 | (1.97) |
| Total tax expense | | 2,185.57 | 324.36 |
| Profit for the year | | 22,642.98 | 19,404.82 |
| Other comprehensive income | | | |
| Items that will not to be reclassified to profit or loss: | | | |
| - Re-measurement (loss)/ gain on defined benefit plans, net of tax | | (32.80) | 3.17 |
| Other comprehensive income (net of tax) | | (32.80) | 3.17 |
| Total Comprehensive income | | 22,610.18 | 19,407.99 |
| Earnings per equity share of ₹ 10 attributable to equity holders. | 42 | | |
| Basic | | 17.12 | 14.67 |
| Diluted | | 17.12 | 14.67 |

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN-117366W/W-100018

For and on behalf of the Board of Directors

C Manish Muralidhar
Partner

Vivek Rae
Chairman
DIN: 01866765
Place: Delhi
Date : May 29, 2024

R. Jeevanandam
Managing Director
DIN: 07046442
Place : Mumbai
Date : May 29, 2024

N. Sivalai Senthilnathan
Chief Financial Officer
Place : Mumbai
Date : May 29, 2024

Josephin Daisy
Company Secretary
Place: Mumbai
Date : May 29, 2024

Place : Hyderabad
Date : May 29, 2024

CONSOLIDATED STATEMENT OF CHANGES OF EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

a) Equity Share Capital

| Particulars | As at the period ended | | | |
|---|------------------------|------------|----------------|------------|
| | March 31, 2024 | | March 31, 2023 | |
| | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs |
| Balance at the beginning of the current reporting year | 132,243,289 | 13,225.93 | 132,243,289 | 13,225.93 |
| Changes in Share Capital due to prior period errors | - | - | - | - |
| Restated balance at the beginning of the current reporting year | - | - | - | - |
| Changes in share capital during the current year | - | - | - | - |
| Balance at the end of the current reporting year | 132,243,289 | 13,225.93 | 132,243,289 | 13,225.93 |

b) Other Equity

| Particulars | Other Equity | | | | Total ₹ in lakhs |
|--|--------------------|------------------|-----------------|---------------------|---------------------|
| | Securities premium | Capital reserve | General reserve | Retained earnings | |
| Balance as at April 1, 2022 | 78,865.42 | 96,129.35 | 38.00 | (112,946.43) | 62,086.33 |
| Profit for the year | - | - | - | 19,404.82 | 19,404.82 |
| Other comprehensive income (net of tax) | - | - | - | 3.17 | 3.17 |
| Total comprehensive income for the year | - | - | - | 19,407.99 | 19,407.99 |
| Balance as at March 31, 2023 | 78,865.42 | 96,129.35 | 38.00 | (93,538.44) | 81,494.32 |
| Profit for the year | - | - | - | 22,642.98 | 22,642.98 |
| Capital reserve | - | 111.20 | - | - | 111.20 |
| Other comprehensive income (net of tax) | - | - | - | (32.80) | (32.80) |
| Total comprehensive income for the year | - | - | - | 22,610.18 | 22,721.38 |
| Balance as at March 31, 2024 | 78,865.42 | 96,240.55 | 38.00 | (70,928.26) | 104,215.70 |

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Chartered Accountants
 FRN-117366W/W-100018

For and on behalf of the Board of Directors

C Manish Muralidhar
 Partner

Vivek Rae
 Chairman
 DIN: 01866765
 Place: Delhi
 Date: May 29, 2024

R. Jeevanandam
 Managing Director
 DIN: 07046442
 Place: Mumbai
 Date: May 29, 2024

N. Sivalai Senthilnathan
 Chief Financial Officer
 Place: Mumbai
 Date: May 29, 2024

Josephin Daisy
 Company Secretary
 Place: Mumbai
 Date: May 29, 2024

Place: Hyderabad
 Date: May 29, 2024

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Cash flow from Operating activities | | |
| Profit after tax | 22,642.98 | 19,404.82 |
| Adjustments for: | | |
| Tax expense | 2,185.58 | 324.37 |
| Depletion, depreciation and amortisation expense | 8,002.34 | 7,370.08 |
| Unwinding of discount on Decommissioning liability | 875.26 | 771.73 |
| Provision for compensated absences | (11.07) | (5.57) |
| Write back of excess provision no longer required | (680.07) | - |
| Net foreign exchange differences | (431.87) | 1,808.88 |
| Exceptional Items | (3,286.64) | 1,221.99 |
| Interest income | (871.38) | (2,613.17) |
| Interest expenses | 2,238.58 | 3,016.35 |
| Net gain on sale of investments | - | (44.68) |
| Net gain on fair valuation of investments | (12.65) | (94.92) |
| Rental income | (33.09) | (31.52) |
| Share of profit of associate | 24.38 | (11.11) |
| Dividend received | (0.10) | (0.22) |
| Operating profit before working capital changes | 30,642.25 | 31,117.03 |
| Working capital adjustments for: | | |
| (Increase) / Decrease in trade receivables | (19,645.69) | (10,074.13) |
| (Increase) / Decrease in Inventories | 4,116.27 | (7,433.74) |
| Other financial and non-financial assets | (7,821.50) | (3,238.14) |
| Trade payables, other financial and non-financial liabilities | 5,748.06 | 12,118.64 |
| Cash generated from operations | 13,039.39 | 22,489.66 |
| Direct taxes (payment) (net of refunds) | (772.37) | (555.52) |
| Net cash generated from operating activities | 12,267.02 | 21,934.14 |
| Cash flow from Investing activities | | |
| Property, plant and equipment (net) | (1,830.97) | (7,167.19) |
| Intangible assets | (26.85) | (15.03) |
| Acquisition of subsidiary | (5,000.00) | - |
| Rent received | 33.09 | 31.52 |
| Dividend received | 0.10 | 0.22 |
| Net gain on sale of investments | - | 44.68 |
| Net gain on fair valuation of investments | 12.65 | 94.92 |
| Interest received (net of repayment) | 861.73 | 640.15 |
| Bank deposit - Under site restoration fund | - | (25.41) |
| Bank deposit -Lien for bank guarantees / facilities | 2,029.77 | (227.78) |
| Other bank balances -Escrow account | - | (1,074.96) |
| Net cash (used in) investing activities | (3,920.48) | (7,698.88) |
| Cash flow from financing activities | | |
| Term loan received | 5,000.00 | - |
| Term loan repayment | (12,206.01) | (12,397.98) |
| Short term loan received (Net of repayment) | (12,000.00) | 12,500.00 |
| Interest paid | (2,303.91) | (2,824.92) |
| Net cash flows (used in) financing activities | (21,509.92) | (2,722.90) |
| Net (decrease) / increase in cash and cash equivalents | (13,163.38) | 11,512.36 |
| Cash and cash equivalents at the beginning of the year | 14,458.77 | 2,946.41 |
| Cash and cash equivalents at the beginning of the period (GeoEnpro) | 119.36 | - |
| Cash and cash equivalents at the end of the year | 1,414.75 | 14,458.77 |
| Components of cash and cash equivalents | | |
| Cash in hand | 0.17 | 0.18 |
| Balances with banks | | |
| - In deposit accounts | 28.08 | 5.12 |
| - In current accounts | 1,344.15 | 2,982.57 |
| Current Investments | 42.35 | 11,470.90 |
| Total cash and cash equivalents | 1,414.75 | 14,458.77 |

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN-117366W/W-100018

For and on behalf of the Board of Directors

C Manish Muralidhar
Partner

Vivek Rae
Chairman
DIN: 01866765
Place: Delhi
Date: May 29, 2024

R. Jeevanandam
Managing Director
DIN: 07046442
Place: Mumbai
Date: May 29, 2024

N. Sivalai Senthilnathan
Chief Financial Officer
Place: Mumbai
Date: May 29, 2024

Josephin Daisy
Company Secretary
Place: Mumbai
Date: May 29, 2024

Place : Hyderabad
Date : May 29, 2024

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
1. Corporate Information

- a) Hindustan Oil Exploration Company Limited ('the Company' or "HOEC") was incorporated in India on September 22, 1983 under the provisions of the Companies Act, 1956. The Company's shares are listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). HOEC is engaged in the exploration, development and production of crude oil and natural gas in India, both onshore and offshore.

The Company is a participant in various oil and gas blocks / fields which are in the nature of joint operation through Production Sharing Contracts ('PSC') / Revenue Sharing Contracts ('RSC') entered by the Group with Government of India along with other entities. The details of Company's participating interests and of the other entities are as follows:

| Sl. No. | Unincorporated Joint Ventures | Participants | Share (%) | |
|---------|-------------------------------|---|----------------------|----------------------|
| | | | As at March 31, 2024 | As at March 31, 2023 |
| 1 | MB/OSDSF/B80/2016 | Hindustan Oil Exploration Company Limited (O) | 60 | 60 |
| | | Adbhoot Estates Private Limited* | 40 | 40 |
| 2 | PY-1 | Hindustan Oil Exploration Company Limited (O) | 100 | 100 |
| 3 | CY-OS-90/1 (PY-3)*** | Hardy Exploration & Production (India) Inc. (O) | 18 | 18 |
| | | Oil and Natural Gas Corporation Limited | 40 | 40 |
| | | Hindustan Oil Exploration Company Limited | 21 | 21 |
| | | Tata Petrodyne Limited | 21 | 21 |
| 4 | AAP-ON-94/1 (Assam) | Hindustan Oil Exploration Company Limited (O) | 26.882 | 26.882 |
| | | Indian Oil Corporation Limited | 29.032 | 29.032 |
| | | Oil India Limited | 44.086 | 44.086 |
| 5 | AA-ONHP-2017/19 | Hindustan Oil Exploration Company Limited (O) | 100 | 100 |
| 6 | AA/ONDSF/KHEREM/2016** | Hindustan Oil Exploration Company Limited (O) | 40 | 40 |
| | | Oil India Limited | 40 | 40 |
| | | Prize Petroleum Company Limited | 20 | 20 |
| 7 | AA/ONDSF/Umatara/2018 | Hindustan Oil Exploration Company Limited | 10 | 10 |
| | | Indian Oil Corporation Limited (O) | 90 | 90 |
| 8 | Asjol | Hindustan Oil Exploration Company Limited (O) | 50 | 50 |
| | | Gujarat State Petroleum Corporation Limited | 50 | 50 |
| 9 | North Balol | Hindustan Oil Exploration Company Limited (O) | 25 | 25 |
| | | Gujarat State Petroleum Corporation Limited | 45 | 45 |
| | | Gujarat Natural Resources Limited (GNRL) | 30 | 30 |
| 10 | CB-ON/7 (Palej) | Hindustan Oil Exploration Company Limited (O) | 35 | 35 |
| | | Gujarat State Petroleum Corporation Limited | 35 | 35 |
| | | Oil and Natural Gas Corporation Limited | 30 | 30 |

(O) Operator

* Effective December 1, 2020 Adbhoot Estates Private Limited assigned 10% of its participating interest in the UJV to HOEC. The amendment to the Revenue sharing contract is executed between the parties and it was approved by the Ministry of Petroleum and Natural Gas, Government of India.

** Surrendered on May 16, 2024

*** Block is non operative since 2011

- b) Hindage Oilfield Services Limited (HOSL) was incorporated on November 24, 1988 in the state of Gujarat. HOSL has discontinued the business of marketing "Bardahl" products and entered into oil field services. It has acquired a Floating Storage Offshore ("FSO") vessel and constructing an offshore utility boat to enter into offshore support services and also examining opportunities in various oil field services.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

- c) HOEC acquired the entire share capital of Geopetrol International Inc. ("GPII"), a company registered and existing under the Laws of Panama. GPII is registered as a foreign company in India and operates through a project office in India. GPII has entered into a Production Sharing Contract with Government of India for a producing oil field Kharsang in Arunachal Pradesh. The details of the Participating Interest are as follows:

| Sl. No. | Unincorporated Joint Ventures | Participants | As at March 31, 2024 Share % | As at March 31, 2023 Share % |
|---------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|
| 1 | Kharsang Field | GeoEnpro Petroleum Limited (O) | 10 | 10 |
| | | Geopetrol International Inc. | 25 | 25 |
| | | JEKPL Private Limited | 25 | 25 |
| | | Oil India Limited | 40 | 40 |

(O) Operator

- d) Geopetrol Mauritius Ltd ("GML"), is a wholly owned subsidiary of GPII. GML is a company established under the laws of Mauritius and has Global Business Category -I License. It is in the business of investment in oil and gas exploration and oil and gas services.
- e) GeoEnpro Petroleum Limited ("GeoEnpro") is a company established and operated under Companies Act, 2013. GML is currently holding 50% and during the year HOSL had acquired balance 50% of the paid up share capital of GeoEnpro, thereby GeoEnpro has become step down subsidiary of HOEC.

The Company, along with HOSL, GPII, GML and GeoEnpro shall hereinafter, be collectively referred to as 'the Group'.

2. Material accounting policies**i) Statement of compliance and basis of preparation**

The consolidated financial statements of HOEC and its subsidiaries (together the Group) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2024, the Group had prepared its consolidated financial statements under historical cost convention on accrual basis in accordance with the generally accepted accounting principles and the accounting standards notified under section 133 of the Companies Act 2013.

In case of foreign subsidiaries, the foreign currency is converted to year end rates of exchange and the fair value of fixed assets are determined for impairment if any. In case of associates, the investment in associates is given under a separate category of asset viz., "Investment in associates".

The Consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

Fair value measurement

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 under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

The consolidated financial statements are presented in Indian Rupees, unless otherwise stated.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***ii) Basis of consolidation**

- (a) The consolidated financial statements incorporate the financial statement of the Company and its Subsidiaries.
- (b) All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated in full on consolidation.
- (c) The Consolidated financial statements have been prepared using uniform accounting policies, except as stated otherwise, for similar transactions and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- (d) In case of Associate Company, the investment at cost is considered subject to the impairment if any.

iii) Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have the joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

The Group has entered into Unincorporated Joint Ventures (UJVs) with other entities and executed Production Sharing Contracts ("PSC") and Revenue Sharing Contracts ("RSC") with the Government of India. These UJVs are in the form of joint arrangements wherein the participating entity's assets and liabilities are proportionate to its participating interest.

