AMIT I. KAPADIA
B. COM, F.C.A

HITESH SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

HITESH SHAH
B. COM, F.C.A. DISA
FALGUNI SHAH
B. COM, F.C.A. DBF

Independent Auditor's Report

To the Members of

Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)** ("the Company"), which comprise the Balance Sheet as at **March 31, 2026**, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Cash Flow Statement, and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2026**, its loss including other comprehensive loss, 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 Auditors' Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's

Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter

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

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Financial Performance Highlights, Board's Report including Annexures, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Report on Corporate Governance, Shareholders Information, and other components of the Integrated Annual Report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

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

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

When we read the remaining other information, which we will obtain after the date of this auditor's report, and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 Companies Act, 2013, 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, changes in equity, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with the Standards on Auditing (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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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 auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion.

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

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

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

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

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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub- section (11) of Section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in the paragraphs 3 and 4 of the said Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Ind - AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. We have been informed that the provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the Company, being a Government Company in terms of notification No. G.S.R. 463 (E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India.

f. 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 B”.**

g. We are informed that the provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration, are not applicable to the Company, being a Government Company, in terms of the Ministry of Corporate Affairs Notification no. G.S.R. 463 (E) dated 5th June 2015.

h. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have pending litigation which would impact its financial position;

ii. The Company did not have any long-term contracts, including for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

v. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

vi. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclauses (iv) and (v) contain any material misstatement.

vii. The Company has not declared or paid any dividend during the year.

viii. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended **March 31, 2026** which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

For **HITESH SHAH & ASSOCIATES**
Chartered Accountants
Firm's Registration Number-103716W

Hiteshkumar Manharlal Shah
Digitally signed by Hiteshkumar Manharlal Shah

Hitesh Shah
Partner
Membership no 040999
Place : Mumbai.
Date : 22nd April, 2026
ICAI UDIN:26040999IWQAUC5542

AMIT I. KAPADIA
B. COM, F.C.A

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CHARTERED ACCOUNTANTS

HITESH SHAH
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Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and the situation of fixed assets.

(b) The fixed assets of the Company have been physically verified by the management; no material discrepancies were noticed on such verification, and if so, the same have been properly dealt with in the books of account.

(c) According to the information and explanations given to us and based on the examination of the records of the Company, there are no immovable properties disclosed in the financial statements whose title deeds are not held in the name of the Company.

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) or intangible assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988, and rules made thereunder.

(ii) (a) According to the information and explanations provided, the Company, physical verification of inventory has been conducted at reasonable intervals by management and no material discrepancies were noticed.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of ₹5 crore, in aggregate, from banks on the basis of security of current assets. Accordingly, the requirements under paragraph 3(ii)(b) of the Order are not applicable to the Company.

208 , 2ND FLOOR , PLOT NO. 26 , SHALIMAR MIRACLE, OPP. CITI CENTRE, ABOVE McDONALDS, JAWAHAR NAGAR, S. V. ROAD, GOREGAON (W), MUMBAI – 400062. TEL : 9152745501, MOBILE : 98211 40636 .
EMAIL : ca.hsa1988@gmail.com / hiteshshahandassocites@gmail.com

(iii) As per the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, the provisions of clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has obtained term loans during the year and, based on our verification of the relevant records, the term loans have been applied for the purpose for which they were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on a short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended **31 March 2026.**

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended **31 March 2026.**

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) We did not receive any whistle blower complaints during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and our audit procedures, the Company is not required to have an internal audit system commensurate with the size and nature of its business. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors, and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(xvii) The Company has incurred cash losses during the financial year amounting to **₹585.95** lakhs and in the immediately preceding financial year amounting to **₹357.85** lakhs.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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 that the 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 be discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us the Company is not required to spend on CSR under section 135 of the Companies Act. Accordingly, clause 3(xx)(a) & (b) of the Order are not applicable.

(xxi) As the Company does not have any subsidiaries, joint ventures, or associates, reporting under this clause is not applicable.

For **HITESH SHAH & ASSOCIATES**
Chartered Accountants
Firm's Registration Number-103716W

Hiteshkumar Manharlal Shah
Digitally signed by Hiteshkumar Manharlal Shah

Hitesh Shah
Partner
Membership no 040999
Place : Mumbai.
Date :22nd April, 2026
ICAI UDIN:26040999IWQAUC5542

Annexure B to the Independent Auditors' Report

Report on the Internal Financial Controls with Reference to the Aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013
(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)
Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)

Opinion
We have audited the internal financial controls with reference to the standalone financial statements of **Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)** ("the Company") as of **31 March 2026** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at **31 March 2026**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls
The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components stated in the Guidance Note. These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether 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 and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls, 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 standalone 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 Financial Statements

A Company's internal financial controls with reference to 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 controls with reference to financial statements include those policies and procedures that:

1. Pertains 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 the 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 the 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 to future periods are subject to the risk that the internal financial controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **HITESH SHAH & ASSOCIATES**

Chartered Accountants

Firm's Registration Number-103716W

Hiteshkumar Manharlal Shah
Digitally signed by Hiteshkumar Manharlal Shah

Hitesh Shah

Partner

Membership no 040999

Place : Mumbai.

Date :22nd April, 2026

ICAI UDIN:26040999IWQAUC5542

AMIT I. KAPADIA
B. COM, F.C.A

HITESH SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

HITESH SHAH
B. COM, F.C.A. DISA
FALGUNI SHAH
B. COM, F.C.A. DBF

To

The Director General

Office of the Comptroller and Auditor General of India,

Subject: Submission of Reply on Directors issued under section 143(5) of the Companies Act, 2013 for FY 2025-26 – IndianOil Upstream Ventures Limited formerly known as Mercator Petroleum Limited.

Ref: Your Communication no. D.O. No DGA(O&G)/Mum./Sub Dir./2025-26/E-484639/450 Dated 08/04/2026

Respected Sir,

By the directions under Section 143(5) of the Companies Act, 2013, we submit our observations based on the audit of the standalone financial statements of IndianOil Upstream Ventures Limited formerly known as Mercator Petroleum Limited for the year ended 31st March 2026:

1. Fair Valuation of Investments

The company had no investments (quoted or unquoted), either directly or through Trusts, towards post-retirement employee benefits during the year. Accordingly, this clause is not applicable. There were no fair value adjustments required under Ind AS, and no deviations or misstatements were observed in this regard.

2. Processing of Accounting Transactions through the IT System

The Company has implemented an accounting software with inbuilt audit trail features as mandated under Rule 3(I) of the Companies (Accounts) Rules, 2014. Based on management representation and auditor verification:

• All transactions were recorded within the IT system;

• No processing of accounting transactions outside the system was reported.

• The audit trail was enabled throughout the year, and no instances of tampering were noted.

3. Government Grants/ Subsidies

During the year, the Company did not receive any grants or subsidies from the Central or State Governments or their agencies. Accordingly, the question of compliance with the terms and conditions of utilisation or interest accounting does not arise.

4. Identification of Key Risk Areas and Risk Management

Company has duly identified the risk areas. Company is a Wholly owned Subsidiary of one of major oil public sector undertaking of India i.e. Indian Oil Corporation Limited (IOCL). Accordingly, Company is using Risk Management Policy of its Parent Company (IOCL) to mitigate risks, and the policy is formulated by IOCL considering global best practices.

