

KLL

Konkan LNG Limited

(A wholly owned subsidiary of GAIL (India) Limited)



Now a
**Wholly Owned
Subsidiary of
GAIL (India) Limited**

Stronger Together.
Growing Responsibly.

ANNUAL REPORT 2025-26

Building a Stronger Future
Delivering Cleaner Energy



United Strength.
Shared Vision.
One Future.

KLL
TRUCK LOADING FACILITY
CLEAN ENERGY. GREENER TOMORROW.



SAFE



SUSTAINABLE



RELIABLE



RESPONSIBLE

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VISION & MISSION

VISION STATEMENT

To become a significant global player in the LNG value chain, committed to meeting the nation's clean energy needs



MISSION STATEMENT

Making clean energy available to the nation by operating LNG facilities in efficient, sustainable & environment-friendly manner and striving towards excellence & new opportunities for creating maximum value for stakeholders.



CORE VALUES



Transparency, Integrity & Ethics

We emphasize for transparency, fairness, & ethical practices in all our business activities so as to create an environment of trust & respect. We consistently seek to exhibit highest level of integrity at personal as well as institutional level.



Safety & Responsibility in action

We always give top most priority to safety & health for our workmen & surrounding communities while taking care of the need of protecting environment.



Excellence & Innovation

We create an environment of excellence & innovation at work.



Value Stakeholders

We respect the interest & rights of all stakeholders in the organization.



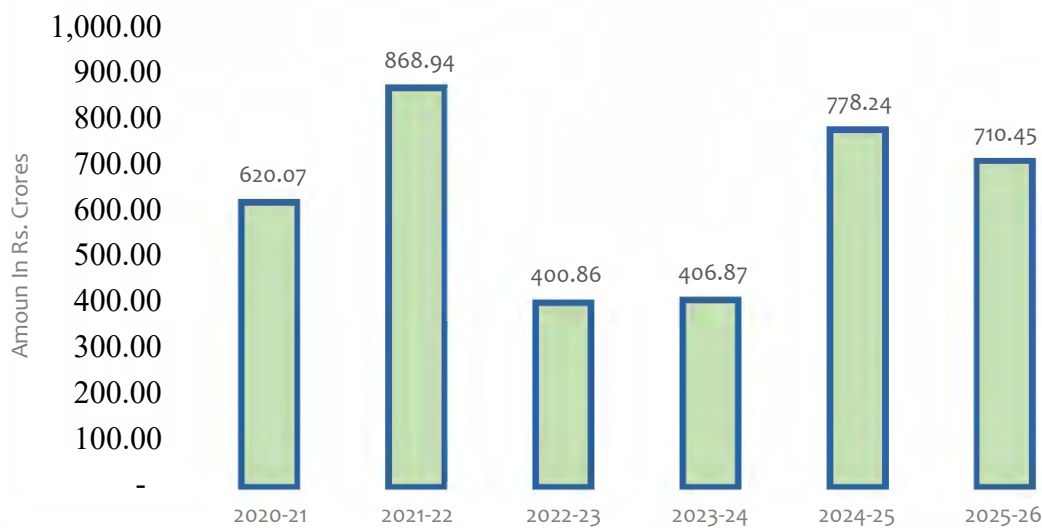
OPERATIONAL PERFORMANCE

Financial Year	No. of LNG Cargoes Unloaded	MMBTUs Re-gasified
2021-22	37	12,32,19,709
2022-23	19	5,70,87,767
2023-24	17	6,14,15,684
2024-25	21	6,73,34,234
2025-26	23	8,47,44,510.681

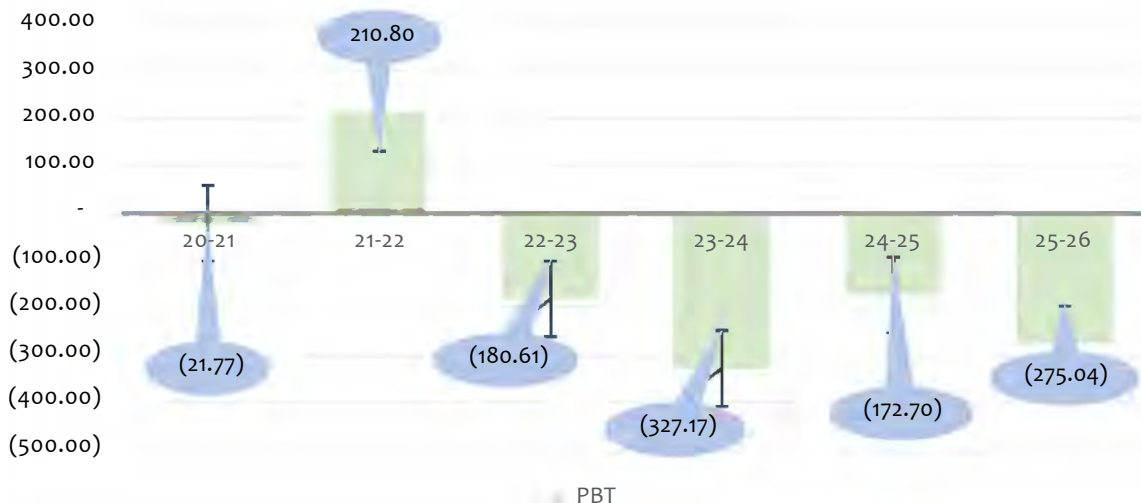


FINANCIAL PERFORMANCE

REVENUE FROM OPERATION (Rs in Crores)



PROFIT BEFORE TAX (Rs in Crores)



BOARD MEMBERS



Shri Sanjay Kumar, Chairman
(DIN – 08346704)
w.e.f 02.11.2023



Shri A K Tripathi
Director, GAIL
(DIN – 08531893)
w.e.f 01.02.2025



Shri Prasoon Kumar
Director, GAIL
(DIN 08165637)
w.e.f 01.02.2025



Shri Pankaj Bhutani
Director, GAIL
(DIN – 11193276)
w.e.f 14.07.2025



Smt. Seema Rani
Director, GAIL
(DIN – 11796954)
w.e.f 01.09.2026



Shri Yogesh Madhukar Gadkari
Director, MSEB
(DIN – 09629803)
w.e.f 13.08.2025

OTHER BOARD MEMBERS (During FY 2025-26)



Shri Sashi Menon
Director
(DIN – 09160448)
(28.04.2021 till 30.06.2025)



Smt. Jyoti Dua
Director
(DIN - 06904550)
(09.05.2023 – 31.08.2026)

KEY MANAGERIAL PERSONNEL

CHIEF EXECUTIVE OFFICER

- Shri Rajesh (w.e.f 16.04.2025)
- *Shri Tony Mathew (30.04.2022 till 16.04.2025)*

CHIEF FINANCIAL OFFICER

- Shri Amit Sharma (w.e.f 26.07.2025)
- *Shri D B Thakur (02.08.2021 till 26.07.2025)*

COMPANY SECRETARY

- Ms. Nidhi Gola (w.e.f 04.08.2020)

STATUTORY COMMITTEES

AUDIT COMMITTEE

1. Shri A K Tripathi, Chairman (w.e.f 01.07.2025)
2. Shri Pankaj Bhutani, Member (w.e.f 14.07.2025)
3. Smt. Seema Rani, Member (w.e.f. 01.09.2026)

Shri Sashi Menon, Chairman (02.08.2021 till 30.06.2025)

Shri Prasoon Kumar, Member (01.07.2025 till 13.07.2025)

Smt. Jyoti Dua, Member (09.05.2023 till 31.08.2026)

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

1. Shri A K Tripathi, Chairman (w.e.f 01.07.2025)
2. Shri Prasoon Kumar, Member (w.e.f 01.02.2025)
3. Shri Pankaj Bhutani, Member (w.e.f 01.09.2026)

Shri Sashi Menon, Chairman (09.05.2023 till 30.06.2025)

Smt. Jyoti Dua, Member (09.05.2023 till 31.08.2026)

REMUNERATION COMMITTEE

1. Shri A K Tripathi, Chairman (w.e.f 01.07.2025)
2. Shri Prasoon Kumar, Member (w.e.f 01.02.2025)
3. Smt. Seema Rani, Member (w.e.f. 01.09.2026)

Shri Sashi Menon, Chairman (01.02.2024 till 30.06.2025)

Smt. Jyoti Dua, Member (09.05.2023 till 31.08.2026)

OTHER INFORMATION

STATUTORY AUDITOR

M/s Sankpal Kulkarni & Associates

Add: Flat No. 101, 1st Floor, SAI-GURU Apartment, 1592,
E Ward, 5th Lane, Rajarampuri, Kolhapur 416008, Maharashtra
Ph: 0231-3590226
Mob: 9422581552
Email -ID : ans.skaca@gmail.com

COST AUDITOR

M/s. R.M. Bansal & Co., Cost Accountants

A-201 Twin Towers, Lakhanpur,
Kanpur – 208024
Mob: +91 8874341333
Email -ID : cmarmbansal11@gmail.com

SECRETARIAL AUDITOR

Agarwal S. & Associates, Company Secretaries

D-427, 2nd Floor, Ramphal Chowk,
Palam Extn, Sector 7, Dwarka, New Delhi-110075
Landline: 011-45052182
Website: www.sachinagarwal.in
Email -ID : sachin@companylawworld.com

INTERNAL AUDITOR

M/s. Bandyopadhyaya Bhaumik & Co, Cost Accountants

B-125, Chitta Ranjan Park, New Delhi-1100019
Ph: 011-40587177 , 9810538585 / 8287827749
Email -ID : bbhco.1994@gmail.com

REGISTRAR & SHARE TRANSFER AGENT (RTA)

179-180, DSIDC Shed, 3rd Floor
Okhla Industrial Area,
Phase – I
New Delhi – 110 020
Ph: 011-41406149/50/51
Website: www.mcsregistrars.com
Email-id: admin@mcsregistrars.com

NOTICE OF AGM





NOTICE

Notice is hereby given that 11th Annual General Meeting of the members of Konkan LNG Limited will be held on **Monday, 21st September, 2026 at 12:30 p.m.** at Tower- G (6th Floor Board Room) World Trade Centre (WTC), Nauroji Nagar, New Delhi New Delhi-110029, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements for the Financial Year ended 31st March, 2026, Board's Report, Independent Auditor's Report and the comments thereupon of Comptroller & Auditor General of India (C&AG) and to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT audited Financial Statements for the financial year ended 31st March, 2026; Board's Report; Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India be and are hereby received, considered and adopted.”

2. To appoint a director in place of Shri A K Tripathi (DIN-08531893), who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Shri A K Tripathi (DIN-08531893) be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions as an **Ordinary Resolution(s)**:

3. **To appoint Smt. Seema Rani (DIN-11796954) as a Director of the Company:**

“RESOLVED THAT pursuant to the provisions of Section 152, 161(1) and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, Smt. Seema Rani (DIN-11796954) who was nominated as a Director by GAIL (India) Limited and appointed as an Additional Director by the Board of Directors of the Company w.e.f. 01.09.2026 be and is hereby appointed as a Director of the Company liable to retire by rotation and on such terms and conditions (including extension), as may be determined by GAIL (India) Limited.”

4. **Ratification of Remuneration of Cost Auditors of the Company:**

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in



force), the remuneration payable to the Cost Auditor(s) appointed by the Board of Directors of the Company to conduct the audit of cost records of the units of the Company for the Financial Year 2025-26, amounting to. Rs. 1,56,600 /- plus applicable taxes and out of pocket expenses etc. be and is hereby ratified and confirmed.”

By order of the Board of Directors

SD/-

(Nidhi Gola)

Company Secretary

M. No. – ACS28525

Date:07.09.2026

Place: New Delhi

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING (PROXY FORM IS ANNEXED HEREWITH).**

Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxy(ies) lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing of the intention to inspect is given to the Company.

2. The following is annexed with the Notice:
 - i) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) read with Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (ICSI) and approved as such by Government of India in respect of the Special Business is annexed with the notice.
 - ii) Information pertaining to the Director(s) proposed for appointment as per Secretarial Standards on General Meetings issued by the ICSI is also forming part of Explanatory Statement. For the purpose of determination of the Committee positions, Membership/Chairmanship is reckoned considering Audit Committee and Stakeholders Relationship Committee only pertaining to Companies incorporated under the Companies Act, 2013.



3. As per the provisions of the Companies Act, 2013 Additional Director(s) of the Company are not liable to retire by rotation. Further as per the Article of Association (AOA) of the Company, Chairman of the Company is not liable to retire by rotation.
4. Documents referred in the accompanying Notice and Explanatory Statement thereto, are open for inspection by Members, at Registered Office of the Company during office hours i.e. between 11:00 a.m. and 1:00 p.m., on all working days, except Saturday(s)/Sunday(s)/Holiday(s) and other Holidays declared in the Company, till the date of AGM.
5. Corporate members intending to send their authorized representative(s) to attend the meeting are required to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting as stipulated in Section 113 of the Act.
6. Based on disclosures received from concerned Director(s), they are inter-se not related to each other and also with any Key Managerial Personnel (KMP) of the Company.
7. As per the provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Company may give notice etc. through electronic mode i.e. by e-mail as a text or as an attachment to e-mail or as a notification providing electronic link. The Notice of the General Meeting etc. is being sent by electronic mode to all the Members, whose email addresses are available with the Company, unless any Member has requested for a physical copy of the same.

Members who have not yet registered their e-mail id or who want to change their e-mail id are requested to approach their respective DP (for electronic holding) or Company (for physical holding), so as to receive all communications electronically including annual report, notices, circulars, etc. sent by the Company from time to time.

8. Pursuant to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company or any other company owned or controlled, directly or indirectly, by the Central Government is appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in pursuant to the provisions of Section 142 of the Companies Act, 2013, their remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in General Meeting may determine.

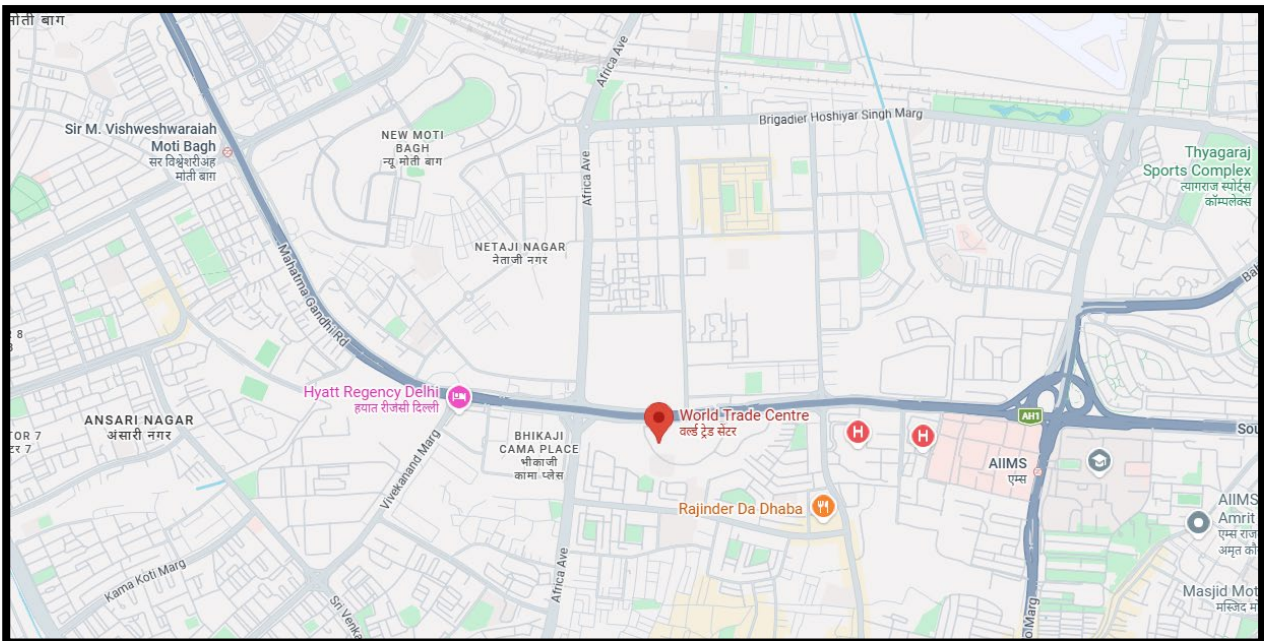
The Members of the Company, in their 4th Annual General Meeting held on 03.09.2019, authorised the Board of Directors to fix the remuneration of Statutory Auditors for the Financial Year 2019-20 and onwards from time to time. Accordingly, the Board of Directors in its 54th Board Meeting held on 12th September, 2022 fixed audit fee of Rs. 7,00,000/- (GST, TA/DA and out of pocket expenses extra as per actuals) for the Financial Year 2022-23.

9. The Company has been maintaining, inter alia, the following statutory registers:

- Register of Contracts or Arrangements in which directors are interested under section 189 of the Act.
- Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act.

In accordance with the MCA circulars, the said Registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.

10. Route Map to the venue of the Annual General Meeting is as mentioned below:





EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

ITEM NO. 3

GAIL (India) Limited (a Holding Company) vide its letter dated 19th June, 2026 nominated Smt. Seema Rani, GM(F&A–VIM)-GAIL as a Director(s) on the Board of the Company. She was appointed as an additional Director by the Board in its 90th Board Meeting held on 22nd July, 2026 as per the provisions of Section 161(1) and other applicable provisions of the Companies Act, 2013 up to the date of this Annual General Meeting. She has assumed the charge as a Director w.e.f 01.09.2026.

The Board recommends that Smt. Seema Rani may be appointed as a Director of the Company, liable to retire by rotation.

The provision of section 160(1) in respect of proposing the candidature along with deposit of Rs. One Lakh is not applicable.

Smt. Seema Rani is interested in this resolution to the extent of her appointment as a director.

None of the other Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO. 4

The Board of Directors of your Company approved the appointment and remuneration of M/s R M Bansal, Cost Accountants, Kanpur as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2025-26.

As per the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, the Members are requested to ratify the remuneration as approved by the Board, to the Cost Auditors during the financial year 2025-26 for the services rendered by them.

No Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.



BRIEF RESUME OF THE DIRECTORS, PROPOSED FOR APPOINTMENT/RE-APPOINTMENT AS PER SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2)

ITEM NO. 2

Shri A K Tripathi (57 years) is a versatile energy expert and result-driven business leader with B. Tech from IIT-BHU, MBA in HR and Marketing, bringing over 34 years of comprehensive experience in the oil & gas value chain and future energy sectors. His expertise spans over strategic planning, business development, project management, and implementation of large-scale pipeline projects, petrochemical, gas processing units & LNG terminal break water project.

He has demonstrated strong leadership in stakeholder management, NGG pipeline project execution & operations, petrochemical operations & maintenance, sustainability and risk management at GAIL. As a head of the project execution team he has executed around 3,200 km of pipeline projects across the length & breadth of the country.

He has also spearheaded the corporate strategy planning and advocacy function, securing Final Investment Decisions (FIDs) for key projects that positioned GAIL for sustained growth over the next decade.

Along with Konkan LNG Limited, he is currently serving as a Board member of Bengal Gas Company Ltd., Kolkata and South-East Asia Gas Pipeline Company Limited. Previously he also held Board positions at Bhagynagar Gas Ltd., Hyderabad.

He has also led the corporate strategy review exercise to integrate energy transition opportunities with GAIL's net-zero aspirations, driving the adoption of green hydrogen, compressed biogas, and renewable energy. Proven expertise in aligning corporate growth strategies with sustainable and innovative energy solutions, ensuring long-term value creation and industry leadership.

No. of Board meetings of the Company attended during FY 2025-26	10 out of 12
No. of Shares held in the Company (self and as a beneficial owner)	Nil
Inter-se with other Director(s) and KMP(s) of the Company	Nil

Directorship and Chairpersonship/Membership of the Committee(s) in other Companies

S. No.	Name of the Company	Name of the Committee	Position held
1	Bengal Gas Company Limited	--	--
2	South-East Asia Gas Pipeline Company Limited	--	--



ITEM NO. 3

Smt. Seema Rani, aged 57 years, is a distinguished finance professional and a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) in the year 1995. She graduated with a Bachelor of Commerce degree from Maharshi Dayanand University, Rohtak, in 1988.

She joined GAIL (India) Limited, a Government of India Maharatna Public Sector Undertaking, in 1996 and brings nearly three decades of extensive experience in the areas of finance, accounts, taxation, project finance, and financial management.

During her illustrious career at GAIL, Smt. Seema Rani has successfully handled a wide spectrum of financial functions across diverse business segments. She has led Project Finance for the Pipeline Segment and has been instrumental in areas such as capitalization of pipeline projects, asset accounting, City Gas Distribution (CGD) finance, Natural Gas billing, taxation, and financial management of petrochemical operations. She has also managed the billing and financial accounting of the Backwater Project of Konkan LNG, demonstrating her expertise in handling complex infrastructure and energy sector projects.

Presently, she serves as the Head of Department – Vendor Invoice Management at GAIL (India) Limited. In this capacity, she oversees the end-to-end vendor payment processes for GAIL as well as its wholly owned subsidiaries, GAIL Gas Limited and GAIL Mangalore Petrochemicals Limited, ensuring efficient financial operations, robust internal controls, and timely settlement of vendor obligations.

No. of Board meetings of the Company attended during FY 2025-26	NA
No. of Shares held in the Company (self and as a beneficial owner)	Nil
Inter-se with other Director(s) and KMP(s) of the Company	Nil

Directorship and Chairpersonship/Membership of the Committee(s) in other Companies

S. No.	Name of the Company	Name of the Committee	Position held
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**KONKAN LNG LIMITED****Registered Office:** 16, Bhikaiji Cama Place, R.K. Puram, New Delhi – 110066**CIN:** U11100DL2015GOI288147, **Website:** www.konkanlng.in, **E-mail:** nidhigola@gail.co.in**Tel.:** 0120-2424375**Proxy Form****Name of the shareholder(s):****Folio No./DP ID & Client ID:****Registered address:****E-mail ID:**

I/We, being the member(s) of shares of the Konkan LNG Limited, hereby appoint:

1)ofhaving e-mail idor failing him and whose signature(s) are appended below, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 11th Annual General Meeting of the Company to be held **Monday, 21st September, 2026 at 12:30 p.m.** at the registered office of the Company at Tower- G (6th Floor Board Room) World Trade Centre (WTC), Nauroji Nagar, New Delhi New Delhi-110029 and at any adjournment thereof in respect of such resolutions as are indicated below:

FOR AND AGAINST VOTING THEREON IN RESPECT OF EACH RESOLUTIONS AS ARE INDICATED BELOW:			
S. No.	Resolution	Vote	
		For	Against
ORDINARY BUSINESS			
1	Adoption of audited Financial Statements of the Company for the year ended 31 st March, 2026 and Report of the Board of Directors and Auditors, CAG comments.		
2	Re-appointment of Shri A K Tripathi, who retires by rotation, and being eligible, offers himself for re-appointment.		
SPECIAL BUSINESS			
3	Approval for appointment of Smt. Seem Rani as a Director, liable to retire by rotation.		
4	Approval for ratification of remuneration of the Cost Auditors for FY 2025-26		

Signed this..... day of..... 2026

Affix Revenue Stamp
Re.1/-

Signature of shareholder_____
Signature of Proxy holder(s) First_____
Second_____
Third**NOTES:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The Proxy Form should be signed across the stamp as per specimen signature registered with the Company.
3. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he/ she so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

BOARD'S REPORT



BOARD'S REPORT 2025-26

Dear Shareholders,

The Board of Directors has the pleasure of presenting the 11th Annual Report on the business and operations of your Company together with Audited Financial Statements for the Financial Year ended on March 31, 2026.

FINANCIAL HIGHLIGHTS

Your Company has prepared Financial Statements that comply with the applicable Indian Accounting Standards (Ind AS) for the year ended 31st March, 2026. The important financial highlights for the year 2025-26 are as under:

PARTICULARS	(Rs. in Crores)	
	2025-26	2024-25
Revenue from operations	710.45	778.24
Other Income	30.56	23.66
Total Revenue	741.01	801.90
Operational Expenses	302.41	262.54
Finance Cost	407.80	390.14
Change in inventories	78.61	342.47
Depreciation and amortization expenses	227.22	200.76
Reversal of Impairment loss	-	(221.30)
Total Expenses	1016.05	974.61
(Loss) / Profit Before Tax (PBT)	(275.04)	(172.70)
Deferred Tax Charge/(Credit)	(38.19)	(47.59)
(Loss) Profit for the period	(236.85)	(125.11)
Earning Per Equity Share		
Basic (in Rs.)	(2.30)	(1.32)
Diluted (in Rs.)	(2.30)	(1.32)

CAPITAL STRUCTURE

The Authorized Share Capital of your Company is Rs. 5000 Crores divided into Rs. 3500 Crores equity shares capital (350,00,00,000 equity shares of Rs.10/- each) and Rs. 1500 Crores Preference share capital (150,00,00,000 Preference Shares of Rs. 10/- each.)

The paid-up Preference Share Capital of the Company is Rs. 252,00,37,180 comprises of 25,20,03,718 Compulsory Cumulative Convertible Preference Shares (CCCPS) of Rs. 10 each fully paid up.

The paid-up Equity Share Capital of the Company as on 31.03.2026 is Rs. 1138,99,65,090 divided into 113,89,96,509 Equity Shares of Rs. 10 each fully paid up.

Your Company has filed an application before National Company Law Tribunal (NCLT) for reduction of Share Capital on 13.06.2025 to approve the reduction of the issued, subscribed and paid-up capital of Rs. 1138,99,65,090/- [Rupees One thousand one hundred thirty-eight crore ninety-nine lakhs sixty-five thousand and ninety only] consisting of 113,89,96,509 [One hundred thirteen crore eighty-nine lakhs ninety-six thousand and five hundred nine] equity shares of Rs. 10 each to Rs. 990,88,60,690 [Rupees Nine hundred ninety crores eighty-eight lakhs sixty thousand six hundred and ninety only] consisting of 99,08,86,069 [Ninety-nine crores eight lakhs eighty-six thousand and sixty-nine] equity shares of Rs.10 by cancelling, and extinguishing, in aggregate, of 14,81,10,440 equity shares forming part of the issued, subscribed and paid-up equity share capital of KLL, comprising of 7,40,55,220 [Seven crores Forty lakhs fifty-five thousand two hundred and twenty] equity shares of Rs. 10/- each, held by GAIL (India) Limited and MSEB Holding Company Limited respectively.

Hon'ble NCLT, New Delhi Bench, vide its Order dated 03.06.2026, sanctioned the Scheme of reduction of equity share capital of the Company.

Consequent upon the implementation of the Scheme, the shareholding of MSEB in the Company has been reduced to NIL, and GAIL (India) Limited now holds 100% of the equity share capital of the Company. Accordingly, Konkan LNG Limited has become a wholly owned subsidiary of GAIL (India) Limited w.e.f 06.07.2026.

Henceforth, paid-up Equity Share Capital of the Company is Rs. 990,88,60,690/- [Rupees Nine hundred ninety crores eighty-eight lakhs sixty thousand six hundred and ninety only] consisting of 99,08,86,069 [Ninety-nine crores eight lakhs eighty-six thousand and sixty-nine] equity shares of Rs. 10/- each

ISSUE OF SHARES AND DEPOSITS

During Financial Year 2025-26, the Company did not issue any equity shares with differential voting rights, sweat equity shares, or shares under any employee stock option scheme. Further, there was no further issue or buyback of shares.

The Company has not accepted deposits from the public within meaning of Chapter V of the Companies Act, 2013, during the Financial Year 2025-26. Accordingly, no amount of principal or interest on public deposits was outstanding as on date of the Balance Sheet date.

AMOUNTS TRANSFERRED TO RESERVES

In view of continuous losses incurred by the Company, the Board of Directors has not proposed transfer of any amount to reserves for the financial year 2025-26.

During FY 2025–26, the Company's accumulated losses increased to Rs. (1,428.21) crores from Rs. (1,191.38) crores in FY 2024–25. The increase is attributable to the current year's loss of Rs. (238.83) crores.

DIVIDEND

In view of the losses incurred during the financial year, the Board of Director has not proposed any dividend for FY 2025-26.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, there was no amount or shares which required to be transferred to Investor Education and Protection Fund (IEPF).

CREDIT RATING (Domestic Rating)

During FY 2025-26, the Company's Domestic Credit Rating Stable AA- and A1+ for long Term & short-term bank facilities by CARE Ratings Limited. These ratings remain unchanged from the previous financial year.

STATE OF COMPANY'S AFFAIRS

a. LNG PLANT OPERATIONS

Your Company owns and operates an LNG re-gasification terminal with a capacity of 5 MMTPA at Anjanwel, Taluka Guhagar, District Ratnagiri, Maharashtra.

The Company is in the process of installing an Ambient Air Heating System (AAHS) to provide the required heat for LNG regasification. The project is currently in progress, with approximately 50% of the work completed as of 31 March 2026. The Company has received grid connectivity approval for 60 MW from MSETCL.