The UJVs entered into by the Group are joint operations wherein the liabilities are several, not joint, and not joint and several and therefore do not come under the category of Joint Venture as defined under the Ind AS. In accounting for these joint operations, the Group recognizes its assets and liabilities in proportion to its participating interest in the respective UJV. Likewise, revenue and expenses from the UJV are recognized for its participating interest only. The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in the UJVs in accordance with the Ind AS.

The consolidated financial statements of the Group reflect its share of assets, liabilities, income and expenditure of the Unincorporated Joint Ventures ("UJV") which are accounted, based on the available information in the audited financial statements of UJV on line by line basis with similar items in the Group's accounts to the extent of the participating interest of the Group as per the various PSCs and RSCs. The financial statements of the UJVs are prepared by the respective Operators in accordance with the requirements prescribed by the respective PSCs and RSC. Hence, in respect of these UJV's, certain disclosures required under the relevant accounting standards have been made in the financial statements.

iv) Investment in associates and joint ventures

The Group records the investments in associate and joint ventures at cost less impairment loss, if any. On disposal of investment in associates and joint ventures, the difference between the net disposal proceeds and the carrying amounts (including corresponding value of dilution in deemed investment) are recognized in the Statement of Profit and Loss.

v) Foreign exchange transactions

The functional currency of the Group is Indian Rupee which represents the currency of the primary economic environment in which it operates.

In preparing the financial statements of each individual group company, transactions in currencies other than the Group'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 translated using mean exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

vi) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at transaction price allocated to that performance obligation

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

- (i) Revenue from the sale of crude oil, condensate and natural gas, net of value added tax and profit petroleum to the Government of India, is recognized on transfer of custody to customers, and the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group.

Other income

- (ii) Income from service if any is recognized on accrual basis on its completion and is net of taxes.
- (iii) Interest income is recognized on the basis of time, by reference to the principal outstanding and at effective interest rate applicable on initial recognition.
- (iv) Dividend Income from investments is recognized when the right to receive has been established.
- (v) Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

vii) Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

The tax rates and tax laws used to compute are the laws that are enacted or substantively enacted as on the reporting date. The management evaluates and makes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current taxes

The current tax expense includes income taxes payable by the Group. Advance taxes and provisions for current taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred taxes

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 utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 realized, 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.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

viii) Property, plant and equipment (other than oil and gas assets)

Land and buildings held for use in the production and supply of goods or services, or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and the accumulated impairment losses. Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less depreciation.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

Historical cost comprises the purchase price and any attributable cost of bringing the asset for its intended use. It includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs for acquisition of fixed assets are capitalized till such assets are ready to be put to use.

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

Improvements to Leasehold premises are amortized over the remaining primary lease period.

Capital work in progress are items of property, plant and equipment which are not ready for their intended use and are carried at cost, comprising direct cost and related incidental expense. Capital work in progress includes items of drilling materials which are held for use in extraction or production of oil and gas and are expected to be used for more than one period.

(i) Useful lives used for depreciation (other than oil and gas assets):

The Group follows the useful lives set out under Schedule II of the Companies Act 2013 for the purpose of determining the useful lives of respective blocks of property plant and equipment. The following are the useful lives followed:

| | | |
|--|---|----------|
| - Plant & machinery | : | 15 years |
| - Building | : | 60 years |
| - Office Equipment | : | 05 years |
| - Electrical Fittings | : | 10 years |
| - Computer | : | 03 years |
| - Furniture and Fixtures | : | 10 years |
| - Vehicles | : | 08 years |
| - Vessels | : | 20 years |
| - Vessel Offshore Production processing unit | : | 15 years |

Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the written down value method and vessel offshore production processing unit amortised on a straight-line basis over their estimated useful lives.

(ii) De-recognition of assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continuous use of the asset. Any gain or loss arising from such disposal, retirement or de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item. Such gain or loss is recognized in the statement of profit and loss.

In case of de-recognition of a revalued asset, the corresponding portion of the revaluation surplus as is attributable to that asset is transferred to retained earnings on such de-recognition. Such transfers to retained earnings are made through Other Comprehensive Income and not routed through profit or loss.

ix) Oil and gas assets

Oil and gas assets are stated at historical cost less accumulated depletion and impairment. These are accounted in respect of an area / field having proved oil and gas reserves, when the wells in the area / field is ready to commence commercial production.

The Group generally follows the "Successful Efforts Method" of accounting for oil and gas assets as set out by the Guidance Note issued by the ICAI on "Accounting for Oil and Gas Producing Activities".

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

Expenditure incurred on acquisition of license interest is initially capitalized on license by license basis as Intangible Assets. Costs are not depleted within exploratory and development work in progress until the exploration phase is completed or commercial oil and gas reserves are discovered.

- (a) Cost of surveys and studies relating to exploration activities are expensed as and when incurred.
- (b) Cost of exploratory/appraisal well(s) are expensed when it is not successful and the cost of successful well(s) are retained as exploration expenditure till the development plan is submitted. On submission of development plan, it is transferred to capital work in progress. On commencement of commercial production, the capital work in progress is transferred to producing property as Property, plant and equipment.
- (c) Cost of temporary occupation of land and cost of successful exploratory, appraisal and development wells are considered as development expenditure. These expenses are capitalized as producing property on commercial production.
- (d) Development costs on various activities which are in progress are accounted as capital work in progress. On completion of the activities the costs are moved to respective oil and gas assets.

Depletion to oil and gas assets

Depletion is charged on a unit of production method based on proved reserves for acquisition costs and proved and developed reserves for capitalized costs consisting of successful exploratory and development wells, processing facilities, assets for distribution, estimated site restoration costs and all other related costs. These assets are depleted within each cost center. Reserves for these purposes are considered on working interest basis which are assessed annually. Impact of changes to reserves if any are accounted prospectively.

x) Site restoration

Provision for decommissioning costs are recognized as and when the Group has a legal or constructive obligation to plug and abandon a well, dismantle and remove plant and equipment to restore the site on which it is located. The estimated liability towards the costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is completed, and the plant and equipment are installed.

The amount recognized is the present value of the estimated future expenditure determined using existing technology at current prices and escalated using appropriate inflation rate till the expected date of decommissioning and discounted up to the reporting date using the appropriate risk-free interest rate.

The corresponding amount is also capitalized to the cost of the producing property and is depleted on unit of production method. Any change in the estimated liability is dealt with prospectively and is also adjusted to the carrying value of the producing property.

Any change in the present value of the estimated decommissioning expenditure other than the periodic unwinding of discount is adjusted to the decommissioning provision and the carrying value of the asset. In case reversal of provision exceeds the carrying amount of the related asset, the excess amount is recognized in the Statement of Profit and Loss. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance cost.

Provision for decommissioning cost in respect of assets under joint operations is considered as per the participating interest of the Group in the block/field.

xi) Investment property

Properties held to on rentals and / or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs.

Depreciation is recognized using the Written Down Value Method, so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful lives are determined by technical evaluation, over the useful lives so determined. Depreciation method, useful life and the residual values are reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property and the value thereon. The effect of any change in the estimates of useful lives / residual value is accounted on a prospective basis.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognized in the Statement of Profit and Loss in the same period.

xii) Intangible assets

Intangible assets - Exploration

Exploration expenditure includes cost of exploration activities such as:

- Acquisition cost- cost associated with acquisition of licenses and rights to explore, including related professional fees.
- General exploration cost- cost of surveys and studies, rights of access to properties to conduct those studies (e.g cost incurred for environment clearance etc), salaries and other expenses of geologists, geophysical personnel conducting those studies.
- Cost of exploration drilling and equipping exploration and appraisal wells.

Intangible assets - others

Intangible assets with a finite useful life acquired separately are measured on initial recognition, at costs. Intangible assets are carried at cost less accumulated amortization and impairment losses if any.

The Group amortizes intangible assets with a finite useful life using the straight-line method. The useful life considered for computer software is 6 years.

xiii) Impairment

The carrying values of assets / cash generating units are assessed for impairment at the end of every reporting period. If the carrying amount of an asset exceeds the estimated recoverable amount, an impairment is recognized as expense in the statement of profit and loss. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In that case, the carrying amount of the asset is increased to its recoverable amount. However, such reversal shall not exceed the carrying amount had there been no impairment loss.

xiv) Inventories

The accounting treatment in respect of recognition and measurement of inventory is as follows:

- (i) Closing stock of crude oil and condensate in saleable condition is valued at the estimated net realizable value in the ordinary course of business.
- (ii) Stores, spares, capital stock and drilling tangibles are valued at cost on first in first out basis or estimated net realizable value, whichever is lower.

Inventories other than closing stock of crude oil and condensate are periodically assessed for restatement at lower of cost and net realizable value. On restatement, any write-down of inventory to net realizable value is recognized as an expense in the period the write-down or loss occurs. In case of increase in the net realizable value, the increase is recognized and reversed to the extent of write-down.

xv) Employee benefits

Employee benefits include salaries, wages, provident fund, gratuity, leave encashment towards un-availed leave, compensated absences and other terminal benefits.

All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

a) Defined contribution plan

The Group's contribution to provident fund is considered as defined contribution plan and are recognized as and when the employees have rendered services entitling them to contributions.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***b) Defined benefit plan**

The Group makes annual contribution to a Gratuity Fund administered by trustees and managed by the Life Insurance Corporation of India. The Group accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date using the Projected Unit Credit method.

Remeasurement comprising actuarial gains and losses are reflected immediately in the balance sheet with a charge or credit recognized in the Other Comprehensive Income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised the Statement of Profit and Loss except those included in cost of assets as permitted.

Defined benefit costs are categorized as Service cost, Net interest expense and remeasurement cost.

c) Long term employee benefit

The liability for long term compensated absences which are not expected to occur within 12 months after the end of the period in which the employee rendered related service are recognized as liability based on actuarial valuation as at the balance sheet date.

d) Other Employee Benefits including allowances, incentives etc. are recognized based on the terms of the employment.**xvi) Employee share based payment**

Equity settled share-based payments if any, to employees are measured at fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payment is expensed on straight line basis over the vesting period based on the estimate of the equity instrument that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that cumulative expense reflects the revised estimate, with corresponding adjustment to the equity -settled employee benefits reserve.

xvii) Financial instruments

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are initially measured at fair value except for trade receivables which are initially measured at a transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular purchases or sales of financial assets are recognized and derecognized on the fair value. Recognized financial assets are subsequently measured in their entirety at the fair value. In case of investments in wholly owned subsidiary, the investments are considered at cost subject to impairment if any. However, trade receivables that do not contain a significant financing component are measured at transaction price.

A financial asset is de-recognized only when the Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Financial asset is held with the objective to collect contractual cash flows and the terms give rise on specified dates to cash flows that are solely payments of principal and interest are subsequently measured at amortized cost except for financial assets that are designated at fair value through profit or loss on initial recognition.

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Financial liabilities

All financial liabilities are recognized initially at fair value. In the case of loans, borrowings and payables, recognition is net of directly attributable transaction and other costs. The Group's financial liabilities may include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments. The measurement of financial liabilities is at fair value and adjustment thereon is routed through profit or loss.

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

Derivative financial instruments

The Company uses derivative financial instruments such as forward and options currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised and subsequently measured at fair value through profit or loss (FVTPL). Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivative financial instrument are recognised in the Statement of Profit and Loss and reported with foreign exchange gains/(loss). Changes in fair value and gains / (losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

xviii) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Group has a present obligation (legal or constructive) 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 the 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.

In case of contingent liabilities, where there is no certainty of outflow or the amount of obligation cannot be measured reliably, disclosure is made in the notes forming part of the financial statements. Contingent assets are not recognized in the financial statements. However, where the realization of income is reasonably certain, a disclosure of the fact is provided.

xix) Leases

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

At the date of commencement of the lease, the Group 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 Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. 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 costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Group. All other leases are classified as operating leases. Operating lease payments for land are recognized as prepayments and amortized on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

xx) Earnings per share

Basic earnings per share is computed, by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

xxi) Statement of cash flow

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

xxii) Cash and cash equivalents

Cash comprises for the purposes of cash flow statement comprise cash on hand and demand deposits with banks. Cash equivalents are short-term balances with a maturity of not exceeding three months, highly liquid investments that are readily convertible in to known amount of cash which are subject to insignificant risk of change in value.

xxiii) Borrowing costs

Borrowing costs include interest and amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. Interest Income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period which they incurred.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***3. Critical accounting judgments, assumptions and key sources of estimation uncertainty**

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

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

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of oil and gas reserves, impairment, useful lives of property, plant and equipment, depletion of oil and gas assets, decommissioning provision, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

3.1 Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer note 4(b)), that the Management have made in the process of applying the Group's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

a) Determination of functional currency

Currency of the primary economic environment in which the Group operates ("the functional currency") is Indian Rupee (₹) in which the Group primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹). In case of foreign subsidiaries in United States Dollar is converted in the year end exchange rates.

b) Evaluation of indicators for impairment of oil and gas assets

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors such as significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc. and internal factors such as obsolescence or physical damage of an asset, poor economic performance of the asset etc. which could result in significant change in recoverable amount of the oil and gas assets.

3.2 Assumptions and key sources of estimation uncertainty**a) Estimation of provision for decommissioning**

The Group estimates provision for decommissioning for the future decommissioning of oil & gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future, the exact requirements that may have to be met when the occurrence of removal events are uncertain. Technologies and costs for decommissioning are varying constantly. The timing and amounts of future cash flows are subject to significant uncertainty.

The timing and the future expenditures are reviewed at the end of each reporting period, together with rate of inflation for current cost estimates and the interest rate used in discounting the cash flows. The economic life of the oil & gas assets is estimated based on the economic production profile of the relevant oil & gas asset.

b) Estimation of reserves

Management estimates production profile (proved and developed reserves) in relation to all the oil and gas assets determined as per the industry practice. The estimates so determined are used for the computation of depletion and loss of impairment if any.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

The year-end reserves of the Group have been estimated by the G&G team which follows the guidelines for application of the petroleum resource management system consistently. The Group has adopted the reserves estimation by following the guidelines of Society of Petroleum Engineers (SPE) which defines "Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: They must be discovered, recoverable, commercial and remaining (as of a given date) based on development project(s) applied". Volumetric estimation is made which uses reservoir rock and fluid properties to calculate hydrocarbons in-place and then estimate the recoverable reserves from it. As the field gets matured with production history the material balance, simulation, decline curve analysis are applied to get more accurate assessments of reserves.