At Present, no material risks have been identified that would affect the financial reporting during the year under review.

5. Compliance with Regulatory Requirements

The Company has complied with applicable regulatory requirements of:

- Ministry of Corporate Affairs (MCA); and
- Reserve Bank of India (RBI).

No instances of non-compliance were observed during the audit.

This is submitted for your kind consideration.

For **HITESH SHAH & ASSOCIATES**

Chartered Accountants

Firm's Registration Number-103716W

Hiteshkumar Manharlal Shah Digitally signed by Hiteshkumar Manharlal Shah

Hitesh Shah

Partner

Membership no 040999

Place : Mumbai.

Date :22nd April, 2026

ICAI UDIN:26040999IWQAUC5542

Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)
CIN: U11102MH2007GOI170562
Balance Sheet as at March 31, 2026
(All amounts in INR Lakhs unless stated otherwise)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	5(a)	4,103.82	4,123.54
Capital work in progress	5(b)	74.09	46.59
Financial assets			
Other financial assets	6	3.89	3.40
Deferred tax assets (net)	26	7,430.73	8,229.67
Other non-current assets	7	10.99	4.14
		11,623.52	**12,407.34**
Current assets			
Inventories	8	86.20	-
Financial assets			
Trade receivables	9(a)	-	-
Cash and cash equivalents	9(b)	304.80	49.94
Other financial assets	9(d)	4.00	4.00
Other current assets	10	16.02	3.48
		411.02	**57.42**
Total Assets		**12,034.54**	**12,464.76**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	10.00	10.00
Other equity	12	(7,599.41)	(4,974.70)
		(7,589.41)	**(4,964.70)**
LIABILITIES			
Non Current Liabilities			
Financial liabilities			
Borrowings	13(a)	18,591.71	16,355.72
Other financial liabilities	13(b)	3.94	-
Provisions	14	114.49	152.36
Other non current liabilities	15	0.47	-
		18,710.61	**16,508.08**
Current Liabilities			
Financial liabilities			
Trade payables			
Total outstanding dues of micro and small enterprises	16(a)	76.97	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	16(a)	218.90	250.42
Other financial liabilities	16(b)	9.30	-
Provisions	17	168.10	654.84
Other current liabilities	18	440.07	16.12
		913.34	**921.38**
Total equity and liabilities		**12,034.54**	**12,464.76**

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

As per our report of even date
For Hitesh Shah & Associates
Chartered Accountants
Firm Registration No.:103716W
Hiteshkumar Manharlal Shah
Digitally signed by Hiteshkumar Manharlal Shah
Hitesh Shah
Partner
Membership No.: 040999
Place: Mumbai
Date: April 22, 2026

For and on behalf of the Board of Directors of
Indianoil Upstream Ventures Limited
(formerly Mercator Petroleum Limited)

Ajay Kumar Tiwari
Chairman and Director
DIN:11033422
Place: Delhi
Date: April 22, 2026

Puneet Jindal
Director
DIN: 11261723
Place: Delhi
Date: April 22, 2026

G. Vishwanath Reddy
Gurram Vishwanath Reddy
Chief Executive Officer
Place: Delhi
Date: April 22, 2026

Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)
CIN: U11102MH2007GOI170562
Statement of Profit and Loss for the year ended March 31, 2026
(All amounts in INR Lakhs unless stated otherwise)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	19	180.58	-
Other income	20	325.54	0.21
Total income		**506.12**	**0.21**
Expenses			
(Increase)/decrease in inventories of crude oil	21	(12.33)	-
Finance costs	22	1,544.72	1,176.29
Depreciation, depletion and amortisation expense	5(a)	20.47	-
Abandonment and decommissioning expenses	23	-	654.84
Other expenses	24	779.02	357.85
Total expenses		**2,331.88**	**2,188.98**
Profit/(loss) before tax		**(1,825.76)**	**(2,188.77)**
Tax expense/(credit):			
Deferred tax expense/(credit)	26	798.95	(8,229.67)
		798.95	**(8,229.67)**
Profit/(loss) for the year		**(2,624.71)**	**6,040.90**
Other comprehensive loss/(income) for the year (net of tax)		-	-
Total comprehensive income/(loss) for the year		**(2,624.71)**	**6,040.90**
Earnings per equity share (INR):	25		
(a) Basic		(2,624.71)	75.70
(b) Diluted		(2,624.71)	75.70

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

As per our report of even date
For Hitesh Shah & Associates
Firm Registration No.:103716W

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Date: April 22, 2026

Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)
CIN: U11102MH2007GOI170562
Statement of cash flows for the year ended March 31, 2026
(All amounts in INR Lakhs unless stated otherwise)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flows from operating activities		
Net profit/(loss) before tax	(1,825.76)	(2,188.77)
Adjustments:		
Depreciation and amortisation	20.47	-
Finance costs	1,544.72	1,176.29
Interest income	(0.24)	(0.21)
Provision for decommissioning liability	-	654.84
Liabilities written back	(204.14)	-
Write back of spares	(121.00)	-
Operating profit/(loss) before working capital changes	**(585.95)**	**(357.85)**
Adjustment for working capital changes		
Adjustments for (increase)/decrease in assets:		
Changes in other financial assets	(0.25)	4.60
Changes in inventories	34.80	-
Changes in other assets	(19.39)	19.79
Adjustments for increase/(decrease) in liabilities:		
Changes in trade payables	45.44	(699.25)
Changes in other financial liabilities	13.24	-
Changes in provisions	(318.64)	-
Changes in other liabilities	262.08	(3.61)
Cash used in operations	**(568.67)**	**(1,036.32)**
Net income tax refund/(paid), including interest on income tax and tax deducted at source	-	-
Net cash flows from/(used in) operating activities	**(568.67)**	**(1,036.32)**
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress, capital advances and capital creditors)	(43.87)	-
Net cash flows from/ (used in) investing activities	**(43.87)**	**-**
C. Cash flows from financing activities		
Proceeds from long term borrowings	867.40	15,192.25
Issuance of shares	-	10.00
Re-payments of long term borrowings	-	(14,126.51)
Interest paid	-	(0.12)
Net cash (used in)/ flow from financing activities	**867.40**	**1,075.62**
Net increase/ (decrease) in cash and cash equivalents	254.86	39.30
Cash and cash equivalents at the beginning of the year	49.94	10.64
Cash and cash equivalents at the end of the year (refer note 9(b))	**304.80**	**49.94**
Components of cash and cash equivalents		
Cash on hand	0.25	-
Balances with scheduled banks:		
On current accounts	304.55	49.94

Refer note 9(c) for Change in liabilities arising from financing activities and for non-cash financing and investing activities.