The Truck Loading Facility (TLF) was commissioned in 2024. During the financial year 2025–26, the LNG terminal loaded and dispatched 2,756 LNG tankers. The TLF caters to isolated or standalone customers who are not connected to GAIL's main pipeline network and serves industrial demand in the Konkan region of Maharashtra as well as other parts of India.

The Company is actively pursuing the expansion of the terminal capacity from 5 MMTPA to 6.3 MMTPA, and further expansion, including the development of an Ethane unloading facility. Additionally, the Company is in the process of augmenting the existing Truck Loading Facility (TLF) capacity by adding two more loading bays.

b. BREAK WATER STATUS

The Physical completion of the Breakwater Project is completed. Following the commissioning of the breakwater and after receipt of all statutory approvals, the Dabhol LNG Terminal has been designated as an all-weather port. This marks a significant milestone, enabling safe and reliable LNG operations throughout the year, including during the Southwest monsoon, which has traditionally posed operational challenges for marine logistics on India's west coast.

The Company successfully berthed and discharged first LNG vessel during the monsoon season at the Dabhol LNG Terminal. The LNG vessel, GAIL Bhuwan was received on June 2, 2025 marking the commencement of uninterrupted, round-the-year operations at the terminal.

SUBSIDIARY, JOINT VENTURE & ASSOCIATES

The Company does not have any Subsidiary, Joint Venture or Associate Company as defined under the provision of the companies Act, 2013.

PARTICULARS OF LOANS, INVESTMENTS AND CORPORATE GUARANTEES

The particulars of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, wherever applicable, are disclosed in the notes to the Financial Statements forming part of this Annual Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

IT ADVANCEMENTS

During the year under review the Company has undertaken several new IT initiatives to simplify business processes and adopting user-friendly IT applications. The company has a Board approved IT policy, which provides the necessary management commitment and guidance for establishing streamlined, robust IT processes, practices and structures.

Cyber Security continues to be a significant concern for IT infrastructure and its functioning. The company successfully conducted a Cyber Security audit through CERT-in Empanelled Auditing organization. The recommendations arising out of the audit have been implemented to further strengthen the IT systems against cyber threats.

During FY 2025-26, the Company also implemented the File Movement System (FMS) and Bill Watch System (BWS) to enhance operational efficiency and transparency.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

The Company considers the safety of its workforce and all its stakeholders as a critical priority for its operations and long-term success. It has implemented all the necessary measures to promote the highest standards of Safety, Health, Environment and loss control in all areas of its business.

Various systems, procedures, and best practices have been established to prevent injuries, accidents or any other untoward incident. The Company remains committed to maintaining globally comparable standards of HSE management across its business operations. Accordingly, several initiatives have been undertaken to ensure the safety of both people and equipment.

The Company also promotes good health and well-being among its employees by providing a positive, safe and healthy environment. Several initiatives have been implemented to encourage work-life balance for its employees thus keeping them loyal and committed to the Company.

The Company is in compliance with all applicable statutory rules and regulations prescribed by the Petroleum and Natural Gas Regulatory Board (PNGRB), regulations on safety, occupational health, and environment to ensure the highest level of safety in its business activities.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the FY 2025-26, there was no order or direction of any court or tribunal or regulatory authority either affecting Company's status as a going concern or which significantly affected Company's business operations.

However, the Hon'ble NCLT, New Delhi Bench-VI, vide Order dated 03rd June 2026, sanctioned the reduction of the Company's paid-up share capital under Section 66 of the Companies Act, 2013. The Order has been registered with the Registrar of Companies.

INTERNAL CONTROLS AND ITS ADEQUACY

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the Board is of the opinion that the Company's internal financial controls are adequate and operating effectively. The internal financial controls are commensurate with the size and nature of the business of the Company.

DEVELOPMENT OF HUMAN RESOURCES

Your Company lays a strong emphasis on deploying the best talent across all its business functions.

Your Company, in association with GAIL Training Institute (GTI), organizes systematic and structured training programs for capability building across all levels within the organization.

Your Company also realizes that it is critical to develop and enhance the capability and competence of its senior level executives, in order to prepare them for future leadership positions. As a step in this direction, the Company, in association with GAIL Training Institute.

HUMAN CAPITAL

Your Company is a subsidiary of GAIL (India) Limited and except three employees, all other employees are on Secondment basis from GAIL.

As on March 31, 2026, the total employees of the Company stood at 65 including 3 employees on the rolls of the Company, out of which 17% belonged to SC, 9% to ST and 31% to OBC. No physically challenged category employee was on secondment/ rolls of the Company.

VIGILANCE

In pursuance of the DPE Guidelines on Corporate Governance, the Chief Vigilance Officer (CVO) of the parent Company, GAIL (India) Limited oversees the vigilance functions of your Company. During the year under review, there are no vigilance case(s) reported.

OFFICIAL LANGUAGE

Your Company is continuously making efforts to propagate the use of the official language of the Union. All official email display names are in Hindi and English. Employees are encouraged to communicate in Hindi.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company have occurred since 31st March, 2026 till the date of this report.

WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism / Whistle blower policy under which the employees are free to report violations of applicable laws and regulations. During the year under review, no complaint was received from Whistle Blower.

FRAUD PREVENTION POLICY

The Fraud Prevention Policy has been formulated and implemented. During the year under review, there was no instance of fraud reported.

Reporting of Frauds by Auditors

The Auditors in their report for the year have not reported any instance of fraud committed by the officers/employees of the Company.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has in place a robust Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 with respect to FY 2025-26 is as under:

a)	Number of complaints pending at the beginning of the financial year	NIL
b)	Number of complaints filed during the financial year	NIL
c)	Number of complaints disposed of during the financial year	NIL
d)	Number of cases pending for more than ninety days	NIL
e)	Number of complaints pending at the end of the financial year	NIL

MATERNITY BENEFIT ACT

The Company has complied with all applicable provisions of the Maternity Benefit Act, 1961, and ensures that eligible employees are extended the statutory benefits prescribed thereunder.

PROCUREMENT FROM MICRO AND SMALL ENTERPRISES (MSES)

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs), Order 2012 along with its subsequent amendments. Your company has complied with all the requirement in respect of MSEs.

PROCUREMENT THROUGH GOVERNMENT E-MARKETPLACE (GEM)

The GeM is a Government-run e-commerce portal. It is a one-stop platform to facilitate and enable easy online procurement of Goods & Services that are needed by various Government Departments, Organizations and PSUs.

All work centers of your Company are registered on GeM Portal and are procuring the Goods & Services available on the portal through GeM only. During the FY 2025-26, your Company has made procurements worth Rs. 246.13 Crores from GeM Portal which is 89.79% of total procurement.

RIGHT TO INFORMATION (RTI)

In order to promote transparency and accountability, an appropriate mechanism has been set up across the Company in line with the provisions of Right to Information Act, 2005. Your Company has nominated 01 Central Public Information Officer (CPIO) & 01 Assistant Central Public Information Officer (ACPIO), 01 Appellate Authority, to provide information to citizens under the provisions of the RTI Act, 2005.

Section 4(1)(b) of the RTI Act, 2005 stipulates about the obligation of Public Authorities about the information which should be disclosed by every Public Authority on a suo-motu or proactive basis. Section 4(2) and Section 4(3) of the RTI Act, 2005 prescribes the method of dissemination of this information. Accordingly, keeping in view the purpose of suo-motu disclosures under Section 4, your Company's RTI Cell has hosted a dedicated page on KLL's website, through which a large amount of information in the public domain on a proactive basis is placed. This is being done to make the functioning more transparent and reduce the need for filing individual RTI applications. The same may be accessed at <https://konkanlng.in/rti/>

For FY 2025-26, RTI Cell has a 100% disposal rate in respect of RTI Applications. During FY 2025-26, One RTI application was received and disposed-off within the prescribed time schedule as per the provisions of the RTI Act.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The following changes took place in the Board of Directors/ Key Managerial Personnel of your Company since 1st April, 2025:

Appointments:

- Shri Rajesh as the Chief Executive Officer w.e.f 16.04.2025
- Shri Pankaj Bhutani as GAIL Nominee Director w.e.f 14.07.2025
- Shri Amit Sharma, Chief Financial Officer w.e.f 26.07.2025
- Shri Yogesh Madhukar Gadkari, Director w.e.f 13.08.2025
- Smt. Seema Rani, GAIL Nominee Director w.e.f 01.09.2026

Cessation:

- Shri Tony Mathew as the Chief Executive Officer up to 16.04.2025
- Shri Sashi Menon as GAIL Nominee Director up to 30.06.2025
- Shri D B Thakur, Chief Financial Officer up to 26.07.2025
- Smt. Jyoti Dua, GAIL Nominee Director up to 31.08.2026

The Board placed on record its deep appreciation for the valuable services rendered by outgoing Directors and Key Managerial Personnel during their association with your Company.

INDEPENDENT DIRECTORS' DECLARATION

Being a Central Public Sector Enterprise (CPSE), the appointment of Independent Directors is made by the Ministry of Petroleum and Natural Gas (MoP&NG) Accordingly, the declarations required under Section 149(7) of the Companies Act, 2013 confirming that the Independent Directors meet the criteria of independence prescribed under Section 149(6) of the Act could not be obtained during the year.

PERFORMANCE EVALUATION

As per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with the provisions of section 134(3)(p) of the Companies Act, 2013 with respect to performance evaluation of Board and its Committees.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors hereby state and confirm that:

- a. In the preparation of the annual accounts for the year ending 31st March, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- b. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts on a going concern basis; and
- e. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CODE OF CONDUCT

Pursuant to the requirements of the DPE Guidelines on Corporate Governance, the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ending 31st March, 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of clause 7.5 of the DPE Guidelines on Corporate Governance, the detailed Management Discussion and Analysis forms part of this report as ***Annexure- A***.

CORPORATE GOVERNANCE

Your Company believes that good corporate governance is critical in establishing a positive organizational culture which is evident by the virtues of responsibility, accountability, consistency, fairness and transparency it follows towards its stakeholders. Accordingly, a report on Corporate Governance forms part of this report at ***Annexure-B***.

The details of the meetings of the Board, Company's policy on Directors' appointment and remuneration etc., and other matters, form part of the report on Corporate Governance.

No significant and material orders were passed by the regulators or Courts or tribunals impacting the going concern status and the Company's operations in future.

A Practicing Company Secretary has examined and certified your Company's compliance with respect to conditions enumerated in the DPE Guidelines on Corporate Governance. The Certificate forms part of this report at ***Annexure- C***.

AUDITOR(S)

STATUTORY AUDITOR

M/s Sankpal Kulkarni and Associates, Chartered Accountants, Kolhapur, was appointed by Comptroller & Auditor General of India for the Financial Year 2025-26, as the Statutory Auditor of your Company.

Notes on Financial Statement referred to in the Auditor' Report are self-explanatory and does not require any further comments. There are no qualifications by the statutory Auditor on the Financial Statements of your Company for the FY 2025-26. Review and comments of CAG, if any, on the Company's Financial Statements forms part of Financial Statements.

Comptroller and Auditor General of India (C&AG) Audit

Comptroller and Auditor General of India (C&AG) conduct Supplementary Audit of Financial Statements. Review and Comments of C&AG, if any, on the Company's Financial Statements for the financial year ended 31st March, 2026 forms part of the Financial Statements.

INTERNAL AUDITOR

Your Company has appointed M/s Bandopadhyaya Bhaumik & Co., Cost Accountants, Kolkata as internal auditor of the Company for FY 2025-26.

COST AUDITOR

Your Company is maintaining Cost Accounting Records as prescribed under the Companies (Cost Records and Audit) Rules, 2014, specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Your Company has appointed M/s. R.M. Bansal & Co., Cost Accountants, Kanpur as Cost Auditor for Financial Year 2025-26.

The cost audit reports are filed with the Central Government in the prescribed form within the stipulated time. There are no qualifications in the Cost Audit Report by the Cost Auditors for FY 2024-25.

SECRETARIAL AUDITOR

Your Company has appointed M/s Agarwal S. & Associates, Company Secretaries, New Delhi as Secretarial Auditor for FY 2025-26. Secretarial Audit Report confirming compliance to the applicable provisions of the Companies Act, 2013, DPE Guidelines on Corporate Governance and other applicable laws, forms part of this Report at **Annexure- D**. The observation made by Secretarial Auditor and Company's response to the observations is as under:

Observation No.-1 The Company was not in compliance with the provisions of Section 149(4) of the Companies Act, 2013 and Clauses 3.1.1 and 3.1.4 of the DPE Guidelines on Corporate Governance during the period under review, as the Board did not have the prescribed optimum combination of Functional Directors and Independent Directors. Further, the separate meeting of the Independent Directors was not convened during the year, as required under Clause VII of Schedule IV to the Companies Act, 2013.

Company's Response: *Konkan LNG Limited being CPSE requisite no. of Independent Director is required to be appointed by administrative ministry, MoP&NG, as required under DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010. Due to the non-appointment of requisite number of Independent Directors, composition of the Board is not as per the statutory requirements.*

Observation No. 2-

The Company was not in compliance with the provisions of Section 177 of the Companies Act, 2013 and Clauses 4.1.1, 4.1.2, and 4.4 of the DPE Guidelines on Corporate Governance. Owing to the absence of the requisite number of Independent Directors and the non-availability of an Independent Chairman of the Board during FY 2025–26, the Audit Committee could not be constituted in accordance with the prescribed composition requirements. Consequently, the quorum requirements stipulated under Clause 4.4 of the DPE Guidelines—namely, that the quorum shall be either two members or one-third of the members of the Audit Committee, whichever is higher, with a minimum of two Independent Directors present—could not be complied with.

The Company was also not in compliance with Section 178 of the Companies Act, 2013 and Clause 5.1 of the DPE Guidelines on Corporate Governance, as the Nomination & Remuneration Committee did not have any Independent Director during the period under review.

Company's Response: Due to the non-appointment of requisite number of Independent Directors, the provision related to composition of Independent Directors in Audit Committee & Remuneration Committee could not be complied.

Observation No. 3 Section 135 (1) of the Companies Act, 2013; the Company shall constitute CSR committee of the Board consisting of three or more Directors, out of which at least one shall be an Independent Director (ID). Hence, the composition of the CSR Committee does not consist of any ID. Pursuant to sub-rule (1B) of Rule 12 of Companies (Accounts) Rules, 2014.

Company's Response: Due to the non-appointment of requisite number of Independent Directors, the provision related to composition of Independent Directors in CSR Committee could not be complied.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

As per requirement of Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, details of conservation of energy and technology absorption and foreign exchange earnings and outgo forms part of this report at ***Annexure- E***.

RISK MANAGEMENT POLICY

The Company has established appropriate and adequate systems, practices, and policies for the identification, assessment, evaluation, and prioritization of risks. These are supported by coordinated efforts to minimize, monitor, and mitigate or control the likelihood and impact of adverse events, while also maximizing opportunities that contribute to the achievement of the Company's strategic objectives.

The Company has implemented a comprehensive Risk Assessment and Risk Mitigation Framework, which is reviewed periodically to ensure its continued effectiveness and alignment with the evolving business environment. The framework enables executive management to identify, evaluate, monitor, and manage risks through clearly defined processes and internal controls.

Key risks faced by the Company have been identified across various functional areas, including business operations, project execution, financial management, human resources, environmental matters, statutory and regulatory compliance, and other operational risks. Appropriate mitigation strategies and control measures have been developed and are regularly reviewed to ensure effective risk management and business continuity.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Indian Accounting Standards.

CORPORATE SOCIAL RESPONSIBILITY

Your Company firmly believes that the commitment towards playing a defining role in the development of its stakeholders extends to uplifting lives of the marginalized segments of the society, living in and around its areas of operation. The principles of Corporate Social Responsibility (CSR) are deeply imbibed in your Company's corporate culture. Company has constituted CSR Committee of the Board,

As per the Financial Statements for FY 2025–26, the Company incurred a Loss After Tax of Rs. 236.83 crore. The average net profit/(loss) of the Company during the three immediately preceding financial years works out to Rs. (202.83) crore. Accordingly, the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) are not applicable to the Company for FY 2025–26, and no amount was required to be spent on CSR activities during the year.

Consequently, the disclosure relating to CSR activities, including the Annual Report on CSR as prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with Sections 134(3) and 135(2) of the Companies Act, 2013, is not applicable for the financial year 2025–26.

Your Company's CSR Policy is also available on Company website at <https://konkanlng.in/our-business/#policies>.

ANNUAL RETURN

The Annual Return is available on your Company's website at <https://konkanlng.in/>

DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, there were no application made or proceeding pending in the name of the company under the Insolvency and Bankruptcy Code 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANK AND FINANCIAL INSTITUTIONS

During the year under review, there has been no one-time settlement of loans taken from bank and financial institutions.

ACKNOWLEDGEMENT

Your Directors express their gratitude for guidance and support received from GAIL, Government of India, various state governments, regulatory and statutory authorities. Your Directors acknowledge wise counsel received from Statutory Auditor and CAG and are grateful for their consistent support and cooperation.

Your Directors also wish to thank all the shareowners, business partners and members of KLL family for reposing their faith, trust and confidence in your Company. On behalf of your Directors, I would like to place on record our deep appreciation for the hard work, dedication, commitment and solidarity of your Company's employees. Your Directors and employees look forward with confidence and stand committed to creating a bright future for all stakeholders.

**For and on behalf of the
Board of Directors**

**Sd/-
(Sanjay Kumar)
Chairman
DIN: 08346704**

**Place: New Delhi
Date: 07.09.2026**

MANAGEMENT DISCUSSION ANALYSIS



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENTS

a. Global Gas Sector

The global LNG market has entered a phase of structural growth following the supply disruptions experienced during 2022–2023. The demand recovery in 2024 was largely driven by emerging economies, particularly in Asia, where LNG continues to play a critical role in ensuring energy security and supporting industrial growth. The market has also become increasingly sensitive to geopolitical developments, including supply chain disruptions and risks to trade routes, underscoring the need for diversified sourcing strategies and a greater reliance on long-term supply contracts.

Looking ahead, global LNG demand is expected to maintain a steady upward trajectory over the coming decades. This growth will be supported by the global shift toward cleaner energy sources, rapid urbanization, and increasing industrial demand. Despite short-term fluctuations arising from price volatility and geopolitical tensions, LNG is likely to remain a key transition fuel in the global energy mix, especially in regions with limited domestic gas production.

According to the International Energy Agency (IEA), global gas demand grew by 2.7% in 2024, surpassing the average annual growth rate of around 2% observed during 2010–2019, and significantly higher than the approximately 1% growth recorded during 2019–2023, a period impacted by the COVID-19 pandemic and the global energy crisis. Emerging and developing economies in Asia accounted for nearly 40% of the incremental gas demand in 2024, driven by sustained economic expansion and rising energy needs.

The escalation of the West Asia crisis—marked by heightened regional tensions and risks surrounding key transit bottlenecks like the Strait of Hormuz—has significantly disrupted global LNG supply chains. With the Middle East accounting for over a fifth of global LNG trade, supply disruptions and elevated price volatility have forced major Asian import hubs to brace against severe concentration risks, driving high spot prices and localized demand destruction.

Globally and in India, LNG regasification infrastructure expands rapidly to hedge against energy security risks, but market volatility remains a headwind:

Global Regasification Growth & Status: Global regasification capacity is projected to grow by over 35% through 2030, led primarily by Asia and Europe's drive to diversify away from pipeline dependencies.

b. India Gas Sector Developments

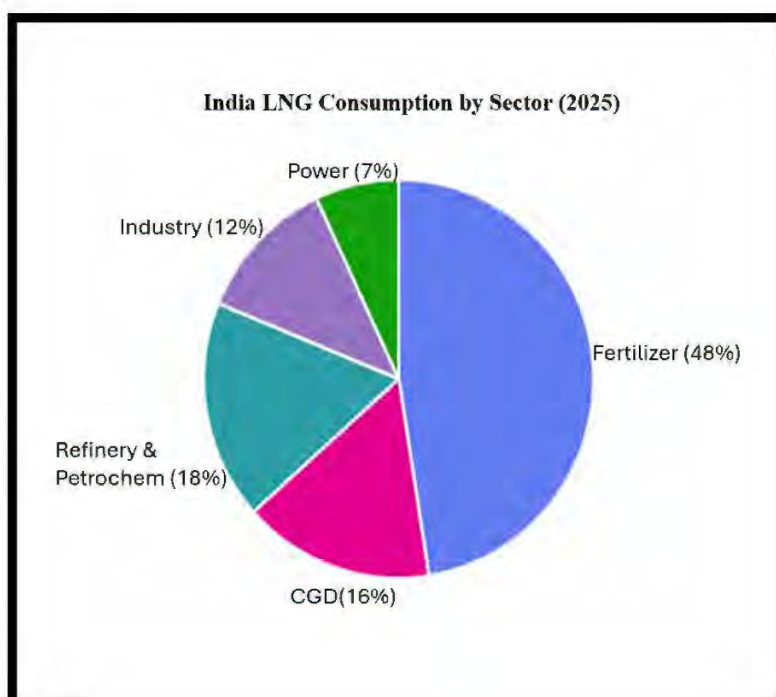
India's natural gas sector sustained its growth momentum during FY 2024–25, driven by progressive policy initiatives, expanding infrastructure, and a clear strategic vision to transition towards a gas-based economy. The Government of India has set an ambitious target to increase the share of natural gas in the primary energy mix from about 7% in 2023–24 to 15%. Achieving this target will require a substantial increase in consumption from the current level of around 195 MMSCMD to nearly 500 MMSCMD.

Natural gas is expected to play a vital role in supporting renewable energy integration, improving urban air quality, and enabling industrial decarbonisation. However, realizing this ambition will require sustained policy support, significant investments across the value chain, and coordinated efforts from all stakeholders.

India has emerged as one of the fastest-growing LNG markets globally and is currently the fourth-largest LNG importer, with nearly 50% of its gas demand being met through LNG imports.

The country's gas consumption averaged 6.8 Bcf/d in 2025, reflecting strong demand growth across multiple sectors. The increasing demand is primarily driven by expanding City Gas Distribution (CGD) networks, industrial consumption, and government efforts to promote natural gas as a cleaner energy source.

However, domestic gas production is expected to peak by 2027–2028 and decline thereafter, which will structurally increase India's dependence on LNG imports to bridge the supply gap

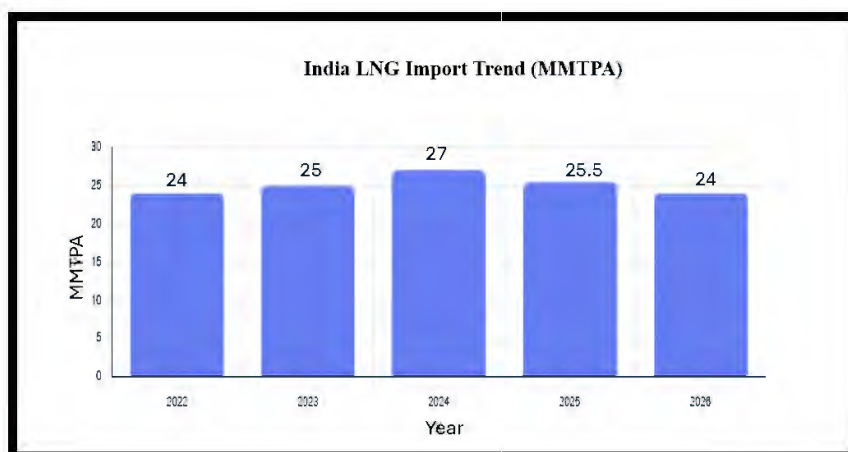


The LNG consumption pattern in India is heavily skewed toward certain sectors. The fertilizer sector remains the dominant consumer, accounting for approximately 48% of LNG demand, followed by CGD (~16%), refinery and petrochemicals (~18%), industry (~12%), and power (~7%).

This distribution highlights the strong linkage between LNG demand and government-supported sectors such as fertilizers, while future growth is expected from industrial, refinery, and CGD segments.

India's LNG imports have shown significant volatility driven by price sensitivity and global supply disruptions. Imports declined in 2022 due to extremely high spot LNG prices but rebounded strongly to around 27 MMTPA in 2024, surpassing earlier peaks.

In 2025, imports again declined by about 6% due to price pressures, while in 2026, supply disruptions (e.g., Strait of Hormuz issues) are expected to further moderate imports to around 24 MMTPA.



This highlights India's high price elasticity of LNG demand, where consumption fluctuates based on global LNG pricing and alternative fuel competitiveness.

India's Regasification Capacity Status

India has emerged as the world's 4th largest regasification market, expanding total operational capacity to over 55 MMTPA.

- **Operational Terminals:**

- **Dahej (Gujarat):** 22.5 MMTPA (India's largest flagship facility).
- **Hazira (Gujarat):** 5.2 MMTPA
- **Mundra (Gujarat):** 5 MMTPA
- **Dabhol (Maharashtra):** 5 MMTPA
- **Kochi (Kerala):** 5 MMTPA
- **Ennore (Tamil Nadu):** 5 MMTPA

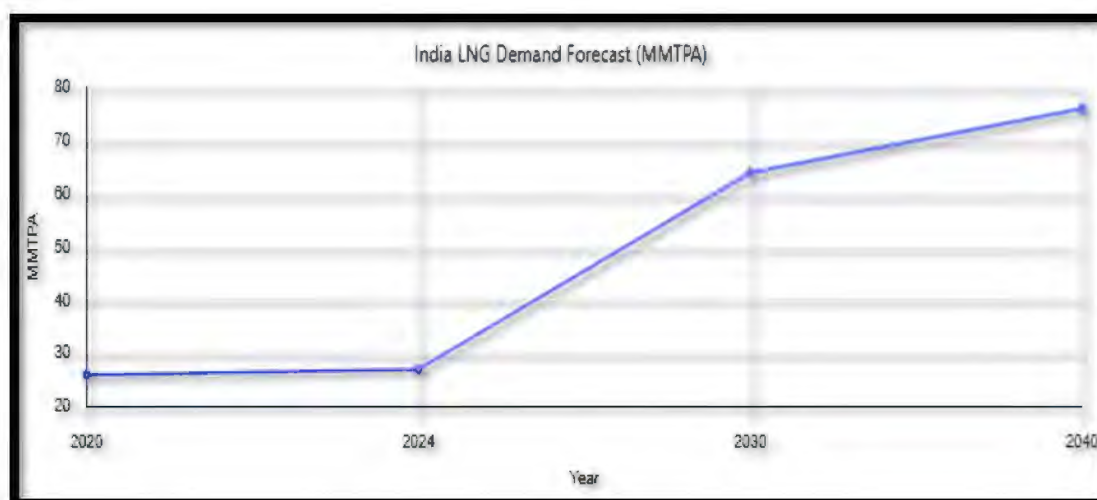
- **Dhamra (Odisha):** 5 MMTPA (recently commissioned on the east coast)
- **Chhara (Gujarat):** 5 MMTPA (recently commissioned)
-
- **Under Construction / Pipeline Projects:**
 - *Capacity Target:* Total regasification capacity is targeted to reach over 100 BCM (~70+ MTPA)

FUTURE LNG DEMAND FORECAST:

India's LNG demand outlook remains highly positive over the long term. The country is expected to become one of the LNG importers globally by 2040s, with demand projected to exceed 70 MMTPA by 2040.

Key drivers of growth include:

- Expansion of CGD infrastructure
- Industrialization and refining capacity growth
- Increased use of LNG in transport sector
- Limited domestic gas production growth



The demand trajectory indicates rapid growth post-2025 due to structural supply gaps and increasing gas penetration in the energy mix.

According to the Petroleum Planning and Analysis Cell (PPAC), India's total natural gas consumption in FY 2024–25 reached around 195 MMSCMD, registering a strong growth of over 5.6% compared to the previous year. The fertilizer sector remained the largest consumer, accounting for nearly 29% of total demand. The City Gas Distribution (CGD)

sector emerged as the second-largest consumer with a share of 21%. Based on the compound annual growth rate (CAGR) over the past five years, the CGD segment has been the fastest-growing among the major gas-consuming sectors.

This growth has been driven by the expansion of CNG vehicle adoption and the increasing reach of piped natural gas networks across urban and semi-urban regions. A key contributing factor has also been the allocation of domestic APM gas to the CGD sector. Additionally, demand from sectors such as refining and petrochemicals has increased, as industries gradually shift away from more polluting fuels.

Overall, as reflected in Tables 1 and 2, there is a noticeable shift in consumption patterns among the three primary anchor consumers—fertilizer, CGD, and power.