The annual revision of estimates is based on the yearly exploratory and development activities and results thereof. In addition, new in- place volume and ultimate recoverable reserves are estimated for any new discoveries or new pool of discoveries in the existing fields and the appraisal activities may lead to revision in estimates due to new sub-surface data. Similarly, reinterpretation is also carried out based on the production data by updating the static and dynamic models leading to change in reserves. New interventional technologies, change in classifications and contractual provisions may also necessitate revision in the estimation of reserves.

c) Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
4 Property, plant & equipment
Summary

| Carrying amount of: | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|----------------------|----------------------|
| a) Oil and gas assets | 84,111.75 | 79,961.28 |
| b) Others | | |
| - Freehold land | 239.28 | 239.28 |
| - Buildings | 95.23 | 99.81 |
| - Fire safety facilities | 33.37 | 33.67 |
| - Plant & Machinery | 350.54 | 426.47 |
| - Vessel | 14,405.71 | 16,498.62 |
| - MOPU | 24,095.19 | 26,085.52 |
| - Furniture & fixtures | 4.08 | 3.68 |
| - Vehicles | 5.12 | 6.54 |
| - Office equipment | 4.10 | 2.75 |
| - Computers | 26.55 | 9.20 |
| Total (b) | 39,259.17 | 43,405.54 |

| Carrying amount of: | a) Oil and gas assets | b) Others assets | | | | | | | | | | | Total (b) | |
|---|-----------------------|------------------|--------------|------------------------|-------------------|------------------|------------------|-----------------------|-------------|------------------|--------------|-------------------------|------------------|--|
| | | Freehold land | Buildings | Fire Safety facilities | Plant & machinery | Vessels | MOPU | Furnitures & fixtures | Vehicles | Office equipment | Computers | Lease hold improvements | | |
| Gross block | | | | | | | | | | | | | | |
| Balance as at April 1, 2022 | 273,785.49 | 239.28 | 449.78 | 129.10 | 1,894.37 | 19,914.52 | - | 103.83 | 68.04 | 216.08 | 246.76 | 22.32 | 23,284.08 | |
| Add: Additions / (Deletions) | 53,294.73 | - | - | - | 7.54 | (28.93) | 27,670.51 | - | - | - | 9.90 | - | 27,659.02 | |
| Balance as at March 31, 2023 | 327,080.22 | 239.28 | 449.78 | 129.10 | 1,901.91 | 19,885.59 | 27,670.51 | 103.83 | 68.04 | 216.08 | 256.66 | 22.32 | 50,943.10 | |
| Add: Geoenpro | 11,315.05 | - | 8.25 | - | 564.23 | - | - | 8.17 | - | 58.02 | 28.67 | - | 667.34 | |
| Add: Additions | 443.15 | - | - | - | - | 464.53 | - | 1.22 | - | 0.42 | 17.56 | - | 483.73 | |
| Less: Deletions | | - | - | - | - | (221.98) | (93.54) | - | - | - | - | - | (315.52) | |
| Balance as at March 31, 2024 | 338,838.42 | 239.28 | 458.03 | 129.10 | 2,466.14 | 20,128.14 | 27,576.97 | 113.22 | 68.04 | 274.52 | 302.89 | 22.32 | 51,778.65 | |
| Accumulated depletion, depreciation and impairment | | | | | | | | | | | | | | |
| Balance as at April 1, 2022 | 244,130.74 | - | 344.97 | 87.99 | 1,379.87 | 721.02 | - | 98.88 | 58.83 | 212.53 | 244.19 | 22.32 | 3,170.60 | |
| Depletion / depreciation | 2,988.20 | - | 5.00 | 7.44 | 95.57 | 2,665.95 | 1,584.99 | 1.27 | 2.67 | 0.80 | 3.27 | - | 4,366.96 | |
| Balance as at March 31, 2023 | 247,118.94 | - | 349.97 | 95.43 | 1,475.44 | 3,386.97 | 1,584.99 | 100.15 | 61.50 | 213.33 | 247.46 | 22.32 | 7,537.56 | |
| Geoenpro | 4,748.28 | - | 8.25 | - | 542.03 | - | - | 8.03 | - | 56.51 | 20.87 | - | 635.69 | |
| Depletion / depreciation | 2,859.45 | - | 4.58 | 0.30 | 98.13 | 2,335.46 | 1,896.79 | 0.96 | 1.42 | 0.58 | 8.01 | - | 4,346.23 | |
| Balance as at March 31, 2024 | 254,726.67 | - | 362.80 | 95.73 | 2,115.60 | 5,722.43 | 3,481.78 | 109.14 | 62.92 | 270.42 | 276.34 | 22.32 | 12,519.48 | |
| Net Carrying value as at March 31, 2024 | 84,111.75 | 239.28 | 95.23 | 33.37 | 350.54 | 14,405.71 | 24,095.19 | 4.08 | 5.12 | 4.10 | 26.55 | - | 39,259.17 | |
| Net Carrying value as at March 31, 2023 | 79,961.28 | 239.28 | 99.81 | 33.67 | 426.47 | 16,498.62 | 26,085.52 | 3.68 | 6.54 | 2.75 | 9.20 | - | 43,405.54 | |

Note: For the details relating to charge on movable and immovable Property (Refer Note 24)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***5 Capital work-in-progress**

| Particulars | Development | Exploration | Plant & Machinery | Vessels | Total |
|--|-----------------|-----------------|-------------------|---------------|-----------------|
| Cost | | | | | |
| Balance as at April 1, 2022 | 52,524.10 | 2,385.94 | 26,545.59 | 239.71 | 81,695.34 |
| Add: Additions | 3,251.84 | - | - | - | 3,251.84 |
| Less: Transfer to Oil and gas assets | (51,726.95) | - | (26,545.59) | - | (78,272.54) |
| Balance as at March 31, 2023 | 4,048.99 | 2,385.94 | - | 239.71 | 6,674.64 |
| Add: Geoenpro | 25.04 | - | - | - | 25.04 |
| Add: Additions | 624.93 | - | - | 57.60 | 682.53 |
| Less: Deletion | (49.78) | - | - | - | (49.78) |
| Balance as at March 31, 2024 | 4,649.18 | 2,385.94 | - | 297.31 | 7,332.43 |
| Accumulated impairment | | | | | |
| Balance as at April 1, 2022 | 1,108.72 | 2,385.94 | - | - | 3,494.66 |
| Add: Additions | 26.24 | - | - | - | 26.24 |
| Balance as at March 31, 2023 | 1,134.96 | 2,385.94 | - | - | 3,520.90 |
| Add: Additions | - | - | - | - | - |
| Balance as at March 31, 2024 | 1,134.96 | 2,385.94 | - | - | 3,520.90 |
| Net Carrying value as at March 31, 2024 | 3,514.22 | - | - | 297.31 | 3,811.53 |
| Net Carrying value as at March 31, 2023 | 2,914.03 | - | - | 239.71 | 3,153.74 |

5.1 For the details relating to charge on movable and immovable property refer Note 24.

(a) Capital work-in-progress ageing schedule

| Particulars | As at March 31, 2024 | | | | |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|----------|
| | Amount in CWIP for a period of | | | | |
| Capital work-in-progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 657.80 | 389.89 | 8.32 | 2,755.52 | 3,811.53 |
| Projects temporarily suspended | - | - | - | - | - |

| Particulars | As at March 31, 2023 | | | | |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|----------|
| | Amount in CWIP for a period of | | | | |
| Capital work-in-progress | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 389.89 | 8.32 | 2.46 | 2,753.06 | 3,153.74 |
| Projects temporarily suspended | - | - | - | - | - |

Note: There are no projects which are under suspension. With regard to the above ongoing projects there are no projects where completion is overdue or has exceeded the cost as compared to its original plan, and consequent amendments approved by the Board thereon.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
6. Investment property

| Particulars | Building |
|--|---------------|
| Gross block | |
| Balance as at April 1, 2022 | 622.24 |
| Add: Additions | - |
| Balance as at March 31, 2023 | 622.24 |
| Add: Additions | - |
| Balance as at March 31, 2024 | 622.24 |
| Accumulated Depreciation | |
| Balance as at April 1, 2022 | 315.09 |
| Depreciation for the year | 14.92 |
| Balance as at March 31, 2023 | 330.01 |
| Depreciation for the year | 14.18 |
| Balance as at March 31, 2024 | 344.19 |
| Net Carrying value as at March 31, 2024 | 278.05 |
| Net Carrying value as at March 31, 2023 | 292.23 |

6.1 Fair value of the Group's investment property

The following table gives details of the fair value of the Group's investment property as at March 31, 2024 and March 31, 2023

| Particulars | Level 3 : March 31, 2024 | Level 3 : March 31, 2023 |
|-------------|--------------------------|--------------------------|
| Building | 2,208.00 | 2,208.00 |

The fair values of the Group's investment properties are assessed on the basis of a valuation carried out by an independent valuer not related to the Group in 31st March 2020. Fair value is derived using the market comparable approach based on the recent market / government prices without any significant adjustments being made to the market observable data.

The buildings of the Company are hypothecated as charge for the purpose of term loan facilities from Axis Bank Ltd (Refer Note 24)

The property rental income earned by the Company from its investment property, all of which is leased out under operating leases, amounted to ₹ 33.09 lakhs (March 31, 2023: ₹ 31.52 lakhs).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***7 Intangible assets - Exploration**

| Particulars | Intangible assets Exploration | Intangible assets (Others) Software | Total |
|--|----------------------------------|--|-----------------|
| Gross block | | | |
| Balance as at April 1, 2022 | 970.52 | 647.37 | 1,617.89 |
| Add: Additions | 15.03 | - | 15.03 |
| Balance as at March 31, 2023 | 985.55 | 647.37 | 1,632.92 |
| Add: Additions | 26.85 | | 26.85 |
| Balance as at March 31, 2024 | 1,012.40 | 647.37 | 1,659.77 |
| Accumulated amortization and impairment | | | |
| Balance as at April 1, 2022 | - | 647.37 | 647.37 |
| Amortization for the year | - | - | - |
| Balance as at March 31, 2023 | - | 647.37 | 647.37 |
| Amortization for the year | | | |
| Balance as at March 31, 2024 | - | 647.37 | 647.37 |
| Net carrying value as at March 31, 2024 | 1,012.40 | - | 1,012.40 |
| Net carrying value as at March 31, 2023 | 985.55 | - | 985.55 |

Intangible assets - Exploration aging schedule:

| Particulars | As at March 31, 2024 | | | | |
|---------------------------------|--------------------------------|-----------|-----------|----------------------|----------|
| | Amount in CWIF for a period of | | | | |
| Intangible assets - Exploration | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 26.85 | 15.03 | 66.74 | 903.78 | 1,012.40 |
| Projects temporarily suspended | - | - | - | - | - |

| Particulars | As at March 31, 2023 | | | | |
|---------------------------------|--------------------------------|-----------|-----------|----------------------|--------|
| | Amount in CWIF for a period of | | | | |
| Intangible assets - Exploration | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 15.03 | 66.74 | - | 903.78 | 985.55 |
| Projects temporarily suspended | - | - | - | - | - |

- 7.1** There are no projects which are under suspension. With regard to the above ongoing projects there are no projects where completion is overdue or has exceeded the cost as compared to its original plan, and consequent amendments approved by the Board thereon.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
8 Investment in associate

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| GML, wholly owned subsidiary of GPII invested 50% of equity share capital in GeoEnpro Petroleum Limited (No. of shares held - 560,000) (refer note 41 (1)) | - | 1,837.82 |
| Share of profit from associates during the year | - | 11.11 |
| Total | - | 1,848.93 |

9. Deposit under site restoration fund

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Site restoration deposit with bank with maturity period in excess of 12 months | 8,452.86 | 7,774.91 |
| Total | 8,452.86 | 7,774.91 |

Note: The above amount has been deposited with banks and can be withdrawn for the purposes of site restoration pursuant to an abandonment plan agreed with the Government of India. Therefore, this amount is considered as restricted cash and not considered as 'Cash and cash equivalents'.

10. Other bank balances

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Bank deposits with a maturity > 12 months (refer note 10.1) | 116.00 | 108.97 |
| Total | 116.00 | 108.97 |

10.1 Fixed deposits with bank are under lien for issue of bank guarantees and term loan facilities availed from the bank.

11. Other financial assets (non-current)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Other financial assets | | |
| (i) Unsecured and considered good | | |
| Security Deposits | 8.50 | 5.93 |
| (ii) Unsecured and considered doubtful | | |
| Other advances | 13.55 | 13.55 |
| Less: Provision for doubtful advances | (13.55) | (13.55) |
| Advances recoverable in cash or kind | 41.39 | - |
| Total | 49.89 | 5.93 |

12. Income tax assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|-------------------------|-------------------------|
| Advance income tax (net) | 732.00 | 605.64 |
| Total | 732.00 | 605.64 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***13. Deferred tax asset (net)**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Exploration expenses | 1,300.18 | 2,658.81 |
| Development expenses | - | 660.17 |
| Depreciation, depletion, amortization and impairment of assets | (8,409.80) | (3,107.48) |
| Unabsorbed business losses and depreciation | 24,099.43 | 18,605.39 |
| Others | | |
| Deferred tax assets | 16,989.81 | 18,816.89 |
| Less: Amounts not recognised (refer note below) | (16,989.81) | (18,816.89) |
| Deferred tax assets | - | - |

13.1 Deferred tax asset has not been recognized as it is not probable that future profit will arise against which the deductible temporary difference and unabsorbed business losses and depreciation can be utilised. It will be adjusted based on the actual realization. There is no provision for tax in view of the brought forward losses / unabsorbed depreciation relating to earlier years available for set off while computing income under the provisions of the Income Tax Act, 1961.