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

As per our report of even date
For Hitesh Shah & Associates
Firm Registration No.:103716W

Hiteshkumar Manharlal Shah
Digitally signed by Hiteshkumar Manharlal Shah

Hitesh Shah
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Membership No.: 040999
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Chief Executive Officer
Place: Delhi
Date: April 22, 2026

Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited)
CIN: U11102MH2007GOI170562
Statement of changes in equity for the year ended March 31, 2026
(All amounts in INR Lakhs unless stated otherwise)

(a) Equity share capital

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

Particulars	Number	INR Lakhs
At April 1, 2024	62,630,000	6,263.00
Issue of share capital	100,000	10.00
Shares cancelled during the year	(62,630,000)	(6,263.00)
At March 31, 2025	**100,000**	**10.00**
Issue of share capital	-	-
At March 31, 2026	**100,000**	**10.00**

(b) Other equity
For the year ended March 31, 2026

Particulars	Reserves and Surplus			Total
	Capital reserve	Capital Contribution by Holding Company	Retained earnings	
As at April 1, 2025	37,352.05	-	(42,326.75)	(4,974.70)
Loss for the year	-	-	(2,624.71)	(2,624.71)
Total comprehensive income/(loss) for the year	-	-	(2,624.71)	(2,624.71)
Balance as at March 31, 2026	37,352.05	-	(44,951.46)	(7,599.41)

For the year ended March 31, 2025

Particulars	Reserves and Surplus			Total
	Capital reserve	Capital contribution by Holding company	Retained earnings	
As at April 1, 2024	(1,838.89)	107.32	(48,367.65)	(50,099.22)
Loss for the year	-	-	6,040.90	6,040.90
Total comprehensive income/(loss) for the year	-	-	6,040.90	6,040.90
Assets written off and liabilities written back during the year (refer note 1)	26,010.00		-	26,010.00
Transfers	107.32	(107.32)		-
Capital reduction during the year (refer note 1)	13,073.62	-	-	13,073.62
Balance as at March 31, 2025	37,352.05	-	(42,326.75)	(4,974.70)

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

As per our report of even date
For Hitesh Shah & Associates
Firm Registration No.:103716W

Hiteshkumar Manharlal Shah
Digitally signed by Hiteshkumar Manharlal Shah

Hitesh Shah
Partner
Membership No.: 040999
Place: Mumbai
Date: April 22, 2026

For and on behalf of the Board of Directors of
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Ajay Kumar Tiwari
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Date: April 22, 2026

1 CORPORATE INFORMATION

Indianoil Upstream Ventures Limited (formerly Mercator Petroleum Limited) ("the company") (CIN: U11102MH2007GOI170562) was initially incorporated on 4th May 2007, as a Private Limited Company and was converted into a Public Limited company vide approval of Registrar of Companies dated 29th July 2010. The registered office of the company is located at Room No. 718A, Marketing Division Head Office, Indian Oil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai, Maharashtra, India, 400051. Further, the principal place of business of the Company is located in Gujarat.

The main object/business of the Company is surveying, prospecting, drilling, exploring, acquiring, developing, and producing of petroleum and petroleum products, their derivatives and allied products and Gas blocks.

The company has entered a Production Sharing Contract with the Government of India for exploration of Petroleum under the seventh New Exploration Licensing Policy round (NELP –VII) and has been allotted two blocks under the scheme. The Company has received Petroleum Exploration License (PEL) on 3rd June 2010 for these blocks. The details of the Exploration blocks which have been allotted to the company are as follows:

Name of the Block	Location of the Block	Participating
CB-ONN-2005/3- (48 Sq.KMS)	Cambay Basin, Western	100%
CB-ONN-2005/9 (132.22 Sq.KMS)	Cambay Basin, Western	100%

The Company has participating interest as per Production Sharing Contract (PSC) dated 22nd October 2008 for CB-ONN-2005/3 onshore oil blocks situated in State of Gujarat, India. As per technical assessment and requirement, the Company has not completed Minimum Work Program (MWP) specified under PSC. Further the Company has neither exercised its right for subsequent phase of exploration of oil blocks nor relinquished the contract area. Thus on 24th October, 2019 the Ministry of Petroleum and Natural Gas (MoPNG) has terminated the subject PSC for CB-ONN-2005/3.

The Company is a wholly owned subsidiary of Indian Oil Corporation Limited and was acquired as part of a resolution plan submitted under Insolvency and Bankruptcy Code, 2016 ('IBC'), which was approved by National Company Law Tribunal ("NCLT") vide its order dated November 2, 2023.

As per the aforesaid NCT order, the Company paid of an aggregate amount of INR 14,899.00 lakhs to financial and operational creditors identified as part of the Corporate Insolvency Resolution Process ("CIRP"). On June 3, 2024, basis the above payments, the remaining assets and liabilities of INR 26,010.00 lakhs were written off/back, share capital was reduced by INR 13,073.62 lakhs; and the corresponding net impact was recorded in the capital reserve as per accounting treatment prescribed in the NCLT order.

2 MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and statement of compliance

The financial statements have been prepared on accrual basis and in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer serial no. 2.15 of accounting policies regarding financial instruments)

The financial statements are presented in Indian Rupees (₹) which is Company's presentation and functional currency, and all values are rounded to the nearest lakhs (up to two decimals) except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements have been approved for issue in accordance with a resolution of Board of Directors passed in its meeting held on April 22, 2026

2.2 Current Versus Non-Current Classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering the criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. 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, The Company uses twelve months period for determining current and non-current classification of assets and liabilities in the balance sheet.

2.3 Property, Plant and Equipment (PPE) (other than Oil and Gas assets)

Property, Plant and Equipment (PPE) (excluding the freehold land) are stated in the Balance Sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Freehold land is stated in balance sheet at cost less accumulated impairment losses (if any).

Technical know-how / licence fee relating to plants/ facilities and specific software that are integral part of the related hardware are capitalised as part of cost of the underlying asset.

Spare Parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these for a period exceeding 12 months.

Capital Work in Progress (CWIP)

Expenditure incurred on assets under construction (including a project) is carried at cost under CWIP

Capital Stores

Capital Stores are valued at weighted average cost. Specific provision is made for likely diminution in value, wherever required.

Depreciation

Cost of PPE (net of residual value) excluding freehold land is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Act. The useful lives are followed for each asset class is given below

Buildings	3 to 30 years
Computer equipment	5 years
Plant and equipment	5 years

Depreciation is charged pro-rata on monthly basis on assets, from/up to the month of capitalization/ sale, disposal or classified to Asset held for disposal.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.4 Intangible assets (other than those related to Exploration activities)

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses (if any In case of internally generated intangibles, development cost is recognized as an asset when all the recognition criteria are met. Intangible Assets are amortised over the useful life on straight line basis and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortisation period and the amortisation method for an Intangible Asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

2.5 Oil and Gas exploration activities

Pre-acquisition Cost:

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

Exploration Stage:

Acquisition cost relating to projects under exploration are initially accounted as "Intangible Assets under Development". The expenses on oil and gas assets that is classified as intangible includes acquired rights to explore and exploratory drilling cost. Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred.

If the project is not viable based upon technical feasibility and commercial viability study, then all cost relating to Exploratory Wells are expensed in the year when determined to be dry. If the project is proved to be viable, then all cost relating to drilling of Exploratory Wells shall be continued to be presented as "Intangible Assets under Development".

Development Stage

Acquisition cost relating to projects under development stage are presented as "Capital Work-in-Progress".

When a well is ready to commence commercial production, the capitalized cost corresponding to proved developed oil and gas reserves is reclassified as 'Completed wells/ Producing wells' from "Capital Work-in-Progress/ Intangible Assets under Development" to the gross block of assets. Examples of Oil and Gas assets that might be classified as Tangible Assets include development drilling cost, piping and pumps and producing wells.

Production Phase

Production cost include pre-well head and post-well head expenses including depreciation and applicable operating cost of support equipment and facilities are expensed off.