Table 1: Historical gas usage pattern across sectors

Total (MMSCMD) and % share / Sector	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 ¹
Fertilizer	44.15 (28.53%)	48.72 (31.69%)	49.53 (29.40%)	53.15 (33.05%)	57.63 (30.60%)	56.12 (28.77%)
CGD	29.82 (19.26%)	25.29 (16.45%)	33.36 (19.80%)	32.95 (20.49%)	36.96 (19.61%)	41.24 (21.14%)
Power	30.36 (19.61%)	29.69 (19.31%)	27.83 (16.52%)	22.34 (13.89%)	24.88 (13.20%)	24.36 (12.49%)
Refinery	21.33 (13.78%)	21.67 (14.10%)	14.55 (8.64%)	10.71 (6.66%)	15.22 (8.48%)	16.06 (8.24%)
Petrochemicals	9.78 (6.32 %)	8.42 (5.47%)	7.85 (4.66%)	5.37 (3.34%)	8.15 (3.87%)	9.19 (4.71%)
Others	19.34 (12.50%)	19.96 (12.98%)	35.35 (20.98%)	36.31 (22.58%)	45.67 (24.15%)	48.09 (24.65%)
Total	154.77	153.74	168.47	160.83	188.52	195.06

Source: PPAC

Table 2: Comparison of sectoral gas usage across FY-2023-24 & FY-2024-25

Sector	FY24 (MMSCMD)	FY25 (MMSCMD)	Growth (y-o-y)	% Share FY 23-24	% Share FY 24-25	Last 5-year CAGR
Fertilizer	57.63	56.12	-1.60%	31%	29%	5.1%
CGD	36.96	41.24	12.74%	20%	21%	6.9%
Power	24.88	24.36	-1.07%	13%	12%	-4.1%
Refinery	15.22	16.06	6.69%	8%	8%	-5.3%
Petrochemicals	8.15	9.19	13.98%	4%	5%	-1.0%
Others	45.67	48.09	6.39%	24%	25%	20.2%
Grand Total	188.52	195.06	3.46%			

Source: PPAC

¹ Overall consumption in FY-2024-25 (P) is 71948 MMSCM. Sectoral Consumption of Natural gas (in %) in FY 2024-25 obtained from PPAC
Assumption for converting MMSCM to MMSCMD: 1 year = 365 days
Table-2 Source PPAC

India's energy sector is undergoing a significant transformation, with an increasing emphasis on cleaner energy sources. In this transition, natural gas is expected to play a pivotal role in the country's energy mix for the foreseeable future. The next wave of demand is likely to emerge from sectors such as refineries, chemical process industries, and iron and steel plants, where gas will be used as both fuel and feedstock, as well as for process applications. With the completion of the National Gas Grid (NGG), refineries that were previously isolated from the gas network will gain access to natural gas, thereby supporting higher consumption levels.

India is already the world's fourth-largest importer of liquefied natural gas (LNG), with imports increasing by over 12% in FY 2024–25 compared to FY 2023–24. This upward trend is expected to continue due to limited domestic gas production and the government's objective of increasing the share of natural gas in the primary energy mix. During FY25, LNG imports stood at 35.72 BCM (approximately 97 MMSCMD). Going forward, LNG is also expected to see increased adoption in the transport sector, particularly in long-haul heavy-duty vehicles.

Rising awareness of urban air pollution and regulatory restrictions on polluting fuels such as pet coke and furnace oil are encouraging industries and commercial establishments to gradually shift towards cleaner fuels like natural gas. Furthermore, the anticipated inclusion of natural gas under the Goods and Services Tax (GST) framework is likely to boost demand, especially from MSMEs and SMEs, by enabling input tax credit benefits.

With continued policy support from the government, along with proactive efforts by industry players, developers, and suppliers, India has a strong opportunity to achieve its ambitious target of transitioning towards a gas-based economy.

NATURE OF BUSINESS

Your Company owns and operates the Dabhol LNG terminal along with its regasification facility. LNG carriers are received at a dedicated port/jetty, where LNG is unloaded into large onshore storage tanks. The stored LNG is subsequently regasified at the onshore regasification plant. The regasified LNG (R-LNG) is then transported through cross-country natural gas pipelines—namely the Dabhol–Bangalore and Dabhol–Panvel pipelines—owned and operated by GAIL, which further distributes the gas to end consumers.

At present, GAIL is the sole customer of the Company for both LNG import and R-LNG offtake. The Company earns its primary revenue by charging GAIL for regasification services, commonly referred to as “regasification charges,” in line with the prevailing practices at other LNG import and regasification terminals in India.

The Dabhol LNG terminal has a designed capacity of 5 MMTPA. With the completion of the breakwater, the terminal has been converted into an all-weather port, the terminal is now progressing towards utilisation of its full design capacity. However, current operations

are constrained due to the non-availability of a sufficient heat source. To address this Limitation, work is under progress for installation of an Ambient Air Heating System (AAHS), which is expected to enable the terminal to operate at 100% of its designed capacity upon completion.

The Company successfully commissioned a Truck Loading Facility (TLF) on January 23, 2024. This facility enables the transportation of LNG via cryogenic tankers to regions not connected by pipeline infrastructure, thereby expanding market reach. The TLF has already started contributing as an additional revenue stream, and the installation of two more loading bays is currently in progress.

Looking ahead, the Company is planning to expand the terminal's capacity from 5 MMTPA to 6.3 MMTPA initially, and further expansions in the long term. This long-term expansion plan also includes the development of an ethane unloading facility.

Strengths:

- Strong operational expertise and proven industry experience.
- Established infrastructure and technical capabilities.
- Skilled and experienced workforce.
- Strong government backing and institutional credibility.
- Robust safety, quality, and regulatory compliance systems.

Weakness:

- Dependence on limited business/revenue streams.
- Aging infrastructure requiring modernization.
- Lower Capacity Utilization of Terminal due to independent heating system.

Opportunities:

- Expansion into new business segments and value-added services.
- Digitalization, automation, and adoption of emerging technologies.
- Government initiatives and policy-driven growth opportunities.
- Strategic partnerships, joint ventures, and consultancy services.
- Sustainability and green-energy-related business opportunities.

Threats:

- Increasing competition from private and public sector players.
- Regulatory and policy changes affecting operations.
- Market volatility.

- Rapid technological changes leading to obsolescence.
- Environmental, climate, and cybersecurity risks.

OUTLOOK

According to S&P Global's Indian LNG market profile, India is the fourth-largest LNG market globally and is expected to be a major driver of future growth in global LNG demand. Until 2004, India was largely self-sufficient in natural gas; however, it began importing LNG from Qatar in that year. Since then, domestic gas production has grown only marginally, resulting in an increasing dependence on LNG imports to meet rising demand. In 2024, India's total natural gas consumption stood at around 72 BCM, with nearly half of this demand being met through LNG imports.

India's natural gas demand is projected to continue its upward trajectory until the early 2040s, while LNG demand is expected to extend its growth into the late 2040s, largely due to the anticipated decline in domestic gas production. Given that India is a highly price-sensitive market, the affordability and competitiveness of LNG relative to alternative fuels will remain a key factor in sustaining demand growth.

The impact of pricing dynamics was evident in 2022, when elevated spot LNG prices led to significant demand destruction across sectors. However, with the subsequent softening of global LNG prices in 2024, LNG became more competitive compared to alternate fuels, resulting in a rebound in consumption across downstream sectors.

India currently has an installed regasification capacity of about 52.5 MMTPA. This aggregate capacity is considered adequate to meet the country's projected LNG import requirements up to 2030.

India has established a diversified LNG sourcing strategy, importing gas from a mix of suppliers including the Middle East, global portfolio players, and the United States. Since the initiation of LNG imports, the country witnessed consistent year-on-year growth, reflecting rising demand and increasing reliance on imported gas. However, this growth trend was disrupted in 2022 due to exceptionally high spot LNG prices and India's significant dependence on spot market purchases, leading to a temporary decline in imports.

The situation improved in 2024, when LNG imports rebounded to approximately 27 MMTPA, surpassing the previous peak of 26 MMTPA recorded in 2020. This recovery was supported by the softening of global LNG prices, which made imports more economically viable.

Looking ahead, a marginal decline in imports is expected in 2025 due to tight global LNG supply conditions. Despite this short-term constraint, the long-term outlook remains positive. The anticipated addition of new LNG supply globally, along with the expected

peak and subsequent decline in domestic gas production around 2027, is likely to drive sustained growth in LNG imports.

Over the longer term, India is projected to emerge as one of the leading LNG importers globally. The country is expected to become the second-largest LNG importer, and by 2040, imports are estimated to reach around 76 MMTPA, second only to China.

LNG demand outlook to 2030

According to the IEA's *India Gas Market Report – Outlook to 2030*, India reaffirming its position as the world's fourth-largest LNG importer after China, Japan, and South Korea. Since 2013, LNG imports into India have doubled, registering an average annual growth rate of nearly 8%.

The share of spot LNG purchases in India's import basket has varied over time, primarily influenced by price dynamics. While spot procurement offers operational flexibility, it also exposes buyers to higher price volatility. Recognising this risk, Indian companies have increasingly focused on strengthening long-term supply arrangements. In 2024 alone, over 13 BCM per annum of new long-term LNG contracts were secured, underscoring a continued emphasis on supply security and price stability. These contracts play a vital role in ensuring a reliable and predictable gas supply, while mitigating the risks associated with fluctuations in spot market prices and potential supply disruptions.

Looking ahead, India's LNG demand is expected to grow steadily, reaching around 64 BCM per year by 2030, translating to an annual growth rate of approximately 11% over the 2023–2030 period. With domestic natural gas production expected to witness only modest growth during this period, LNG imports will be critical in bridging the demand-supply gap. This rising demand will be met through a balanced mix of long-term contracted volumes and spot market purchases, with careful optimization needed to ensure both supply security and cost efficiency.

The anticipated surge in LNG requirements will also necessitate the development of additional import capacity in the latter half of the decade. In this context, your Company has proactively positioned itself to capitalise on future demand growth. It has already initiated key projects aimed at enhancing terminal capacity utilisation. Additionally, the Company is undertaking expansion of the terminal capacity, along with augmenting the capacity of the existing Truck Loading Facility (TLF), to strengthen its operational capabilities and capture emerging market opportunities.

RISKS, CHALLENGES AND MITIGATION

Regulatory Regime

The Petroleum and Natural Gas Regulatory Board (PNGRB) has notified regulations for the registration of LNG terminals, and the Company is ensuring ongoing compliance with these requirements. The evolving regulatory framework is being closely monitored, and necessary actions are taken promptly to align with any changes.

Development of natural gas market in India

The development of India's natural gas market is subject to several risks and challenges. Key concerns include potential delays in the commissioning of new LNG projects, which could impact the availability of supply. Additionally, any significant increase in domestic gas production—albeit temporary, as production is expected to plateau by around 2030 and decline thereafter—may influence LNG demand dynamics in the short term.

Infrastructure-related challenges, such as delays in establishing pipeline connectivity to LNG terminals, also pose a constraint to market growth. Furthermore, adverse changes in regulations or policies, along with delays in bringing natural gas under the GST regime, could affect the sector's growth trajectory. Lastly, disruptions in the global LNG supply chain remain a critical risk, as they can lead to volatility in international LNG prices and impact the affordability and reliability of supply.

Natural or Man-made Calamity Risk

Natural and man-made risks are addressed from the initial design stage of projects and continue to be managed throughout operational phases. However, such risks are inherently unpredictable and cannot be completely eliminated. In the event of any such occurrence, the Company may incur significant liabilities. To mitigate the financial impact of these risks, the Company has obtained comprehensive insurance coverage for its assets

Risk Management Framework

Your Company has established a comprehensive Risk Management Policy aimed at safeguarding and enhancing value for the organization and its stakeholders. The policy seeks to create a risk-intelligent framework that enables decision-makers to systematically identify, assess, and manage risk exposures in line with applicable statutory requirements, thereby supporting the Company's financial stability.

Risks are systematically evaluated, quantified, and prioritised, with mitigation plans developed and continuously reviewed and monitored by senior management at various stages. The Risk Management Framework is dynamic in nature and is regularly updated to address new and emerging risks arising from business expansion and evolving operational interests.

In response to the changing business environment, risks and their corresponding mitigation strategies are periodically reassessed to ensure relevance and effectiveness. Identified risks undergo detailed analysis, and appropriate safeguards and mitigation measures are implemented in a timely manner. Through this proactive approach, the Company remains committed to maintaining resilient and financially stable business operations.

Competition

Several LNG terminals are already operational in India, including Dahej, Kochi, Mundra, Dhamra, Chhara and Hazira. Other players continue to develop LNG infrastructure at multiple locations across the country.

Despite the increasing number of LNG terminals, your Company currently faces limited competitive pressure. The Dabhol terminal is operating at near-optimum capacity, subject to existing constraints, particularly the availability of an adequate heat source. Within these operational limitations, the terminal continues to achieve optimal utilisation levels.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE / FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During FY 2025–26, the LNG terminal successfully handled 23 LNG cargoes and dispatched 2,756 LNG tankers, reflecting steady operational performance and utilisation of terminal infrastructure

Financial Performance

(₹ in crore)

Particulars	FY 2025-26	FY 2024-25	Change Increase/ (Decrease)
Revenue from Operations	629.36	478.24	151.12
Profit Before Tax	-275.04	-172.70	-102.34
Profit After Tax	-236.85	-125.11	-111.74
Capex	196.48	115.28	81.20
Reserves and Surplus	-1,428.21	-1,191.38	-236.83
Net worth	-37.21	199.62	-236.83
Total Loans outstanding	4263.07	4,213.07	50.00

• Ratio Analysis

Particulars	FY 2025-26	FY 2024-25
Debt–Equity ratio	-114.57	21.11
Debt Service Coverage Ratio (times)	0.88	0.50
Interest Coverage Ratio (times)	0.33	0.56
Return to Net Worth (PAT/Net Worth) (%)	-636.54	-62.67

Return on Capital Employed (PBIT/Capital Employed) (%)	3.14	4.93
Debtors Turnover (Net Credit Sales (i.e. Net Sales)/Average Trade Receivables)	33.23	32.72
Inventory Turnover (Cost of Goods Sold/ Average Inventory)	3.37	2.09
Current Ratio (Current Assets/ Current Liabilities)	2.65	3.76
Operating Profit Margin [(EBIT – Other Income) / Net Sales] (%)	14.39	40.52
Net Profit Margin [Profit after Tax (PAT) / Net Sales] (%)	-33.34	-16.08

ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION

Your Company remains fully committed to its environmental responsibilities and adheres strictly to all applicable pollution control and environmental protection norms. The operations are designed and managed to ensure that no effluent is discharged, reflecting a strong focus on sustainable practices.

Additionally, due consideration is given to the conservation of resources, including technology and foreign exchange, while also promoting the development and adoption of renewable energy. Through these measures, the Company continues to align its operations with environmental sustainability and responsible business practices.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

Your Company has established an internal control system across its various business processes, appropriately aligned with the size and nature of its operations, to support the achievement of its organizational objectives.

The internal control framework ensures operational efficiency and the accuracy, reliability, and completeness of accounting records, while enabling the timely preparation of reliable financial and management information. A robust internal financial control system covering key business processes is in place. Additionally, the system ensures compliance with all

applicable laws and regulations, promotes optimal utilization of resources, and safeguards the Company's assets against potential risks.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Your Company maintained a cordial and constructive industrial relations environment throughout the year. There were no man-days or man-hours lost due to any industrial unrest or conflict, reflecting a stable and harmonious work environment.

The Company continues to focus on various developmental initiatives aimed at aligning individual growth with organizational objectives. Recognizing that human capital is central to strategic performance, the Company emphasizes integrating human resource considerations into business decision-making. This approach enables efficient allocation of talent, enhances skill levels, improves productivity, and fosters innovation.

There were no instances of strikes or lockouts during the year under review, further underscoring the positive industrial relations climate.

CORPORATE SOCIAL RESPONSIBILITY

Your Company, as a socially responsible corporate entity, recognizes and acknowledges its responsibilities towards the community, the environment, and all stakeholders associated with its operations. The Company's Corporate Social Responsibility (CSR) initiatives are focused on driving sustainable social impact by aligning economic, environmental, and social objectives with its business operations and growth strategy, in line with applicable requirements and the Company's CSR policy.

CAUTIONARY STATEMENT

Statements in the Board's Report and Management Discussion & Analysis, describing the Company's objectives, strategies, projections and estimates, expectations, etc. may be "forward looking statements" and progressive within the meaning of the applicable laws and regulations. By their nature, forward-looking statements require your Company to make assumptions and are subject to inherent risks and uncertainties. Forward looking statements which involve a number of underlying identified / non-identified risks and uncertainties that could cause actual results to differ materially from the expectations. Critical factors that could influence the Company's operations include global and domestic demand and supply conditions, changes in Government regulations/tax laws, economic developments within the country and factors such as litigation and industrial relations. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also likely to change accordingly. These forward-looking statements represent only your Company's current intentions, beliefs and expectations. Your Company assumes no obligation to revise or update any forward-looking statement, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on the forward-looking statements.

CORPORATE GOVERNANCE REPORT



REPORT ON CORPORATE GOVERNANCE

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. Your Company is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. Our robust corporate governance structure is based on well-structured policies and procedures that are the backbone of our governance philosophy. Our policies are formulated to ensure business continuity and to maintain a high quality throughout our operations.

1. Company's Philosophy on Code of Governance

Corporate Governance refers to the system by which companies are directed, controlled, and managed. A sound corporate governance framework encourages organizations to create sustainable value through entrepreneurship, innovation, growth, and responsible risk-taking, while ensuring adequate accountability and control mechanisms commensurate with the risks involved. Effective corporate governance practices provide a strong foundation for building successful and enduring business enterprises.

Your Company remains committed to adopting and implementing robust corporate governance practices aimed at enhancing transparency, accountability, and ethical conduct across all its operations. The Company continuously strives to protect and enhance stakeholder value while operating within the framework of applicable laws, regulations, and best governance practices.

It has been the constant endeavour of the Management to foster a culture of integrity, ethical behaviour, transparency, and accountability in the conduct of business. The Board of Directors provides strategic guidance and oversight, and continually works towards setting goals and objectives that are aligned with the Company's vision, mission, and long-term growth aspirations.

2. Board of Directors

Composition of the Board

The Company is managed and governed by its Board of Directors, which is responsible for providing strategic direction, formulating policies, overseeing management, and periodically reviewing the Company's operational and financial performance to ensure sustainable growth and value creation.

In accordance with the Articles of Association of the Company, the Board shall consist of not less than three (3) Directors and not more than fifteen (15) Directors. The Board functions collectively to safeguard the interests of all stakeholders and ensure that the Company's affairs are conducted in a transparent, ethical, and accountable manner.

As on 31 March 2026, the Board comprised six (6) Directors. The composition of the Board and attendance of Directors at the Board Meetings held during FY 2025-26 are given below:

Name and Designation of the Director	No. of Board Meetings attended during the Tenure	Attendance at Last Annual General Meeting	Directorships held in other Companies
Shri Sanjay Kumar Non-Executive Chairman (w.e.f. 02.11.2023)	12 out of 12	Yes	5
Shri A K Tripathi Non-Executive Director (w.e.f. 01.02.2025)	10 out of 12	Yes	2
Shri Prasoon Kumar Non-Executive Director (w.e.f. 01.02.2025)	12 out of 12	Yes	2
Smt. Jyoti Dua Nominee Director (w.e.f. 09.05.2023)	10 out of 12	No	-
Shri Pankaj Bhutani Non-Executive Director (w.e.f. 14.07.2025)	7 out of 8	Yes	-
Shri Yogesh Madhukar Gadkari Non-Executive Director (w.e.f. 13.08.2025)	0 out of 6	No	3

Notes:

- ✓ During the financial year 2025-26, 12 (Twelve) Board meetings were held. The maximum interval between any two Board Meetings did not exceed the period prescribed under the Companies Act, 2013.
- ✓ 10th Annual General Meeting of the Company was held on 25th September 2025.
- ✓ Brief profile of the Director(s) seeking appointment/re-appointment at the ensuing Annual General Meeting forms part of the Notice convening the AGM.
- ✓ Video conferencing and other audio-visual facilities were made available to enable Directors to participate in Board and Committee Meetings from different locations
- ✓ Based on disclosures received from the concerned Director(s):
 1. None of the Director(s) on the Board held Directorship in more than 20 (twenty) companies as prescribed under the Companies Act, 2013.
 2. None of the Director(s) on the Board is a member of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees across all the Companies in which he/she is a director. Membership/Chairmanship in a Committee is reckoned pertaining to Audit Committee and Stakeholders Relationship Committee.
 3. Directors inter-se are not related to each other and also to other Key Managerial Personnel.
 4. None of the Directors including non- executive Directors held any Equity Shares in the Company in their own names including as Beneficial Owner.

Independent Directors

At present, there are no Independent Directors on the Board of the Company. Being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the appointment of Independent Directors on the Board is undertaken by the Government of India through the Administrative Ministry.

The Company has been regularly pursuing the matter with the Ministry of Petroleum & Natural Gas, Government of India, for the appointment of the requisite number of Independent Directors on its Board in accordance with the applicable statutory and governance requirements. The Company remains committed to ensuring compliance with the provisions relating to Board composition and continues to actively follow up with the Administrative Ministry in this regard.

Woman Director

In compliance with the applicable provisions of the Companies Act, 2013, the Company had one Woman Director on its Board during the Financial Year 2025-26.

Details of Board Meetings

The meetings of the Board of Directors are generally convened at the Company's Registered Office in New Delhi. To facilitate the participation of Directors who are unable to attend in person, the Company also provides video conferencing and other audio-visual facilities, enabling them to participate in the Board and Committee Meetings from different locations in compliance with the applicable statutory provisions. Details of the meetings held during FY 2025-26 is mentioned below:

Sl. No.	Date of Board Meeting
1	11.04.2025
2	29.04.2025
3	11.06.2025
4	26.06.2025
5	21.07.2025
6	30.07.2025
7	25.09.2025
8	24.10.2025
9	22.12.2025
10	07.01.2026
11	22.01.2026
12	23.02.2026

3. Committees of the Board

The Board Committees play a vital role in strengthening the governance framework of the Company. These Committees have been constituted by the Board to focus on specific areas requiring detailed review, deliberation, and oversight. The constitution of Board Committees enables effective management of the Board's responsibilities and enhances the overall governance process.



The Committees examine matters within their respective terms of reference and submit their recommendations to the Board for consideration and approval, wherever required. The decisions and recommendations of the Committees are regularly placed before the Board for its information and guidance. Approved minutes of the Committee meetings are circulated to all Committee members as well as to the concerned departments for implementation of the decisions taken. Further, the minutes of the Committee meetings are placed before the respective Committees at their subsequent meetings for noting and are also presented to the Board for information.

AUDIT COMMITTEE

Terms of Reference

The term of reference of Audit Committee is as per the applicable provisions of the Companies Act, 2013 and DPE guidelines on Corporate Governance for CPSEs, as applicable, and as amended from time to time including approval of the Related Party Transactions, granting of omnibus approval and laying down the criteria for omnibus approval and to review the Related Party Transactions on yearly basis, approval for allotment of shares, to dispose of and allot any shares which remain un-subscribed or un-allotted upon such terms and conditions and in such manner as it may think proper and expedient and to do all such acts, deeds, matters and things deemed necessary for issuance / allotment of the shares, printing of new share certificates, if any, settling

any question or doubt that may arise with regard to or in relation to the issue or allotment of shares, evaluation of internal financial controls.

Composition

As on 31st March, 2026, Audit Committee comprised of Shri A K Tripathi as the Chairman and Smt. Jyoti Dua and Shri Pankaj Bhutani as Members.

Meeting & Other Details

During the FY 2025-26, 7 (Seven) meetings of the Audit Committee were held on 28.04.2025, 11.06.2025, 26.06.2025, 21.07.2025, 25.09.2025, 23.10.2025 and 22.01.2026.

S. No.	Members	No. of Meetings	
		Held during the tenure	Attended
1.	Shri A K Tripathi, Chairman	7	7
2.	Smt. Jyoti Dua, Member	7	5
3.	Shri Pankaj Bhutani (w.e.f. 14.07.2025)	4	4
4.	Shri Sashi Menon (upto 30.06.2025)	3	3

REMUNERATION COMMITTEE

Terms of Reference

The terms of reference of the Committee include, inter alia, deliberation and recommendation regarding the Performance Related Pay (PRP) pool and policy for distribution of PRP to employees, besides discharging such other responsibilities as prescribed under the DPE Guidelines, as amended from time to time.

Composition

As on 31st March, 2026, Remuneration Committee comprised of Shri A K Tripathi as the Chairman and Shri Prasoon Kumar & Smt. Jyoti Dua as the Members.

Meeting & Other Details

During the FY 2025-26, No meeting of Remuneration Committee Meeting was held.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Terms of Reference

The terms of reference of the Committee include, inter alia, formulation and recommendation of the Corporate Social Responsibility Policy to the Board, recommendation of the amount of expenditure to be incurred on CSR activities specified under Schedule VII to the Companies Act, 2013, and monitoring the implementation of the CSR Policy from time to time.

Composition

As on 31st March, 2026, CSR Committee comprised of Shri A K Tripathi as the Chairman and Shri Prasoon Kumar & Smt. Jyoti Dua as the Members.

Meeting & Other Details

During the FY 2025-26, No meeting of CSR Committee meeting was held.

4. Remuneration of Directors

Director and Key Managerial Personnel (KMPs) of the Company are nominated by GAIL (India) Limited (GAIL). Their remuneration, allowances, perquisites, and other benefits are governed by and paid in accordance with the terms and conditions applicable to the employees of GAIL from time to time.

The Part-time Director(s) nominated by the Promoters, Maharashtra State Electricity Board (MSEB), Government of Maharashtra (GoM), who are in regular employment with their respective organizations, do not receive any remuneration, sitting fees, commission, or other monetary benefits from the Company for serving on its Board.

5. General Body Meetings

Forthcoming AGM: Date, Time and Venue

The 11th Annual General Meeting (AGM) of the Company is scheduled on 21st September, 2026 at 12:30 P.M. at Tower- G (6th Floor Board Room) World Trade Centre (WTC), Nauroji Nagar, New Delhi New Delhi-110029.

Location and Time of the Last AGMs

The location, time and details of the special resolutions passed during last three AGMs are as follows:

Year	2022-23	2023-24	2024-25
AGM	8 th	9 th	10 th
Date / Time	21.09.2023 /11:00 A.M.	09.09.2024 /11:00 A.M.	25.09.2025 /12:30 P.M.
Venue	GAIL Bhawan, 16, Bhikaiji Cama Place, New Delhi-110066	GAIL Bhawan, 16, Bhikaiji Cama Place, New Delhi-110066	GAIL Bhawan, 16, Bhikaiji Cama Place, New Delhi-110066
Special Resolution Passed	No item warranted the Special resolution.	No item warranted the Special resolution.	No item warranted the Special resolution.

6. Familiarization and Training of Directors

As the Directors on the Board are nominated by the Promoters, Lenders, Maharashtra State Electricity Board (MSEB), they generally undergo orientation, training, and capacity-building programmes conducted by their respective parent organizations.

In addition, the Company facilitates the continuous familiarisation of Directors with its business operations, industry developments, regulatory environment, and strategic initiatives. Presentations and briefings on business-related matters, operational performance, key projects, regulatory

developments, risk management, and other relevant issues are made by senior executives, subject matter experts, and professional consultants during Board and Committee meetings, as and when required. These interactions enable the Directors to effectively discharge their duties and responsibilities and contribute to informed decision-making.

7. Means of Communication

The Company maintains effective communication with its shareholders through various channels, including the Annual Report and General Meetings. The Annual Report, containing, inter alia, the Standalone Audited Financial Statements, Auditors' Report, Directors' Report, Management Discussion and Analysis Report, and Corporate Governance Report, is circulated to the members and other stakeholders entitled thereto in accordance with the applicable statutory requirements.

The Company also ensures timely dissemination of relevant information to its shareholders through notices, statutory disclosures, and other communications as required under the applicable laws and regulations.

In line with the Green Initiative introduced by the Ministry of Corporate Affairs (MCA) and with a view to promoting environmentally sustainable practices, the Company sends various communications and documents, including the Annual Report and Notice of the Annual General Meeting (AGM), to shareholders through electronic mode at their registered e-mail addresses. This initiative facilitates faster communication, enhances operational efficiency, and contributes towards reducing paper consumption.

8. Disclosures

- a. The Company has prepared its financial statements in accordance with the Indian Accounting Standards (Ind AS) applicable for the period ended 31 March 2026, together with the comparative financial information as at and for the year ended 31 March 2025, as described in the Summary of Significant Accounting Policies. These financial statements have been prepared in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- b. During the year, there have been no material significant related party transactions that may have potential conflict with the interest of the Company at large.
- c. The Company has submitted the Corporate Governance Report to the Ministry of Petroleum & Natural Gas/Department of Public Enterprises within the prescribed timelines.
- d. The Company has implemented Whistle Blower (Vigil Mechanism) Policy wherein employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the competent authority. The policy is available at the website of the Company. The Company hereby affirmation that no personnel has been denied access to the Audit Committee.
- e. During the year under review, the Company did not receive any Presidential Directives. Further, no Presidential Directives have been received by the Company during the preceding three financial years.