14. Other non-current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Capital advances | 44.70 | 44.78 |
| Pre-deposit - Service tax (refer note 46 (b)) | 7.71 | 7.71 |
| GST on royalty & Service tax on royalty | 5.93 | - |
| | 58.34 | 52.49 |
| Less: Provision for doubtful advances | (44.71) | (44.71) |
| Total | 13.63 | 7.78 |

15. Inventories

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Finished Goods | | |
| - Crude Oil | 3,371.94 | 7,454.38 |
| - Condensate | 157.35 | 151.80 |
| Drilling and Production stores and spares | 703.66 | 487.58 |
| Total | 4,232.95 | 8,093.76 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
16. Investments - Current

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|-------------------------|--------------|-------------------------|------------------|
| | Quantity | ₹ in lakhs | Quantity | ₹ in lakhs |
| Financial assets carried at fair value through profit and loss. | | | | |
| i) Quoted equity instruments | | | | |
| Reliance Industries Limited Equity Shares @ ₹ 10 each | 1,272 | 37.80 | 1,272 | 29.66 |
| Reliance Communication Limited Equity Shares @ ₹ 5 each | 318 | 0.01 | 318 | - |
| Reliance Infrastructure Limited Equity Shares @ ₹ 10 each | 23 | 0.06 | 23 | 0.03 |
| Reliance Capital Limited Equity Shares @ ₹ 10 each | 15 | - | 15 | - |
| Reliance Home Finance Limited Equity Shares @ ₹ 10 each | 15 | 0.00 | 15 | 0.00 |
| Reliance Power Limited Equity Shares @ ₹ 10 each | 79 | 0.02 | 79 | 0.01 |
| Jio Financial Services Limited @ ₹ 10 each | 1,272 | 4.46 | - | - |
| (i) | | 42.35 | | 29.70 |
| ii) Mutual Funds | | | | |
| Units of Liquid / Liquid plus / Short Term / Medium Term schemes | | | | |
| TATA Overnight Fund Regular Plan - Growth | - | - | 60,336 | 710.47 |
| TATA Liquid Fund - Regular Plan - Growth | - | - | 56,988 | 2,005.05 |
| SBI Liquid Fund Regular Growth | - | - | 1,20,737 | 4,221.08 |
| Bhandan Overnight Fund Regular Plan - Growth | - | - | 85,008 | 1,011.56 |
| Nippon India Overnight Fund - Growth Plan (ONGPG) | - | - | 16,60,520 | 1,990.34 |
| Nippon India Liquid Fund - Growth Plan - Growth option - (LFIGG) | - | - | 18,371 | 1,001.80 |
| HDFC Liquid Fund - Growth | - | - | 11,426 | 500.90 |
| (ii) | - | - | | 11,441.20 |
| ii) Unquoted Equity Instruments | | | | |
| Gujarat Securities Limited Equity Shares @ ₹ 10 each | 100,000 | 10.00 | 100,000 | 10.00 |
| Aggregate amount of impairment in value of investments | - | (10.00) | - | (10.00) |
| (iii) | | - | | - |
| Total | (i)+(ii)+(iii) | 42.35 | | 11,470.90 |

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Aggregate amount (cost) of quoted Investments | 0.49 | 0.49 |
| Market value of quoted investments | 42.35 | 29.70 |
| Aggregate amount (cost) of mutual fund investments | - | 11,392.65 |
| Fair value of mutual fund investments | - | 11,441.20 |
| Aggregate value of unquoted equity instruments | 10.00 | 10.00 |
| Total investments | 52.35 | 11,480.90 |
| Impairment of investments | (10.00) | (10.00) |
| Net investments | 42.35 | 11,470.90 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***17. Trade receivables**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Unsecured and considered good | 31,447.64 | 11,694.09 |
| Less: Allowance for expected credit loss | - | - |
| Total | 31,447.64 | 11,694.09 |

The Group enters into long-term crude oil and gas sales arrangement with its customers. The average credit period on sale of products is varying from 7- 45 days. No interest is charged on trade receivables for the first 45 days from the date of the invoice.

Accordingly, the Group assess the impairment loss on dues from the customers on facts and circumstances relevant to each transaction. Usually, the Group collects all its receivables from its customers within 45 days.

The Group has less credit risk due to the fact that the Company has significant receivables from customers which are reputed and creditworthy public-sector undertakings (PSUs).

Ageing of receivables as on March 31, 2024 and March 31, 2023

| Particulars | As at March 31, 2024 | | | | | |
|--|--|----------------------|-----------|-----------|----------------------|-----------|
| | Outstanding for following periods from the date of invoice | | | | | |
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed trade receivables - considered good | 31,447.64 | - | - | - | - | 31,447.64 |
| (ii) Undisputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed trade receivables - credit impaired | - | - | - | - | - | - |
| (iv) Disputed trade receivables - considered good | - | - | - | - | - | - |
| (v) Disputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed trade receivables - credit impaired | - | - | - | - | - | - |
| Particulars | As at March 31, 2023 | | | | | |
| | Outstanding for following periods from the date of invoice | | | | | |
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed trade receivables - considered good | 11,694.09 | - | - | - | - | 11,694.09 |
| (ii) Undisputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed trade receivables - credit impaired | - | - | - | - | - | - |
| (iv) Disputed trade receivables - considered good | - | - | - | - | - | - |
| (v) Disputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed trade receivables - credit impaired | - | - | - | - | - | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
18. Cash and cash equivalents

For the purposes of statement of cash flow, cash and cash equivalents include cash on hand and balance with banks. Cash & cash equivalents and term deposits not exceeding 3 months at the end of the reporting period as shown in the consolidated statement of cash flows which can be reconciled to the related items in the consolidated balance sheet as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Cash on hand | 0.17 | 0.18 |
| Balances with banks: | | |
| Current accounts | 1,344.15 | 2,982.57 |
| Bank deposits- maturity < 3 months | 28.08 | 5.12 |
| Total | 1,372.40 | 2,987.87 |

18.1 The above current account balance includes balances held by the Company in the capacity of Operator for the UJVs. However, the cash held on behalf of UJVs is indicated in the payables / receivables to UJVs partners.

19. Other bank balances

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Bank deposits with a maturity > 3 months; < 12 months (refer note 19.1) | 4,905.19 | 3,743.95 |
| Other bank balances- Escrow | 572.70 | 1,074.96 |
| Total | 5,477.89 | 4,818.91 |

19.1 Fixed deposits with banks are under lien for issue of bank guarantees and term loan facilities availed from the bank

20. Other financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Unsecured and considered good | | |
| Security deposit | 85.30 | 79.86 |
| Advances recoverable in cash or kind | 88.50 | 5.51 |
| Receivable from joint venture partners (net) | 13,126.30 | 6,277.79 |
| Interest accrued on deposits | 1.27 | 1.27 |
| Other receivables | 0.40 | - |
| Total | 13,301.77 | 6,364.43 |

21. Other current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Unsecured and considered good | | |
| Additional fund with LIC for gratuity (refer note 44 b) | 45.97 | 8.95 |
| Advances recoverable | 248.19 | 476.90 |
| Income tax pre-deposit | 30.11 | 5.02 |
| Input tax (GST) | 932.90 | 797.07 |
| Prepaid expenses | 160.11 | 131.53 |
| Others | 15.64 | 28.61 |
| Total | 1,432.92 | 1,448.08 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***22. Equity share capital**

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|------------------|----------------------|------------------|
| | No. of shares | Amount | No. of shares | Amount |
| Authorized | | | | |
| Equity shares of ₹ 10 each | 500,000,000 | 50,000.00 | 500,000,000 | 50,000.00 |
| Issued | | | | |
| Equity shares of ₹ 10 each | 132,313,363 | 13,231.34 | 132,313,363 | 13,231.34 |
| Subscribed and Fully Paid up | | | | |
| Equity shares of ₹ 10 each | 132,243,289 | 13,224.33 | 132,243,289 | 13,224.33 |
| Add: Amount Paid-up on Shares Forfeited | 32,975 | 1.60 | 32,975 | 1.60 |
| Total subscribed and fully paid-up share capital | | 13,225.93 | | 13,225.93 |

(a) Reconciliation of equity shares and the amount outstanding at the beginning and at the end of the year:

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|------------------|----------------------|------------------|
| | No. of shares | Amount | No. of shares | Amount |
| At the beginning of the year | 132,243,289 | 13,224.33 | 132,243,289 | 13,224.33 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 132,243,289 | 13,224.33 | 132,243,289 | 13,224.33 |

(b) Terms / rights attached to equity shares

The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities.

(c) Details of shareholders holding more than 5% shares in the Company

| Name of the shareholders | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|----------------------|--------------|--------------------------|----------------------|--------------|--------------------------|
| | No. | % of holding | % Change during the year | No. | % of holding | % Change during the year |
| Ashok Kumar Goel | 18,465,078 | 13.96 | - | 18,465,078 | 13.96 | - |
| Housing Development Finance Corporation Limited | - | - | (100) | 8,463,850 | 6.40 | (2.53) |
| LCI Estates LLP | 8,100,000 | 6.13 | - | 8,100,000 | 6.13 | - |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
23. Other equity

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Capital Reserve | 96,240.55 | 96,129.35 |
| General Reserve | 38.00 | 38.00 |
| Securities premium account | 78,865.42 | 78,865.42 |
| Retained earnings | | |
| Opening balance | (93,538.45) | (1,12,946.44) |
| Profit for the Year | 22,642.98 | 19,404.82 |
| Other comprehensive income (net of tax) | (32.80) | 3.17 |
| Closing balance | (70,928.27) | (93,538.45) |
| Total other equity | 1,04,215.70 | 81,494.32 |

24. Non-current Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------|-------------------------|-------------------------|
| Secured | | |
| Loan from Axis Bank limited | 8,212.47 | 9,335.33 |
| Total | 8,212.47 | 9,335.33 |

| Particulars | Original Tenor | Interest Rate | Outstanding tenor as at March 31, 2024 | Repayment Terms | Securities | As at March 31, 2024 | As at March 31, 2023 |
|---|--------------------------|---------------|--|----------------------------------|--------------|----------------------|----------------------|
| Secured term loan Axis Bank Limited | 60 Months | 9.15% | 10 Months | Repayable in Monthly instalments | Refer note 1 | 2,000.00 | 4,400.00 |
| Secured term loan Axis Bank Limited | 60 Months | 9.10% | 52 Months | Repayable in Monthly instalments | Refer note 1 | 4,294.88 | - |
| Secured term Loan Axis bank Limited | 20 Quarterly Instalments | 9.95% | 12 Quarterly Instalments | Quarterly Instalments | Refer note 2 | 7,402.93 | 9,835.33 |
| Secured term Loan HDFC Bank Limited | 27 Monthly Instalments | 11% | - | Monthly instalments | Refer note 3 | - | 6,525.82 |
| Sub Total | | | | | | 13,697.81 | 20,761.15 |
| Less: Current Maturities of non-current borrowings (refer note 28) | | | | | | 5,485.34 | 11,425.82 |
| Non-Current Borrowings | | | | | | 8,212.47 | 9,335.33 |

Note 1: Exclusive charge on the asset (FSO) funded and Holding Company guarantee

Note 2: Exclusive charge over land and building of PY1 block and Oil & Gas asset of Dirok block and second charge over current asset of B80 block.

Note 3: During the year, the term loan from HDFC Bank Ltd had been fully repaid. During the previous year exclusive charge over Offshore processing unit owned by GML, Corporate guarantee of GML, First pari passu charge with Axis Bank 60% PI on cash flow from B80 block. Exclusive hypothecation charge on 60% PI of HOEC in the B80 field. Second charge with Axis bank on all the property collateral mortgaged to Axis bank.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

The Group facilities are subject to certain financial and non-financial covenants. The Group has complied with the covenants as per the original / amended / extended terms of the loan agreement.

There is no difference in terms of quarterly returns or statements of current assets filed by the Group with banks with the books of accounts for the year ended March 31, 2024 and March 31, 2023

25. Other financial liabilities (non-current)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Security deposit | 13.50 | 13.50 |
| Fair value of foreign exchange derivative liabilities | 332.41 | 1,304.22 |
| Capital creditors | 7,826.69 | 9,472.70 |
| Total | 8,172.60 | 10,790.42 |

26. Provisions (non-current)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for decommissioning liability | 14,997.55 | 13,975.53 |
| Provision for unfinished work programme | 1,475.66 | 1,455.19 |
| Provision for compensated absences | 39.74 | 37.33 |
| Total | 16,512.95 | 15,468.05 |

26.1 Movement of Provision for decommissioning Liability

| Particulars | 2023-24 | 2022-23 |
|--|------------------|------------------|
| Balance at beginning of the year | 13,975.53 | 11,824.75 |
| Additions (Refer note 26.3) | - | 1,379.06 |
| Recognized on account of business combinations | - | - |
| Adjusted / reversal during the year | - | - |
| Unwinding of discount | 1,022.02 | 771.72 |
| Balance at end of the year | 14,997.55 | 13,975.53 |

26.2 The Group estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of oil & gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future for which the exact requirements that may have to be met when the removal events occur are uncertain. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty. The economic life of the oil & gas assets is estimated on the basis of long- term production profile of the relevant oil & gas asset. The timing and amount of future expenditures are reviewed annually, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows.

26.3 During the previous year decommissioning liability for B80 field was estimated at ₹ 1,379.04 lakhs as on March 31, 2023 by an independent engineering consultant after adjusting for inflation and discounting thereon.

27. Deferred tax liability

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Depreciation, depletion, amortization and impairment | 1,223.79 | 95.92 |
| Net deferred tax liability | 1,223.79 | 95.92 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

28. Current Borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Current maturity of long-term borrowings (refer note 24) | 5,485.34 | 11,425.82 |
| Others | 3,710.14 | 15,658.65 |
| Total | 9,195.48 | 27,084.47 |

28.1 The Group has not been declared a willful defaulter by any bank or financial Institution or other any lender. The Group has not defaulted in repayment of loans / interests or other borrowings or in the payment of interest thereon to any lender.

The Group has used the borrowings from banks for the capital expenditures and working capital purposes.

28.2 During the year the Group repaid the short-term loan of ₹ 10,000 lakhs received from Axis Bank Ltd and outstanding loan of ₹ 2,000 lakhs received from IIFL Wealth Prime Ltd.