Abandonment Phase

In case of development / production phase, abandonment / decommissioning amount is recognized at the present value of the estimated future expenditure. Any change in the present value of the estimated decommissioning expenditure other than the unwinding of discount is adjusted to the decommissioning provision and the carrying value of the corresponding asset. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance costs.

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 other than acquisition cost.

Impairment of E&P Assets

Impairment testing in case of Development and producing assets

In case of E&P related development and producing assets, expected future cash flows are estimated using management's best estimate of future oil and natural gas prices, production volumes, proved & probable reserves volumes and discount rate. The expected future cash flows are estimated on the basis of value in use concept. The value in use is based on the cash flows expected to be generated by the projected oil or gas production profiles up to the expected dates of cessation of production of each producing field, based on current estimates of proved and probable reserves and on reasonable & supportable fiscal assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Management takes a long-term view of the range of economic conditions over the remaining useful life of the asset and, are not based on the relatively short-term changes in the economic conditions. However, impairment of exploration and evaluation assets is to be done in line with below mentioned policy.

Impairment in case of Exploration and Evaluation assets

Exploration and Evaluation assets are tested for impairment where an indicator for impairment exists. In such cases, while calculating recoverable amount, in addition to the factors mentioned in above paragraph, management's best estimate of total current reserves and resources are considered (including possible and contingent reserve) after appropriately adjusting the associated inherent risks. Impairment loss is reversed subsequently, to the extent that conditions for impairment are no longer present.

Cash Generating Unit

In case of E&P Assets, the Company generally considers a project as cash generating unit. However, in case where the multiple fields are using common production/transportation facilities and are sufficiently economically interdependent the same are considered to constitute a single Cash Generating Unit.

2.6 Inventories

Inventories of crude oil and natural gas are stated at the lower of cost or estimated net realizable value. Cost comprises all expenses to bring inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. The value of inventories includes amortization cost of relevant assets, production related costs, and royalty but excludes recoverable taxes. Cost of finished goods is determined on absorption costing method. It also includes systematic allocation of directly attributable fixed and variable production overheads

Crude oil in unfinished condition in the flow line up to storage tank are not valued, as these line fills are necessary for the operation of the facility.

Stores and Spares are valued at weighted average cost. Specific provision is made in respect of identified obsolete stores & spares and chemicals for likely diminution in value.

2.7 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The transfer of control on sale of crude oil and natural gas occurs at the point of delivery, where usually the title is passed and the customer takes physical possession, depending upon the contractual conditions

Revenue from the sale of crude oil, condensate and natural gas is recognised net of profit petroleum payable to the Government of India. Central Sales Tax (CST) / Value Added Tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the product by the seller on behalf of the government. Accordingly, it is excluded from revenue

2.8 Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdraft (negative balance in Account) is shown under short term borrowings under Financial Liabilities & Positive balance in that account is shown in Cash & Cash Equivalents.

2.9 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of the qualifying asset are capitalized as part of the cost of such asset. Capitalization of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which the same are incurred.

2.10 Foreign Currency Transactions

Transactions in foreign currency are initially recorded at spot exchange rates prevailing on the date of transactions.

Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at exchange rates prevailing on that date.

Non-monetary items denominated in foreign currency, (such as PPE, intangible assets, capital/ revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction, other than those measured at fair value.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i,e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income (OCI) or the Statement of Profit and Loss are also recognized in OCI or the Statement of Profit and Loss, respectively)

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost to the extent regarded as an adjustment to borrowing costs as the case may be.

2.11 Impairment of non-financial assets (Refer Para 2.5 for impairment of E&P assets)

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.
The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 15 years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

2.12 Employee Benefit Expenses

Short Term Benefits

Short Term Employee Benefits are accounted for in the Statement of Profit and Loss for the period during which the services have been rendered.

Post-Employment Benefits and Other Long Term Employee Benefits:

a) Other long-term employee benefits include items such as long-term leave, jubilee or other long-service benefits, etc. Service cost, net interest on the net defined benefit liability and remeasurements of net defined benefit liability pertaining to other long-term employee benefits are recognised in Statement of Profit and Loss. Obligations on other long-term employee benefits viz leave encashment and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year

b) Post employment benefit plans are either classified as defined contribution plan or defined benefit plans, depending upon its economic substance.

- Under defined contribution plan, the entity's legal and constructive liability is limited to the amount that it agrees to contribute to the fund. The contribution payable to a defined contribution plan is recognized as liability and expense.

- Under defined benefit plan, it is the entity's obligation to provide the agreed benefits to current and former employees; and actuarial risk and investment risk pertaining to same falls on the entity. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year.

2.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions

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

Decommissioning Liability

Decommissioning costs are provided at the present value of expected cost to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. The estimated future cost of decommissioning is reviewed annually and adjusted as appropriate. Changes in the estimated future cost or in the discount rate applied are adjusted in the cost of the asset.

Contingent Liabilities

The Company does not recognize a contingent liability but discloses its existence and other required disclosures in notes to the financial statements, unless the possibility of any outflow in settlement is remote.

Contingent Assets

A Contingent Asset is disclosed where an inflow of economic benefits is probable.

Contingent Liabilities/Assets are disclosed based on judgment of the management/independent experts and reviewed at each Balance Sheet date to reflect the current management estimate.

2.14 Taxes On Income

Current Income Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to applicable tax regulations which are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

2.15 Financial Instruments

Financial Assets

Initial recognition and measurement

All Financial Assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the Financial Asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Subsequent measurement

Financial Assets are subsequently measured at amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are measured using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. Apart from the same, any income or expense arising from remeasurement of financial assets measured at amortised cost, in accordance with Ind AS 109, is recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Impairment of Financial Assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial Assets that are measured at amortised cost.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense /income/ in the Statement of Profit and Loss. In the Balance Sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- **Simplified Approach**

  The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates provision on trade receivables at the reporting date.

- **General Approach**

  For recognition of impairment loss on other Financial Assets, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-months ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Financial Liabilities

Initial recognition and measurement

All Financial Liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of financial liabilities are recognized immediately in the Statement of Profit and Loss.

The Company's Financial Liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

A. Financial Liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

B. Financial Liabilities at amortised cost

Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

3.1 Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements.

Materiality

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the financial statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax. The materiality limits are reviewed and approved by the Board.

Intangible Asset under Development

Acquisition costs and drilling of exploratory well costs are capitalized as intangible asset under development and are reviewed at each reporting date to confirm that exploration drilling is still under way or work has been determined / under way to determine that the discovery is economically viable based on a range of technical & commercial considerations and for establishing development plans and timing, sufficient / reasonable progress is being made. If no future activity is planned on reasonable grounds / timeframes, Intangible asset under development and property acquisition cost is written off. Upon start of production from field and recognition of proved reserves, cost carried as intangible asset under development/capital work in progress is transferred to producing asset.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Estimation of Oil and Gas Reserves

The estimation of oil and gas reserves is key factor in the accounting for oil and gas producing activities. Oil and gas reserves are estimated by analysis of geosciences and engineering data. Production pattern analysis, number of additional wells to be completed, application of recovery techniques, validity of mining lease agreements, etc. influence the estimation of reserves. Unit-of-production method of depreciation, depletion and amortization charges are principally measured based on management's estimates of proved and proved developed oil and gas reserves.