- f. During the Financial Year 2025-26, there was no instance, where the Board had not accepted the recommendation(s) of any committee of the Board which is mandatorily required.
- g. No expenditure of a personal nature or unrelated to the business of the Company was charged to the accounts.
- h. During the last three years, no instances of non-compliance, penalties, or strictures have been imposed on the Company by any statutory authority in relation to any guidelines issued by the Government
- i. The administrative and office expenses were 0.6044% of the total expenses in FY 2025-26 as against 0.4695% in the FY 2024-25.
- j. During the Financial Year 2025-26, the Company has duly complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), namely Secretarial Standard-1 (SS-1) on Meetings of the Board of Directors and Secretarial Standard-2 (SS-2) on General Meetings, as amended from time to time.

9. Shareholding Pattern as on 31st March, 2026

Name of Shareholder	Number of Equity Shares	% of holding as per paid-up Equity Share Capital	% of holding as per paid-up Share Capital (Equity + CCCPS)
GAIL (India) Ltd. including 6 (Six) Nominee Shareholders	1,064,941,289	93.50	94.68
MSEB Holding Co. Ltd.	74,055,220	6.50	5.32
Total	1,138,996,509	100.00	100.00

* GAIL Holds 25,20,03,718 Compulsory Convertible Cumulative Preference Shares (CCCPS) of Rs. 10/- each fully paid up.

10. Dematerialization of Shares and Liquidity

As on 31st March 2026, the Company had seven (7) shareholders. Out of these, five nominee shareholders of GAIL (India) Limited, holding one equity share each, held their shares in physical form, while GAIL (India) Limited and MSEB Holding Company Limited held their shares in dematerialised form.

ISIN of your Company's for fully paid-up equity shares is INE00LT01016. ISIN of Fully paid-up Compulsory Convertible Cumulative Preference Shares (CCCPS) is INE00LT03020.

Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **U11100DL2015GOI288147**.



Shareholders may contact the Registrar and Share Transfer Agent (RTA) of the Company at:

MCS Share Transfer Agent Limited
Unit: Konkan LNG Limited
179-180, DSIDC Shed, 3rd Floor
Okhla Industrial Area Phase-I, New Delhi - 110020
Phone: 91-11-41406149/50/51/52
Fax: 91-11-41709881
Website: www.mcsregistrars.com
E-mail: admin@mcsregistrars.com

11. Location of Plant / Terminal:

Anjanwel, Taluka Guhagar, Distt. Ratnagiri, Maharashtra.

12. Compliance Certificate

The Certificate issued by the Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under the Department of Public Enterprises (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), forms an integral part of the Board's Report and is annexed thereto.

The Certificate confirms that the Company has complied with the applicable provisions of the DPE Guidelines on Corporate Governance during the Financial Year 2025-26, to the extent applicable to the Company.

CERTIFICATE ON CORPORATE GOVERNANCE





**CERTIFICATE ON COMPLIANCE WITH THE
CONDITIONS OF CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2025-26**

The Members,
Konkan LNG Limited,
16, Bhikaiji Cama Place, R. K. Puram,
New Delhi - 110066

1. We have examined the compliance of conditions of Corporate Governance by **KONKAN LNG LIMITED (CIN: U11100DL2015GOI288147)** for the year ended **31st March, 2026**, as prescribed in the **Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs)** issued by Department of Public Enterprises (DPE), Government of India.
2. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulations and guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Management, the Company has complied with the conditions of Corporate Governance as stipulated in DPE Guidelines during the financial year ended **31st March 2026**, except:
 - A. *The Company was not in compliance with Clauses 3.1.1 and 3.1.4 of the DPE Guidelines on Corporate Governance during the period under review, as the Board did not have the prescribed optimum combination of Functional Directors and Independent Directors. Further, the separate meeting of Independent Directors was not convened during the year as required under the DPE Guidelines on Corporate Governance.*
 - B. *The Company was not in compliance with Clauses 4.1.1, 4.1.2, and 4.4 of the DPE Guidelines on Corporate Governance. Owing to the absence of the requisite number of Independent Directors and the non-availability of an Independent Chairman of the Board during FY 2025-26, the Audit Committee could not be constituted in accordance with the prescribed composition requirements. Consequently, the quorum requirements stipulated under Clause 4.4 of the DPE Guidelines could not be complied with.*

The Company was also not in compliance with Clause 5.1 of the DPE Guidelines on Corporate Governance, as the Nomination & Remuneration Committee did not have any Independent Director during the period under review.

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

For **Agarwal S. & Associates**,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

Ravi
Agrawal

Digitally signed
by Ravi Agrawal
Date: 2026.06.17
14:52:24 +05'30'

CS Ravi Agrawal
Partner
ACS No.: 75135
C.P No.: 27749
UDIN: A075135H000640876

Date: 17.06.2026
Place: New Delhi

SECRETARIAL AUDIT REPORT





Form No. MR-3
Secretarial Audit Report
For the financial year ended March 31, 2026

{Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
KONKAN LNG LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KONKAN LNG LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not Applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-**Not Applicable**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2021;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of random sampling and as per compliance certificate submitted to the Board.

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

- (i) Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India-*Generally complied with.*
- (ii) The Listing Agreements entered into by the company with the National Stock Exchange Limited and BSE Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - *Not Applicable.*
- (iii) DPE Guidelines on Corporate Governance for CPSE- *Generally complied with.*

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

Observation No.-1

The Company was not in compliance with the provisions of Section 149(4) of the Companies Act, 2013 and Clauses 3.1.1 and 3.1.4 of the DPE Guidelines on Corporate Governance during the period under review, as the Board did not have the prescribed optimum combination of Functional Directors and Independent Directors. Further, the separate meeting of the Independent Directors was not convened during the year, as required under Clause VII of Schedule IV to the Companies Act, 2013.

Observation No. 2-

The Company was not in compliance with the provisions of Section 177 of the Companies Act, 2013 and Clauses 4.1.1, 4.1.2, and 4.4 of the DPE Guidelines on Corporate Governance. Owing to the absence of the requisite number of Independent Directors and the non-availability of an Independent Chairman of the Board during FY 2025–26, the Audit Committee could not be constituted in accordance with the prescribed composition requirements. Consequently, the quorum requirements stipulated under Clause 4.4 of the DPE Guidelines—namely, that the quorum shall be either two members or one-third of the members of the Audit Committee, whichever is higher, with a minimum of two Independent Directors present—could not be complied with.

The Company was also not in compliance with Section 178 of the Companies Act, 2013 and Clause 5.1 of the DPE Guidelines on Corporate Governance, as the Nomination & Remuneration Committee did not have any Independent Director during the period under review.

Observation No. 3

Section 135 (1) of the Companies Act, 2013; the Company shall constitute CSR committee of the Board consisting of three or more Directors, out of which at least one shall be an Independent Director (ID). Hence, the composition of the CSR Committee does not consist of any ID. Pursuant to sub-rule (1B) of Rule 12 of Companies (Accounts) Rules, 2014.

We further report that the Board of Directors of the Company is constituted as per the provision of Companies Act, 2013 and DPE Guidelines. As on 31st March 2026, the Board constituted with Non-Executive Directors only. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period; there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For **Agarwal S. & Associates**,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

Ravi
Agrawal

Digitally signed
by Ravi Agrawal
Date: 2026.06.17
14:51:12 +05'30'

CS Ravi Agrawal
Partner

ACS No.: 75135

C.P No.: 27749

UDIN: A075135H000640843

Date: 17.06.2026
New Delhi

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

**To,
The Members,
KONKAN LNG LIMITED**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

For Agarwal S. & Associates,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

**Ravi
Agrawal**

Digitally signed by
Ravi Agrawal
Date: 2026.06.17
14:51:37 +05'30'

Ravi Agrawal
Partner
ACS No.: 75135
C.P No.: 27749
Date: 17.06.2026
Place: New Delhi

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO AS PER SECTION 134(3) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	195kW of Roof Top Solar Power System was installed at KLL premises. The installation is expected to reduce dependence on conventional sources of electricity, lower energy costs and contribute towards environmental sustainability through reduction in carbon emissions.
(ii)	the steps taken by the company for utilizing alternate sources of energy	To further enhance the use of renewable energy, the Company has proposed the installation of an additional 141 kW Rooftop Solar Power System at the KLL premises. The tendering process has been completed and the project is under implementation.
(iii)	the capital investment on energy conservation equipment	Installed – INR 86,30,776 (LOA Value) Proposed – INR 1,07,48,430 (Estimated Value)

(b) Technology absorption

(i)	the efforts made towards technology absorption	Proposed Roof top Solar System being procured has solar panels that are equipped with bifacial technology, enabling power generation from both sides of the panel.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Higher Energy Generation More Efficient use of Available space Enhanced durability of Solar Panels

(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	-
	(a) the details of technology imported	-
	(b) the year of import;	-
	(c) whether the technology been fully absorbed	-
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	-
(iv)	the expenditure incurred on Research and Development	-

(c) Foreign exchange earnings and Outgo

- i. **Activities relating to exports: initiatives taken to increase exports; development of new export markets for products and services; and export plans:**
Not Applicable
- ii. **Total foreign exchange earned and used**

(Rs in crore)	
Particulars	2025-26
Foreign Exchange Earnings	-
Foreign Exchange Outgo	32.73

INDEPENDENT AUDITORS REPORT & STANDALONE FINANCIAL STATEMENTS



Independent Auditor's Report

To the Members of
Konkan LNG Limited,
(CIN: U11100DL2015GOI288147)

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Konkan LNG Limited** ("the Company") which comprise the Balance Sheet as at **March 31, 2026**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended 31st March 2026, and notes to the Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and **loss**, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS 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 Ind AS financial statements.

Emphasis of Matters

We draw attention to the following matters in the Notes to the Ind AS financial statements:

1. **Note No. 46** to the Ind AS financial statements, which describes the negative net worth position of the Company as at 31 March 2026, management's assessment of the Company's ability to continue as a going concern, and the basis on which the financial statements have been prepared on a going concern basis.
2. **Note 54** to the Ind AS financial Statements, which describes the basis for recognition of deferred tax assets during the year ended 31st March 2026.

Our opinion is not modified in respect of the above matters.



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report, including Annexures to the Directors Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS 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 accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

Auditor's Responsibilities for the Audit of Ind AS Financial Statement

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually



or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

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

- 1) Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2) 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- 3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 5) Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by the Comptroller and Auditor General of India through directions issued under Section 143(5) of the Act, we give our report on the matter specified in the **Annexure B** attached.
3. 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), and the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) Pursuant to the Notification No G.S.R. 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act are not applicable to the Company, being the Government Company.
 - f) With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**" to this report.
 - g) Pursuant to the Notification No G.S.R. 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Act are not applicable to the Company, being the Government Company.
 - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us;
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note No. 40 to the Ind AS financial statements;
 - (ii) The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
 - (iii) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.



- (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any other person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedure that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has neither declared nor paid any dividend during the year, and accordingly, compliance with Section 123 of the Act is not applicable to the Company.
- (vi) Based on our examination, which included test checks, we report that the Company has used accounting software for maintaining its books of account, which has a feature of recording an audit trail (edit log). This feature was 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. The audit trail has been preserved by the Company in accordance with the statutory requirements for record retention

For Sankpal Kulkarni & Associates
Chartered Accountants
FRN: 121256W

A. Patil

CA. Amit Patil
Partner, MRN: 126102
UDIN: 26126102SCGEJY5734
Place: Kolhapur
Date: 16th May, 2026



"Annexure A"

"Annexure A" referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Ind AS Financial Statements of Konkani LNG Limited for the year ended March 31, 2026

i.	In respect of the Company's Property, Plant and Equipment:																							
	(a)	(A)	The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant, and Equipment.																					
		(B)	The Company has maintained proper records showing full particulars of intangible assets																					
	(b)		The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets at reasonable intervals, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.																					
	(c)		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is a lessee and lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the company <i>except for</i> the following properties in respect of which original sale/lease deeds were not produced to us or title documents are yet to be executed.																					
			<table><tr><th>Description of property</th><th>Gross carrying value</th><th>Held in the name of</th><th>Whether promoter, director or their relative or employee</th><th>Period held</th><th>Reason for not being held in name of company* *Also indicate if in dispute</th></tr><tr><td>Leasehold Land at PO Anjanwel Tal Guhagar, Dist Ratnagiri 415634 (Area 451.065 Acres) (Right to Use Asset)</td><td>5.19 Crores</td><td>Ratnagiri Gas and Power Pvt Ltd</td><td>No</td><td>Since 2017-18</td><td>The company is in the process of transferring Land with MIDC authority.</td></tr><tr><td>Leasehold Land at Plot No. R-1, Dabhol Industrial Area, PO Anjanwel, Tal Guhagar, Dist Ratnagiri 415634 (Area - 50000 sq.m.) (Right to Use Asset)</td><td>2.64 Crores</td><td>MIDC Ratnagiri</td><td>No</td><td>26th Feb 2026</td><td>Execution of the lease agreement is in process.</td></tr></table>				Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company* *Also indicate if in dispute	Leasehold Land at PO Anjanwel Tal Guhagar, Dist Ratnagiri 415634 (Area 451.065 Acres) (Right to Use Asset)	5.19 Crores	Ratnagiri Gas and Power Pvt Ltd	No	Since 2017-18	The company is in the process of transferring Land with MIDC authority.	Leasehold Land at Plot No. R-1, Dabhol Industrial Area, PO Anjanwel, Tal Guhagar, Dist Ratnagiri 415634 (Area - 50000 sq.m.) (Right to Use Asset)	2.64 Crores	MIDC Ratnagiri	No	26 th Feb 2026	Execution of the lease agreement is in process.
Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company* *Also indicate if in dispute																			
Leasehold Land at PO Anjanwel Tal Guhagar, Dist Ratnagiri 415634 (Area 451.065 Acres) (Right to Use Asset)	5.19 Crores	Ratnagiri Gas and Power Pvt Ltd	No	Since 2017-18	The company is in the process of transferring Land with MIDC authority.																			
Leasehold Land at Plot No. R-1, Dabhol Industrial Area, PO Anjanwel, Tal Guhagar, Dist Ratnagiri 415634 (Area - 50000 sq.m.) (Right to Use Asset)	2.64 Crores	MIDC Ratnagiri	No	26 th Feb 2026	Execution of the lease agreement is in process.																			

	(d)	According to the information and explanations given to us and on the basis of our examination of the records, the Company has not revalued its Property, Plant, and Equipment (including Right of Use assets) or intangible assets or both 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 Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
ii	(a)	The inventory of stores and spares has been physically verified at reasonable intervals by the management during the year. In our opinion, coverage and procedure of such verification are appropriate. There are no discrepancies noticed on physical verification of the inventory of stores and spares, as compared to book records, which did not equal or exceed 10% in the aggregate of inventory, and the same has been properly dealt in the books of accounts.
	(b)	In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company has not been sanctioned/renewed working capital limits in excess of five crore rupees in the form of OD facility from any bank, on the basis of security of current assets. Hence, reporting under Clause 3(ii) (b) of the Order is not applicable.
iii.	(a)	In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investment in companies or it has not provided any guarantee or security, or has not granted any loans or advances in the nature of loans, secured or unsecured, to companies or firms, Limited Liability Partnerships or any other parties except loans/advances to employees; The Company has provided advances/loans to employees as follows; Aggregate amount granted during the year Rs. 22,31,385.00 Balance outstanding as at balance sheet date Rs. 1,74,34,682.00
	(b)	The terms and conditions of the loans granted are not prejudicial to the interest of the Company.
	(c)	In respect to advances/loans given, the repayment of principal and interest has been stipulated and the receipts have been regular.
	(d)	There is no overdue amount for more than 90 days in respect of loan given.
	(e)	There is no loan or advances in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
	(f)	The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
iv.		The Company has not granted any loan or provided any guarantee or given any security or made any investment to which the provisions of Sections 185 and 186 of the Companies Act 2013. Hence, reporting under paragraph Clause 3(iv) of the Order is not applicable.
v.		The Company has not accepted any deposits or any amounts which are deemed to be deposits from the public. Hence, reporting under paragraph Clause 3(v) of the Order is not applicable.



vi.			According to the information and explanations given to us, the Central Government has prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, for the products manufactured by it and the services provided by it. In our opinion, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.																							
vii.	(a)		According to the information and explanations given to us, the Company has been regular in depositing the undisputed statutory dues, including GST, provident fund, Income Tax, Employees' State Insurance, and any other statutory dues to the appropriate authorities. There were no arrears of outstanding statutory dues as on the last day of the financial year concerned, for a period of more than six months from the date they became payable.																							
	(b)		According to the information and explanations given to us and the records of the company examined by us, in our opinion, 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 as on March 31, 2026 on account of any dispute except for the following disputed dues in respect of GST for FY 2020-21.																							
			<table><tr><th colspan="6">Statement of Disputed Dues</th></tr><tr><th>Name of the Statute</th><th>Nature of the Dues</th><th>Amount (Rs.)</th><th>Period to which the amount relates</th><th>Forum where the dispute is pending</th><th>Remarks if any</th></tr><tr><td>Good and Services Tax</td><td>GST</td><td>20,80,664</td><td>2020-21</td><td>Appellate Authority</td><td></td></tr></table>						Statement of Disputed Dues						Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending	Remarks if any	Good and Services Tax	GST	20,80,664	2020-21	Appellate Authority	
Statement of Disputed Dues																										
Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending	Remarks if any																					
Good and Services Tax	GST	20,80,664	2020-21	Appellate Authority																						
viii.			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 transactions surrendered or disclosed which were previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 (43 of 1961) as income during the year. Hence, reporting under paragraph Clause 3(viii) of the Order is not applicable.																							
ix.	(a)		The Company does not have any loans or borrowings from Bank, Financial Institutions or Government. Hence, reporting under paragraph Clause 3(ix) of the Order is not applicable																							
	(b)		The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender;																							
	(c)		The Company has applied the term Loan (ICL) for the purpose for which the loan was obtained.																							
	(d)		The Company, has not raised any short-term funds.																							
	(e)		The Company does not have any subsidiaries, associates or joint ventures. Hence, reporting under Clause 3 (ix) (e) of the Order is not applicable.																							
	(f)		The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under Clause 3 (ix) (f) of the Order is not applicable.																							



x.	(a)	The company has not raised any money by way of an Initial Public Offer or further public offer (including debt instruments) during the year. Hence, reporting under Clause 3 (x) (a) of the Order is not applicable.
	(b)	Further, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Hence, reporting under Clause 3 (x) (b) of the Order is not applicable.
xi	(a)	We have neither come across any instances of fraud by the Company or any fraud on the Company that has been noticed or reported during the year, nor have we been informed of any such cases by the management.
	(b)	As informed by the Company, no report has been filed by us under sub-section (12) of Section 143 of the Companies Act during the year in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
	(c)	The Company informs us that no whistleblower complaints were received during the year.
xii.		The Company is not a Nidhi company. Hence, reporting under paragraph 3 (xii) of the Order is not applicable.
xiii.		According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, where applicable, and details of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
xiv.	(a)	In our opinion, and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
	(b)	We have considered the Company's Internal Audit Reports issued to date for the period under audit.
xv.		According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with them.
xvi.	(a)	As informed to us and based on our examination of records, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934 (2 of 1934). Hence, reporting under paragraph 3(xvi) (a), (b), and (c) of the Order is not applicable.
	(b)	In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directors, 2016) and accordingly, reporting under paragraph 3 (xvi) (d) of the Order is not applicable.
xvii.		The Company has incurred Cash Loss amounting to Rs. 47.82 crores during the financial year and has incurred cash losses in the immediately preceding financial year 2024-25, of Rs. 193.24 crores.
xviii.		There has been no resignation of statutory auditors during the year. Hence, reporting under paragraph 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, other information accompanying the financial statements, 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. Attention is also drawn to the matters described under the 'Emphasis of Matter' section of our main auditor's report of the same date.
xx.	(a) (b)	The Company has no unspent amount that needs to be transferred to the Fund Specified under Schedule VII in compliance with the second proviso to sub-section (5) of Section 135 of the Companies Act, 2013. Accordingly, reporting under Clause 3 (xx) (a) and (b) of the Order is not applicable for the year.
xxi.		Consolidation of financial statements is not applicable to the Company, as there is no subsidiary, associate, or joint venture company. Hence, reporting under Clause 3 (xx) (a) of the Order is not applicable for the year.

For Sankpal Kulkarni & Associates
Chartered Accountants
FRN: 121256W

A. Patil

CA. Amit Patil
Partner, MRN: 126102
UDIN: 26126102SCGEJY5734
Place: Kolhapur
Date: 16th May, 2026



"Annexure B"

(to the Independent Auditor's Report)

"Annexure B" referred to in paragraph 2 under the 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Financial Statements of Konkan LNG Limited for the year ended March 31, 2026

Sr	Direction under Section 143(5) of the Companies Act, 2013	Auditor's reply on action taken on directions
1	Assess the valuation of all the investments, both quoted and unquoted, made directly by the company or through trusts, for the post-retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation.	Based on the audit procedures carried out and as per the information and explanations given to us by the Company, there are no quoted and unquoted investments made directly by the Company or through trusts, for post-retirement benefits of the employees.
2	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security, has been done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications.	The Company has a system in place to process its accounting transactions through IT. For this, the Company has deployed SAP, which is an ERP System. It has established controls within the SAP Business One system, including user access controls and approval mechanisms. Also, the company has conducted cybersecurity audits through a Cert-In empanelled auditor. Based on the audit procedures carried out and as per the information and explanation given to us, no accounting transactions have been processed or carried out outside the IT system of the Company. Accordingly, in our opinion, there are no implications for the integrity of the accounts.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/ state Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	Based on the audit procedures carried out and as per the information and explanations provided to us by the Company, there are no funds (grants/subsidies, etc.) received/receivable for specific schemes from the Central/State Government or its agencies during the year.



Sr	Direction under Section 143(5) of the Companies Act, 2013	Auditor's reply on action taken on directions
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate the risk? If yes whether the Risk Management Policy has been formulated considering global best practices? whether the Company has identified its data assets and Whether it has been valued appropriately?	Based on the audit procedures carried out and the information and explanations provided by the Company, the Company has a dedicated Risk Management Policy to mitigate risks, which is approved by the Board. And the same has been reviewed quarterly at the company level and annually at the Board level.
5	Whether the Company is complying with Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, cases of deviation may be highlighted.	Based on the audit procedures carried out and the information and explanations provided to us by the Company, the Company has complied with applicable laws, rules, and regulations wherever applicable.

For Sankpal Kulkarni & Associates
Chartered Accountants
FRN: 121256W

A. Patil
CA. Amit Patil

Partner, MRN: 126102
UDIN: 26126102SCGEJY5734
Place: Kolhapur
Date: 16th May, 2026



Compliance Certificate

We have conducted an audit of the annual accounts of **Konkan LNG Limited** for the year ended **31st March 2026** in accordance with the directions/sub-directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013, and certify that we have complied with all the Directions/sub-directions issued to us.

For Sankpal Kulkarni & Associates
Chartered Accountants
FRN: 121256W

A. Patil

CA. Amit Patil
Partner, MRN: 126102
UDIN: 26126102HGZCHP7024
Place: Kolhapur
Date: 16th May, 2026



"Annexure C"

("Annexure C" referred to in paragraph 3 (f) under the 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Ind AS Financial Statements of Konkan LNG Limited for the year ended March 31, 2026)

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

We have audited the internal financial controls with reference to the Financial Statements of **Konkan LNG Limited** ("the Company") as of **March 31, 2026**, in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

1. Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

2. Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial control over financial reporting with reference to the Financial Statements included obtaining an understanding of internal financial control with reference to these Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 over financial reporting with reference to these Financial Statements.



3. Meaning of Internal Financial Controls with reference to Financial Statements.

A Company's internal financial controls with reference to the financial statements are a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the Financial Statements include those policies and procedures that;

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS Financial Statements.

4. Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

5. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the company has, in all the material respects, adequate internal financial controls with reference to the Financial Statements are in place and such adequate internal financial controls with reference to the Financial Statements were operating effectively as of March 31, 2026, based on the internal controls over financial reporting criteria established by the Company considering the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial reporting issued by the Institute of Chartered Accountants of India.

For Sankpal Kulkarni & Associates
Chartered Accountants, FRN: 121256W

A. Patil

CA. Amit Patil
Partner, MRN: 126102
UDIN: 26126102SCGEJY5734
Place: Kolhapur
Date: 16th May, 2026



Konkan LNG Limited
CIN: U11100DL2015GOI288147
GAIL Bhawan, 16, Bhikaji Cama Place, RK Puram, New Delhi-110066

Balance Sheet as at March 31, 2026

		(₹ in Crore)	
Particulars	Note No.	Audited	Audited
		As at March 31, 2026	As at March 31, 2025
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	3,572.34	2,536.06
Capital Work-in-Progress	6	169.11	1,225.62
Intangible Assets	4	0.33	0.04
Right of Use Asset	5	208.57	232.13
Financial Assets:			
- Loans	7A	1.84	1.64
- Others	7B	5.85	-
Deferred Tax Assets (Net)	16	600.61	562.43
Other Non Current Assets	8	12.01	0.05
Total Non Current Assets (A)		4,570.66	4,557.97
Current Assets			
Inventories	9	201.51	219.58
Financial Assets			
- Loans	10	0.15	0.15
- Trade Receivables	11	16.14	26.62
- Cash and Cash Equivalents	12A	25.61	0.23
- Bank Balances other than Cash and Cash Equivalents	12B	365.52	462.93
- Other Financial Assets	13	8.94	10.07
Current Tax Assets (Net)	14	3.37	5.26
Other Current Assets	15	149.36	69.37
Total Current Assets (B)		770.59	794.20
Total Assets (A+B)		5,341.25	5,352.17
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	17	1,139.00	1,139.00
Instruments entirely equity in nature	18	252.00	252.00
Other Equity	19	(1,428.21)	(1,191.38)
Total Equity (C)		(37.21)	199.62
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
- Borrowings	20	4,228.07	4,213.07
- Lease Liability	21	191.94	219.66
- Other Financial Liabilities	22	667.24	507.73
Provisions	23	0.67	0.61
Total Non Current Liabilities (D)		5,087.92	4,941.07
Current Liabilities			
Financial Liabilities:			
- Borrowings	24	35.00	-
- Lease Liability	25	33.68	27.65
- Trade Payable:	26		
- Dues of micro enterprises and small enterprises		3.93	2.13
- Dues of other than micro enterprises and small enterprises		33.36	31.65
- Other Financial Liabilities	27	98.54	62.20
Other Current Liabilities	28	6.01	7.82
Provisions	29	80.02	80.02
Total Current Liabilities (E)		290.54	211.48
Total Equity and Liabilities (C+D+E)		5,341.25	5,352.17



Konkan LNG Limited
CIN: U11100DL2015GOI288147
GAIL Bhawan, 16, Bhikaji Cama Place, RK Puram, New Delhi-110066

Notes:

1. The material accounting policies and accompanying notes form an integral part of Financial Statement

In terms of our report of even date attached:

For and on behalf of the Board of Directors

For Sankpal Kulkarni and Associates
Chartered Accountants
FRN. 121256W

A. Patil

Amit Patil
Partner
Membership No. - 126102



Place: Kolhapur

Date: **16/05/2026**

Jyoti Dua
Jyoti Dua
(Director)
(DIN-06904550)

Amit Sharma
Amit Sharma
(Chief Financial Officer)

Rajesh
(Chief Executive Officer)

Pankaj Bhutani
Pankaj Bhutani
(Director)
(DIN-11193276)

Nidhi Gola
Nidhi Gola
(Company Secretary)
(M No.-28525)

Place: New Delhi

Date: **16 MAY 2026**



Konkan LNG Limited
CIN: U11100DL2015GOI288147
GAIL Bhawan, 16, Bhikaji Cama Place, RK Puram, New Delhi-110066

Statement of Profit & Loss for the year ended March 31, 2026

Particulars	Note No.	₹ in Crore)	
		Audited March 31, 2026	Audited March 31, 2025
I. Revenue from Operations	30	710.45	778.24
II. Other Income	31	30.56	23.66
III. Total Income (I+II)		741.01	801.91
a. Employee benefits expenses	32	1.29	1.11
b. Finance Cost	33	407.80	390.14
c. Depreciation and amortization expenses	34	227.22	200.76
d. Change in inventories	35	78.61	342.47
e. Other expenses	36	301.12	261.43
f. Reversal of Impairment Loss	3 & 6	-	(221.30)
IV. Total Expenses (a+b+c+d+e+f)		1,016.05	974.61
V. Profit/(Loss) before Tax (III-IV)		(275.04)	(172.70)
VI. Tax Expenses			
Current Tax			
Deferred tax charge / (credit)	16	(38.19)	(47.59)
VII. Profit/(Loss) for the year (V-VI)		(236.85)	(125.11)
VIII. Other Comprehensive income:			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement gain/(losses) of defined benefit obligations		0.03	0.01
Income tax effect relating to these items (PY: ₹: 12,967)		(0.01)	(0.00)
Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		0.02	0.00
IX. Total comprehensive income (VII+VIII)		(236.83)	(125.10)
Earning/(Loss) per equity share (in Rs.)			
(1) Basic	37	(2.30)	(1.32)
(2) Diluted		(2.30)	(1.32)