29. Trade payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Total outstanding dues of Micro enterprises and small enterprises (refer note (i)) | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 15,703.87 | 11,651.41 |
| Total | 15,703.87 | 11,651.41 |

29(i) Trade Payables ageing schedule as at March 31, 2024 and March 31, 2023

| Particulars | As at March 31, 2024 | | | | |
|-------------------------------|--|-----------|-----------|----------------------|-----------|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed dues - MSME | - | - | - | - | - |
| (ii) Undisputed dues - Others | 13,358.83 | 1,333.75 | 998.37 | 12.92 | 15,703.87 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

| Particulars | As at March 31, 2023 | | | | |
|-------------------------------|--|-----------|-----------|----------------------|-----------|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed dues - MSME | - | - | - | - | - |
| (ii) Undisputed dues - Others | 11,179.36 | 459.13 | - | 12.92 | 11,651.41 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***(ii) Details of dues to micro, small & medium enterprises**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Principal amount remaining unpaid to any supplier as at the end of the accounting year | - | - |
| Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | - | - |
| The amount of interest due and payable for the year | - | - |
| The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding period, 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. | - | - |

Note: The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

30. Other financial liabilities (current)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Payable to joint venture partners (net) | 844.88 | 2,721.38 |
| Payable towards Property, plant and equipment | 3,242.57 | 4,161.52 |
| Interest accrued | 630.33 | 424.52 |
| Fair value of foreign exchange derivative liabilities | - | 566.02 |
| Security deposit | 90.93 | - |
| Other payables | 31.29 | 180.40 |
| Total | 4,840.00 | 8,053.84 |

31. Provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Provision for compensated absences | 24.68 | 30.38 |
| Total | 24.68 | 30.38 |

32. Other current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Statutory dues payable | 1,631.76 | 3,476.75 |
| Gratuity fund payable to LIC | - | 9.86 |
| Profit petroleum / revenue share payable to GOI | 12,185.97 | 4,311.86 |
| Total | 13,817.73 | 7,798.47 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
33. Revenue from operations

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Domestic sales | | |
| Sale of crude oil / condensate | 23,239.75 | 7,295.51 |
| Sale of natural gas | 34,475.86 | 36,961.89 |
| | 57,715.61 | 44,257.40 |
| Less: Profit petroleum to Government of India | (8,113.93) | (3,328.74) |
| | 49,601.68 | 40,928.66 |
| Vessel hire charges | 25,311.45 | 14,962.87 |
| Total | 74,913.13 | 55,891.53 |

33.1 Details of sales

| Product | UOM | For the year ended March 31, 2024 | | For the year ended March 31, 2023 | |
|------------------------|-------------|--------------------------------------|------------------|--------------------------------------|------------------|
| | | Quantity | Value | Quantity | Value |
| Crude oil / condensate | Barrels | 3,57,139 | 19,631.56 | 1,04,566 | 6,722.10 |
| Natural gas | Million SCF | 3,456 | 29,970.12 | 4,383 | 34,206.56 |
| Total | | | 49,601.68 | | 40,928.66 |

33.2 Revenue is recognized based on supplies made over a period of time from the Company's contract with customers in India.

32.3 More than 85% of revenue is realized from three major customers to the Group.

34. Other income

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Interest income on bank deposits | 350.84 | 175.33 |
| Interest on site restoration deposits with banks | 520.23 | 484.65 |
| Rental income | 33.09 | 31.52 |
| Net gain on sale of mutual fund investments | 259.57 | 94.92 |
| Net gain on fair valuation of investments | 12.65 | 44.68 |
| Dividend Income | 0.10 | 0.22 |
| Interest on income tax refund | 3.53 | 16.95 |
| Write back of excess provision no longer required | 680.07 | - |
| Miscellaneous Income | 8.06 | 31.28 |
| Total | 1,868.14 | 879.55 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***35. Share of expenses**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| a) Share of expenses-producing oil and gas blocks | | |
| Manpower costs | 1,501.45 | 1,520.06 |
| Plant hire charges | 17,313.45 | 10,609.44 |
| Repairs and maintenance | 445.23 | 302.62 |
| Other statutory charges | 64.39 | 66.18 |
| Insurance | 435.45 | 339.63 |
| Other production expenses | 1,109.65 | 1,042.62 |
| Consumables | 598.03 | 79.61 |
| Transportation and logistics | 6,358.97 | 3,689.24 |
| | 27,826.62 | 17,649.40 |
| b) Royalty, cess and National calamity contingent duty | 6,355.34 | 6,779.69 |
| c) Facility operating expenses | | |
| Manpower costs | 1,229.40 | 984.54 |
| Repairs & maintenance | 898.43 | 654.21 |
| Provisions and Stores | 59.15 | 80.08 |
| Vessel consumables | 686.02 | 114.31 |
| Vessel communication | 47.52 | 24.41 |
| Vessel Insurance | 200.10 | 148.23 |
| Vessel management fees & other expenses | 1,377.36 | 641.17 |
| | 4,497.98 | 2,646.95 |
| Total | 38,679.94 | 27,076.04 |

36. Decrease / (increase) decrease in stock of crude oil and condensate

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Inventories at the end of the year | (3,529.28) | (7,606.18) |
| Inventories at the beginning of the year | 7,632.85 | 231.22 |
| Decrease / (increase) in inventories | 4,103.57 | (7,374.96) |
| Less: Profit petroleum to Government of India | (898.11) | 1,425.96 |
| Net decrease / (Increase) in inventories | 3,205.46 | (5,949.00) |

37. Employee benefits expense

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus | 157.38 | 62.31 |
| Contribution to Provident fund and other funds | 11.24 | 22.31 |
| Staff welfare expenses | 4.62 | 8.85 |
| Total | 173.24 | 93.47 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
38. Finance cost - others

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Banks and financial institutions | 1,981.58 | 2,840.24 |
| Other finance charges | 257.00 | 176.11 |
| Total | 2,238.58 | 3,016.35 |

39. Finance cost - Unwinding of discount on decommissioning liability

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Unwinding of discount on decommissioning liability | 875.26 | 771.73 |
| Total | 875.26 | 771.73 |

40. Other expenses

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Office and guest house rent | 73.82 | 41.05 |
| Power | 1.12 | 1.08 |
| Rates and taxes | 582.46 | 114.63 |
| Repairs and maintenance - others | 10.04 | 6.67 |
| General office expenses | 0.04 | - |
| Travelling and conveyance | 17.37 | 5.48 |
| Communication expenses | 3.64 | 4.48 |
| Membership and subscription | 24.93 | 29.20 |
| Legal and professional fees | 228.96 | 232.25 |
| Insurance | 2.19 | 2.12 |
| Directors' sitting fees (Refer note 46) | 18.90 | 20.86 |
| Director's commission (Refer note 46) | 18.00 | 18.00 |
| Printing and stationary | 1.28 | 1.08 |
| Net loss on foreign exchange | 267.56 | 2,259.55 |
| Bank charges | 92.99 | 17.59 |
| Expenditure incurred for corporate social responsibility (Refer note 49) | 262.48 | 155.15 |
| Exploration cost written off | 207.54 | - |
| Development expenses written off (Kherem) | 49.78 | - |
| OIL Digboi filed expenses | - | 289.52 |
| VAT expenses | - | 109.77 |
| Miscellaneous expenses | 113.63 | 93.97 |
| | 1,976.73 | 3,402.45 |
| Payment to Auditor: | | |
| Audit fee | 59.64 | 47.54 |
| Tax audit fee | 3.54 | 2.36 |
| Reimbursements | 0.25 | - |
| | 63.43 | 49.90 |
| Total other expenses | 2,040.16 | 3,452.35 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***41. Exceptional items**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Fair value gain on subsidiary (Refer note 1 below) | 3,286.64 | - |
| Profit oil differential amount (Refer note 2 below) | - | (1,221.99) |
| Income - net | 3,286.64 | (1,221.99) |

- HOSL has acquired the balance 50% equity shares of Geoenpro Petroleum Limited effective from July 10, 2023 from JE Energy Ventures Private Limited and others. Consequent to the acquisition, Geoenpro which was an associate company prior to the above acquisition has now become wholly owned step-down subsidiary of HOEC. Further, HOEC has completed the assessment of the accounting for the business combination during the year and has accounted an amount ₹ 3,286.64 lakhs which represents the fair value gain of remeasurement of previously held equity interest in the associate.
- During the previous year, in order to resolve the long standing issue of CRL enhancement and PSC extension, the contractor parties of Kharsang PSC have unanimously agreed and paid the total demand of USD 12.74 Million in order to secure the PSC extension. Out of the total demand of USD 3.185 million (Geopetrol share 25%) made by The Ministry Of Petroleum and Natural gas (MoP&NG), Geopetrol already provided a liabilities of short paid profit petroleum amounting to ₹ 1,359.84 lakhs in its books of accounts FY 2020-21 and the balance amount of ₹ 1,221.99 lakhs provided in FY 2022-23. In disputed Geopetrol profit petroleum of ₹ 1,074.96 lakhs deposited in an Escrow account with State Bank of India. The dispute is referred by the parties and GOI to a Committee of Eminent External Experts constituted by MoP&NG. The exceptional item includes the above amount as well all the additional demand of GOI for ₹ 147.03 lakhs, to secure the extension of the block.

42. Earnings per share (EPS)

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

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Profit for the year as per statement of profit & loss | ₹ 22,642.98 lakhs | ₹ 19,404.82 lakhs |
| Weighted average number of equity shares used in calculating basic EPS (number) | 13,22,43,289 | 13,22,43,289 |
| Par value per share | ₹ 10 | ₹ 10 |
| Earnings per equity share in ₹ computed on the basis of profit for the year - Basic | 17.12 | 14.67 |
| Weighted average number of equity shares used in calculating - Diluted EPS (number) | 13,22,43,289 | 13,22,43,289 |
| Earnings per equity share in ₹ computed on the basis of profit for the year - Diluted | 17.12 | 14.67 |

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Weighted average number of equity shares used in the calculation of basic earnings per share | 13,22,43,289 | 13,22,43,289 |
| Shares deemed to be issued for no consideration in respect of: - employee options | - | - |
| Weighted average number of equity shares used in the calculation of diluted earnings per share | 13,22,43,289 | 13,22,43,289 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
43. Information relating to Hindage Oilfield Services Limited , Geopetrol International Inc., (Wholly owned subsidiaries of Hindustan Oil Exploration Company Limited) & GeoEnpro Petroleum Limited ("GeoEnpro")

Information required pursuant to General Circular No. 2 /2011 No: 5/12/2007-CL-III dated February 08, 2011 issued by Ministry of Corporate Affairs, is as below:

1) Hindage Oilfield Services Limited

| Particulars | 2023-24 | 2022-23 |
|--|------------|-----------|
| Capital | 50.00 | 50.00 |
| Reserves | 5,341.69 | 430.32 |
| Total Assets (excluding Investments) | 17,227.37 | 18,461.57 |
| Total Liabilities (excluding Capital and other equity) | 16,835.68 | 17,981.25 |
| Investments (refer note below) | 5,000.00 | - |
| Turnover | 12,390.57 | 7,272.57 |
| Profit before tax | 6,333.28 | 691.50 |
| Tax expenses | (1,421.91) | (0.02) |
| (Loss) / Profit after tax | 4,911.37 | 691.48 |

Note: Details of Investments of Hindage Oilfield Services Limited

| Particulars | 2023-24 | 2022-23 |
|--------------------------------|----------|---------|
| Investment in Associate (GEPL) | 5,000.00 | - |

2) Geopetrol International Inc. ("GPII")

| Particulars | 2023-24 | 2022-23 |
|--|-----------|-----------|
| Capital | 6,506.20 | 6,506.20 |
| Reserves | 7,427.48 | 713.14 |
| Total Assets | 41,362.21 | 40,504.36 |
| Total Liabilities (excluding Capital and other equity) | 27,428.53 | 33,285.02 |
| Turnover | 15,357.32 | 10,514.15 |
| Profit before tax | 7,429.62 | 2,670.97 |
| Tax expenses | 715.28 | 324.34 |
| Profit after tax | 6,714.34 | 2,346.63 |

3) GeoEnpro Petroleum Limited ("GeoEnpro")

| Particulars | 2023-24 | 2022-23 |
|--|----------|---------|
| Capital | 112.00 | - |
| Reserves | 2,524.31 | - |
| Total Assets | 3,377.89 | - |
| Total Liabilities (excluding Capital and other equity) | 741.59 | - |
| Turnover | 765.52 | - |
| Profit before tax | 2,756.89 | - |
| Tax expenses | 48.38 | - |
| Profit after tax | 2,709.40 | - |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***1) Disclosure of additional information as required by Schedule III****i. As at and for the year ended March 31, 2024**

| Name of the Company | Net Assets | | Share in Profit/ (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|------------------------------------|---------------------------------|--------------------|------------------------------------|------------------|---|----------------|---|------------------|
| | As % of consolidated net assets | ₹ in lakhs | As % of consolidated profit/(loss) | ₹ in lakhs | As % of consolidated other comprehensive income | ₹ in lakhs | As % of consolidated total comprehensive income | ₹ in lakhs |
| Parent | | | | | | | | |
| HOEC | 86.28% | 101,333.65 | 37.10% | 8,400.94 | 102.71% | (33.69) | 37.01% | 8,367.25 |
| Subsidiaries (wholly owned) | | | | | | | | |
| Indian | | | | | | | | |
| HOSL | 4.55% | 5,341.69 | 21.69% | 4,911.37 | | | 21.72% | 4,911.37 |
| Geoenpro | 2.24% | 2,636.31 | 11.96% | 2,708.51 | (2.71%) | 0.89 | 11.98% | 2,709.40 |
| Foreign | | | | | | | | |
| GPII | 6.92% | 8,129.98 | 29.25% | 6,622.16 | | | 29.29% | 6,622.16 |
| Total | | 1,17,441.63 | | 22,642.98 | | (32.80) | | 22,610.18 |

ii. As at and for the year ended March 31, 2023

| Name of the Company | Net Assets | | Share in Profit/ (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|------------------------------------|---------------------------------|------------------|------------------------------------|------------------|---|-------------|---|------------------|
| | As % of consolidated net assets | ₹ in lakhs | As % of consolidated profit/(loss) | ₹ in lakhs | As % of consolidated other comprehensive income | ₹ in lakhs | As % of consolidated total comprehensive income | ₹ in lakhs |
| Parent | | | | | | | | |
| HOEC | 98.15% | 92,966.40 | 84.34% | 16,366.73 | 100% | 3.17 | 84.35% | 16,369.90 |
| Subsidiaries (wholly owned) | | | | | | | | |
| Indian | | | | | | | | |
| HOSL | 0.45% | 430.32 | 3.56% | 691.48 | | | 3.56% | 691.48 |
| Foreign | | | | | | | | |
| GPII | 1.40% | 1,323.53 | 12.09% | 2,346.61 | | | 12.09% | 2,346.61 |
| Total | | 94,720.25 | | 19,404.82 | | 3.17 | | 19,407.99 |

44. Significant Accounting Estimates, Assumptions and Judgements**(a) Site Restoration Costs**

The Group estimates and provides for abandoning of wells, decommissioning of facilities and restoration of sites expected to be incurred at a future date. The same is capitalized as part of producing property in accordance with Ind AS 16. The estimation of liability is as per the industry practice and adjusted for inflation. The estimated cost is discounted to the reporting date by an appropriate discount factor. Accordingly, the difference in cost and depletion is adjusted.