Provision for decommissioning

Asset retirement obligations, which result from a legal or constructive obligation, are recognized based on a reasonable estimate in the period in which the obligation arises. This estimate is based on information available in terms of costs and work program. It will be regularly reviewed to take into account the changes in laws and regulations, the estimated useful life of fields based on proved and probable oil and gas reserves and current production off-take, the analysis of site conditions and technologies. Decommissioning Liability provision may differ due to changes in the aforesaid factors.

Income Taxes

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The fair value less costs of disposal calculation is based on available data of transactions conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset.

The value in use calculation is based on a DCF model. The cash flows are derived from the budget/projections for the future years. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to Exploration and evaluation assets and Intangibles assets recognised by the Company.

Impairment of financial assets

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also refer Note 30 for further disclosures of estimates and assumptions.

4 NEW STANDARDS/ AMENDMENTS

Standards effective for period beginning on or after 1 April 2025

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

4.1 Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Company's financial statements

4.2 Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments will not have an impact on the classification of Company's liabilities.

4.3 Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments do not have a material impact on the Company's financial statements

4.4 International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

• A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
• Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.

Standards notified but not yet effective

The amendments to the standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these amendments to the standards, when they become effective.

4.5 Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants and Ind AS 10 Events after the Reporting Period

Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver—granted before the financial statements were approved for issue—of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event (Refer note 4.2).

For annual reporting periods beginning on or after 1 April 2026, any breach of a covenant—whether material or immaterial—occurring on or before the reporting date will, in accordance with Ind AS 1, require the related liability to be classified as current, unless the lender has granted a waiver of the breach on or before the reporting date and has agreed not to demand repayment for at least 12 months after the reporting date as a consequence of the breach. Such a waiver shall be treated as an adjusting event.

The amendments are effective for annual reporting periods beginning on or after 1 April 2026 retrospectively in accordance with Ind AS 8.

(All amounts in INR Lakhs unless stated otherwise)

5(a) Property, plant and equipment

Particulars	Oil and Gas assets	Buildings	Plant and equipment	Computer equipments	Total
Cost or valuation					
As at April 1, 2024	4,030.36	-		-	4,030.36
Additions	93.18	-		-	93.18
As at March 31, 2025	**4,123.54**	-		-	**4,123.54**
Additions	-	43.10	0.61	0.16	43.87
Disposals/ adjustments	-	-	-	-	-
Changes during the year	(43.12)	-	-	-	(43.12)
As at March 31, 2026	**4,080.42**	**43.10**	**0.61**	**0.16**	**4,124.29**
Accumulated depletion and depreciation					
As at April 1, 2024	-	-	-	-	-
Depreciation for the year	-	-	-	-	-
As at March 31, 2025	-	-	-	-	-
Depletion and depreciation for the year	19.34	1.10	0.02	0.01	20.47
Disposals/ adjustments	-	-		-	-
As at March 31, 2026	**19.34**	**1.10**	**0.02**	**0.01**	**20.47**
Net Block					
As at March 31, 2026	**4,061.08**	**42.00**	**0.59**	**0.15**	**4,103.82**
As at March 31, 2025	**4,123.54**	-		-	**4,123.54**

5(b) Capital work-in-progress

Particulars	Oil and Gas assets	Construction work in progress-Tangible assets	Capital stores	Total
As at April 1, 2024				
Additions	46.59	-	-	46.59
As at March 31, 2025	**46.59**	-	-	**46.59**
Additions	-	1.93	47.13	49.06
Change during the year	(21.56)	-	-	(21.56)
As at March 31, 2026	**25.03**	**1.93**	**47.13**	**74.09**

Capital work in progress (CWIP) ageing Schedule

As at March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	49.06	25.03	-	-	74.09
Projects temporarily suspended	-	-	-	-	-
Total	**49.06**	**25.03**	-	-	**74.09**

As at March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	46.59	-	-	-	46.59
Projects temporarily suspended	-	-	-	-	-
Total	**46.59**	-	-	-	**46.59**

(i) None of the projects mentioned in Capital work in progress have exceeded its cost as compared to the original plan.
(ii) As on March 31, 2026 and March 31, 2025, there are no such projects where completion is overdue.

6 Other non-current financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Carried at amortised cost		
(Unsecured, considered good)		
Security deposit - Petroleum Mining Lease (PML)	3.64	3.40
Security deposit with Gandhinagar Treasury Office	0.25	-
Total	**3.89**	**3.40**

7 Other non current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Others	7.19	-
Prepaid expenses	3.80	4.14
Total	**10.99**	**4.14**

8 Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Finished products (crude oil)	12.33	-
Stores, spares etc.*	73.87	-
Total	**86.20**	-

The Company has neither pledged nor otherwise given as security any of its inventories against liabilities/ borrowings as the end of the current year of the previous year.

*Stores and spares amounting to INR 73.87 lakhs were written back through the Statement of Profit and Loss for the year ended March 31, 2026. Consequently, the impact of this write-back has not been considered in the (increase)/decrease in stock of crude oil in the Statement of Profit and Loss for the current year.

9

9(a) Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Carried at amortised cost		
Trade receivables	-	-
Less: Impairment allowance (allowance for doubtful debts)	-	-
Total receivables	-	-

9(b) Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Carried at amortised cost		
Balances with banks		
on current accounts	304.55	49.94
Cash on hand	0.25	-
Total	**304.80**	**49.94**

(All amounts in INR Lakhs unless stated otherwise)

9(c) Change in liabilities arising from financing activities and non cash financing and investing activities

Particulars	As at April 1, 2025	Cash flows	Changes in fair values	Others	As at March 31, 2026
Non current - Borrowings	16,355.72	867.40	-	1,368.59	18,591.71
Total	**16,355.72**	**867.40**	**-**	**1,368.59**	**18,591.71**

Particulars	As at April 1, 2024	Cash flows	Changes in fair values	Others	As at March 31, 2025
Non current - Borrowings	-	15,192.25	-	1,163.47	16,355.72
Total	**-**	**15,192.25**	**-**	**1,163.47**	**16,355.72**

The ‘Others’ column includes the effect of accrued but not yet paid interest on borrowings and tax deducted on source on such interest accrued.

(All amounts in INR Lakhs unless stated otherwise)

9(d) Other current financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Carried at amortised cost		
(Unsecured, considered good)		
Security deposits		
For License	4.00	4.00
Total	**4.00**	**4.00**

10 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Prepaid expenses	12.19	3.48
Other advances	3.83	-
Total	**16.02**	**3.48**

(All amounts in INR Lakhs unless stated otherwise)

11 Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Share Capital		
6,82,50,000 equity shares of INR 10/- each (March 31, 2025: 6,82,50,000)	6,825.00	6,825.00
Issued capital		
1,00,000 equity shares of INR 10 Each (March 31, 2025: 1,00,000)	10.00	10.00
Subscribed and fully paid-up		
1,00,000 equity shares of INR 10 Each (March 31, 2025: 1,00,000)	10.00	10.00
Total	**10.00**	**10.00**

Terms/rights attached to equity shares

The company has one class of share referred to as equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share and dividend per share as may be declared/proposed by the Board of Directors.