Notes:

1. The material accounting policies and accompanying notes form an integral part of Financial Statement

In terms of our report of even date attached:

For and on behalf of the Board of Directors

For Sankpal Kulkarni and Associates
Chartered Accountants
FRN: 121256W

Amit Patil
Partner
Membership No. - 126102

Place: Kolhapur
Date: 16/05/2026



Jyoti Dua
(Director)
(DIN-06904550)

Amit Sharma
(Chief Financial Officer)

Place: New Delhi
Date: 16 MAY 2026

Pankaj Bhutani
(Director)
(DIN-11193276)

Rajesh
(Chief Executive Officer)
Nidhi Gola
(Company Secretary)
(M No.-28525)



Konkan LNG Limited
CIN: U11100DL2015GOI288147
GAIL Bhawan, 16, Bhikaji Cama Place, RK Puram, New Delhi-110066
Statement of Cash Flows for the year ended March 31, 2026

	(₹ in Crore)	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Operating activities		
Profit/(loss) before tax	(275.04)	(172.70)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	227.22	200.76
Finance income	(28.46)	(22.80)
Finance costs	407.80	390.14
Provision for bad And doubtful advances	-	1.35
Loss on written off of assets (net)	0.67	1.73
Provisions for employees benefits	0.09	0.11
Impairment of assets/(Reversal)	-	(221.30)
Interest on refund of Income Tax	(0.30)	(0.16)
Cash flow from operating activities before working capital changes	331.99	177.12
Working capital adjustments:		
Increase / (Decrease) in Current Liabilities:		
Trade Payables	3.50	(6.01)
Other Current Financial Liabilities	36.34	(14.06)
Other Current Liabilities	(1.81)	0.33
(Increase)/ Decrease in Current Assets:		
Inventories	18.07	304.16
Trade Receivables	10.48	(5.67)
Other Current Financial Assets	(0.17)	0.92
Other Current Assets	(79.99)	(48.37)
Other adjustments:		
(Increase)/ Decrease in Non -Current Assets/Liabilities:		
Other Non Current Financial Liabilities	3.80	-
Other Non Current Financial Assets	(6.05)	(1.00)
Other Non Current Assets	-11.97	0.25
Cash flow from operating activities after working capital changes	304.20	407.67
Interest on Income tax Refund	0.30	0.16
Taxes (paid)/refund received	1.89	(1.76)
Net cash flows from operating activities (A)	306.38	406.08
Investing activities		
Sale/ (Purchase) of property, plant and equipment, intangible assets (including capital work in progress)	(184.39)	(115.28)
Investments in FDR (net)	97.41	(227.50)
Interest received	29.77	16.79
Net cash flows used in investing activities (B)	(57.21)	(325.99)
Financing activities		
Interest paid	(252.10)	(246.71)
Proceeds from long term borrowings		
Repayment of long term borrowings		
Loan Infusion	50.00	200.00
Payment of lease liability	(21.69)	(33.49)
Proceeds from partly paid-up equity shares	-	-
Proceeds from issue of compulsarily convertible preference shares		
Net cash flows from/(used in) financing activities (C)	(223.79)	(80.20)
Net increase in cash and cash equivalents (A+B+C)	25.38	(0.11)
Cash and cash equivalents at the beginning of the year	0.23	0.34
Cash and cash equivalents at year end	25.61	0.23



Konkan LNG Limited
CIN: U11100DL2015GOI288147
GAIL Bhawan, 16, Bhikaji Cama Place, RK Puram, New Delhi-110066

Statement of Cash Flows for the year ended March 31, 2026

Reconciliation of cash and cash equivalents as per the statement of cash flows:

Cash and cash equivalents as per the above comprise of the following

Particulars	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Cash in hand	-	-
Balances with banks:		
- Current accounts	0.11	0.23
- Deposits with original maturity less than three months	25.50	-
Balances as per statement of cash flows	25.61	0.23

Notes:

1. The material accounting policies and accompanying notes form an integral part of Financial Statement
2. Cash Flow Statement has been prepared using Indirect Method as per Ind AS 7 - Statement of Cash Flows.
3. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

(₹ in Crore)

For the Financial Year Ended 31st March 2026

Particulars	Borrowings	Lease Liabilities
Opening Balance as at 1st April 2025	4,213.07	247.31
Cash Flows during the year	50.00	(33.32)
Non-cash changes due to:		
Acquisitions under Right of Use Assets	-	11.62
Variation in exchange rates	-	-
Transaction costs on Borrowings	-	-
Other adjustments	-	-
Closing Balance as on 31st March 2026	4,263.07	225.62

For the Financial Year Ended 31st March 2025

Particulars	Borrowings	Lease Liabilities
Opening Balance as at 1st April 2024	4,013.07	280.81
Cash Flows during the year	200.00	(33.49)
Non-cash changes due to:		
Acquisitions under Right of Use Assets	-	-
Variation in exchange rates	-	-
Transaction costs on Borrowings	-	-
Other adjustments	-	-
Closing Balance as on 31st March 2025	4,213.07	247.31

In terms of our report of even date attached:

For and on behalf of the Board of Directors

For Sankpal Kulkarni and Associates

Chartered Accountants

FRN. 121256W

A. Patil

Amit Patil

Partner

Membership No. - 126102



Jyoti Dua

Jyoti Dua

(Director)

(DIN-06904550)

Pankaj Bhutani

Pankaj Bhutani

(Director)

(DIN-11193276)

Amit Sharma

Amit Sharma

(Chief Financial Officer)

Rajesh

Rajesh

(Chief Executive Officer)

Nidhi Gola

Nidhi Gola

(Company Secretary)

(M No.-28525)

Place: Kolhapur

Date: 16/05/2026

Place: New Delhi

Date: 16 MAY 2026



Konkan LNG Limited
CIN: U11100DL2015GOI288147
GAIL Bhawan, 16, Bhikaji Cama Place, RK Puram, New Delhi-110066
Statement of Changes in Equity for the year ended March 31, 2026

(a) Equity Share Capital

Particulars	(₹ in Crore)	
	Number (in crores)	Amount
Equity shares of Rs. 10/- each issued, subscribed and fully paid up		
As at 31 March 2024	113.90	1,139.00
Issue of share capital	-	-
As at 31 March 2025	113.90	1,139.00
Issue of share capital	-	-
As at 31 March 2026	113.90	1,139.00

(b) Instruments entirely equity in nature

Particulars	(₹ in Crore)	
	Number (in crores)	Amount
10% Compulsorily Cumulative Convertible Preference Shares		
As at 31 March 2024	25.20	252.00
Issue of share capital	-	-
As at 31 March 2025	25.20	252.00
Issue of share capital	-	-
As at 31 March 2026	25.20	252.00

(c) Other Equity

Particulars	(₹ in Crore)	
	Retained earnings	
As at 31 March 2024	(1,066.27)	
Profit for the period	(125.11)	
Re-measurement (losses)/ gain on defined benefit plans (net of tax)	0.00	
Total Comprehensive Income	(125.10)	
As at 31 March 2025	(1,191.38)	
Profit for the period	(236.85)	
Re-measurement (losses)/ gain on defined benefit plans (net of tax)	0.02	
Total Comprehensive Income	(236.83)	
As at 31 March 2026	(1,428.21)	

Notes:

1. The material accounting policies and accompanying notes form an integral part of Financial Statement

In terms of our report of even date attached:

For and on behalf of the Board of Directors

For Sankpal Kulkarni and Associates
Chartered Accountants
FRN. 121256W

A. Patil
Amit Patil
Partner
Membership No. - 126102



Jyoti Dua
Jyoti Dua
(Director)
(DIN-06904550)

Amit Sharma
Amit Sharma
(Chief Financial Officer)

Pankaj Bhutani
Pankaj Bhutani
(Director)
(DIN-11193276)

Rajesh
Rajesh
(Chief Executive Officer)

Nidhi Gola
Nidhi Gola
(Company Secretary)
(M No.-28525)

Place: Kolhapur
Date: 16/05/2026

Place: New Delhi
Date: 16 MAY 2026



Konkan LNG Limited

Notes to Financial Statements for the year ended March 31, 2026

Note 1. Company Information

Reporting entity

Konkan LNG Limited is a Public Limited Company domiciled in India, having CIN number **U11100DL2015GOI288147**, was incorporated on 4th December 2015 for taking over the R-LNG business under the demerger scheme of Ratnagiri Gas and Power Private Ltd u/s 230 - 232 of the Companies Act, 2013 with appointed date of 1st January, 2016. The scheme of demerger was approved by NCLAT on 28th February 2018 and became effective on 26th March 2018 i.e. the date on which the same was filed with Ministry of Corporate Affairs. The address of the Company's registered office is 16, Bhikaji Cama Place, R.K. Puram, New Delhi-110066.

The Company has been formed to carry on the business of acquiring, storing, processing, regasification, transportation of natural gas (NG), liquefied natural gas (LNG) and other incidental business detailed given in the Memorandum of Association of the Company

Pursuant to shareholders' approval for conversion of the company from Private Limited company to Public Limited company, Registrar of Companies issued fresh certificate of incorporation on **February 18, 2020** whereby the name of the Company has been changed from "**Konkan LNG Private Limited**" to "**Konkan LNG Limited**".

Note 2. Basis of preparation and Material Accounting Policies

1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), the requirements of Division II of Schedule III to the Companies Act, 2013 and other relevant provisions of the Act. These Financial Statements for the year ended 31st March 2026, were authorized for issue by Board of Directors on 16th May 2026.

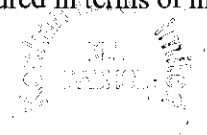
2. Basis of preparation

This financial statement has been prepared as going concern on accrual basis of accounting. These financial statements have been prepared on historical cost basis except for defined benefit plans which are measured using actuarial measurement at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The methods used to measure fair values are disclosed further in notes to financial statements.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest crore (up to two decimals), except as stated otherwise. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet dates and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

4. Current and non-current classification

The Company presents Assets and Liabilities in the Balance Sheet based on Current/Non-Current classification.

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are 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. The Company has identified twelve months as its operating cycle.

5. Disclosures under Schedule III under Companies Act 2013.

Schedule III to Companies Act, 2013 was modified vide notification dated March 24, 2021 to enhance various additional disclosure requirements while preparing the financial statements of a company. The relevant disclosures have been made to the financial statements, wherever necessary.

A. Material accounting policies

A summary of the Material accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

1. Property, plant and equipment

a. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Costs towards compensation (including those incurred provisionally), rehabilitation and other expenses relatable to land in possession are treated as cost of land and other assets.

Expenditure on major inspection and overhauls of generating unit is capitalized separately on initial recognition, when it meets the asset recognition criteria.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment (PPE), and satisfy the recognition criteria, are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

b. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

When Material parts of plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs, including regular servicing of property, plant and equipment, are recognized in the statement of profit and loss as incurred.

c. Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

d. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

e. Depreciation/amortization

Depreciation is provided in accordance with the manner and useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets), except for the assets as mentioned below where different useful life has been taken on the basis of external / internal technical evaluation:



Konkan LNG Limited**Notes to Financial Statements for the year ended March 31, 2026**

a) Kutch roads	2 years
b) Enabling works	
- Residential buildings	15 years
- Internal electrification of residential buildings	10 years
- Non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	3 years
d) Photocopiers, fax machines, water coolers and refrigerators	5 years
e) Temporary erections including wooden structures	1 year
f) Telephone exchange	5 years
g) Network including wireless systems, VSAT equipment, display devices viz. projectors, screens, CCTV, audio video conferencing systems and other communication equipment	6 years
h) Regasification Unit (based on Management Decision)	25 Years
i) Employee Assets – Mobile Phones	2 Years
j) Employees Assets – Electrical Equipment's & Furniture	4&6 Years
k) Break Water Project (based on Technical Evaluation and Management Decision)	100 Years

Depreciation is provided so as to write off, on a straight-line basis, the cost of property, plant and equipment to their residual value. This charge is commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period, if shorter.

Major spare parts and stand-by equipment shall qualify for recognition as PPE when the company expects to use them for more than one year. Accordingly, spares parts, stand-by equipment and servicing equipment having value of Rs.5 Lakh or more per item (Cost to Company) and are expected to be used for more than one year and depreciated over its useful life, which shall be determined based on technical estimates

Major overhaul and inspection costs which have been capitalized are depreciated over the period until the next scheduled outage or actual major inspection/overhaul, whichever is earlier.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a Property, Plant and Equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the carrying amount relating to the property are written off in the same period.

Assets valuing less than Rs. 5,000/- or less are fully depreciated during the year in which the asset becomes available for use with Rs. 1 as Written Down Value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, when necessary, revised.

2. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

3. Intangible assets and intangible assets under development

a. Initial recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

b. Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

c. Amortization

Amortization is provided so as to write off, on a straight-line basis, the cost of intangible assets to their residual value. This charge is commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives.

Cost of software recognized as intangible asset, is amortized on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line basis over the useful economic life. The estimated useful life and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and, when necessary, revised.

4. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition, construction development or erection of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

Other borrowing costs are recognized as an expense in the year in which they are incurred.

5. Inventories

Inventories are valued at the lower of cost and net realizable value.

Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for accordingly. The valuation of scrap, if any, is done at estimated net realizable value.

The Company's entitlement to leftover System Use Gas is accounted for as inventory. These are measured at fair value at the date of initial measurement as per the requirements of Ind AS 115 *Revenue from Contract with Customers*.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

6. Cash and cash equivalents

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

7. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.



Konkan LNG Limited

Notes to Financial Statements for the year ended March 31, 2026

A contingent asset is disclosed, when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities/assets exceeding ₹. 0.05 Crores in each case are disclosed by way of notes to accounts except when there is remote possibility of settlement/realization.

8. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

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 is recognized in line with the gain or loss of the item arising on determination of fair value of such item, either in other comprehensive income or the Statement of Profit and Loss as the case maybe.

9. Revenue

a. Revenue from Regasification

The Company's revenues arise from charges collected from customers for regasification of LNG and other income. Taxes imposed by government, collected by the Company from customer, are excluded from revenue.

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. Revenue is measured at the transaction price charged to the customer and are recorded net of trade discounts, rebates, other pricing allowances to trade/ consumer and including fair value of non-cash consideration from the customer at the date of initial measurement, when it is probable that the associated economic benefits will flow to the Company.

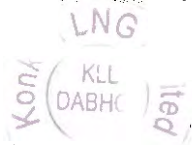
Where performance obligation is satisfied over time, company recognizes revenue using input/ output method based on performance completion till reporting date. Where performance obligation is satisfied at a point in time, company recognizes revenue when customer obtains control of promised goods and services in the contract.

The Company uses output method in accounting for the revenue in respect of sale of services. Use of output method requires the Company to recognize revenue based on performance completion till date e.g. time elapsed. The estimates are assessed continually during the term of the contract and the Company re-measures its progress towards complete satisfaction of its performance obligations satisfied over time at the end of each reporting period.

The Company updates its estimated transaction price at each reporting period, to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period including penalties, discounts and damages etc.

b. Other income

Insurance claims are accounted for on the basis of claims admitted by the insurers.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

Interest/surcharge recoverable on advances to suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are accounted for on receipt/acceptance.

10. Employee benefits

All short-term employee benefits are recognized at the undiscounted amount in the accounting period in which they are incurred.

Company's contributions paid/ payable during the year towards provident fund for own cadre employees is recognized in the statement of profit and loss and the same is paid to employees' Provident Funds Organization.

Employee Benefits under Defined Benefit Plans in respect of gratuity are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Credit Method.

Obligations on other long-term employee benefits, viz., and leave encashment are provided using the projected unit credit method of actuarial valuation made at the end of the year.

Re-measurement including actuarial gains and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss or Other Comprehensive Income in the year of occurrence, as the case may be. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The liability for employees' benefit of employees seconded by the promoter's organization in respect of provident fund, pension, gratuity, post- retirement medical facilities, compensated absences, long service award, economic rehabilitation schemes and other terminal benefits is retained by the respective organization.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either:

- (a) an entity's decision to terminate an employee's employment before the normal retirement date; or
- (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment

Termination benefits are typically lump sum payments, but sometimes also include:

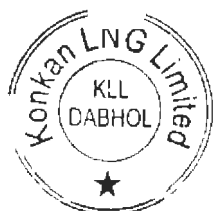
- (a) Enhancement of post-employment benefits, either indirectly through an employee benefit plan or directly.
- (b) salary until the end of a specified notice period if the employee renders no further service that

provides economic benefits to the entity.

In respect of employees seconded from GAIL India Ltd., the proportionate charge for the period of service of such employees in the company is accounted as an expense, on the basis of debits raised by such organization.

11. Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

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

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

12. Leases

a. As lessee

Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The company assesses whether:

- The contract involves the use of an identified asset, specified explicitly or implicitly.
- The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use, and
- The Company has right to direct the use of the asset.

Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Initial recognition of Right of use asset (ROU)

The Company recognises a ROU asset at the lease commencement date (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

Subsequent measurement of Right of use asset (ROU)

ROU assets are subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of ROU asset or the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability. (Refer to the accounting policy regarding Impairment of non-financial assets.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

Initial recognition of lease liability

Lease liabilities are initially measured at the present value of the lease payments to be paid over the lease term. Lease payments included in the measurement of the lease liabilities comprise of the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option, extension option and penalties for early termination only if the Company is reasonably certain to exercise those options.

Subsequent measurement of lease liability

Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment and photocopy machines that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

b. As lessor

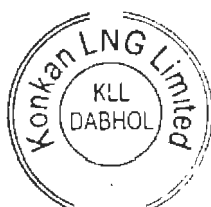
Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables and finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Disclosures

Key disclosure requirements are as follows:

- Description of the leasing arrangements
- The basis on which variable lease payments not included in the lease liability are determined
- Terms and conditions of leasing arrangements which are Material to understanding the financial statements
- Amounts Recognized in Financial Statements:
- Carrying amount of right-of-use assets by class of underlying asset
- Lease liabilities, showing both the current and non-current amounts
- Expense related to short-term leases not included in the measurement of lease liabilities (if short-term leases are not recognized on the balance sheet)
- Expense related to leases of low-value assets not included in the measurement of lease liabilities (if applicable)
- The total cash outflow for leases



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

- The amount of income from subleasing right-of-use assets

13. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

14. Operating segments

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance expenses and income tax expenses.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting for the year, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

15. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

KLL shall recognize prior period items above the threshold limit, which has been fixed at Rs. 6 crores (Excl GST) w.e.f. 01.04.2024. The threshold limit has been decided based on considering 1% of the average of the last three years revenue from operations. The company will review this limit every three years.

16. Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dividend have been considered and computed while calculation of Earnings Per Share in accordance with IND AS 33- Earnings Per Share.

17. Dividend

On 31st March 2026, the Company has 10% 'Compulsorily Cumulative Convertible Preference Shares' (CCCPS) amounting Rs. 2,52,00,37,180 divided into 25,20,03,718 shares of par value of Rs. 10 and fully paid up. These shares were issued on 21.11.2018 at Rs. 3 paid up. One fully paid CCCPS is convertible into one equity share of Rs. 10 each at any time at the option of shareholders from the date of allotment of the CCCPS but not later than 20 years.

Dividend is computed only for the purpose of calculation of Earnings Per Share in accordance with IND AS 33- Earnings Per Share.

Since the company is a loss-making entity, no dividend has been recommended and declared by the Company till date. However, in upcoming years when board and shareholders recommend to shareholders approve it then the Company shall be liable to pay dividend @10% per annum on the paid-up portion of face value on cumulative basis since issuance of shares, subject to approval of shareholders.

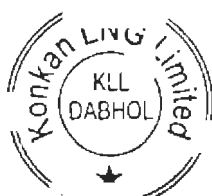
18. Financial instruments

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

a. Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

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 costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

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

a) Financial assets carried at amortized cost

Financial assets other than derivatives and specific investments, is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income

Financial assets other than derivatives comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c) Financial assets at fair value through Statement of Profit and Loss

A financial asset including derivative which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(b) Lease receivables under Ind AS 116.



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Notes to Financial Statements for the year ended March 31, 2026

(c) Trade receivables under Ind AS 115.

(d) Financial guarantee contracts which are not measured as at FVTPL.

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

b. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through Statement of Profit and Loss. Such liabilities, including derivatives shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts,

Subsequent measurement

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

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. 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. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the



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Notes to Financial Statements for the year ended March 31, 2026

statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss.

19. Fair value measurement

The Company measures financial instruments including derivatives, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is Significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is Significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

20. Restatement of Financial Statements

This policy applies to all financial statements prepared and presented by the company in accordance with IND AS 8: Accounting Policies, Changes in Accounting estimates and Errors and Companies Act 2013. Following principles are followed while restating the financials:

Identification of Errors:

An error can be the result of mathematical mistakes, mistakes in applying accounting policies, oversight or misuse of facts, and fraud. When a material error is identified, the nature and size of the error will be assessed to determine whether it is material and requires restatement.

Restatement Process:

Upon identification of a material misstatement due to error or change in accounting principle, the financial statements will be restated. The restatement involves revising the previously issued financial statement to correct the misstatement. Comparative amounts for prior periods presented in financial statements will be restated unless the correction of the error is impracticable.

Disclosure:

The company will disclose the nature of the error and the impact of its correction on the financial statements in the notes to the financial statements. The disclosures will include the amount by which each financial statement line item is affected in the current and prior periods, as well as the reason for the restatement.

B. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

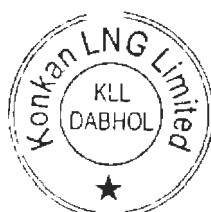
In order to enhance understanding of the financial statements, information about Material areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most Material effect on the amounts recognized in the financial statements is as under:

1. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets is determined in accordance with Schedule II of the Companies Act, 2013 and technical evaluation, wherever considered appropriate by management.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment and are adjusted prospectively, if appropriate.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

2. Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3. Defined Benefit Plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

4. Revenues

Revenue from regasification services is recognized when services are rendered. Revenue from regasification services is net of Goods and Service tax.

The Company uses output method in accounting for the revenue in respect of sale of services. Use of output method requires the company to recognize revenue based on performance completion till date e.g. units delivered. The estimates are assessed continually during the term of the contract and the company measures its progress towards complete satisfaction of its performance obligations satisfied over time at the end of each reporting period.

Company updates its estimated transaction price to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period including penalties, damages etc.

5. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

6. Taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

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

7. Impairment of Non-Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

C. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any Material impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any Material impact in its financial statements.



3 Property, plant and equipment

Particulars	Gross carrying value						Accumulated Depreciation					Impairment				Net carrying value	
	As at 1st Apr 2025	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	Adjustment during the Year	As at 31st Mar 2026	As at 1st Apr 2025	For the period	Disposals	Adjustment during the Year	As at 31st Mar 2026	As at 1st Apr 2025	Addition	Reversal/ Adjustment	As at 31st Mar 2026	As at 31st Mar 2026	As at 31st Mar 2025
Roads, bridges, culverts & helipads	14.30	-	3.52	(0.08)	-	17.74	4.79	1.30	-	-	6.09	-	-	-	-	11.65	9.51
Furniture & Fixture	2.09	0.01	0.06	(0.05)	-	2.10	0.95	0.20	(0.04)	-	1.11	-	-	-	-	0.99	1.14
Plant and machinery (including associated civil works)	4,059.77	22.14	1,199.72	(1.27)	-	5,280.36	1,536.82	187.06	(0.61)	-	1,723.27	-	-	-	-	3,557.08	2,522.95
Office equipment	1.42	0.01	0.27	(0.02)	-	1.68	0.79	0.18	(0.02)	-	0.95	-	-	-	-	0.73	0.63
EDP, WP machines and satcom equipment	3.54	0.03	0.56	(0.06)	-	4.07	2.31	0.49	(0.06)	-	2.74	-	-	-	-	1.33	1.23
Vehicles	0.44	-	-	-	-	0.44	0.09	0.05	-	-	0.14	-	-	-	-	0.30	0.35
Communication Equipment	0.51	-	0.06	(0.06)	-	0.51	0.26	0.05	(0.06)	-	0.25	-	-	-	-	0.26	0.25
Total	4,082.06	22.18	1,204.19	(1.55)	-	5,306.89	1,546.00	189.34	(0.80)	-	1,734.55	-	-	-	-	3,572.34	2,536.06

Carrying amount of property, plant and equipment are hypothecated as security for borrowings. (Refer Note 20)

Particulars	Gross carrying value						Accumulated Depreciation					Impairment				Net carrying value	
	As at 1st Apr 2024	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	Adjustment during the Year	As at 31st Mar 2025	As at 1st Apr 2024	For the period	Disposals	Adjustment during the Year	As at 31st Mar 2025	As at 1st Apr 2024	Addition	Reversal/ Adjustment	As at 31st Mar 2025	As at 31st Mar 2025	As at 31st Mar 2024
Roads, bridges, culverts & helipads	7.14	-	7.15	-	-	14.30	3.46	1.33	-	-	4.79	-	-	-	-	9.51	3.69
Furniture & Fixture	1.55	0.00	0.54	(0.01)	-	2.09	0.71	0.24	(0.01)	-	0.95	-	-	-	-	1.14	0.84
Plant and machinery (including associated civil works)	4,048.51	10.73	4.97	(4.45)	-	4,059.77	1,379.27	158.97	(1.42)	-	1,536.82	221.26	-	(221.26)	-	2,522.95	2,447.99
Office equipment	1.22	0.09	0.15	(0.02)	(0.01)	1.42	0.67	0.15	(0.02)	(0.01)	0.79	0.01	-	(0.01)	-	0.63	0.54
EDP, WP machines and satcom equipment	3.37	0.01	0.24	(0.00)	(0.07)	3.54	1.97	0.41	(0.00)	(0.07)	2.31	0.02	-	(0.02)	-	1.23	1.38
Vehicles	0.44	-	-	-	-	0.44	0.04	0.05	-	-	0.09	-	-	-	-	0.35	0.40
Communication Equipment	0.25	-	0.25	-	0.00	0.51	0.22	0.03	-	0.00	0.26	0.01	-	(0.01)	-	0.25	0.02
Total	4,062.49	10.83	13.31	(4.47)	(0.08)	4,082.06	1,386.33	161.20	(1.44)	(0.08)	1,546.00	221.30	-	(221.30)	-	2,536.06	2,454.86

Carrying amount of property, plant and equipment are hypothecated as security for borrowings. (Refer Note 20)

4 Intangible assets

Particulars	Gross carrying value						Amortisation and impairment					Net Carrying value	
	As at 1st Apr 2025	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	Adjustment during the Year	As at 31st Mar 2026	As at 1st Apr 2025	For the period	Disposals	Adjustment during the Year	As at 31st Mar 2026	As at 31st Mar 2026	As at 31st Mar 2025
Software	0.23	0.00	0.35	(0.02)	-	0.56	0.20	0.06	(0.02)	-	0.23	0.33	0.04
Total	0.23	0.00	0.35	(0.02)	-	0.56	0.20	0.06	(0.02)	-	0.23	0.33	0.04

Particulars	Gross carrying value						Amortisation and impairment					Net Carrying value	
	As at 1st Apr 2024	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	Adjustment during the Year	As at 31st Mar 2025	As at 1st Apr 2024	For the period	Disposals	Adjustment during the Year	As at 31st Mar 2025	As at 31st Mar 2025	As at 31st Mar 2024
Software	0.40	0.05	-	-	(0.21)	0.23	0.40	0.01	-	(0.21)	0.20	0.04	-
Total	0.40	0.05	-	-	(0.21)	0.23	0.40	0.01	-	(0.21)	0.20	0.04	-

Carrying amount of intangible assets are hypothecated as security for borrowings. (Refer Note 20)



5 Right of Use Asset

(₹ in Crore)											
Particulars	Gross carrying value					Accumulated depreciation				Net	
	As at 1st Apr 2025	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	As at 31st Mar 2026	As at 1st Apr 2025	For the period	Disposals	As at 31st Mar 2026	As at 31st Mar 2026	As at 31st Mar 2025
Tug Boats Under Lease	302.42	-	-	-	302.42	76.91	30.22	-	107.13	195.29	225.51
G.E.G.	12.13	11.62	-	(12.13)	11.62	10.40	7.53	(12.13)	5.80	5.82	1.73
MMB	10.29	-	-	-	10.29	10.29	-	-	10.29	-	-
Land Lease	5.19	-	2.64	-	7.83	0.30	0.08	-	0.38	7.45	4.89
Total	330.03	11.62	2.64	(12.13)	332.16	97.89	37.82	(12.13)	123.59	208.57	232.13

(₹ in Crore)											
Particulars	Gross carrying value					Accumulated depreciation				Net Carrying value	
	As at 1st Apr 2024	Additions during the year	Acquisition from AUC	Sales/ Disposals during the year	As at 31st Mar 2025	As at 1st Apr 2024	For the period	Disposals	As at 31st Mar 2025	As at 31st Mar 2025	As at 31st Mar 2024
Tug Boats Under Lease	302.42	-	-	-	302.42	46.69	30.22	-	76.91	225.51	255.73
G.E.G.	12.13	-	-	-	12.13	2.32	8.08	-	10.40	1.73	9.80
MMB	10.29	-	-	-	10.29	9.10	1.18	-	10.29	-	1.18
Land Lease	5.19	-	-	-	5.19	0.22	0.08	-	0.30	4.89	4.97
Total	330.03	-	-	-	330.03	58.34	39.55	-	97.89	232.13	271.68

- a) During FY 2017-18, Leasehold land value of (as at 31 March 2022: Rs.1.69 crores) had been transferred to Konkan LNG Limited from Ratmagiri Gas and Power Pvt. Ltd. (RGPPL). However, transfer of land in the name of Company from RGPPL is pending in the records of Maharashtra Industrial Development Corporation. An amount of Rs. 3.50 was paid by KLL on 27.03.2022 on account of Land Lease hold.