(b) Employee Benefit Estimates**i. Defined contribution plan**

The Group makes provident fund contribution under defined contribution plan for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll cost to fund the benefits. The Group recognized ₹ 27.14 lakhs (March 31, 2023: ₹ 20.76 lakhs) for provident fund contribution in the statement of profit and loss. The contributions are payable to this plan by the Group at rates specified in the rules of the scheme.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
ii. Defined benefit plan
a) Gratuity

The following table sets out funded status of the gratuity and the amount recognized in the financial statements.

Profit and loss account for current year

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Service cost: | | |
| Current service cost | 25.81 | 26.48 |
| Past Service cost | - | - |
| Loss / (gain) on curtailments and settlement | - | - |
| Net interest cost | (0.23) | 0.57 |
| Total | 25.58 | 27.05 |

Other Comprehensive Income for the current year

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Components of actuarial gain/losses on obligations: | | |
| Due to Change in financial assumptions | 1.75 | (3.87) |
| Due to change in demographic assumptions | - | 8.81 |
| Due to experience adjustments | 33.06 | (8.99) |
| Return on plan assets excluding amounts included in interest income | (1.13) | 0.89 |
| Amounts recognized in Other Comprehensive Income | 33.68 | (3.17) |

Changes in the present value of the defined benefit obligation ("DBO")

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Opening Defined Benefit Obligation | 174.87 | 156.23 |
| Current service cost | 25.81 | 26.48 |
| Interest cost | 10.37 | 9.86 |
| Actuarial (gain) / loss due to change in financial assumptions | 1.75 | (3.87) |
| Actuarial (gain) / loss due to change in demographic assumptions | - | 8.81 |
| Actuarial (gain) / loss due to experience adjustments | 33.06 | (8.99) |
| Benefits paid | (86.20) | (13.65) |
| Closing defined benefit obligation | 159.66 | 174.87 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Changes in fair value of plan assets**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Opening value of plan assets | 165.01 | 134.68 |
| Interest Income | 10.60 | 9.29 |
| Return on plan assets excluding amounts included in interest income | 1.13 | (0.89) |
| Contributions by employer | 111.91 | 35.58 |
| Benefits paid | (86.20) | (13.65) |
| Closing value of plan assets | 202.45 | 165.01 |

Net liability recognized in the balance sheet

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Present value of funded obligation | 159.66 | 174.87 |
| Fair value of plan assets | (202.45) | (165.01) |
| Plan (asset) / Liability | (42.78) | 9.86 |

The principal assumptions used in determining gratuity and for the Company's plans are shown below:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Discount rate | 7.20% p.a | 7.40% p.a |
| Future salary increase | 5.00% p.a | 5.00% p.a |
| Rate of return on plan assets | 7.20% p.a | 7.40% p.a |
| Withdrawal rates | 9.94% at all ages | 9.94% at all ages |

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The Company expects to contribute ₹ 27.39 lakhs towards its gratuity plan for the next year.

Maturity profile of defined benefit obligation as at March 31, 2024:

| Year 1 % | Year 2 % | Year 3 % | Year 4 % | Year 5 % | Year 6 to 10 % |
|-------------|-------------|-------------|-------------|-------------|-------------------|
| 11.2 | 6.5 | 7.6 | 6.8 | 5.4 | 31.6 |

Maturity profile of defined benefit obligation as at March 31, 2023:

| Year 1 % | Year 2 % | Year 3 % | Year 4 % | Year 5 % | Year 6 to 10 % |
|-------------|-------------|-------------|-------------|-------------|-------------------|
| 28.4 | 7.7 | 4.7 | 5.4 | 5.0 | 22.9 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

| Significant actuarial assumptions | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Discount Rate | | |
| Increase by 0.5% | (155.35) | (171.54) |
| Decrease by 0.5% | 164.21 | 178.38 |
| Salary growth rate | | |
| Increase by 0.5% | 163.61 | 177.99 |
| Decrease by 0.5% | (155.54) | (171.75) |

b) Compensated absences

The key assumptions used in computation of provision for long term compensated absences are as given below:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|------------------------|--------------------------------------|--------------------------------------|
| Discount rate | 7.20% p.a | 7.40% p.a |
| Future salary increase | 5.00% p.a | 5.00% p.a |
| Withdrawal Rates | 9.94% at all ages | 9.94% at all ages |

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

| Significant actuarial assumptions | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Discount Rate | | |
| Increase by 0.5% | (43.59) | (51.09) |
| Decrease by 0.5% | 45.20 | 52.54 |
| Salary growth rate | | |
| Increase by 0.5% | (45.21) | (52.56) |
| Decrease by 0.5% | 43.57 | 51.07 |

45. Oil and gas reserves

Proved & Probable Reserves for the working interest of the company is estimated by management in line with the development plan approved by the Directorate General of Hydrocarbons. Accordingly, the reserves as on 31 March 2024 is as follows:

Developed and undeveloped (As at March 31, 2024)

| | Unit of Measurement | As at April 1, 2023 | Addition / (Deletion) | Production | As at March 31, 2024 |
|--------------------------|------------------------|------------------------|--------------------------|------------|-------------------------|
| Proved reserves (1P) | | | | | |
| - Oil | MMBBL | 12.30 | 0.80 | 0.29 | 12.82 |
| - Gas | BCF | 84.04 | - | 3.72 | 80.32 |
| Proved and probable (2P) | | | | | |
| - Oil | MMBBL | 18.18 | 0.80 | 0.29 | 18.70 |
| - Gas | BCF | 133.41 | - | 3.72 | 129.69 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Developed:**

| | Unit of Measurement | As at April 1, 2023 | Addition | Production | As at March 31, 2024 |
|----------------------|---------------------|---------------------|----------|------------|----------------------|
| Proved reserves (1P) | | | | | |
| - Oil | MMBBL | 10.59 | 0.12 | 0.29 | 10.42 |
| - Gas | BCF | 84.04 | - | 3.72 | 80.32 |

Note 1: The above reserve estimates excludes the reserves of PY-3 as there is no viable plan for recommencement as on date.

Developed and undeveloped (As at March 31, 2023)

| | Unit of Measurement | As at April 1, 2022 | Addition / (Deletion) | Production | As at March 31, 2023 |
|--------------------------|---------------------|---------------------|-----------------------|------------|----------------------|
| Proved reserves (1P) | | | | | |
| - Oil | MMBBL | 12.52 | - | 0.22 | 12.30 |
| - Gas | BCF | 86.75 | 1.88 | 4.59 | 84.04 |
| Proved and probable (2P) | | | | | |
| - Oil | MMBBL | 18.39 | 0.01 | 0.22 | 18.18 |
| - Gas | BCF | 134.93 | 3.07 | 4.59 | 133.41 |

Developed:

| | Unit of Measurement | As at April 1, 2022 | Addition | Production | As at March 31, 2023 |
|----------------------|---------------------|---------------------|----------|------------|----------------------|
| Proved reserves (1P) | | | | | |
| - Oil | MMBBL | 10.81 | - | 0.22 | 10.59 |
| - Gas | BCF | 86.75 | 1.88 | 4.59 | 84.04 |

Note 1: The above reserve estimates excludes the reserves of PY-3 as there is no viable plan for recommencement as on date.

46. Related Party Disclosures

a) Related Parties as of March 31, 2024:

Key management personnel-Whole-time directors

- Mr. P. Elango - Managing Director (Upto September 30, 2023)
- Mr. R. Jeevanandam - Executive Director & CFO (Upto September 30, 2023) and Managing Director (Effective from October 1, 2023)
- Mr. N. Sivalai Senthilnathan - Chief Financial Officer (Effective from November 15, 2023)

Non-Executive independent Directors

- Mr. Vivek Rae
- Ms. Sharmila H. Amin
- Mr. P. K. Borthakur

Non-Executive, Non-Independent Directors

- Mr. Ashok Kumar Goel
- Mr. Rohit Rajgopal Dhoot

Company Secretary

- Ms. Deepika C S (Up to November 10, 2023)
- Mr. S. Muthukrishnan (effective from November 10, 2023 up to May 8, 2024)
- Ms. Josephin Daisy (effective from May 8, 2024)

Other related party - Related to Non-Executive, Non-Independent Director

- SSA Finserv Pvt. Ltd

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

- b) Nature and volume of transactions during the year and outstanding balances as at March 31, 2024 and March 31, 2023 with the above parties:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| EXPENDITURE | | |
| Key managerial personnel remuneration - | | |
| 1. Mr. P. Elango | 73.49 | 146.98 |
| 2. Mr. R. Jeevanandam | 170.55 | 141.10 |
| 3. Ms. Josephin Daisy | - | 3.31 |
| 4. Mr. Muthukrishnan Swaminathan | 9.65 | - |
| 5. Ms. Deepika | 4.92 | 3.12 |
| 6. Mr. N. Sivalai Senthilnathan | 36.88 | - |
| Sitting fee - Independent Directors | 18.90 | 17.00 |
| Commission - Independent Directors* | 18.00 | 18.00 |
| Loan from SSA Finserv Pvt. Ltd | - | 1,000.00 |
| Loan repaid to SSA Finserv Pvt. Ltd | - | 1,000.00 |

* Which is within 1% of the net profit of the Company

47. Commitments and Contingencies

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| (i) Contingent Liabilities | | |
| (a) Claims not acknowledged as debts CY-OS-90/1 (Refer Note a) | 3,112.00 | 3,112.00 |
| (b) Service tax liability (Refer Note b) | 168.92 | 168.92 |
| (c) Service tax liability (Refer Note c) | 24,283.35 | 24,283.35 |
| (d) Goods and Service tax liability (Refer Note d) | 218.99 | 218.99 |
| (e) Goods and Service tax liability (Refer Note e) | 888.03 | 888.03 |
| (f) Unfinished work program as debts AA ONN 2003/2 (Refer Note f) | 1,367.23 | 1,243.14 |
| (ii) Commitments | | |
| Estimated value of contracts remaining to be executed on capital account and not provided for | 2,626.26 | 180.09 |

- a) i. In CY-OS-90/1 (PY-3) block, an arbitration award dated February 28,2020 was issued against the Company and two other co-respondents, by a majority of two to one dissent by an Arbitration Tribunal which was received and acknowledged by the Company in June 2020. The share of the Company's exposure to the claim is ₹ 1,624 lakhs in addition to other ancillary awards that are subject to reconciliation of cash call payments and net off other credits to be given to the Company towards refund of excess service tax granted by the Tribunal, which are yet to be quantified.

HOEC initially appealed at the Malaysian High Court and subsequently at the Malaysian Court of Appeal both of which were dismissed. The Company further appealed before the Federal Court of Malaysia which also rejected HOEC's plea. Enforcement proceedings in respect of the said award is currently pending before Gujarat High Court.

- ii. The claim not acknowledged as debt by the Company includes ₹ 1,488 lakhs for the participating interest of the Company relating to the dispute between Aban Offshore Limited and the operator Hardy.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

- b) During the year ended March 2020, there was a demand for service tax for ₹ 77.09 lakhs with an equivalent amount of penalty due to disallowance of Cenvat credit for the period from October 2007 to March 2011. An appeal was filed after paying an amount of ₹ 7.71 lakhs to the tax authorities. This dispute is before the CESTAT for adjudication and no provision is made in the financial statements. The above amount also includes a demand of ₹ 14.74 lakhs pertaining to one of the unincorporated joint ventures.
- c) Service tax demand was made on cash call contributions, cost and profit petroleum share of the contractors and Government of India, for the period commencing from April 2010 to March 2015 for various unincorporated joint ventures under production sharing contracts for ₹ 8,676.85 lakhs with equivalent amount as penalty and interest of which the participating interest of the Company is ₹ 6,638.24 lakhs. The Honorable High Court of Madras has remanded back to the Commissionerate for fresh adjudication based on the merits of the case on April 8, 2022, in response to the writ appeal filed by the company. Further, the statement of demand received ₹ 6,901.11 lakhs for the period April 2015 to June 2017 of which the participating interest of the Company is ₹ 2,705.35 lakhs is being dealt with the same for disposal awaiting the outcome in respect of the earlier year. This being an industry issue, the above claim of the tax authority is disputed by the Company and is being redressed at various appellate forum and hence no provision has been considered in the financial statements. This industry issue is taken up by the Ministry of Petroleum and Natural Gas with Finance Ministry of Government of India for appropriate clarification and redressal. The department issued the letter dated July 4, 2022, kept it in abeyance.
- d) Further, for the period April 2016 to June 2017 a show cause notice has been received towards service tax on royalty amounting to ₹ 28.54 lakhs of which the participating interest of the Company is ₹ 24.86 lakhs. The company filed the submission and seeking redressal before Ministry of Petroleum and Natural Gas, Government of India. The department issued the order against that company filed an Appeal dated Nov 29, 2023.
- e) During the year a show cause notice has been received for the period July 2017 to March 2021 towards GST on royalty amounting to ₹ 218.99 lakhs of which the participating interest of the Company is ₹ 208.76 lakhs. The company is in the process of filing submission and seeking redressal before Ministry of Petroleum and Natural Gas, Government of India.
- f) During the year order received by HOEC from GST Commissionerate as Company rendering manpower and business support service to UJV for the period July 2017 to March 2021 amounting to ₹ 888.03 lakhs of which the participating interest of the Company is ₹ 315.73 lakhs. The Company filed a writ petition on April 26, 2023.
- g) In respect of Block AA ONN 2003/2, Geopetrol has estimated the liability of unfinished work program as US\$ 4 million (₹ 3,332.57 lakhs) in terms of the PSC. Out of which an amount of US 2,23 million (₹ 1,856.91 lakhs) was realized by GOI by invocation of bank guarantee provided by Geopetrol and for the balance US\$ 1.77 million (₹ 1,475.66 lakhs) liability was created. However, DGH has made a claim of US 5.64 million (₹ 4,699.80 lakhs) which has no basis and is being disputed. Accordingly, no liability is created for the disputed amount of US\$ 1.64 million (₹ 1,367.23 lakhs).
- h) MZ-ONN-2004/2 block was terminated by the GOI, as M/s Naftogaz as the Operator to the block has made certain misrepresentation to GOI while awarding the contract. Therefore, no basis exists to claim any costs by DGH for the share of unfinished work program from Geopetrol as the Production Sharing Contract itself is void. Accordingly, no liability is considered for the unfinished work program in the block.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
48. Effects of Changes in Foreign Exchange Rates
a) Expenditure in foreign currency (on accrual basis)

| Particulars | 2023-24 | 2022-23 |
|-----------------------|----------|----------|
| Operating expenditure | 7,908.44 | 8,957.78 |

b) Value of Imports calculated on CIF basis (on accrual basis)

| Particulars | 2023-24 | 2022-23 |
|----------------------------|---------|---------|
| Components and spare parts | 36.56 | 12.26 |