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

(i) Reconciliation of ordinary shares outstanding at the beginning and at the end of the year (expressed in absolute numbers)

Particulars	As at March 31, 2026	As at March 31, 2025
Equity shares subscribed	**Number of shares**	**Number of shares**
As at beginning of the year	100,000	62,630,000
Add: additions during the year	-	100,000
Less: cancellation of shares on account of approved resolution plan	-	(62,630,000)
At the end of the year	**100,000**	**100,000**

*During the year ended March 31, 2025, in accordance with the approved resolution plan, the Company has issued and allotted 1,00,000 equity shares of INR 10/- each share to Indian Oil Corporation Limited. In accordance with the approved resolution plan, 6,26,30,000 equity shares belonging to erstwhile promoters of the Company stands cancelled and extinguished.

(ii) Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding company and its nominees are as below:

Particulars	As at March 31, 2026	As at March 31, 2025
	Number of shares	**Number of shares**
Indian Oil Corporation Limited (and its nominees)	100,000	100,000

(iii) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of INR 10 each fully paid				
Indian Oil Corporation Limited (and its nominees)	100,000	100%	100,000	100%

(All amounts in INR Lakhs unless stated otherwise)

12 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Reserves and surplus		
Retained earnings	(44,951.46)	(42,326.75)
Capital reserve	37,352.05	37,352.05
Total	**(7,599.41)**	**(4,974.70)**

Reconciliation of other equity

(a) Retained earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	(42,326.75)	(48,367.65)
Profit/(loss) for the year	(2,624.71)	6,040.90
Closing balance (C)	**(44,951.46)**	**(42,326.75)**

(b) Capital reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	37,352.05	(1,838.89)
Created/(used) during the year	-	39,083.62
Transfers	-	107.32
Closing balance	**37,352.05**	**37,352.05**

(c) Capital contribution by holding company

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	-	107.32
Transfers	-	(107.32)
Closing balance	-	-

Nature and purpose of reserves:

Retained earnings

Retained earnings is used to represent the accumulated net earnings/(loss) of the company after accounting for dividends or other distributions to the investors of the Company as per the provisions of the Companies Act, 2013.

Capital reserve

Capital reserve was created on account of write off of assets and write back of the liabilities by giving the effect of NCLT order dated November 02,2023.

13 Non-current financial liabilities

13(a) Borrowings (carried at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
From related parties		
Indian Oil Corporation Limited	18,591.71	16,355.72
Total	**18,591.71**	**16,355.72**

The Company has entered into a Loan agreement with Indian Oil Corporation Limited ("IOCL" or "Parent Company"), whereby IOCL has agreed to lend INR 22,190 lakhs to the Company. As at March 31, 2026, INR 16,059.65 (March 31, 2025: INR 15,192.25) lakhs has been disbursed. The loan is repayable in 8 equal instalments within a period of 12 years from first drawdown date.

The average effective interest rate for the loan as on March 31, 2026 is 8.85% p.a. (March 31, 2025: 8.53% p.a.) and the contractual interest rate is based on State Bank of India's 1 year marginal cost of fund rate plus 0.35%. The interest rate is reset every year. The first reset/change took place on the date of expiry of one year from the date of first drawdown of loan. The contractual interest rate as on March 31, 2026 is 9.35% p.a. (March 31, 2025: 9.00% p.a.).

The interest payment is not due until the earlier of:
i. the date of adoption of audited financial statements of the Company by its Board of Directors wherein the cumulative profits of the Company after tax (excluding interest) is sufficient to fully discharge the interest related obligations; or
ii. the date falling after expiry of three years on and from the date of first drawdown of loan.
The first instalment towards the principal portion is due after a period of one year from the date of payment of interest calculated basis the above-mentioned timelines/criteria.

The loan has been availed for the purpose of making payments envisaged under the resolution plan and for running the operations of the Company.

13(b) Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
(Carried at amortised cost)		
Security deposit received	3.94	-
Total	**3.94**	**-**

14 Provisions (non current)

Particulars	As at March 31, 2026	As at March 31, 2025
Decommissioning liability	101.47	152.36
Other provisions	13.02	-
Total	**114.49**	**152.36**

15 Other non current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred income	0.47	-
Total	**0.47**	**-**

(All amounts in INR Lakhs unless stated otherwise)

16 Current financial liabilities

16(a) Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	76.97	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	181.04	228.46
Dues to related parties	37.86	21.96
Total	**295.87**	**250.42**

-Trade payables are non-interest bearing and are normally settled in around 30 to 120 days terms.
-For explanation on company's credit risk management process refer note 31

Note on Micro, Small and Medium Enterprises (MSME)

The Company has certain dues to Micro, Small and Medium Enterprises (MSMEs) as defined under the Micro, Small and Medium Enterprises Development Act, 2006, based on the information available with the Company regarding the status of the suppliers. The disclosure pursuant to Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end		
- Principal amount due to micro and small enterprises	76.97	-
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Trade payables ageing schedule

As at March 31, 2026

Particulars	Unbilled Due	Less than 1 year	1-2 years	2-3 years	More than 3 years
Undisputed dues of micro enterprises and small enterprises	76.97	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	216.46	2.44	-	-	-
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	293.43	2.44	-	-	-

As at March 31, 2025

Particulars	Unbilled Due	Less than 1 year	1-2 years	2-3 years	More than 3 years
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	39.25	211.17	-	-	-
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	39.25	211.17	-	-	-

(All amounts in INR Lakhs unless stated otherwise)

16(b) Other financial liabilities (current)

Particulars	As at March 31, 2026	As at March 31, 2025
(carried at amortised cost)		
Security deposit received	5.23	-
Retention	4.07	
Total	**9.30**	-

17 Provisions (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Decommissioning liability	168.10	654.84
Total	**168.10**	**654.84**

Decommissioning liability

A provision has been recognised for decommissioning costs associated with the wells. The Company is committed to decommissioning the site as a result of the of the surveying, prospecting, drilling, exploring, acquiring, developing, and producing of petroleum and petroleum products. The decommissioning is expected to be completed by June 26, 2038.

In compliance of Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under :

Particulars	Decommissioning liability	Other provisions
As at April 1, 2025	807.20	-
Additions during the year	-	13.02
Utilisations during the year	282.60	-
Reversals during the year	268.82	-
Unwinding of discount and changes in discount rate	13.79	-
As at March 31, 2026	**269.57**	**13.02**
Classified as		
Non current (refer note 14)	101.47	13.02
Current	168.10	-
	269.57	**13.02**

Particulars	Decommissioning liability	Other provisions
As at April 1, 2024	-	-
Additions during the year	794.62	-
Utilisations during the year	-	-
Reversals during the year	-	-
Unwinding of discount and changes in discount rate	12.58	-
As at March 31, 2025	**807.20**	-
Classified as		
Non current (refer note 14)	152.36	-
Current	654.84	-
	807.20	-

18 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities	439.93	16.12
Deferred income	0.14	-
Total	**440.07**	**16.12**

(All amounts in INR Lakhs unless stated otherwise)

19 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of crude oil	479.91	-
Less: Profit petroleum/revenue share to Government of India	(299.33)	-
Net Sales	**180.58**	**-**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The transfer of control on sale of crude oil and natural gas occurs at the point of delivery, where usually the title is passed and the customer takes physical possession, depending upon the contractual conditions.

Revenue from the sale of crude oil, condensate and natural gas is recognised net of profit petroleum payable to the Government of India. Central Sales Tax (CST) is not received by the Company on its own account. Rather, it is tax collected on value added to the product by the seller on behalf of the government. Accordingly, it is excluded from revenue.