Particulars	Description of item of property	Gross carrying value (₹ in Crore)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of	Property held since which date	Reason for not being held in the name of the company
Right of Use Asset - Leasehold land	Leasehold Land	2.64	Maharashtra Industrial Development Corporation	No	26.02.2026	The execution of the lease deed is currently under progress.
Right of Use Asset - Leasehold land	Leasehold Land	5.19	Ratmagiri Gas and Power Pvt. Ltd.	No	Since 2017-18 (The scheme of demerger was approved by NCLT on 28/02/2018)	The Leasehold land has been transferred as per the demerger scheme approved by NCLT and the Company is in process of transferring the same.



6 Capital work in progress

Particulars	Gross carrying value					Impairment			Net carrying value		
	As at 1st Apr 2025	Additions	Disposals/ Capitalisation	Retirement/ Deletion	As at 31st Mar 26	As at 1st April 2025	Deletion / Adjustments	Reversal	As at 31st Mar 26	As at 31st Mar 26	As at 31st Mar 25
Capital work in progress	1,225.62	150.66	1,207.17	-	169.11	-	-	-	-	169.11	1,225.62

Particulars	Gross carrying value					Impairment			Net carrying value		
	As at 1st Apr 2024	Additions	Disposals/ Capitalisation	Retirement/ Deletion	As at 31st Mar 25	As at 1st April 2024	Deletion / Adjustments	Reversal	As at 31st Mar 25	As at 31st Mar 25	As at 31st Mar 24
Capital work in progress	1,133.23	105.70	13.31	-	1,225.62	-	-	-	-	1,225.62	1,133.23

Note

Note :A) Major plant of LNG division in the books of Ratnagiri Gas and Power Private Ltd. was commissioned on 22nd May 2013 (COD) after ensuring the reliability and continued availability of the LNG Terminal. Till the time the major plant was not commissioned, RGPPL was capitalizing the amount of proportionate interest to the capital work in progress (CWIP). However, post commissioning the LNG Terminal, the entire amount of interest expenditure was charged to the revenue expenditure in compliance to erstwhile AS 16 – Borrowing Cost considering Cessation of capitalisation of Borrowing Cost. Subsequent to Transfer of LNG undertaking from RGPPL to KLL (erstwhile KLPL) w.e.f. 26th March 2018, the Company started functioning as an independent company. The Company has followed same accounting treatment post demerger as RGPPL was following pre demerger by charging entire borrowing cost to revenue.

However, in FY 2021-22, The Company has capitalised the borrowing cost following Ind AS 23: Accounting for Borrowing Cost for the assets that take substantial period of time for construction, considering the adjustment as a prior period error. An interest cost of Rs. 11.37 Crores for FY 2025-26 (FY 2024-25 is Rs.20.35 Crores), being a capital expenditure for construction of asset that take substantial period of time for construction. The borrowing cost has been calculated on qualifying assets more than amounting to Rs. 2.00 Crores.

- b) Capitalisation rate: $(\text{Amount of ICL-I} \times \text{Interest rate1}) + (\text{Amount of ICL-II} \times \text{Interest rate2}) / \text{Total amount of borrowings outstanding during the year} \times 100$
The capitalization rate - In CY 9.20% p.a.till 31.12.2025 and from 01.01.2026 is 6.45% p.a.(PY-8.85% p.a)

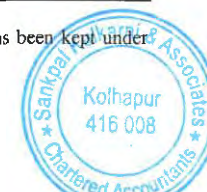
Capitalization Rate for Specific Borrowing (ICL-III) : RBI Repo Rate plus a spread of 120 basis points minus Interest Income on temporary investment. Interest rate as on 31.03.2026 is 6.45% p.a. (As on 31.03.2025 is 7.70% p.a)

c) Capital-Work-in Progress (CWIP) aging schedule

CWIP	Amount in CWIP as at 31st Mar 26				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress:					
BREAK WATER WALL	-	-	-	-	-
TLF - ADDITIONAL TWO BAYS	0.35	0.17	0.17	-	0.69
CAPTIVE POWER SYSTEM	0.65	-	0.55	0.09	1.30
INDEPENDENT HEATING SYSTEM	81.34	4.11	1.81	0.47	87.73
ARTICULATED ARM ASSEMBLY	62.27	-	-	-	62.27
TERMINAL CAPACITY EXPANSION - 6.3 MMTPA	0.01	-	-	-	0.01
OTHER ASSETS	(0.72)	(5.69)	6.42	1.79	1.81
Temporarily Suspended Project/s:					
Tank 500 (for future expansion)	-	-	-	15.30	15.30
Total	143.91	(1.41)	7.78	18.83	169.11

CWIP	Amount in CWIP as at 31st Mar 25				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	93.80	270.39	213.24	622.99	1,200.42
	0.17	0.17	-	-	0.34
	-	0.21	0.34	0.09	0.64
	4.11	1.43	0.38	0.47	6.39
	-	-	-	-	-
	-	-	-	-	-
	(5.69)	1.76	4.67	1.79	2.52
	-	-	-	-	-
	-	-	-	15.30	15.30
Total	92.39	273.96	217.45	641.82	1,225.62

- d) Further, there is no project whose completion is overdue or has exceeded its cost compared to its original plan. Further, the above includes an amount of ₹15.30 crore on account of T-500, which has been kept under temporarily suspended project status. The same will be part of the future expansion plan.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

7 Financial Assets - Non-current

		(₹ in Crore)	
Particulars		As at March 31, 2026	As at March 31, 2025
7A Loans			
Loan to employees #			
- Secured, Considered good		1.60	1.52
- Unsecured, Considered good		-	-
Interest Accrued on Loan to Employees		0.25	0.12
Total (A)		1.84	1.64
7B Others			
Balance with Term deposits with remaining maturity exceeding 12 months*		5.25	-
Security deposits with Government Departments			
- Unsecured, Considered Good		1.95	1.35
Less: Allowance for bad and doubtful debts		(1.35)	(1.35)
Total (B)		5.85	-
Total (A+B)		7.69	1.64

Loans given to employees have been recognised at book value in view of insignificant amount.

* Fixed deposit marked under lien.

8 Other Non Current Assets

		(₹ in Crore)	
Particulars		As at March 31, 2026	As at March 31, 2025
Capital advances:			
Unsecured, Considered Good		12.00	-
Prepaid expenses		0.02	0.05
Total		12.01	0.05

9 Inventories

		(₹ in Crore)	
Particulars		As at March 31, 2026	As at March 31, 2025
Stores and spares*		29.62	28.23
LNG Stock		171.89	191.35
Total		201.51	219.58

* Includes Material In Transit & Fuel for DG Set amounting to ₹1.16 crore & ₹0.74 crore respectively (PY: ₹0.001 crore and ₹0.70 crore)

* Carrying amount of inventories are hypothecated as security for borrowings. (Refer Note 20)

For the purpose of method of valuation of inventories, refer Note No. 2 (5) A (5) of Financial Statements.

10 Financial Assets-Loans-Current

		(₹ in Crore)	
Particulars		As at March 31, 2026	As at March 31, 2025
Loan to employees			
- Secured, considered good		0.15	0.15
- Unsecured, Considered good		-	-
Total		0.15	0.15



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

11 Trade Receivables - Current

	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Particulars		
(Unsecured - Considered good, unless otherwise stated)		
Trade Receivables:		
Others		
From related party	16.14	26.62
From others	0.00	0.00
Total	16.14	26.62

a) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. No any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

b) Trade receivables are non interest bearing and are generally on terms of 10 to 30 days

c) Carrying amount of trade receivables are hypothecated as security for borrowings. (Refer Note 20)

d) For Trade receivable aging schedule refer note 51.

12 Cash and Bank balances

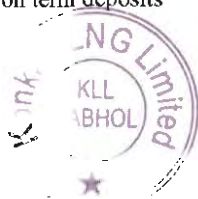
	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Particulars		
12A Cash & cash equivalents:		
Cash on hand	-	-
Balances with banks:		
- Current accounts	0.11	0.21
Balance with Banks:		
-Short Term Deposits (less than 3 months)	25.50	-
-Unspent Corporate Social Responsibility For The FY 2022-23	-	0.01
Total (A)	25.61	0.23

12B Bank Balances other than Cash and Cash Equivalents

	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Particulars		
Term deposits:		
Deposits with original maturity exceeding 3 months but less than 12 months	351.82	448.69
Short Term Deposit - Banks (Lien with bank)	13.70	13.81
Short Term Deposit - Unspent CSR	-	0.43
(B)	365.52	462.93
Total (A+B)	391.13	463.16

13 Current Financial Asset - Others

	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Particulars		
Security deposits		
- Unsecured, Considered Good	1.21	1.03
Interest accrued on term deposits	7.74	9.04
Total	8.94	10.07



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

14 Current Tax Assets (Net)

Particulars	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
TDS Recoverable	3.37	5.26
Total	3.37	5.26

15 Other Current assets

Particulars	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Advances to contractors and suppliers (Unsecured)	0.12	0.12
Other advances:		
Unsecured	2.33	1.70
Considered doubtful	2.76	2.76
Less: Allowance for bad and doubtful debts	(2.76)	(2.76)
Balance with Government Departments:		
GST Receivable	144.12	64.97
Prepaid expenses	2.80	2.58
Total	149.36	69.37



16 Income tax (Deferred Tax Asset)

The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025:

Profit or loss section :

(₹ in Crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Tax Expense:		
Current income tax charge	-	-
Deferred tax (expense)/income:		
Relating to the origination and reversal of temporary differences	(38.19)	(47.59)
Relating to changes in tax rates	-	-
Income tax expense reported in the statement of profit or loss	(38.19)	(47.59)

Other Comprehensive Income section

Deferred tax related to items recognised in OCI during the period/year:

(₹ in Crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Income tax effect relating to these items (PY: Rs. 12,967)	(0.01)	(0.00)
Total	(0.01)	(0.00)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025

Particulars	As at March 31, 2026	As at March 31, 2025
Profit/(Loss) before Tax	(275.04)	(172.70)
Rate of Income tax	25.168%	25.168%
Computed expected tax expenses	(69.22)	(43.47)
Disallowances / considered separately	227.22	(20.54)
Item allowable / considered separately	(490.32)	(89.40)
Unabsorbed depreciation	332.32	153.40
Income tax expense reported in the statement of profit or loss	-	-

(₹ in Crore)			
Particulars	As at March 31, 2026	Provided during the year	As at March 31, 2025
Deferred tax assets relates to the following			
Accumulated unabsorbed depreciation	760.33	88.97	671.37
Brought forward losses	238.47	(45.29)	283.76
MAT Credit Entitlement	-	-	-
Lease Liability	(52.49)	5.93	(58.42)
Disallowances of provision of employee benefits, provision for doubtful advances and loss on sale of assets	21.00	0.02	20.99
Total deferred tax assets (A)	967.31	49.62	917.69
Deferred tax liabilities relates to the following			
Difference between written down value of property, plant and equipment as per the Income Tax Act 1961 and the companies Act, 2013	423.48	5.97	417.51
Right of use of asset	(56.78)	5.46	(62.24)
Total deferred tax liabilities (B)	366.70	11.43	355.26
Net Deferred Tax Assets (A-B)	600.61	38.19	562.42

- A) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Reconciliation of Deferred Tax Asset (Net):

(₹ in Crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	562.43	514.83
Tax (expense)/income recognised in the statement of profit or loss *	38.19	47.59
Tax (expense)/income recognised in Other Comprehensive Income	(0.01)	(0.00)
Balance at the end of the period/year	600.61	562.43

* Net off expired business loss of Rs.292.50 Crores pertaining to AY 2018-19 (FY 2017-18).



17 Equity share capital

Particulars	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Authorised		
350,00,00,000 equity shares of par value of ₹10/- each	3,500.00	3,500.00
Total	3,500.00	3,500.00
Issued, subscribed and fully paid up		
1,138,996,509 (PY - 1,138,996,509) equity shares of par value of ₹10/- each	1,139.00	1,139.00
Total	1,139.00	1,139.00

(a) Movements in equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
At the beginning of the year	113.90	1,139.00	113.90	1,139.00
Add: Proceeds from partly paid-up shares	-	-	-	-
Add: Proceeds from addition of equity	-	-	-	-
At the end of the year	113.90	1,139.00	113.90	1,139.00

(b) Terms and Rights attached to Equity

The Company has only one class of Equity shares having a nominal value of ₹10 per share. Each holder of equity shares right to vote is in proportion to their share in the paid-up equity share capital of the company. In the event of Liquidation of the company, the holder of equity share will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the paid-up equity share capital held by the equity shareholders.

(c) Shares held by holding company:

Equity Shares	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
GAIL (India) Limited	106.49	1,064.94	106.49	1,064.94

(d) Shares held by each shareholder holding more than 5% shares:

Equity Shares	As at March 31, 2026		As at March 31, 2025	
	No. of Shares (in Crore)	Percentage	No. of Shares (in Crore)	Percentage
GAIL (India) Limited (Holding Company)	106.49	93.50%	106.49	93.50%
MSEB Holding Company Limited	7.41	6.50%	7.41	6.50%

(e) Disclosure of Shareholding of Promoters:

Shares held by promoters at the end of the Promoter name	As at March 31, 2026		% Change during the current year
	No. of shares (in Crore)	% of total shares	
GAIL (India) Limited (Holding Company)	106.49	93.50%	0.00%

Shares held by promoters at the end of the Promoter name	As at March 31, 2025		% Change during the previous year
	No. of shares (in Crore)	% of total shares	
GAIL (India) Limited (Holding Company)	106.49	93.50%	0.00%



Konkan LNG Limited

Notes to Financial Statements for the year ended March 31, 2026

18 Instruments entirely equity in nature

Particulars	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Authorised		
150,00,00,000, 10% Preference shares of par value of ₹10/- each.	1,500.00	1,500.00
Total	1,500.00	1,500.00
Issued, subscribed and fully paid up		
252,003,718, 10% Compulsorily Convertible Preference shares of par value of ₹10/- each	252.00	252.00
Total	252.00	252.00

(a) Movements in Preference share capital:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
At the beginning of the year	25.20	252.00	25.20	252.00
Add: Issued during the period/year	-	-	-	-
At the end of the year	25.20	252.00	25.20	252.00

(b) Terms and Rights attached to Preference

Cumulative Compulsorily Convertible Preference Shares (CCCPS) were issued during FY 2018-19. CCCPS will carry dividend @10% p.a. on the paid-up portion of face value on cumulative basis and One Fully Paid-up CCCPS is convertible into 1 (One) Equity Shares of ₹10 each at any time at the option of the Shareholders from the date of allotment but not later than 20 years.

(c) Shares held by holding company:

Preference share	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
GAIL (India) Limited	25.20	252.00	25.20	252.00

(d) Preference Shares held by each shareholder holding more than 5% shares:

Preference share	As at March 31, 2026		As at March 31, 2025	
	No. of Shares (in Crore)	Percentage	No. of Shares (in Crore)	Percentage
GAIL (India) Limited (Holding Company)	25.20	100.00%	25.20	100.00%

(e) Disclosure of Shareholding of Promoters:

Shares held by promoters at the end of the Promoter name	As at March 31, 2026		% Change during the current year
	No. of shares (in Crore)	% of total shares	
GAIL (India) Limited (Holding Company)	25.20	100.00%	0.00%

Shares held by promoters at the end of the Promoter name	As at March 31, 2025		% Change during the previous year
	No. of shares (in Crore)	% of total shares	
GAIL (India) Limited (Holding Company)	25.20	100.00%	0.00%



Konkan LNG Ltd.**Notes to Financial Statements for the year ended March 31, 2026****19 Other equity**

	(₹ in Crore)	
Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Balance at the beginning of the year	(1,191.38)	(1,066.27)
Profit / (loss) for the year	(236.85)	(125.11)
Re-measurement (losses)/ gain on defined benefit plans (net of tax) (PY: ₹38,554)	0.02	0.00
Total	(1,428.21)	(1,191.38)

20 Financial Liabilities - Non Current Borrowings

	(₹ in Crore)	
Particulars	As at March 31, 2026	As at March 31, 2025
Term loans - Secured		
From Related Party:		
GAIL (India) Limited	4,228.07	4,213.07
Total	4,228.07	4,213.07

During FY 2019–20, the Company obtained an inter-corporate loan (ICL-I) amounting to ₹2,700 crore from GAIL (India) Limited. Additionally, loans aggregating to ₹1,113.07 crore (ICL-II) were novated in favour of GAIL (India) Limited upon settlement of dues with the previous lenders. Both ICL-I and ICL-II carry an interest rate linked to the RBI Repo Rate plus a spread of 120 basis points with effect from 01 January 2026 and the rate of interest will reset upon change of repo rate of RBI and the new rate shall be applicable from the beginning of next month and shall be applicable thereafter till it is revised. Prior to this, the interest rate was linked to the 1-year SBI MCLR plus a spread of 20 basis points per annum, with resets on 1st April of each financial year.

ICL-I is repayable commencing from 31 March 2027 and is scheduled to be fully repaid by 31 March 2031. Repayment of ICL-II will begin in FY 2030–31, subject to the complete repayment of ICL-I, and is scheduled to be fully repaid by 30 September 2032.

During FY 2023–24, KLL entered into an Intercompany Loan Agreement (ICL III) with GAIL (India) Limited for an amount of ₹700 crore to fund project expenditure. In accordance with the agreement, KLL has availed ₹450 crore up to FY 2025–26. The remaining ₹250 crore is proposed to be drawn in line with the planned project expenditure. The interest rate on the loan is linked to the RBI Repo Rate plus a spread of 120 basis points. Repayment of the principal is scheduled to commence from 30 June 2027 and will continue until 31 March 2033.

Carrying amount of all the assets of the company are hypothecated as security for borrowings as per the terms and conditions of loan agreement.

21 Lease Liability- Non Current

	(₹ in Crore)	
Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liability	191.94	219.66
Total	191.94	219.66



Konkan LNG Ltd.**Notes to Financial Statements for the year ended March 31, 2026****22 Other Non Current Financial Liabilities**

	(₹ in Crore)	
Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings - Related Party*	663.44	507.73
Deposits/Retention Money from Customers/contractors/others	3.80	-
Total	667.24	507.73

* Interest accrued but not due on ICL-II as 31/03/2026 is ₹611.49 Crores (PY: ₹484.56 Crores)

* Interest accrued but not due on ICL-III as 31/03/2026 is ₹51.95 Crores (PY: ₹23.17 Crores)

23 Long term provisions

	(₹ in Crore)	
Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
As per Last Balance Sheet	0.61	0.51
Add: Additions/Adjustments during the period/year	0.06	0.10
Less: Amount paid during the period/year	-	-
Total	0.67	0.61

24 Financial Liabilities - Current Borrowings

	(₹ in Crore)	
Particulars	As at March 31, 2026	As at March 31, 2025
Term loans - Secured		
From Related Party: *		
GAIL (India) Limited	35.00	-
Total	35.00	-

*Refer Note No. 20

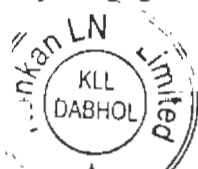
25 Lease Liabilities-Current

	(₹ in Crore)	
Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liability	33.68	27.65
Total	33.68	27.65

26 Trade Payables - Current

	(₹ in Crore)	
Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
- Dues of Micro Enterprises and Small Enterprises	3.93	2.13
- Dues of creditors other than Micro Enterprises and Small Enterprises	33.36	31.65
Total	37.29	33.78

a) For Trade Payable aging schedule refer note 52



27 Other Financial Liabilities-Current

Particulars	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Deposits/Retention Money from Customers/contractors/others	16.55	13.58
Payable for capital expenditure:		
-Payable to Related party	0.14	0.47
-Payable to Others	78.99	45.91
Expenses payable and other liabilities	0.00	0.05
Payables to related party for deputation of employees	2.86	2.18
Total	98.54	62.20

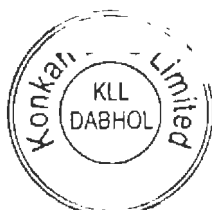
28 Other Current Liabilities

Particulars	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Statutory dues Payable		
-Tax Deducted at Source (Income Tax)	5.30	6.04
-GST Payable	0.70	1.33
-Other Statutory Dues	0.01	0.01
Unspent Corporate Social Responsibility (CSR)	-	0.44
Total	6.01	7.82

29 Current Provisions

Particulars	(₹ in Crore)	
	As at March 31, 2026	As at March 31, 2025
Provision for custom duty*	80.00	80.00
Provision for employee benefits	0.02	0.02
Total	80.02	80.02

* Pending ascertainment of exact amount, provision of ₹80 crore was made as on 31st March 2014. KLL has already informed to Custom department that the issue of duty on capital goods of LNG plant under restructuring is already decided by CCEA and any contrary finalization of contract at belated stage in 2023 year would be overreaching the decision of CCEA. KLL has also informed to Custom that the issue of payable liability of duty rest only with RGPPL and if there is any dispute then same can only be decided as per the mechanism prescribed in approved demerger scheme. The subject issue is under process.



30 Revenue from Operations

Particulars	(₹ in Crore)	
	For the Year ended	
	March 31, 2026	March 31, 2025
Regasification charges*	612.23	469.47
LNG Sale	81.09	300.00
Other operating revenue**	17.13	8.77
Total	710.45	778.24

* Includes ₹60.09 Crore (PY: ₹47.58 Crore) on account of Non-cash consideration accounted for in pursuant to IndAS-115.

** Other operating revenue includes LNG truck loading service charges of ₹13.89 crore (PY: ₹8.77 crore) as per the existing regasification agreement. It also includes berthing and pilotage charges of ₹3.24 crore (PY: Nil), following the implementation of port charges for LNG vessels w.e.f. 01.10.2025.

31 Other Income

Particulars	(₹ in Crore)	
	For the Year ended	
	March 31, 2026	March 31, 2025
Interest income from:		
Interest income 'Term deposit - Banks	29.70	29.14
Less : Interest Income transferred to Capital Work In Progress	(1.24)	(6.34)
Term deposit - Banks	28.46	22.80
Interest on Income Tax Refund	0.30	0.16
Loan to employees	0.13	0.09
Other non-operating income :		
Sale of scrap	0.60	0.17
Recoveries from contractors & Others	0.51	0.43
Miscellaneous Receipt - Insurance refund and etc.	0.56	0.01
Total	30.56	23.66

32 Employee Benefit expense

Particulars	(₹ in Crore)	
	For the Year ended	
	March 31, 2026	March 31, 2025
Salaries, wages and bonus	0.78	0.77
Contribution to provident and other funds	0.07	0.07
Gratuity	0.07	0.03
Staff welfare expenses	0.37	0.24
Total	1.29	1.11



33 Finance Costs

Particulars	(₹ in Crore)	
	For the Year ended	
	March 31, 2026	March 31, 2025
Interest on rupee term loans	403.10	397.67
Less: Interest expenses transeferred to Capital Work In Progress	12.61	26.70
Interest on rupee term loans	390.49	370.97
Interest on lease liability	17.31	19.16
Total	407.80	390.14

34 Depreciation and Amortisation Expense

Particulars	(₹ in Crore)	
	For the Year ended	
	March 31, 2026	March 31, 2025
Depreciation of tangible assets	189.34	161.20
Amortisation of Intangible assets	0.06	0.01
Depreciation of Right of use asset	37.82	39.55
Total	227.22	200.76

35 (Increase) / Decrease in Inventories

Particulars	(₹ in Crore)	
	For the Year ended	
	March 31, 2026	March 31, 2025
Inventories at the end of the period	171.89	191.35
Inventories at the beginning of the period	191.35	496.26
Change during the year	19.46	304.91
Add: Adjustment for Non Cash Consideration Including Consumption*	59.16	37.56
Total	78.61	342.47

* During the financial year ended 31 March 2026, the Company has recognized a reversal of previously recorded inventory revaluation losses due to an increase in Net Realisable Value (NRV) exceeding the carrying value of inventory.

Accordingly, a reversal amounting to ₹5.15 crore pertaining to the financial year 2024-25 and ₹11.54 crore pertaining to the financial year 2025-26 has been recognized in the Statement of Profit and Loss for the year ended 31 March 2026.

The reversal has been recorded in accordance with applicable accounting standards, as the NRV of the inventory as at the reporting date exceeded its respective carrying value.



Particulars	(₹ in Crore)	
	For the Year ended	
	March 31, 2026	March 31, 2025
Consumption of Stores, spares and LNG	7.03	9.50
Power and fuel	63.61	62.29
Marine Charges including ship handling charges	54.85	48.27
Common Sharing Expenses (with RGPPL)	11.44	8.63
Rent	14.42	11.68
Rates and taxes	1.23	1.07
Insurance	17.07	17.37
Salary - Deputation Employees*	27.90	27.89
Repairs & maintenance:		
-Plant & machinery	88.11	57.80
-Buildings	-	0.00
-Others	1.03	0.81
Security expenses	4.62	4.35
Professional charges and consultancy fees	1.91	1.72
Hiring of vehicles	2.37	1.95
Bank charges	0.01	0.06
Corporate Social Responsibility (CSR) expenses	-	-
Communication expenses	0.04	0.03
Travelling expenses	1.45	0.99
Audit Expenses **	0.21	0.22
Advertisement and publicity	0.03	0.00
Entertainment expenses	0.44	0.34
Legal expenses	0.45	1.74
Printing and stationery	0.11	0.08
Net loss in foreign currency transactions & translations	0.78	0.38
Miscellaneous expenses	-	-
- Loss on sale / written off of assets (net)	0.67	1.73
- Bad Debts/Claims/Advances/Stores written off (Refer Note 55)	-	1.35
- Other Expenses	1.32	1.17
Total	301.12	261.43

* The Salary - Deputation Employees has been booked after transferring an amount of ₹2.68 Crores (PY: NIL) in CWIP

** Audit Expenses include following expenses:

Particulars	(₹ in Crore)	
	For the Year Ended	
	March 31, 2026	March 31, 2025
Statutory Audit Fee	0.07	0.07
Tax Audit fee	0.01	0.01
Limited Review fee	0.06	0.06
Out of Pocket Expenses for Statutory Audit	0.07	0.08
Total	0.21	0.22



Konkan LNG Ltd.**Notes to Financial Statements for the year ended March 31, 2026****37 Earnings/(Loss) per share**

Basic	For the Year Ended	
	March 31, 2026	March 31, 2025
Profit/ (Loss) attributable to Equity Shareholders (₹ in Crore)	(236.85)	(125.11)
Less: Dividend on preference shares (₹ in Crore)	(25.20)	(25.20)
Profit/ (Loss) attributable to Equity Shareholders (₹ in Crore)	(262.05)	(150.31)
Weighted average number of equity shares in calculating basic EPS	113.90	113.90
Basic earnings/(loss) per equity share (₹)	(2.30)	(1.32)

Diluted	For the Year Ended	
	March 31, 2026	March 31, 2025
Profit/ (Loss) attributable to Equity Shareholders (₹ in Crore)	(236.85)	(125.11)
Weighted average number of equity shares in calculating diluted EPS	113.90	113.90
Weighted average number of preference shares in calculating diluted EPS (Crore)	25.20	25.20
Total no. of shares outstanding (including dilution) (Crore)	139.10	139.10
Diluted earnings/(loss) per equity share (₹)	(2.30)	(1.32)



38 Disclosure as per Ind AS 19 'Employee Benefits' - KLL own cadre employees

A) All the employees of Konkan LNG Limited (other than KLL cadre employees) are deputed from the parent Company i.e. GAIL (India)

- (i) The Parent Company has raised invoices on the monthly basis by charging GST on the secondment of employees at Konkan LNG Limited. The Company has disclosed the cost of employees deputed from the parent Company under Other expenses - Salary - Deputation Employees (Note 36).
- (ii) The Company has three no. of employee on it's payroll as on 31st March 2026. Salaries and allowances of KLL cadre employees are paid by the Company which have been accounted under Employee benefit expense (Note 32).