49. Corporate Social Responsibility

Gross amount required to be spent towards CSR activities from the profits calculated as per Section 198 of the Companies Act, 2013 during the year: ₹ 262.48 lakhs (March 31, 2023: ₹ 155.15 lakhs). Amount spent during the year on:

| Particulars | 2023-24 | 2022-23 |
|---|------------------|---------|
| Gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 (on annual basis) (A) | 262.48 | 155.15 |
| Amount expenditure incurred during the year (B) | 69.93 | 155.15 |
| In cash | | |
| (i) Construction / acquisition of any asset | - | - |
| (ii) On purposes other than (i) above: | | |
| Promoting preventive health care | - | - |
| Promoting education | - | - |
| Conservation of natural resources and other allied areas | - | - |
| Shortfall at the end of the year (C) | 192.55 | - |
| Total of previous years shortfall, (D) | - | - |
| Reason for shortfall (E) | Ongoing projects | - |
| Nature of CSR activities (F) | | |
| Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to csr expenditure as per relevant accounting standard, (g) | N/A | N/A |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. (h) | 192.55 | - |

50. Segment reporting

The Group is primarily engaged in a single business segment of "Oil and Gas" in one geographic segment. Therefore, there are no separate reportable segments for Segment Reporting.

51. Financial instrument disclosure
(a) Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The capital structure of the group consists of net debt (borrowings disclosed in notes 24, 28 and 16,18 after deducting cash and bank balances) and equity of the Company (comprising issued capital, reserves and surplus, retained earnings as disclosed in notes 22 and 23). The Group monitors capital using a gearing ratio which is net debt divided by total capital plus net debt.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Gearing Ratio:**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------|-------------------------|-------------------------|
| Borrowings | 17,407.95 | 36,419.80 |
| Less: Cash and cash equivalent | (1,414.75) | (14,458.77) |
| Net Debt | 15,993.20 | 21,961.03 |
| Equity | 1,17,441.63 | 94,720.25 |
| Capital and Net Debt | 1,33,434.83 | 116,681.28 |
| Gearing Ratio | 11.99% | 18.82% |

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Financial instruments by category

As at March 31, 2024

Financial Assets:

| Particulars | At cost | Amortised cost | Financial assets/ liabilities at fair value through Profit or Loss | Financial assets at fair value through OCI | Total carrying value |
|--------------------------------------|----------|-------------------|---|--|----------------------------|
| Non-Current Financial Asset | | | | | |
| Deposits under site restoration fund | - | 8,452.86 | - | - | 8,452.86 |
| Other bank balances | - | 116.00 | - | - | 116.00 |
| Other financial assets | - | 49.89 | - | - | 49.89 |
| Total | - | 8,618.75 | - | - | 8,618.75 |
| Current Financial Asset | | | | | |
| Investments | - | - | 42.35 | - | 42.35 |
| Trade receivables | - | 31,447.64 | - | - | 31,447.64 |
| Cash and cash equivalents | - | 1,372.40 | - | - | 1,372.40 |
| Other bank balances | - | 5,477.89 | - | - | 5,477.89 |
| Other financial assets | - | 13,301.77 | - | - | 13,301.77 |
| Total | - | 51,599.70 | 42.35 | - | 51,642.05 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
Financial Liabilities :

| Particulars | At cost | Amortised cost | Financial assets/ liabilities at fair value through Profit or Loss | Financial assets at fair value through OCI | Total carrying value |
|--|----------|------------------|--|--|----------------------------|
| Non-Current Financial Liability | | | | | |
| Borrowings | - | 8,212.47 | - | - | 8,212.47 |
| Deposits | - | 13.50 | - | - | 13.50 |
| Other financial liabilities | - | 7,826.69 | 332.41 | - | 8,159.10 |
| Total | - | 16,052.66 | 332.41 | - | 16,385.07 |
| Current Financial Liability | | | | | |
| Borrowings | - | 9,195.48 | - | - | 9,195.48 |
| Interest Accrued | - | 630.33 | - | - | 630.33 |
| Trade Payables | - | 15,703.87 | - | - | 15,703.87 |
| Other financial liabilities | - | 4,209.67 | - | - | 4,209.67 |
| Total | - | 29,739.35 | - | - | 29,739.35 |

As at March 31, 2023
Financial Assets:

| Particulars | At cost | Amortised cost | Financial assets/ liabilities at fair value through Profit or Loss | Financial assets at fair value through OCI | Total carrying value |
|--------------------------------------|----------|------------------|--|--|----------------------------|
| Non-Current Financial Asset | | | | | |
| Deposits under site restoration fund | - | 7,774.91 | - | - | 7,774.91 |
| Other bank balances | - | 108.97 | - | - | 108.97 |
| Other financial assets | - | 5.93 | - | - | 5.93 |
| Total | - | 7,889.81 | - | - | 7,889.81 |
| Current Financial Asset | | | | | |
| Investments | - | - | 11,470.90 | - | 11,470.90 |
| Trade receivables | - | 11,694.09 | - | - | 11,694.09 |
| Cash and cash equivalents | - | 2,987.87 | - | - | 2,987.87 |
| Other bank balances | - | 4,818.91 | - | - | 4,818.91 |
| Other financial assets | - | 6,364.43 | - | - | 6,364.43 |
| Total | - | 25,865.30 | 11,470.90 | - | 37,336.20 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Financial Liabilities :**

| Particulars | At cost | Amortised cost | Financial assets/ liabilities at fair value through Profit or Loss | Financial assets at fair value through OCI | Total carrying value |
|--|----------|------------------|--|--|----------------------|
| Non-Current Financial Liability | | | | | |
| Borrowings | - | 9,335.33 | - | - | 9,335.33 |
| Deposits | - | 13.50 | - | - | 13.50 |
| Other financial liabilities | - | 9,472.70 | 1,304.22 | - | 10,776.92 |
| Total | - | 18,821.53 | 1,304.22 | - | 20,125.75 |
| Current Financial Liability | | | | | |
| Borrowings | - | 27,084.47 | - | - | 27,084.47 |
| Interest Accrued | - | 424.52 | - | - | 424.52 |
| Trade Payables | - | 11,651.41 | - | - | 11,651.41 |
| Other financial liabilities | - | 7,063.30 | 566.02 | - | 7,629.32 |
| Total | - | 46,223.70 | 566.02 | - | 46,789.72 |

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

(b) Financial assets and liabilities valued at fair value

The following table gives information about how the fair value of these financial assets are determined.

As at March 31, 2024

| Particulars | Fair Value Measurements using | | | |
|--|-------------------------------|---------|---------|---------|
| | Total | Level 1 | Level 2 | Level 3 |
| Assets measured at fair value (refer note 16) | | | | |
| - Quoted equity instruments | 42.35 | 42.35 | - | - |
| - Mutual fund investments | - | - | - | - |
| - Derivatives | 332.41 | 332.41 | - | - |

As at March 31, 2023

| Particulars | Fair Value Measurements using | | | |
|--|-------------------------------|-----------|---------|---------|
| | Total | Level 1 | Level 2 | Level 3 |
| Assets measured at fair value (refer note 16) | | | | |
| - Quoted equity instruments | 29.70 | 29.70 | - | - |
| - Mutual fund investments | 11,441.20 | 11,441.20 | - | - |
| - Derivatives | 1,870.24 | 1,870.24 | - | - |

* Note:

Level 1: Quoted market prices in active markets, where available.

Level 2: Valuation techniques where fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques where fair value measurement is unobservable

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

(c) Financial assets and liabilities measured at amortised cost

The Group has not disclosed fair values of financial instruments such as trade receivables, cash and cash equivalents, other Bank balances, security deposits, loans and advances to related parties, interest accrued on fixed deposits, trade payables and employee benefits payables (that are short term in nature), because their carrying amounts are reasonable approximations of their fair values.

(d) Offsetting

The Group has not offset financial assets and financial liabilities as at March 31, 2024 and March 31, 2023. The Group's borrowings are secured, the details of which are more fully described in Note 24.

52 Derivative contract swap

| Bank Name | Nature of Agreement | Rate / Currency | Outstanding Amount | Amount |
|---------------|---------------------|-----------------|--------------------|----------|
| Axis Bank Ltd | Derivative | 7.95% on USD | USD 9,218,289.07 | 7,717.53 |
| Axis Bank Ltd | Derivative | 6.97% on USD | USD 9,46,804 | 789.77 |

53 Financial Risk Management Objectives & Policies

The Group's principal financial liabilities comprise of short tenured borrowings, trade and other payables. Most of these liabilities relate to the Group's working capital cycle. The Group has trade and other receivables, loans and advances that arise directly from its operations.

The Group is accordingly exposed to market risk, credit risk and liquidity risk.

The Group's Senior Management oversees Management of these risks. The senior professionals working to manage the financial risks for the Group are accountable to the Audit Committee and the Board of Directors. This process provides assurance that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group's policies and overall risk appetite.

The Audit Committee reviews and approve policies for managing each of these risks which are summarised below:

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency rate risk, commodity risk and interest rate risk. Financial instruments affected by market risk include borrowings.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities and operational contracts with the rates payable in foreign currencies. The Group manages its foreign currency risk by having natural hedge as the revenue on sale of oil and gas is determined and paid in equivalent US dollars.

Details of Unhedged Foreign Currency Exposure

The details of unhedged Foreign Currency Exposure of the Group, are as under:

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|----------------------------------|----------------------|------------------|----------------------|-------------------|
| Loan | \$ 44,50,000.00 | ₹ 3,710.14 lakhs | \$ 44,50,000.00 | ₹ 3,658.65 lakhs |
| Interest accrued on loan | \$ 733,343.00 | ₹ 611.42 lakhs | \$ 4,36,883.00 | ₹ 359.19 lakhs |
| Loan from banks INR to USD swaps | \$ 1,01,03,337 | ₹ 8,507.30 lakhs | \$ 36,196,788 | ₹ 30,045.86 lakhs |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)***Foreign Currency Sensitivity**

The Group does not have outstanding derivatives as at 31 March 2024 and 31 March 2023 and all of its foreign currency exposure is unhedged. The following table demonstrates the sensitivity in the USD to the functional currency of the Group, with all other variables held constant. The impact on the Group's Profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives.

| Particulars | Changes in currency exchange rate | Effect on profit before tax | |
|-------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| US Dollars | +5% | 240.63 | 1,057.41 |
| | -5% | (240.63) | (1,057.41) |

(ii) Commodity risk

The Group is exposed to volatility in the oil and gas prices since the Group does not undertake any oil price hedge. The impact of a falling oil price is however partly mitigated via the production sharing formula in the PSCs, whereby the share of gross production to the Group increases in a falling oil price environment and the recovery of costs. Gas prices are fixed for certain duration and the same are based on policy guidelines issued by the Government.

(iii) Interest rate risk

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|----------------------|----------------------|
| Variable Rate Borrowings | - | - |
| Fixed Rate Borrowings | 17,407.95 | 36,419.80 |
| Total | 17,407.95 | 36,419.80 |

The Group has only Fixed rate borrowings and hence sensitivity analysis is not provided

(b) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is not exposed to credit risk as its sale of oil and gas is to Government Nominees.

Cash and Bank balances

The Group holds cash and cash equivalents with credit worthy Banks as at the reporting date. The credit worthiness of such Banks is evaluated by the Management on an ongoing basis and is considered to be good.

(i) Financial instruments and cash deposits

Credit risk from balances with Banks is managed by Group's treasury team in accordance with the policy approved by the Board. Investments of surplus funds are made temporarily with approved counterparties, mainly mutual funds, who meet the minimum threshold requirements under the counterparty risk assessment process.

(c) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash Management system. It maintains adequate sources of financing including loans from domestic banks at an optimised cost.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

The table below summarise the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

| Particulars | As at March 31, 2024 | | | Total | Carrying Value |
|-----------------------------|----------------------|------------------|-------------------|------------------|------------------|
| | Less than 1 year | 1-5 years | More than 5 years | | |
| Borrowings | 9,195.48 | 8,212.47 | - | 17,407.95 | 17,407.95 |
| Trade Payables | 13,358.83 | 2,345.04 | - | 15,703.87 | 15,703.87 |
| Other Financial liabilities | 12,999.10 | 13.50 | - | 13,012.60 | 13,012.60 |
| Total | 37,898.41 | 10,571.01 | - | 46,124.42 | 46,124.42 |

| Particulars | As at March 31, 2023 | | | Total | Carrying Value |
|-----------------------------|----------------------|-----------------|-------------------|------------------|------------------|
| | Less than 1 year | 1-5 years | More than 5 years | | |
| Borrowings | 27,084.47 | 9,335.33 | - | 36,419.80 | 36,419.80 |
| Trade Payables | 11,651.42 | - | - | 11,651.42 | 11,651.42 |
| Other Financial liabilities | 18,830.76 | 13.50 | - | 18,844.26 | 18,844.26 |
| Total | 57,566.65 | 9,348.83 | - | 66,915.48 | 66,915.48 |

54. Events after the reporting period

There is no material event after the reporting period.