20 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on bank deposits	-	-
Liabilities written back	204.14	-
Interest income on security deposit	0.24	0.21
Write back of spares	121.00	-
Miscellaneous income	0.16	-
Total	**325.54**	**0.21**

21 (Increase)/decrease in inventories of crude oil

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Finished products		
Opening stock	-	-
Less: closing stock	12.33	-
Changes in inventories of finished goods	**(12.33)**	**-**

22 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest payments on financial items		
Interest on borrowings	1,520.66	1,163.47
Interest on non financial items		
Interest on statutory dues	10.11	0.24
Unwinding of decommissioning liability	13.79	12.58
Other borrowing costs	0.16	-
Total	**1,544.72**	**1,176.29**

23 Abandonment and decommissioning expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Abandonment and decommissioning expenses	-	654.84
Total	**-**	**654.84**

24 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent	238.43	209.83
Dead rent/lease rent expense	4.62	2.39
Outsourced manpower expenses	239.91	21.96
Legal & professional charges	34.31	58.52
Civil maintenance	20.09	-
Royalty	74.86	-
Production related expenses	87.86	-
Inspection and other ancillary charges	9.01	-
Effluent treatment expenses	27.70	
Security charges	20.03	33.04
Travelling expense	10.49	-
Wellhead inspection services	6.16	-
Rates and taxes	2.35	3.31
Auditor remuneration	0.59	0.59
Bank charges	0.08	0.12
Insurance charges	0.17	27.41
Penalty on statutory dues	-	0.08
Miscellaneous expenses	2.36	0.60
Total	**779.02**	**357.85**

***Payment to auditors**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
For statutory audit	0.59	0.59

25 Earnings per equity share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following data reflects the inputs to calculation of basic and diluted EPS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total operations for the year		
Profit/(Loss) after tax in INR lakhs	(2,624.71)	6,040.90
Profit/(Loss) for calculation of basic and diluted EPS	**(2,624.71)**	**6,040.90**
Weighted average number of equity shares for basic EPS	100,000	7,980,493.15
Weighted average number of equity shares adjusted for the effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS	**100,000**	**7,980,493.15**
Earnings per equity share:		
Basic	(2,624.71)	75.70
Diluted	(2,624.71)	75.70

26 Deferred tax asset (net)

26(a) The item wise details of Deferred tax asset (net)

Particulars	As at April 1, 2025	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Recognised in other equity	As at March 31, 2026
Deferred tax asset					
Unused tax losses	8,675.11	(515.41)	-	-	8159.70
Provisions	235.06	(156.56)	-	-	78.50
Interest payable	89.86	(84.53)	-	-	5.33
Deferred tax liability					
Property, plant and equipment	(770.35)	(42.45)	-	-	(812.80)
Deferred tax asset (net)	**8,229.67**	**(798.95)**	-	-	**7,430.73**

Particulars	As at April 1, 2024	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Recognised in other equity	As at March 31, 2025
Deferred tax asset					
Unused tax losses	-	8,675.11	-	-	8675.11
Provisions	-	235.06	-	-	235.06
Interest payable	-	89.86	-	-	89.86
Deferred tax liability					
Property, plant and equipment	-	(770.35)	-	-	(770.35)
Deferred tax asset (net)	-	**8,229.67**	-	-	**8,229.67**

26(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	%	(₹ in lakhs)	%	(₹ in lakhs)
Loss before tax		(1,825.76)		(2,188.77)
Tax as per applicable tax rate	29.12%	**(531.66)**	29.12%	(637.37)
Adjustments in respect of current income tax				
Expenses that are not deductible in determining taxable profit		2.97		1.09
Variation in allowance/disallowances considered		106.69		-
DTL on Property plant and equipment not recognised earlier		-		651.30
Tax impact of liabilities written back		-		67.71
*Deferred tax asset (recognised)/derecognised on unused tax losses		1,220.95		(8,312.40)
Income tax expense/(credit)		798.95		(8,229.67)

*Deferred tax on unused tax losses was not recorded in earlier years as the Company was under insolvency resolution process. The management based on the resolution plan submitted by the holding company and future projections believes that future taxable profit will be available against which these unused tax losses will be utilised.

26(c) Deferred tax asset has not been recognised on the following items, because it is not probable that future taxable profits will be available against which the Company can use the benefits thereon

Particulars	Gross amount	Unrecognised tax effect	Expiry date
Tax losses related to			
Financial Year 2018-19	437.65	127.44	March 31, 2027
Financial Year 2019-20	1,222.20	355.91	March 31, 2028
Financial Year 2023-24	4,940.65	1,438.72	March 31, 2032

27 Related party transactions

As at March 31, 2026	
Nature of relationship	**Name of entity/personnel**
Holding company (where control exists)	Mercator Limited and Mercator Energy Pte Ltd (Till 15th May 2024)
	Indian Oil Corporation Limited (w.e.f. 16th May 2024)
Key Managerial personnel	Gurram Vishwanath Reddy

Note: The name of the related parties and the nature of relationship are as identified by the management.

Details of balances and transactions during the year with related parties

Account head	Name of entity	Nature of relationship	Year ended March 31, 2026	Year ended March 31, 2025
Transactions:				
Share capital issued	Indian Oil Corporation Limited	Holding company	-	10.00
Unsecured- loan received	Indian Oil Corporation Limited	Holding company	867.40	15,192.25
Interest on loan	Indian Oil Corporation Limited	Holding company	1,520.66	1,163.47
Outsourced manpower expenses*	Indian Oil Corporation Limited	Holding company	239.91	21.96

Account head	Name of entity	Nature of relationship	As at March 31, 2026	As at March 31, 2025
Balances:				
Trade payables	Indian Oil Corporation Limited	Holding Company	37.86	21.96
Unsecured- loan	Indian Oil Corporation Limited	Holding Company	18,591.71	16,355.72

*Of the total outsourced manpower expenses reported above, an amount of ₹52.71 lakhs (March 31, 2025: ₹4.89 lakhs) pertains to remuneration of key managerial personnel.

28 Segment information

The Company is engaged in a single segment i.e., "surveying, prospecting, drilling, exploring, acquiring, developing, and producing of petroleum and petroleum products" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

The Company operates within India and does not have operations outside India.

29 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013 as applicable, there is no amount necessary to be spent by the company on CSR activities for the year ended March 31, 2026 and March 31, 2025.

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(All amounts in INR Lakhs unless stated otherwise)

30 Fair Value Measurement

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The following methods, assumptions and valuation techniques were used to estimate the fair values:

a) The fair value of investments in equity share and mutual funds is calculated by using the quoted market prices in active markets as on reporting date.
b) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
c) Financial assets and liabilities with variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. The fair value of long-term interest based borrowings is considered the same as the carrying amount due to the liabilities being measured at amortised cost using effective interest rate method.

d) The security deposits have been fair valued by applying discounted cash flow method using a discount rate representative of the company's incremental borrowing rate.

e) The fair value of short term financial assets and liabilities are considered same as their carrying amount due to their short term maturities.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's assets and liabilities, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Fair value hierarchy	Fair Value		Carrying value	
		As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Financial assets					
At amortised Cost					
(i) Cash and bank balances	Level 3	304.80	49.94	304.80	49.94
(ii) Other financial assets	Level 3	7.89	8.14	7.89	8.14
Financial liabilities					
At amortised Cost					
(i) Borrowings	Level 3	18,591.71	16,399.15	18,591.71	16,355.72
(ii) Trade payables	Level 3	295.87	250.42	295.87	250.42
(iii) Other financial liabilities	Level 3	13.24	-	13.24	-

Fair Value Hierarchy
This section explains the judgements and estimates made in determining the fair values of the assets and liabilities that are recognised and measured at fair value or amortised cost 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 as per Ind AS 113 "Fair Value Measurement".