B) Disclosure as per Ind AS 19 'Employee Benefits' - KLL own cadre employees

(i) Defined Contribution Plan

a) Provident Fund *

Since the Company has no independent trust, the contribution to Provident Fund and administrative expenses amounting to CY: Rs.0.07 Crores (PY: Rs.0.07 crores) has been deposited directly with EPFO for KLL cadre employees.

(ii) Defined Benefit Plan

a) Gratuity*

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 x last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹0.25 crore (previously ₹0.20 crore) on superannuation, resignation, termination, disablement or on death.

In respect to KLL cadre employees, the gratuity scheme is unfunded and is provided by the Company. Based on the actuarial valuation carried out by independent valuer, Rs.0.07 crore (PY: Rs.0.03 crore) has been charged to revenue towards Gratuity expenses.

During the financial year ended 31 March 2026, the Company has recognized a past service cost of ₹0.04 crore in respect of its defined benefit gratuity plan. The past service cost has arisen on account of change in the gratuity benefit structure pursuant to amendments under the New Labour Code, whereby the maximum gratuity limit has been increased from ₹20 lakhs to ₹25 lakhs. In accordance with Ind AS 19 – Employee Benefits, the said past service cost has been recognized immediately in the Statement of Profit and Loss under employee benefits expense.

b) Demographic Assumption for Valuation of Gratuity

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc as provided in the relevant accounting standard.. Following rates have been considered for Actuarial Valuation:

Particulars	31-03-2026	31-03-2025
i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

It should be noted that in case of employees above retirement age, for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age. Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits.

c) Employees' on secondment from GAIL(India) Limited

In respect of employees on secondment from GAIL (India) Limited, pay, allowances, perquisites and other benefits of the employees seconded from GAIL (India) Limited are governed by the rules and regulation of the GAIL (India) Limited. The liability for employees' benefits in respect of provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits is retained by the GAIL (India) Limited. The proportionate charge for the period of service of such employees is accounted on the basis of invoice or debit note raised by GAIL (India) Limited, and is recognized in the Statement of Profit and Loss.



(iii) Other Long Term Employee Benefit Plan**a) Leave**

For KLL cadre employees, the Company provides for earned leave benefit (including compensated absences) and half-pay leave which accrue annually at 30 days and 20 days respectively. Earned leave (EL) is en-cashable while in service. Half-pay leave (HPL) is en-cashable only on separation beyond the age of 50 years up to the maximum of 300 days. However, total number of leave (i.e. EL & HPL combine) that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned scheme is unfunded and liability is recognised in the books of accounts of the company on the basis of actuarial valuation.

Company has 3 employees on its payroll as on 31st March, 2026. Liability of Rs.0.46 Crores (PY: Rs.0.43 Crores) in respect of Accrued Leave Salary has been provided in the books of accounts which is based on the actuarial valuation report.

b) Demographic Assumption for Valuation of Leave encashment

Leave availment / encashment / lapse rates are entity's best estimate for future based on past historical experience & its HR policy. Following rates have been considered during actuarial Valuation:

Particulars	31-03-26	31-03-25
i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability **	100 % of IALM (2012 - 14)	100 % of IALM (2012 - 14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1
iv) Leave		
Leave Availment Rate	5	5
Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment Rate while in service	5	5

It should be noted that in case of employees above retirement age, for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age. Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

The following table summarizes the components of net benefit expenses recognized in the Balance Sheet and Statement of profit and loss based on actuarial valuation:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31 March, 2026 and 31 March, 2025:

Particulars	Gratuity		Leave encashment	
	2025-26	2024-25	2025-26	2024-25
Total Service Cost	0.05	0.01	0.03	0.03
Net Interest Cost	0.01	0.01	0.03	0.02
Net actuarial (Gain) / Loss recognized in the year	(0.03)	(0.01)	(0.03)	0.03
Total expenses included in employee benefit expense and OCI	0.04	0.02	0.03	0.08
Actual return on plan assets				

Amount recognised in Other Comprehensive Income for the year ended 31 March, 2026 and 31 March 2025:

Particulars	Gratuity	
	2025-26	2024-25
Actuarial (gain)/ loss on obligations		
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.01)	0.01
Experience adjustments	(0.01)	(0.01)
Recognised in other comprehensive income	(0.03)	(0.01)

Changes in the present value of the defined benefit obligation for the year ended 31 March, 2026 and 31 March, 2025 are as follows:

Particulars	Gratuity		Leave encashment	
	2025-26	2024-25	2025-26	2024-25
Benefit obligation at the beginning of the year	0.20	0.17	0.43	0.35
Current service cost	0.05	0.01	0.03	0.03
Interest cost	0.01	0.01	0.03	0.02
Transfer In	-	-	-	-
Benefits paid	-	-	-	-
Actuarial (gain)/ loss on obligations	(0.03)	(0.01)	(0.03)	0.03
Defined benefit obligation at the end of year	0.24	0.20	0.46	0.43

The principal assumptions used in determining above-mentioned obligations for the Company's plans are shown below:

Particulars	Gratuity		Leave encashment	
	2025-26	2024-25	2025-26	2024-25
Discount rate (in %)	6.81%	7.15%	6.81%	7.15%
Salary Escalation (in %)	6.50%	6.50%	6.50%	6.50%

A quantitative sensitivity analysis for significant assumption as at 31 March 2026 and 31 March 2025 is as shown below:

Gratuity Plan		31-Mar-26		31-Mar-25	
Assumptions		Discount rate		Discount rate	
Sensitivity Level		0.5% Increase	0.5% decrease	0.5% Increase	0.5% decrease
Impact on defined benefit obligation (in Crore)		(0.02)	0.02	(0.01)	0.01
Assumptions		Future salary increases		Future salary increases	
Sensitivity Level		0.5% Increase	0.5% decrease	0.5% Increase	0.5% decrease
Impact on defined benefit obligation (in Crore)		0.00	(0.00)	0.00	(0.00)

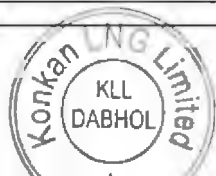
Leave encashment		31-Mar-26		31-Mar-25	
Assumptions		Discount rate		Discount rate	
Sensitivity Level		0.5% Increase	0.5% decrease	0.5% Increase	0.5% decrease
Impact on defined benefit obligation (in Crore)		(0.03)	0.04	(0.03)	0.04
Assumptions		Future salary increases		Future salary increases	
Sensitivity Level		0.5% Increase	0.5% decrease	0.5% Increase	0.5% decrease
Impact on defined benefit obligation (in Crore)		0.04	(0.04)	0.04	(0.03)

History of experience adjustment is as follows:

Particulars	Gratuity		Leave encashment	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Present value of obligation	0.24	0.20	0.46	0.43
Experience adjustments [Gain/(Loss)]	(0.03)	(0.01)	(0.03)	0.03

Maturity Profile of Defined Benefit Obligations is as follows:

Year	Gratuity		Leave Encashment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
0 to 1 Year	0.01	0.01	0.01	0.01
1 to 2 Year	0.00	0.00	0.01	0.01
2 to 3 Year	0.00	0.00	0.01	0.01
3 to 4 Year	0.00	0.00	0.01	0.01
4 to 5 Year	0.00	0.00	0.01	0.01
5 to 6 Year	0.00	0.00	0.01	0.01
6 Year onwards	0.21	0.17	0.40	0.38



39 Leases

The Company has lease contracts for Tug Boats, GEG, port and leasehold land (including township land).

There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities (included under financial liability) and the movements during the period:

Particulars	March 31, 2026	March 31, 2025
Opening lease liability	247.31	280.81
Adjustments for:		
Additions	11.62	-
Deletions	-	-
Accretion of Interest	17.31	19.16
Foreign Exchange Loss on restatement of lease liabilities	-	-
Payment of lease liabilities during the year	(50.63)	(52.66)
Excess lease liabilities written back	-	-
Closing Lease Liability	225.62	247.31
Current	33.68	27.65
Non Current	191.94	219.66
Total	225.62	247.31

Maturity analysis of Lease Liabilities:

As on 31st March 2026

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Current	8.67	25.01	-	-	33.68
Non Current	-	-	172.81	19.13	191.94
Total	8.67	25.01	172.81	19.13	225.62

As on 31st March 2025

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Current	8.10	19.55	-	-	27.65
Non Current	-	-	160.84	58.82	219.66
Total	8.10	19.55	160.84	58.82	247.31

The maturity analysis of the undiscounted cash flows of lease liability is included in the Note -Financial risk management objectives and policies under maturities of Financial liabilities.

The effective interest rate for lease liabilities is 7.20% p.a.(Tug Boats) and 6.70% p.a. (GEG) with maturity between 0 to 11 years.

The following are the amounts recognised in profit or loss:

Particulars	March 31, 2026	March 31, 2025
Depreciation expense of right-of-use assets	37.82	39.55
Interest expense on lease liabilities	17.31	19.16
Expense relating to short-term leases (included in other expenses)	-	-
Variable lease payments (included in other expenses)	30.80	27.91
Total amount recognised in profit or loss	85.94	86.63

The total cash outflow for leases during the year:

Principal Portion of lease liability	33.32	33.49
Interest Portion of lease liability	17.31	19.16
Total	50.63	52.66

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.



Konkan LNG Limited

Notes to Financial Statements for the year ended March 31, 2026

40 Commitment and Contingent Liabilities

(a) Contingent Liabilities

- 1 During FY 2012-13, Maharashtra Maritime Board (MMB) raised the demand for lease rent for berthing and unloading of LNG ships at the company's LNG terminal at the rate of Rs.2.21 crore per annum, payable with effect from October 06, 2005, to March 31, 2012. However, the company has paid lease rent from April 01, 2012, to March 31, 2015, along with interest and requested MMB for a waiver of lease rent from October 06, 2005, to March 31, 2012, amounting to Rs.14.35 crore and interest thereon. Based on the company's request, MMB has declined the waiver of demand during the FY 2018-19. Thus, the company has provided the lease rent payable of Rs. 14.35 crores during FY 2017-18 only and paid the same in 8 installments during FY 2018-19 & FY 2019-20 and requested MMB for a waiver of interest. Since MMB has not informed us of the amount of interest, it is not possible to quantify the same.

A meeting for the waiver of interest and execution of the lease agreement between CEO KLL and the principal secretary (Port) of the Government of Maharashtra, along with CEO MMB, was held on 27.01.2023. Follow-up letter communication dated 12.11.2024 sent to CEO MMB for execution of agreement. Further, a meeting with MMB was held on 10.07.2025 in this regard. However, response from GoM/MMB is still awaited. The financial impact on this account is not ascertainable at this stage.

- 2 The Irrigation Department, Ratnagiri, Maharashtra, has given notice to the Maharashtra Industrial Development Corporation for payment of royalty of Rs. 98.60 crore towards the sweet water supply from the river for the period from April 1997 to December 2015. It is pertinent to mention that RGPPL had taken over the assets of the erstwhile Dabhol Power Company in October 2005 free from any past liabilities and encumbrances from the court receiver. Further, Maharashtra State Electricity Distribution Company Limited (MSEDCL) is supposed to supply 14 MLD of water to RGPPL free of cost. If RGPPL has to incur any expenditure to MIDC towards the supply of water towards this claim, RGPPL may raise a proportionate claim to KLL for the water supplied to the LNG Terminal. The financial impact on this account is not ascertainable at this stage.
- 3 Dabhol Power Company (DPC) casted Accropodes for the construction of the breakwater were lying at the land located in Usgaon Village for which DPC entered into a lease agreement with villagers. DPC went into liquidation and had left approximately 6,600 acropodes in the land situated in Usgaon village.

In Suit No. 875 of 2002, the Hon'ble Bombay High Court had passed a Consent Order dated 22nd September, 2005, whereby the entire assets of the erstwhile DPC were taken over by the Ratnagiri Gas and Power Pvt. Ltd., including all the said accropodes.

Shri Damaji Yashwant Vaidya and Others, claiming ownership of the land and the accropodes/boulders stored thereon, filed Special Civil Suit No. 142 of 2009 (Old RCS No. 212 of 2006) before the Civil Judge (S.D.), Ratnagiri, seeking declaration of ownership and injunction against RGPPL. By judgment dated 30 August 2014, the Court dismissed the suit with costs, holding that they had no rights over the accropodes/boulders. The plaintiffs have challenged the said judgment by filing appeal before the Hon'ble Bombay High Court. The application was last listed on 18 July 2025, with no updated hearing date as on date and the matter is pending before the Hon'ble Bombay High Court. The financial impact on this account is not ascertainable at this stage.

- 4 RGPPL took over the assets of the erstwhile Dabhol Power Company (DPC) in Oct 2005 free from any past liabilities and encumbrances as per the order of the Hon'ble Mumbai High Court from the court receiver. DPC has terminated certain workmen while vacating the site. RGPPL has engaged the services of these employees through a third party on compassionate grounds. These employees had filed a suit for absorption as regular employees of RGPPL. The local court's order, which was against RGPPL, has been challenged in Mumbai High Court, and the High Court, vide its order dated 11.12.2017, has granted a stay till further orders, and the matter is sub judice. KLL (now KLL) was made a respondent in the court case at Hon'ble Mumbai High Court in November 2018 and had filed a reply on 26.03.2019. The matter will be heard again on 17.06.2019. Now the company is party to this dispute in respect of 17 ex-DPC employees related to the LNG block, and the amount is not ascertainable currently. The company has engaged the services of these 17 ex-DPC employees through a third party on compassionate grounds. KLL filed its reply to the Hon'ble High Court, Mumbai, on 26.3.2019. As on 31.03.2022, out of 17 ex-DPC employees, one has expired and one is retired. The Hon'ble Mumbai High Court, vide order dated 18.10.2022, had stated that KLL will not take any adverse action i.r.o. the said 15 employees without taking leave of the Hon'ble High Court. The matter was listed for hearing on 20.03.2025 and adjourned to 19.06.2025.

The matter was listed for hearing on 26.02.2026 before Hon'ble Bombay High Court, Kolhapur and the Senior Counsel for the Petitioner sought time for argument and adjourned to 12.03.2026 for hearing. The matter was listed on 12.03.2026 for hearing and adjourned to 10.04.2026 with no updated hearing date as on date. The financial impact on this account is not ascertainable at this stage.



Konkan LNG Limited

Notes to Financial Statements for the year ended March 31, 2026

- 5 Prior to the demerger, RGPPL had submitted a bank guarantee amounting to Rs.80 crore to the customs department in terms of CBEC letter no-F.No.574/10/2007-L.C dated 29.03.2012 towards estimated differential customs duty on the import of LNG-related material and interest thereof. RGPPL had provided the liability provisions of Rs.80 crore in the books. In the demerger, the same liability provision of Rs.80 Crore transferred to the company from RGPPL. (Refer to note 28—Current Provisions.). The said bank guarantee is being renewed by RGPPL from time to time.

KLL has already informed the customs department that the issue of duty on capital goods of the LNG plant under restructuring is already decided by the CCEA, and any contrary finalization of the contract at a belated stage in 2023 would be overreaching the decision of the CCEA. KLL has also informed Custom that the issue of payable liability of duty rests only with RGPPL, and if there is any dispute, then the same can only be decided as per the mechanism prescribed in the approved demerger scheme. The subject issue is under process.

Further, an amount of ₹4.25 crores may also have to be incurred by company towards renewal of said BG depending upon the outcome of the mentioned case.

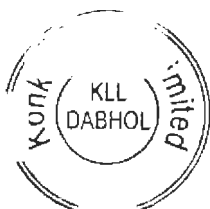
- 6 The company is in receipt of a notice letter dated 12.04.21 from M/s. Deep Industries Limited (DIL), a contractor, for the hiring services of BOG compressor, claiming an amount of Rs.6.41 crore on account of their various claims plus interest at the rate of 18% per annum till realization of dues. The company is not agreeing to the claims by DIL and considers the same as non-tenable. DIL has invoked the provisions for settling the disputes through the arbitration process. Arbitration is in process. Last hearing was conducted on 13.02.2026 and next hearing is scheduled on 02.05.2026.

- 7 RGPPL vide letter dated 22.07.2021 informed that the extension of the PPA is not finalized with the railways and requested to make arrangement for an independent power supply at our end. KLL vide letter dated 22.07.2021 applied for a power supply connection from MSEDCL.

MSEDCL vide letter no. SE/RC/Tech/DY.EE-IV/HTC-NEW dated 24.03.2022 informed that “Matter of PD Arrears in respect of Dabhol Power Company shall be reviewed by the Competent Authority, and the decision thereof will be binding on prospective consumers.” An undertaking to this effect shall be obtained from the prospective consumer before the release of the connection.

RGPPL had taken over the assets of the erstwhile Dabhol Power Company in October 2005, free from any past liabilities and encumbrances from the court receiver. For release of connection from MSEDCL, an undertaking was given by KLL. The amount pertaining to KLL is not ascertainable at this stage.

- 8 On 21.11.2018, the company issued 10% Compulsorily Cumulative Convertible Preference Shares (CCCPS) amounting to Rs.252 crore divided into 25,20,03,718 shares of par value of Rs.10 and fully paid up to GAIL (India) Limited. One fully paid CCCPS is convertible into one equity share of Rs. 10 each at any time at the option of shareholders from the date of allotment of the CCCPS but not later than 20 years. Since the company is a loss-making entity, no dividend has been recommended and declared by the company till date. However, in coming years, when the board recommends dividend to shareholders, then KLL shall be liable to pay a dividend @10% per annum on the paid-up portion on a cumulative basis since the issuance of shares, subject to the approval of shareholders. As on 31.03.2026, the cumulative dividend on CCCPS @10% on the paid-up portion is Rs. 179.60 crores (PY: Rs.154.40 Crores).
- 9 For FY 2020-21, GST Department vide order dated 27.02.2025 had issued a demand order u/s. 73 (9) of the CGST Act, 2017 for 2 points amounting to Rs. 21,26,354/-. The company has accepted the one point and accordingly deposited the demand amount of Rs. 45,690/-. The balance demand of Rs.20,80,664/- is a matter under dispute. The company has filed an appeal against the subject order before the Hon'ble First Appellate Authority by depositing 10% of the tax amount on 24.05.2025. The said appeal has been admitted by the first appellate authority and hearing in this case is expected to be held in due course of time.



Konkan LNG Limited

Notes to Financial Statements for the year ended March 31, 2026

- 10 During FY 2017-18, Leasehold land had been transferred to Konkan LNG Limited from Ratnagiri Gas and Power Pvt. Ltd. (RGPPL). However, transfer of land in the name of Company from RGPPL is pending in the records of Maharashtra Industrial Development Corporation. RGPPL has raised a invoice on company for Gram Panchayat Tax from FY 2018-2019 to FY 2021-22 pertaining to Company and the same has been duly accounted in the books.

As per the provisions of The Maharashtra Village Panchayats Act, the Gram Panchayat (s) of Anjanvel, Veldur and Ranvi levied a Gram Panchayat Tax of Rs. 2.02 crore on Ratnagiri Gas and Power Private Ltd (RGPPL) for FY 2021-22.

RGPPL filed appeal against the above demand before Panchayat Samiti Guhagar (first appellate authority). The said demand was rejected by the first appellate authority. RGPPL filed appeal before Zila Parishad Ratnagiri (second appellate authority) against the order of first appellate authority. The second appeal was also rejected by the Zila Parishad Ratnagiri. RGPPL filed appeal before the Hon'ble Bombay High Court against the orders passed by the Zila Parishad Ratnagiri in the subject matter and the matter is sub-judice as on date.

Similar demands have been received by RGPPL from the Gram Panchayat(s) of Anjanvel, Veldur and Ranvi of Rs.2.02 Crores for FY 2022-23, Rs.2.50 Crores for FY 2023-24. Appeal (s) have been filed by RGPPL before Panchayat Samiti Guhagar against the Tax Demand(s) for FY 2022-23 and FY 2023-24. Further, RGPPL has also received demand from Gram Panchayat(s) of Anjanvel, Veldur and Ranvi of Rs.2.50 crore for FY 2024-25 and penalty of Rs. 0.36 crore for the FY 2022-23 and FY 2023-24.

The company has not received any demand from the respective Gram Panchayat(s) directly as the land in possession of the company is in the names of RGPPL. However, depending upon the outcome of appeal filed by RGPPL before the Hon'ble Bombay High Court in this matter, RGPPL may claim proportionate demand of Gram Panchayat Tax of Rs.2.79 Crores (including penalty) from the company in the ratio of land in possession of the company.

11 Commitments

Estimated amount of contracts (Inclusive of Taxes & Net of Advances) remaining to be executed on Capital account as on 31st March 2026 is Rs. 281.95 crore (PY: Rs. 117.87 crore)



41 Related Party Disclosures**(I) Name of related parties and their relationship:**

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balance with them as identified by the management in the ordinary course of business and on arm's length basis are given below:

A) Entity where control exists / Holding Company

GAIL (India) Limited

B) Key Management Personnel (KMP):

Shri Sanjay Kumar	Chairman
Shri Sashi Menon	Non-Executive Director (w.e.f. 28.04.2021 till 30.06.2025)
Smt. Jyoti Dua	Non-Executive Director
Shri A K Tripathi	Non executive Director
Shri Prasoon Kumar	Non executive Director
Shri Pankaj Bhutani	Additional Director (w.e.f 14.07.2025)
Shri Yogesh Madhukar Gadkari	Non-executive Director (w.e.f 13.08.2025)
Shri Tony Mathew	Chief Executive Officer (w.e.f. 30.04.2022 till 15.04.2025)
Shri Rajesh	Chief Executive Officer (w.e.f. 16.04.2025)
Shri Dharmendra Babulalji Thakur	Chief Financial Officer (w.e.f. 02.08.2021 till 26.07.2025)
Shri Amit Sharma	Chief Financial Officer (w.e.f. 26.07.2025)
Ms Nidhi Gola	Company Secretary

(II) Related party transactions

(i) Remuneration to the key management personnel is Rs.2.65 Crore (Previous Year Rs.2.46 Crore) and amount of dues outstanding as on 31st March 2026 are Nil (Previous Year - Nil)

	(₹ in Crore)	
Remuneration to key management personnel*	FY 2025-26	FY 2024-25
Shri Tony Mathew	0.15	1.05
Shri Rajesh	1.13	-
Shri Dharmendra Babulalji Thakur	0.44	1.00
Shri Amit Sharma	0.51	-
Smt Nidhi Gola	0.41	0.41

* Remuneration has not been directly paid by the company to the respective individuals but has been reimbursed (including GST) to GAIL (India) Limited as they are on regular employment of GAIL (India) Limited and are on secondment in company.

ii) Transactions with Entity where control exists / Holding Company:

		(₹ in Crore)	
Name of the company	Nature of transaction	FY 2025-26	FY 2024-25
GAIL (India) Limited	Salary and other benefits of employees on secondment	30.58	27.89
	Owners Engineer	1.36	4.91
	MS Team Licence	0.01	0.04
	Purchase of Service (Calibration)	-	0.24
	LNG Sale	81.09	300.00
	Revenue from regasification and TLF*	626.12	478.24
	Inter Corporate Loan availed	50.00	200.00
	Interest on loan	403.10	397.67

* Includes Rs 60.09 Crore (PY: Rs 47.58 Crore) on account of Non-cash consideration accounted for in pursuant to IndAS-115.



III) Outstanding balances with related parties are as follows:

(₹ in Crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Amount recoverable other than loans		
- From GAIL (India) Limited	16.14	26.62
Amount payable other than loans		
- To GAIL (India) Limited (Deputation of employees)	2.86	2.14
- To GAIL (India) Limited (MS Team Licence)	-	0.04
- To GAIL (India) Limited (Project)	0.14	0.47
- To GAIL (India) Limited (Interest On Loan)	663.44	507.73
Amount payable as loan		
- To GAIL (India) Limited	4,263.07	4,213.07

IV) Terms and conditions of the transactions with the related parties:

The transactions carried out with the related parties during the existence of related party relationship as per Ind AS 24 are in the ordinary course of business.

V) Loans or Advances in the nature of loans:

(₹ in Crore)				
Particulars	March 31, 2026		March 31, 2025	
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-



42 Segment information

The company is operating in the single operating segment i.e. Natural Gas Business. Accordingly, there is only one Reportable Segment for the Company which is "Natural Gas Business".

All the business operations of the company are in India. Accordingly, revenue from customers and all assets are located in India only.

Information about major customers: During the year ended 31st March, 2026, one customer (PY: One) has contributed more than 10% of revenue i.e., GAIL (India) Ltd which is our promoter company as well. Further, there is no other customer of the company who contribute more than 10% of the revenue.

43 Debt Restructuring

1.a) In FY 2019-20, company had entered into a Tripartite agreement with GAIL and its lenders for debt restructuring. One time settlement amount of Rs.2,700 crore was agreed by GAIL, KLL & lenders against the total amount (loan, interest and any other amount payable by KLL to the lenders as on 30th September 2019) of Rs.3,813.07 crores which has been paid on 24th March 2020.

1. b) Pursuant to this debt resolution plan:

(i). GAIL lent loan of Rs.2,700 crores to the company which has been used by the company to repay the existing lenders towards settlement of their dues.

(ii). In addition to above, GAIL also novated loan of Rs.1113.07 Crores (i.e. Rs.3,813.07 crore less Rs.2,700 crore) to the company.

(iii). Lenders have transferred their equity of Rs.194.41 crore (face value) to GAIL, at a nominal value.

1. c) Carrying amount of all the assets of the company are hypothecated as security for borrowings as per the terms and conditions of loan agreement.

2 In FY 2022-23, KLL restructured its ICL II loans with GAIL. As per restructuring of loan agreement, Payment of ICL-II interest which was payable from 01.04.2023 has been rescheduled from 01.04.2023 to 01.04.2025. Further, the payment of accumulated interest up to 31.03.2023 also has been rescheduled to 31.03.2025. Also, quarterly repayment of accrued interest has been deferred from 31.12.2023 to 31.12.2025. There is no change in other terms and conditions of the loan agreement.

3 The company has signed the new loan agreement i.e., ICL III dated 22.12.2023 for availing Rs. 700 crores for carrying out major Capital Expenditure such as Break water Project, Ambient Air Heating System, Captive Power Plant, Overhauling of Unloading Arm etc

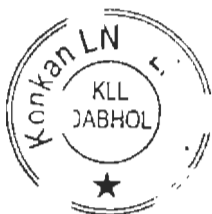
4 In FY 2024-25, company again restructured its ICL I and ICL II loans with GAIL.

ICL-I

Principal repayment has been rescheduled from 31.03.2025 to 31.03.2027 without any change in total repayment time period. There is no change in other terms and conditions of the loan agreement.

ICL-II

Payment of interest which was payable from 01.04.2025 has been rescheduled to 01.04.2027. Further, the payment of accumulated interest of up to 31.03.2025 also has been rescheduled to 31.03.2027. Also, quarterly repayment of accrued interest has been deferred from 31.12.2025 to 31.12.2027. There is no change in other terms and conditions of the loan agreement.



Konkan LNG Limited**Notes to Financial Statements for the year ended March 31, 2026**

- 5 In FY 2025-26, company once again restructured its ICL I and ICL II loans with GAIL.

ICL-I & II:

- a) The interest rate has been revised from 1-Year SBI MCLR + 0.20% p.a. (effective rate ~9.20%) to RBI Repo Rate + 1.20% p.a. (effective rate ~6.45%) with effect from January 1, 2026.
b) The revised interest rate shall be reset dynamically based on changes in the RBI Repo Rate and will be applicable from the beginning of the subsequent month after such revision.
c) Earlier, the interest rate was reset annually at the beginning of each financial year.
d) The change in interest rate has resulted in saving of Rs. 29.97 crores during Q4 FY 2025-26.

ICL-III:

- a) The timeline for loan disbursement has been extended from March 31, 2026 to March 31, 2027.
b) The moratorium period for interest payment has been extended up to March 31, 2027 (earlier March 31, 2026).
c) The first interest payment is now due on April 30, 2027 instead of April 30, 2026.
d) Interest accrued up to March 31, 2027 shall be repaid in 8 equal quarterly installments from December 31, 2027 to September 30, 2029 (earlier December 31, 2026 to September 30, 2028).

There are no other changes in the terms and conditions of the respective loan agreements.

44 Information in respect of Micro, Small and Medium Enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006

	(₹ in Crore)	
	31 March 2026	31 March 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal amount due to micro and small enterprises	3.93	2.13
-Interest due on above	-	-
	<u>3.93</u>	<u>2.13</u>



45 Disclosure as per Ind AS - 36 on 'Impairment of Assets'

The company has carried out the impairment study of its assets considering the nature, stage and size of business and keeping in view the necessary regulatory guidelines, Income approach has been used to estimate the value in use of the tangible and intangible PP&E (including CWIP) of the company because it is very capital intensive and specialized business involving few large players and drawing most of its value from exploiting the cash flows from the use of the assets.

In assessing value in use, the estimated future cash flows from the continuing use of assets and from its disposal at the end of its useful life are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 14.50% on projected cash flows of remaining contract life.