55. Previous year figures

Previous year's figures have been regrouped and reclassified wherever necessary to conform to the current year's presentation.

56. Ratios analysis:

| Particulars | As at FY 2023-24 | As at FY 2022-23 | Variation | Remarks for variation more than 25% |
|---|---------------------|---------------------|-----------|--|
| (a) Current Ratio (in times) | 1.31 | 0.86 | 53% | Due to increase in current assets and decrease in current liabilities |
| (b) Debt-Equity Ratio (in times) | 0.15 | 0.38 | (61%) | Due to repayment of short term borrowings |
| (c) Debt Service Coverage Ratio (in times) | 1.23 | 2.08 | (41%) | Due to increase in repayment of short term loan |
| (d) Return on Equity Ratio (in %) | 19.28 | 20.49 | (6%) | - |
| (e) Inventory turnover ratio (in times) | 13.45 | 14.26 | (6%) | - |
| (f) Trade Receivables turnover ratio (in times) | 3.47 | 8.40 | (59%) | Due to B80 crude stock sold during the year end |
| (g) Trade payable turnover ratio (in times) | 2.66 | 3.62 | (27%) | Due to increase in trade payable on account of increase in operating expenditure |
| (h) Net capital turnover ratio, (in times) | 25.03 | (4.10) | 711% | Mainly due to increase in sales |
| (i) Net profit ratio, (in %) | 30.23 | 34.72 | (13%) | - |
| (j) Return on capital employed (in %) | 20.63 | 17.93 | 15% | - |
| (k) Return on investment | 6.10 | 3.32 | 84% | Due to increase in income from mutual funds and interest from deposits |

Explanations to items included in computing the above ratios:

- Current Ratio: Current Asset over Current Liabilities
- Debt-Equity Ratio: Debt (Borrowings) over total shareholders equity (including Reserves & Surplus)
- Debt Service Coverage Ratio: EBIT + Interest+ Depreciation over (principal + interest)
- Return on Equity Ratio: Profit After Tax over average Equity (including Reserves & Surplus)
- Inventory turnover ratio: Revenue over average Inventory
- Trade Receivables turnover ratio: Revenue from operations over average Trade Receivable
- Trade payables turnover ratio: Purchases/Expenses over average Trade Payable
- Net capital turnover ratio: Revenue from operations over average working capital
- Net profit ratio: Profit After Tax over Revenue from operations
- Return on Capital employed: Profit Before Interest & Tax over Capital employed (Capital employed includes total shareholders equity, borrowings, short term and long term lease liabilities)
- Return on investment: Interest income on fixed deposit + Mutual fund investment gain over average investments (investments includes investments in mutual funds, margin money and other bank deposits)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

57. During the year ended 31 March 2024, the Group has acquired controlling interest in GeoEnpro Petroleum Limited ("GeoEnpro") through the acquisition of 50% shareholding of GeoEnpro by wholly owned subsidiary, Hindage Oilfield Services Limited ("HOSL"). Consequent to this acquisition GeoEnpro which was previously an associate company with 50% shareholding by wholly owned step-down subsidiary, Geopetrol Mauritius Limited, has become a wholly owned subsidiary of the Group during the year ended March 31, 2024. The details of the business combination during the year is given below:

| Particulars | GeoEnpro |
|--|--|
| Name of the Acquiree | GeoEnpro Petroleum Limited |
| Description of the Acquiree | Oil and Gas Exploration and Production |
| Date of business combination | July 10, 2023 |
| Percentage of voting equity interests acquired at the acquisition date | 50% |
| Primary reasons for the business combination | Group obtains Operator rights and 10% participating interest in Kharsang block |
| Consideration | Cash consideration |

57.1 Assets acquired and liabilities recognised at fair values on the date of acquisition

| Particulars | ₹ in Lakhs |
|---|------------------|
| Current Assets | |
| Inventories | 255.46 |
| Trade receivables | 107.88 |
| Cash and cash equivalents | 119.36 |
| Other bank balances | 2,153.52 |
| Loans | 0.97 |
| Other financial assets | 492.60 |
| Other current assets | 8.96 |
| Total Current Assets (A) | 3,138.75 |
| Non-Current Assets | |
| Property, plant & equipment - Oil and gas assets | 7,199.21 |
| Property, plant & equipment - Others | 173.66 |
| Capital work-in-progress | 11.50 |
| Deposits under site restoration fund | 129.10 |
| Income tax assets (net) | 455.58 |
| Other non-current financial assets | 42.57 |
| Other non-current assets | 42.75 |
| Total Non-Current Assets (B) | 8,054.37 |
| Total Assets (C = A + B) | 11,193.12 |
| Current Liabilities | |
| Trade payables | 10.89 |
| Other financial liabilities | 165.09 |
| Other current liabilities | 553.53 |
| Provisions | 5.16 |
| Current tax liabilities (net) | 14.09 |
| Total Current Liabilities (D) | 748.76 |
| Non-Current Liabilities | |
| Other non-current financial liabilities | 39.49 |
| Non-current Provisions | 153.00 |
| Deferred tax liabilities (net) | 29.47 |
| Total Non-Current Liabilities (E) | 221.96 |
| Total Liabilities (F = C + D) | 970.72 |
| Net-assets Acquired* (G = C - F) | 10,222.40 |
| Shareholding acquired by HOSL | 50% |
| Share of Net assets of the Company (I = G - H) | 5,111.20 |

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

57.2 Business Combination achieved in Stages

The Group acquired GeoEnpro in the two stages:

- (i) The fair value of the equity interest in the acquiree held by the Group immediately before the acquisition date was amounting to ₹ 5,111.20 lakhs
- (ii) The fair value of the investment as on date of acquisition is equal to the sum of the carrying value of investment in associate under equity method of accounting amounting ₹ 1,824.56 lakhs and gain on fair value changes on the date of acquiring control amounting to ₹ 3,286.64 Lakhs recognised in the Consolidated Statement of profit and loss (Refer Note 41).

57.3 Impact of the acquisition on the results of the Group

- (i) Impact of revenue and Profit or loss of the GeoEnpro since the acquisition date, which is included in the Consolidated Statement of Profit and loss

| Particulars | Amount |
|----------------------------|--------|
| Profit / (loss) before tax | 231.78 |

- (ii) Additional Impact of revenue and Profit or loss of GeoEnpro had the acquisition been effected at the start of the reporting period i.e, 1st April 2023 upto the date of acquisition

| Particulars | Amount |
|----------------------------|---------|
| Profit / (loss) before tax | (24.38) |

57.4 Reconciliation of capital reserve at the beginning and end of the reporting period

| Particulars | Amount |
|--|------------------|
| As at April 01, 2023 | 96,129.35 |
| Capital reserve on acquisition of GeoEnpro | 111.20 |
| Balance as at March 31, 2024 | 96,240.55 |

57.5 Breakup of the Capital Reserve on Business Combination

| Particulars | Amount |
|--|----------|
| Consideration Transferred | 5,000.00 |
| Less: Net assets of the Company (Refer 57.1 above) | 5,111.20 |
| Capital Reserve | (111.20) |

- 58. The Group has not been declared a wilful defaulter by any bank or financial institution or other lender.
- 59. No proceedings have been initiated during the year or are pending against the Group as at March 31, 2024 for holding any benami property under Benami Property Transactions (prohibition) Act, 1988.
- 60. Transactions and balances with companies which have been removed from Register of Companies [struck off companies] as at the above reporting periods is Nil.
- 61. The Group has not traded / invested in Crypto currency or virtual currency.
- 62. (a) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts are in Indian Rupees in lakhs, unless otherwise stated)*

- (b) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- (i) 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
 - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 63.** The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 64.** The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- 65.** The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 66.** No schemes of arrangements have been applied or approved by the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.
- 67.** The title deeds of all immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Group as at the balance sheet date.
- 68.** As per the requirements of the Companies (Accounts) Rules, 2014 read with the Companies (Accounts) Fourth Amendment Rules 2022 dated August 05, 2022, mandates that the back-up of the books of accounts and the other papers of the Group maintained in electronic mode, shall be kept in server physically located in India, requiring backup on a daily basis. The Parent Company is maintaining back-up of the accounting software on daily basis and two subsidiaries are maintaining back-up of the accounting software on a periodic basis, in a server physically located in India.
- 69.** As per the requirements of rule 3(1) of the Companies (Accounts) Rules, 2014, the Parent Company and its subsidiary companies incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except for the below instances:
- i. In respect of the Parent Company, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes and, for a software operated by a third party software service provider, for maintaining payroll records, based on the independent auditor's system and organization controls report, the Company has used a software which has a feature of recording audit trail (edit log) facility and the same has operated during the period April 1, 2023 till December 31, 2023 and no instance of audit trail feature being tampered with has been reported in such independent auditor's report for the aforesaid period.
 - ii. In respect of two subsidiaries, the accounting software did not have a feature of recording audit trail (edit log) facility.
- The Group has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended March 31, 2024 were effective.
- 70. Approval of financial statements**
- The financial statements were approved for issue by the board of directors on May 29, 2024.

For and on behalf of the Board of Directors

Vivek Rae
Chairman
DIN: 01866765
Place: Delhi
Date : May 29, 2024

R. Jeevanandam
Managing Director
DIN: 07046442
Place : Mumbai
Date : May 29, 2024

N. Sivalai Senthilnathan
Chief Financial Officer
Place : Mumbai
Date : May 29, 2024

Josephin Daisy
Company Secretary
Place: Mumbai
Date : May 29, 2024

GLOSSARY

| | | | |
|------------------|--|------------------|--|
| 3D Seismic | - Three Dimensional Seismic | | |
| 2P/P+P Reserves | - Proved and Probable Reserves | | |
| | <p>Proved Reserves are those quantities of petroleum which, by analysis of geological and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under current economic conditions, operating methods, and government regulations. If probabilistic methods are used, there should be at least 90% probability that the quantities actually recovered will equal or exceed the estimate. Developed Reserves are expected quantities to be recovered from existing wells and facilities. Undeveloped Reserves are quantities expected to be recovered through future investments.</p> <p>Probable Reserves are those unproved reserves which analysis of geological and engineering data suggests are more likely than not to be recoverable. In this context, when probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated proven plus probable reserves.</p> | | |
| ADR | - American Depository Receipts | Exploratory well | - A well drilled to find oil and / or gas in an unproved area, to find a new reservoir in an existing field or to extend a known reservoir |
| AGM | - Annual General Meeting | | |
| AS | - Accounting Standard | | |
| bbl | - barrel | E&P | - Exploration and Production |
| bcf | - billion cubic feet | FI | - Financial Institutions |
| BEE | - Bureau of Energy Efficiency | GDR | - Global Depository Receipts |
| boe | - barrels of oil equivalent | GEPL | - GeoEnpro Petroleum Limited |
| bopd | - barrels of oil per day | G&G | - Geological & Geophysical |
| boepd | - barrels of oil equivalent per day | GHG | - Green House Gas |
| BSE | - Bombay Stock Exchange | GML | - Geopetrol Mauritius Ltd. |
| CDSL | - Central Depository Services (India) Limited | GPII | - Geopetrol International Inc. |
| CFO | - Chief Financial Officer | HAZID | - Hazard Identification (Risk Analysis) |
| CFS | - Consolidated Financial Statement | HAZOP | - Hazard and Operability Analysis |
| CIN | - Corporate Identification Number | HELP | - Hydrocarbon Exploration Licensing Policy |
| CNG | - Compressed Natural Gas | HOEC | - Hindustan Oil Exploration Company Limited |
| CS | - Company Secretary | HSE | - Health, Safety & Environment |
| CSR | - Corporate Social Responsibility | IEPF | - Investor Education and Protection Fund |
| DP | - Depository Participant | IND AS | - Indian Accounting Standards |
| Development well | - A well drilled within the proved area of an oil and / or natural gas reservoir to the depth of a stratigraphic horizon known to be productive. | IOGP | - International Association of Oil & Gas Producers |
| DGH | - Directorate General of Hydrocarbons | JSA | - Job Safety Awareness |
| DIN | - Director Identification Number | JV | - Joint Venture |
| DSF | - Discovered Small Fields | KPI | - Key Performance Indicator |
| EPS | - Earnings Per Share | LNG | - Liquefied Natural gas |
| ERP | - Emergency Response Plan | LLP | - Limited Liability Partnership |
| | | LPG | - Liquefied Petroleum Gas |

| | | | |
|--------|--|------------------------|--|
| LTI | - Loss Time Incident | ONGC | - Oil & Natural Gas Corporation Limited |
| MC | - Management Committee | OPEC | - Organization of the Petroleum Exporting Countries |
| MCA | - Ministry of Corporate Affairs | PI | - Participating Interest |
| M-GPP | - Modular Gas Processing Plant | PoD | - Plan of Development |
| mmboe | - million barrels of oil equivalent | PSC | - Production Sharing Contract |
| mmbtu | - million british thermal unit | Revenue | - Sales + Other Income |
| mmscfd | - million standard cubic feet per day | RD | - Regional Director |
| mmscm | - million standard cubic meters | ROU | - Right of Use |
| mmscmd | - million standard cubic meters per day | RSC | - Revenue Sharing Contract |
| mmbbl | - million Barrels | scmd | - standard cubic meters per day |
| mm | - million | scm | - standard cubic meters |
| MoP&NG | - Ministry of Petroleum & Natural Gas | SEBI | - Securities and Exchange Board of India |
| MSMED | - Micro Small & Medium Enterprises Development Act, 2006 | SEBI LODR | - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| NBP | - National Balancing Point | SEM | - Successful Efforts Method |
| NCLT | - National Company Law Tribunal | SIMOPs | - Simultaneous Operations |
| NELP | - New Exploration Licensing Policy | USD / US\$ | - United States Dollar |
| NSE | - National Stock Exchange | UJV | - Unincorporated Joint Venture |
| NSDL | - National Securities Depository Limited | Working basis Interest | - Field Production x Participating interest |
| OALP | - Open Acreage Licensing Policy | | |
| OGP | - Open Government Partnership | | |



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