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

There have been no transfers among level 1 and level 2 during the year.

The carrying amounts of trade receivables, cash and bank balances, loans, short term borrowings, trade payables and other current financial assets and liabilities are considered to be the same as fair value due to their short term maturities.

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(All amounts in INR Lakhs unless stated otherwise)

31 Financial risk management objectives and policies

The Company's principal financial liabilities comprises borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes security deposits and cash and cash equivalents that derive directly from its operations. The Company is exposed to liquidity risk and market risk that are summarised as under. The Board of Directors reviews and agrees policies for managing each of these risks.

Nature	Exposure arising from	Measurement	Risk mitigation
Liquidity risk	Borrowings, trade payables and other financial liabilities	Annual Projected Cash Flow with periodic review	Availability of committed credit lines and borrowing facilities
Market Risk			
Interest rate risk	Term loan having variable interest rate	Sensitivity analysis	The company monitors interest rate movements and resulting fluctuation risk, borrowings and cash flow forecasts on an ongoing
Commodity price Risk	Change in prices of crude oil and natural gas	Sensitivity analysis	The company monitors price movements/fluctuations on an ongoing basis.

(a) Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Carrying Amount	Maturity Profile of Financial Liabilities			
		Within 1 year	Between 1 and 5 years	More than 5 years	Total
As at March 31, 2026					
Loans from related parties (including interest accrued)	18,591.71	-	15,142.28	12,029.44	27,171.72
Trade payables	295.87	295.87	-	-	295.87
As at March 31, 2025					
Loans from related parties (including interest accrued)	16,355.72	-	14,162.26	11,309.18	25,471.43
Trade payables	250.42	250.42	-	-	250.42

The Company had access to the following undrawn borrowing facilities at the end of each reporting date:

Particulars	As at March 31, 2026	As at March 31, 2025
Floating rate		
Long-term borrowings	6,130.35	6,997.75
	6,130.35	**6,997.75**

(b) 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 exchange risk, interest rate risk and other price risk, such as equity price risk and commodity price risk. Company is exposed to market risk on account of interest bearing borrowings, foreign currency borrowings, equity and mutual fund investments and raw material prices.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings.

Interest rate risk sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in interest rate with all other variables held constant. The impact on the Company's profit before tax due to changes in the interest rates on variable rate portion of loans & borrowings is given below.

Particulars	As at March 31, 2026	As at March 31, 2025
Impact on profit before tax due to change in Interest Rat		
Increase by 0.5%	(80.30)	(75.96)
Decrease by 0.5%	80.30	75.96

(ii) Commodity price risk

The Company is exposed to the risk of fluctuations in prevailing market commodity prices on the mix of oil and gas products it produces. The Company continuously monitors market conditions and evaluates its exposure to crude oil price fluctuations.

(All amounts in INR Lakhs unless stated otherwise)

32 Capital management

The primary objective of the Company's capital management is to maximise the shareholder value. Capital includes issued equity capital, share premium and all other equity reserves, attributable to the equity shareholders, for the purpose of the Company's capital management.
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.
The Company monitors capital using debt equity ratio, which is borrowings divided by Equity.

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings (including current maturities)	**18,591.71**	**16,355.72**
Equity share capital	10.00	10.00
Reserves and surplus	(7,599.41)	(4,974.70)
Equity	**(7,589.41)**	**(4,964.70)**
Debt equity ratio*	**NA**	**NA**

*As on Mar 31, 2026 and March 31, 2025, the equity is negative . Accordingly, debt equity ratio has not been disclosed.

33 In compliance of revised guidance note on accounting for oil and gas producing activities, the required disclosures in respect of reserves are as under:

Net proved reserves of crude oil, condensate, natural gas liquids and gas:

Particulars		As at March 31, 2026		As at March 31, 2025	
		Crude oil, condensate, NGLs	Natural gas	Crude oil, condensate, NGLs	Natural gas
		TMT	Million cubic meter	TMT	Million cubic meter
A) Proved reserves					
CB-ONN-2005/9	Beginning	468.25	16.85	468.25	16.85
(Gujarat, India)	Addition	-	-	-	-
	Deduction	-	-	-	-
	Production	1.11	0.00	-	-
	Balance	**467.14**	**16.85**	**468.25**	**16.85**
Total proved reserves		**467.14**	**16.85**	**468.25**	**16.85**
B) Proved developed Reserves					
CB-ONN-2005/9	Beginning	230.49	8.29	230.49	8.29
(Gujarat, India)	Addition	-	-	-	-
	Deduction	-	-	-	-
	Production	1.11	0.00	-	-
	Balance	**229.38**	**8.29**	**230.49**	**8.29**
Total proved developed reserves		**229.38**	**8.29**	**230.49**	**8.29**

(This space has been left blank intentionally)

(All amounts in INR Lakhs unless stated otherwise)

34 Ratio Analysis and its elements

Ratio	Numerator	Denominator	31-Mar-26	31-Mar-25	Change %	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.45	0.06	622.11%	Refer note (a) below
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA	(0.03)	0.00%	Refer note (b) below
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Average working capital	(0.26)	-	NA	Refer (c) below
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	(14.53)	-	NA	Refer (c) below

Reason for change more than 25%:

(a) Variance is mainly on account of production activities started during the current year which resulted in increase in cash and cash equivalents and inventory as on March 31, 2026.
(b) During the year ended March 31, 2025, repayment of borrowings and interest was made as per the resolution plan. However, no such interest payment was there during the year ended March 31, 2026.
(c) In the absence of any production/sales during the year ended March 31, 2025, the comparatives have not been disclosed.

35 Commitments and contingent liabilities

(a) Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	128.70	-

(b) The Company had no contingent liabilities as at March 31, 2026 and March 31, 2025

36 Other Statutory Information

(i) The company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

(iii) The company do not have any transactions with companies struck off.

(iv) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The company does not have any such transaction which are not recorded in the books of accounts which have 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.

(vii) The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(viii) The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(ix) No layers of companies have been established beyond the limit prescribed as per above said section / rules.

37 The figures for the previous year have been re-classified/re-grouped, wherever necessary, to correspond with the current year's classification/disclosure.

As per our report of even date
For Hitesh Shah & Associates
Firm Registration No.:103716W

Hiteshkumar Manharlal Shah
Digitally signed by Hiteshkumar Manharlal Shah

Hitesh Shah
Partner
Membership No.: 040999
Place: Mumbai
Date: April 22, 2026

For and on behalf of the Board of Directors of
Indianoil Upstream Ventures Limited
(formerly Mercator Petroleum Limited)

G. Vishwanath Reddy

Ajay Kumar Tiwari
Chairman and Director
DIN:11033422
Place: Delhi
Date: April 22, 2026

Puneet Jindal
Director
DIN: 11261723
Place: Delhi
Date: April 22, 2026

Gurram Vishwanath Reddy
Chief Executive Officer
Place: Delhi
Date: April 22, 2026