Based on the analysis of independent expert, there is no impairment of assets of the company.

Valuation assumptions:

- Contract life of 25 years is ending in 2037
- Breakwater work is capitalised in May 2025
- Annual escalation of tariff has been considered at 5%
- The projected capacity utilization of the Company has been considered at 40% for FY 2026-27. Thereafter, upon commissioning of the new facility, the utilization is expected to increase progressively and is estimated at approximately 81% (equivalent to around 81 cargoes per annum) from FY 2031-32 onwards, based on the management's current business projections and anticipated operational capacity.
- Tax rate has been considered @25.168%

46 Going Concern

The financial statements of the Company have been prepared on a going concern basis. While the Company's net worth stands eroded as at the reporting date, management has assessed the Company's ability to continue as a going concern after considering, inter alia, the long-term business plans of the Company, expected operational performance and cash flows, continued support from GAIL (India) Limited, including assistance provided in restructuring debt obligations during the year, and the confirmed and committed financial support from GAIL (India) Limited to enable the Company to meet its financial and operational obligations as they fall due.

Management has also reviewed detailed cash flow projections covering a period of at least twelve months from the reporting date while performing the going concern assessment.

Based on the aforesaid assessment and considering the mitigating factors referred to below, management is of the view that the Company will be able to continue its operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, notwithstanding the erosion of its net worth as at the reporting date.

Accordingly, management has concluded that the use of the going concern basis of accounting is appropriate in the preparation of these financial statements and that no material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

i) Long-term regasification agreement with GAIL (India) Ltd., which is valid up to 31st March 2037.

ii) The Breakwater project was capitalised on 22.05.2025, which enabled the successful berthing of eight cargoes in the monsoon period, vis-à-vis nil cargoes during the previous year's monsoon period.

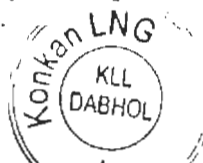
iii) The company is executing several capital projects, namely AAHS, EHV, TLF, and two additional bays, etc., enabling the company to optimally use the plant capacity.

(iv) Debt restructuring of ICL-1 & ICL-2 w.r.t interest rate reduction, which would result in a significant reduction of finance cost w.e.f 01.01.2026.

47 Capital Management

For the purpose of the capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the shareholder value.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.



48 Fair Value Hierarchy

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2026 and March 31, 2025 are as shown below:

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2026:

(₹ in Crore)

Particulars	Carrying amount 31 March 2026	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at fair value:				
Loan to employees	1.74	-	-	1.74
Interest accrued on loan to employees	0.25	-	-	0.25
Security Deposits	3.16	-	-	3.16
Total	5.15	-	-	5.15
Financial liabilities measured at fair value:				
Borrowings	4,228.07	-	-	4,228.07
Interest accrued on borrowings-Related Party	667.24	-	-	667.24
Financial Liabilities	98.54	-	-	98.54
Total	4,993.85	-	-	4,993.85

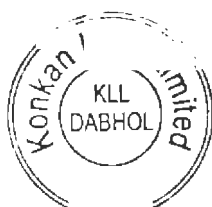
There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2026

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:

(₹ in Crore)

Particulars	Carrying amount 31 March 2025	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at fair value:				
Loan to employees	1.67	-	-	1.67
Interest accrued on loan to employees	0.12	-	-	0.12
Security Deposits	2.38	-	-	2.38
Total	4.17	-	-	4.17
Financial liabilities measured at fair value:				
Borrowings	4,213.07	-	-	4,213.07
Interest accrued on borrowings-Related Party	507.73	-	-	507.73
Financial Liabilities	62.20	-	-	62.20
Total	4,783.00	-	-	4,783.00

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2025



49 Financial risk management

The Company's principal financial liabilities comprise of trade payables, other payables, security deposits received, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is a risk of changes in market prices such as foreign exchange rates and interest rates that will affect Company's income or the value of its holding of financial instruments.

(a) 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 ICL-I, ICL-II & ICL III as at March 31, 2026, and March 31, 2025, carry floating interest rates that are reset upon change of the repo rate of the RBI; hence, the company is exposed to interest rate risk at present.

Interest Risk Sensitivity of the loan outstanding as at

	Increase/decrease in basis points	Effect on profit before tax (Rs. in crores)
31-Mar-26		
INR	10.00	4.90
INR	(10.00)	(4.90)
31-Mar-25		
INR	10.00	4.61
INR	(10.00)	(4.61)

The risk sensitivity has increased due to inclusion of ICL III in the current financial year.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant exposure in currency other than INR.

2 Liquidity Risk

The Company monitors its risk of a shortage of funds doing a liquidity planning exercise.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of short term borrowing facilities like bank overdraft, cash credit facility and buyers credit facility, if required. The Company's treasury function reviews the liquidity position on an ongoing basis. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and surplus cash and cash equivalent on the basis of expected cash flow.



The contractual maturities of the Company's financial liabilities are presented below:

As at 31 March 2026	0 to 1 year	1 to 5 years	> 5 years	Total
Borrowings Principal	35.00	3,965.00	263.07	4,213.07
Borrowings Interest Accrued but not due	-	663.44	-	663.44
Other Payables	-	-	-	-
Lease Liability	33.68	172.81	19.13	225.62
Payable for Capital Expenditure	79.12	-	-	79.12
Deposits from Customers/Contractors/suppliers	16.55	3.80	-	20.36
Trade payables	37.29	-	-	37.29
Bank overdraft	-	-	-	-
Total	201.64	4,805.05	282.20	5,238.89

As at 31 March 2025	0 to 1 year	1 to 5 years	> 5 years	Total
Borrowings Principal	-	2,370.00	1,843.07	4,213.07
Borrowings Interest Accrued but not due	-	507.73	-	507.73
Other Payables	2.24	-	-	2.24
Lease Liability	27.65	160.84	58.82	247.31
Payable for Capital Expenditure	46.38	-	-	46.38
Deposits from Customers/Contractors/suppliers	13.58	-	-	13.58
Trade payables	33.78	-	-	33.78
Bank overdraft	-	-	-	-
Total	123.63	3,038.57	1,901.89	5,064.10

3 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. There are no impairment losses on financial assets to be recognised in statement of profit and loss for the year ended 31st March 2026 and for the comparative year ended 31st March 2025.

Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management does not expect any significant credit risk out of exposure to trade and other receivables, as the major revenue is contributed by credit sales with a credit period of 10 working days.

Cash and cash equivalents: The cash and cash equivalents are held with public sector bank and leading private sector Banks. There is no impairment on cash and cash equivalents as on the reporting date and the comparative period.



50 Ratios

Sl. No.	Particulars	Particulars	31-Mar-26	31-Mar-25	% variance Increase/ (Decrease)	Reason for variance
1	Current Ratio	a) Current assets	770.59	794.20	-29.38%	The decrease in the ratio is primarily attributable to an increase in current liabilities, driven by higher CAPEX liabilities and the regrouping of Inter-Company Loan I (ICL) from non-current to current liabilities.
		b) Current liabilities	290.54	211.48		
		Current Ratio	2.65	3.76		
2	Debt-Equity Ratio	a) Total Debt	4263.07	4213.07	-642.85%	The decrease in ratio is mainly due to a decrease in total equity and also an increase in total debt. Total debt has increased due to the avallment of a new loan. Total equity has decreased due to a decrease in other equity because of a loss in the current FY.
		b) Total Equity	-37.21	199.62		
		Debt-Equity Ratio	-114.57	21.11		
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	359.99	196.90	74.91%	The ratio has increased primarily due to higher EBITDA, driven by the absence of an impairment loss reversal in the current period compared to the previous period.
		Debt service = Interest & Lease Payments + Principal Repayments	407.80	390.14		
		Debt Service Coverage Ratio	0.88	0.50		
4	Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	-236.85	-125.11	1115.68%	The ratio has increased mainly due to a decrease in PAT, as there is no impairment reversal compared to previous year, along with a reduction in shareholders' equity due to the current year's loss.
		Shareholder's Equity	-37.21	199.62		
		Return on Equity Ratio	6.37	-0.63		
5	Inventory turnover ratio	Cost of goods sold OR sales	710.45	778.24	61.15%	The increase in ratio is mainly due to an increase in revenue and a decrease in average accounts inventories due to the sale of LNG.
		Average Inventory Average inventory is (Opening + Closing balance / 2)	210.54	371.66		
		Inventory turnover ratio	3.37	2.09		
6	Trade Receivables turnover ratio	Net Credit Sales	710.45	778.24	1.56%	The increase in ratio is mainly due to an increase in revenue and a decrease in average accounts receivable.
		Avg. Accounts Receivable Average trade debtors = (Opening + Closing balance / 2)	21.38	23.79		
		Trade Receivables turnover ratio	33.23	32.72		
7	Trade payables turnover ratio	Net Credit Purchases	301.12	261.43	19.25%	The increase in ratio is mainly due to a increase in net credit purchases and an increase in average accounts payable.
		Average Trade Payables Average trade payable = (Opening + Closing balance / 2)	35.54	36.79		
		Trade payables turnover ratio	8.47	7.11		
8	Net capital turnover ratio	Net Sales	710.45	778.24	10.81%	The increase in ratio is mainly due to an increase in revenue and corresponding decrease in working capital.
		Working Capital	480.05	582.73		
		Net capital turnover ratio	1.48	1.34		
9	Net profit ratio	Net profit after tax	-236.85	-125.11	-107.39%	The decrease in ratio is mainly due to an decrease in PAT, as there is no impairment reversal compared to last year, and also due to an increase in revenue.
		Net Sales	710.45	778.24		
		Net profit ratio	-0.33	-0.16		
10	Return on Capital employed	Earning before interest and taxes	132.76	217.44	-36.24%	The decrease in ratio is mainly due to an decrease in EBIT, as there is no impairment reversal compared to last year and corresponding decrease in capital employed.
		Capital Employed Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	4225.86	4412.69		
		Return on Capital employed	3.14	4.93		



51 Trade Receivables ageing schedule

(₹ in Crore)

Particulars	As at March 31, 2026 - Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	16.14	-	-	-	-	-	16.14
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	16.14	-	-	-	-	-	16.14

(₹ in Crore)

Particulars	As at March 31, 2025 - Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	26.62	-	-	-	-	-	26.62
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	26.62	-	-	-	-	-	26.62

52 Trade Payables ageing schedule

(₹ in Crore)

Particulars	As at March 31, 2026- Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3.87	0.06	-	-	-	3.93
(ii) Others	29.51	0.88	-	0.21	2.44	33.05
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	0.31	0.31
Total	33.38	0.95	-	0.21	2.75	37.29

(₹ in Crore)

Particulars	As at March 31, 2025- Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	2.09	-	0.02	0.03	-	2.13
(ii) Others	22.79	0.00	4.91	0.00	3.64	31.34
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	0.31	0.31
Total	24.88	0.00	4.93	0.03	3.95	33.78



53 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, the Company is required to spend Rs. 1.17 Crores during FY 2022-23, computed at 2% of its average net profit for the immediately preceding three financial years, on CSR. CSR Committee and the Board have approved the CSR Budget allocation of Rs. 1.17 Crore and Annual CSR Action plan for the FY 2022-23.

Particulars	(₹ in Crore)	
	For the Year ended March 31, 2026	March 31, 2025
(i) amount required to be spent by the company during the year	0.44	0.48
(ii) interest earned on unspent CSR funds during the year	(0.00)	0.03
(iii) amount of expenditure incurred	-	-
(iv) Amount Transferred to Special Account u/s 135(6)	0.44	0.06
(v) shortfall/(excess) for the year	-	0.44
(vi) total of previous years shortfall	-	-
(vii) shortfall at the end of the year	-	0.44
(viii) reason for shortfall	(refer note a)	(refer note a)
(ix) nature of CSR activities - Collector Office Ratnagiri	-	-
Total amount spent	0.00	0.00

Note:

- a) The KLL Board has approved CSR Fund Allocation of ₹1.17 Crores along with the Annual CSR Action Plan FY 2022-23, comprising two projects proposed by District Collector, Ratnagiri Dist., viz. 1) Providing medical equipment in Regional Mental Hospital Ratnagiri and Civil Hospital, Ratnagiri, with a fund of ₹68.90 lakhs for FY 2022-23 and 2) providing help for the major repairing project of Zilla Parishad Primary Schools in Ratnagiri Dist. with a fund of ₹46.00 lakhs for FY 2022-23 and 2023-24 and ₹2.10 lakhs for other CSR projects.

During the FY 2022-23, the CSR project on providing medical equipment was not implemented, and funds were made available for the FY 2023-24, and the project was executed as of 31.03.2024, and ₹40,079/- was unutilized in the project by the agency, and the amount was transferred to the Prime Minister's National Relief Fund on 28.03.2025. Also, an amount of ₹6,01,756, which was earned from CSR fund deposits, has been transferred to the Prime Minister's National Relief Fund on 28.03.2025.

An amount of ₹4.60 lakhs was released under the CSR Project on providing help for major repair works of ZPP Schools; however, the project was not executed by District Administration as on 31.03.2024 and proposed a new project having the same financial implication of ₹46.00 lakhs. As the project was not executed by District Administration, the refund of ₹4.60 lakhs was sought by KLL.

Due to non-execution of the Project of Zilla Parishad Primary Schools in Ratnagiri Dist. by the Collector Office, the Ratnagiri KLL Board has dropped the above-approved CSR Project for FY 2023-24 and additional CSR Projects for FY 2024-25 comprising the project on 'Development of two Smart Schools' with a fund of ₹46.00 lakhs as proposed by the District Administration was approved. However, this project was also not executed by District Administration as on 31.03.2025.

In compliance with the provisions of the Companies Act, 2013, the unutilized CSR amount of ₹41.40 lakhs was transferred to the PM National Relief Fund on 24.04.2025. Further, interest of ₹2.57 lakhs accrued on the said amount was also remitted to the Fund on 28.04.2025.

Additionally, a refund of ₹4.60 lakhs has been sought from the District Administration, Ratnagiri vide letters dated 11.08.2025, 24.12.2025, 12.02.2026, and 16.03.2026, and the same shall be transferred to the PM National Relief Fund upon receipt.



54 Recognition of Deferred Tax Asset:

The Company has accounted for deferred tax assets based on temporary differences, brought forward losses and unabsorbed depreciation since FY 2017-18 based on the business plan as approved by the board that sufficient probable future taxable profits will be available in subsequent years. The company has considered following favourable evidence to conclude that sufficient probable taxable profits would be available to absorb deferred tax in future periods:

- i) Long term regasification agreement with GAIL (India) Ltd. which is valid upto 31st March 2037.
- ii) The project for completion of the breakwater works was successfully commissioned on 12.04.2025. Subsequently, the port received approval from the Directorate General of Shipping (MMB) to operate as an all-weather port with effect from 22.05.2025. During the monsoon period from June to September 2025, eight cargo vessels were successfully berthed, as against none during the corresponding period of the previous year.
- iii) EIL has been appointed to execute/award the ambient air heating contract; the same is expected to be completed by March 2027. Also, the captive power plant/Extra High Voltage (EHV) is under progress and expected to be completed by March 2028. This will result in increasing LNG regasification send-out.
- iv) The performance of company in FY 2020-21 and FY 2021-22 has been significantly higher than the expectation as per business plan. However, the performance of company decreased in FY 2022-23, FY 2023-24, FY 2024-25 and FY 2025-26 due to operational hindrances caused by the external factors. The long-term view of higher performance is intact.

On the basis of the above facts and favorable evidence, the company has recognized deferred tax at the reporting date in accordance with IND AS 12: 'Income Taxes'.

55 Payment of Live Arrear to MSEDCL

As per the letter received from MSEDCL, there are pending live arrears of Rs. 4.56 crores, out of which KLL has paid Rs. 1.35 crore. As per the PPA dated 10.04.2007 signed between MSEDCL and RGPPL, MSEDCL was to bear the power charges related to the water supply of the Shiral pump house. The said PPA is valid up to 19.05.2032, which was discontinued by M/s MSEDCL. The reason for the same is not known to KLL. The dispute (of live arrears) is related to the PPA and power-generating company, which is still in existence under the same name (i.e., RGPPL). MSEDCL, in their proposal dated 25.05.2022, informed that for new power supply connections, outstanding arrears shall be recovered proportionately considering the area allocated after the demerger. The condition is to be followed for the release of a new connection. For getting a new connection, outstanding arrears till April 2022 proportionate to KLL's share were paid under protest. Numerous visits were made to the office of SE, MSEDCL (Ratnagiri), for discussion and resolution of live arrears. Further, during the visit of the new SE, MSEDCL-Ratnagiri circle at KLL on 25.09.2023, the point of live arrears was discussed. Subsequently, the follow-up meeting were held at the SE office on 09.11.2023. The company had requested SE-MSEDCL, Ratnagiri, through letters dated 22.04.2024, 06.06.2024, 19.09.2024, 04.03.2025, 15.05.2025 and 22.07.2025 for early resolution of live arrears.

56 Payment towards Sub division of Land to MIDC

RGPPL had filed an application with Maharashtra Industrial Development Corporation (MIDC) for the subdivision of the plot in favor of the company, in view of the demerger as per the NCLAT order dated 28.02.2018. In response to the said application, the following demands are raised by MIDC vide their letter dated 29.10.2020 to RGPPL.

- i) Rs. 0.80 Crs towards differential premium for subdivision of land from RGPPL to the company.
- ii) Rs. 9.09 Crs towards differential premium for previous transfer of plot from Dabhol Power Company (DPC) to RGPPL.
- iii) Annual lease rent from 2013 to 2020 @ Rs.7/- .

RGPPL has contested the demand as per Sl. No. (ii) vide their letter dated 21.12.2020.

Company vide its letter dated 11.05.2021, requested MIDC to consider the demand at Sl. No. (i) in line with the decision of RGPPL letter dated 21.12.2020 and also requested to raise the justified demand directly to the company for the charges applicable for land transfer from RGPPL.

Company received a demand from MIDC vide letter no. MIDC/ ROR/ DBL/ A-1/B-02315/2022 dated 24.03.2022 for the charges as per sl. no. (i) and proportionate for sl. no. (ii) to the company. Accordingly, an amount of Rs 3,49,64,208/- was paid, and a land subdivision order was received on 28.03.2022. It was one of the prerequisites of getting a power connection from MSEDCL.

As on 05.09.2022, a legally vetted 'Deed of Assignment' has been shared with RGPPL for signing by both KLL and RGPPL. As per the request of RGPPL, joint verification of boundaries is also completed.

Company vide letters dated 25.05.2024, 28.10.2024, 27.12.2024, 06.05.2025, 11.06.2025, 04.07.2025, 27.09.2025, 24.10.2025, 07.11.2025, 19.12.2025, 09.02.2026 and 04.03.2026 have followed up with RGPPL to sign the Deed of Assignment.



57 Custom duty claim

"During commissioning of the LNG terminal in 2012, LNGC Excelerate was called onto KLL's (erstwhile RGPPL) LNG Dabbol Port by GAIL (INDIA) LTD under the agreement with M/s. Excelerate Energy, USA for commissioning of the LNG terminal. RGPPL had an agreement with GAIL to purchase 1,960,086 MMBTU of LNG from the said vessel on high sea sale basis. However, due to some technical challenges during commissioning of LNG terminal the entire LNG was not unloaded at KLL (erstwhile RGPPL) terminal. Customs duty was paid according to the total volume of LNGC. Since, only partial quantity was unloaded the remaining custom duty was reworked and refund of Rs. 3.06 Crores was claimed from AC Customs, Dapoli. AC Customs passed an order dated 26.11.2013 for refund of the said claim and directed for crediting the said amount in the Consumer Welfare fund. An appeal to the said order was made to Commissioner (Appeal), Customs Goa. Commissioner (Appeal) modified the order dated 19.08.2014 and allowed for the refund of Rs. 30,39,991/- but upheld the order for crediting the balance Rs. 2,75,99,349/- to the Consumer Welfare Fund.

An appeal was made to CESTAT Mumbai for the refund of balance amount of Rs. 2, 75, 99,349/-. Vide appeal no. 90054 of 2014. The final hearing was held on 08.08.2024 and the final order was passed by authority dated 09.12.2024 in which the "impugned order is set aside and the appeal is allowed by way of remand for fresh adjudication of the case by the learned Commissioner (Appeals). KLL has filed a request letter dated 30.01.2025 to commissioner (appeals) customs, Pune for granting the opportunity for personal hearing on case. Further, on 20.03.2025 KLL has visited and submitted hard copy documents to commissioner customs and received the acknowledgement.

The company has received the favourable order from Commissioner of Customs (Appeal), Pune vide order 15.12.2025. Further, refund application has also filed by the company before Assistant Commissioner of Customs, Dapoli vide application dated 21.03.2026 and the refund is expected in due course of time.

58 Sale of RLNG

On 30 October 2025, Konkan LNG Limited entered into an agreement with GAIL (India) Limited for the sale of 7,80,000 MMBTU of RLNG inventory at the "Platts WIM price". As per the terms of the agreement, 3,90,000 MMBTU was sold in October 2025 and 3,90,000 MMBTU in November 2025. The Company raised invoices for the respective quantities at the end of each month in accordance with the agreed pricing mechanism. The sale has been completed, and the consideration has been fully realized. The impact of the said transaction has been duly accounted for in the financial statements.

59 ITC on Breakwater

KLL becomes non-operative during the monsoon season for around 5 months, i.e., from May to September, and has been non-operative during this period due to heavy swell in the ocean and bad weather conditions, as there is no breakwater wall to facilitate the operation during the monsoon period. It is to be noted that the entire plant and associated equipment, including Breakwater, are designed for a total terminal capacity of 5 MMTPA. The contract for construction of the breakwater wall was awarded to Larsen & Turbo for an order value of Rs. 737.60 crores plus GST ITC of Rs. 132.77 crores. KLL filed an application for determination of its eligibility to take the input tax credit in terms of section 16 read with section 17 of CGST/SGST/IGST paid/to be paid to various contractors/vendors under the Breakwater project. The order of the Authority of Advance Ruling (AAR) dated 24.05.2019, the Appellate Authority for Advance Ruling (AAAR) dated 06.11.2019, and the Hon'ble Bombay High Court dated 04.07.2024 has disallowed the eligibility of ITC on the breakwater project.

Further, after referring to the judgment of the Hon'ble Supreme Court of India in the case of M/s Safari Retreat Private Ltd. and discussion with Advocates, KLL has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India vide appeal No. 847 of 2025. After various hearings, the Hon'ble Supreme Court of India has passed a final order dated 17.02.2025 stating, "We set aside the impugned judgment dated 28th June, 2024, and restore Writ Petition No. 313 of 2021 to the file of the High Court of Judicature at Bombay to enable the High Court to make adjudication in terms of the decision in the case of M/s Safari Retreats Private Ltd. (supra) and what is observed in paragraph Nos. 66 and 67 thereof. The appeal is accordingly allowed." Accordingly, KLL has filed the case in Bombay High Court for eligibility to take the input tax credit on the Breakwater construction project. The hearing was held on 10.06.2025 before Hon'ble Bombay High Court, where the matter was remanded back to AAR and hearing was scheduled on 15.10.2025 before AAR. AAR has passed the order vide dated 18.12.2025 where the said authority has denied the eligibility for availing ITC on breakwater. An appeal against the AAR order was filed by the company before AAAR vide letter dated 23.01.2026. The hearing date is awaited.

As per the legal opinion obtained regarding the eligibility of GST Input Tax Credit (ITC) on the Breakwater Project, an amount of Rs 129.98 crore, which includes unclaimed GST ITC of Rs 63.17 crore has not been availed in GSTR and has been accounted for as 'GST Receivable' in the books of accounts at the time of capitalisation of the asset.

60 Accounting and Valuation of leftover LNG:

The company is recognizing leftover LNG from "Allowed Loss & Consumption of 0.66%" as revenue in terms of the regasification agreement with GAIL and correspondingly recognizing it as inventory of LNG stock in accordance with IND AS 115: 'Revenue from Contractors with Customers' and IND AS 2: 'Inventories.' The leftover LNG is accounted for as inventory by the company at fair value at each reporting date. The rate considered for the purpose of valuation is the "Platts WIM" rate.



61 Reduction of Equity Share Capital

During the year, the Company initiated the process of reduction of its equity share capital in accordance with the provisions of the Companies Act, 2013.

The Board of Directors, in its meeting held on 28 October 2024, approved the proposal for reduction of equity share capital comprising 74,055,220 equity shares of ₹10 each held by GAIL (India) Limited and MSEB Holding Company Limited, subject to necessary approvals.

Subsequently, the shareholders of the Company, at the Extra-Ordinary General Meeting held on 11 April 2025, approved the aforesaid reduction of equity share capital by passing the requisite resolution.

The Company thereafter filed a petition with the Hon'ble National Company Law Tribunal (NCLT) on 13 June 2025 seeking its approval for the proposed reduction of share capital. The matter has been heard from time to time, and necessary directions have been complied with, including issuance of notices to creditors, regulatory authorities, and publication requirements.

As at 31 March 2026, the approval of the Hon'ble NCLT is pending, and accordingly, no accounting effect has been given in the financial statements in respect of the proposed reduction of equity share capital.

The Company will give effect to the reduction of share capital upon receipt of the final order from the Hon'ble NCLT and completion of other statutory formalities, if any.

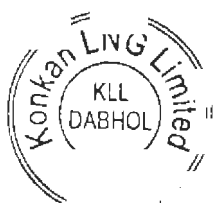
- 62** The Department of Investment and Public Asset Management, Ministry of Finance, vide Office Memorandum No. F.No.5/2016-Policy dated 18.11.2024, has issued revised guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs), which, inter alia, cover provisions relating to the payment of dividends. However, the Company has not declared any dividend for the period under consideration due to the losses incurred during the year.

63 Social Security Code:

The government of India notified four labour code namely - The code on wages, 2019, The industrial relation code, 2020, The code on social security, 2020, and the occupational safety, health and working condition code, 2020, collectively referred to as the "New Labour codes", consolidating 29 existing labour laws. The new labour code have been made effective from November 21, 2025. The Ministry of Labour & Employment has published draft Central rules and FAQs to enable assessment of financial impact due to change in regulations arising from these regulatory changes. The company continues to monitor the finalisation of Central and State rules and clarification from the Government on the new labour code. Based on same, the company will evaluate impact, if any, on the measurement of employee benefit expenses and would provide appropriate accounting treatment.

64 Additional Regulatory Information:

- a) Details of Benami Property held:** There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- b) Relationship with Struck off Companies:** During the year, the Company does not have any transactions with the companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- c) Compliance with approved Scheme(s) of Arrangements:** The Company has not entered into any such scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013
- d) Utilisation of Borrowed funds and share premium:** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- e) Undisclosed Income:** The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.
- f) Crypto Currency or Virtual Currency:** Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



Konkan LNG Limited
Notes to Financial Statements for the year ended March 31, 2026

- 65 a) The Company has a system of obtaining confirmation of balances from Lenders and other parties periodically. There are no unconfirmed balances in respect of bank accounts and borrowings. Reconciliation with beneficiaries and other customers is generally done periodically. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters with negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties. Some of such balances are subject to confirmation/reconciliation. Adjustments, if any, will be accounted for on confirmation/reconciliation of the same, which in the opinion of management will not have a material affect.
- b) The company has bifurcated its assets and liabilities into current and non-current based on the judgement made by the management.
- 66 Events occurring after the balance sheet date. The company evaluates material events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As on date, there are no material subsequent events to be recognized or reported that has not already been stated
- 67 Previous year figures have been regrouped/reclassified wherever considered necessary.

In terms of our report of even date attached:

For and on behalf of the Board of Directors

For Sankpal Kulkarni and Associates
Chartered Accountants
FRN. 121256W

A. Patil
Amit Patil
Partner
Membership No. - 126102



Place: Kolhapur

Date: 16/05/2026

Jyoti Dua
Jyoti Dua
(Director)
(DIN-06904550)

Amit Sharma
Amit Sharma
(Chief Financial Officer)

Place: New Delhi

Date:

16 MAY 2026

Rajesh
Rajesh
(Chief Executive Officer)

Pankaj Bhutani
Pankaj Bhutani
(Director)
(DIN-11193276)

Nidhi Gola
Nidhi Gola
(Company Secretary)
(M No.-28525)



COMMENTS OF C&AG



No. PDA(Oil&Gas)/Mum. /Report/ACs/KLL/2025-26/T-2112/579

दिनांक/Date 29.07.2026

सेवा में,

मुख्य कार्यकारी अधिकारी,
कोंकण LNG लिमिटेड,
गेल भवन 16,
भीकाजी कामा प्लेस,
आर. के. पुरम, नई दिल्ली
110056

विषय :- कंपनी के अधिनियम 2013 के धारा 143(6)(b) के अधीन कोंकण LNG लिमिटेड के 31 मार्च 2025 को समाप्त लेखों पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियां।

महोदय,

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

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

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

भवदीय,

21/3/26

निदेशक (डाउनस्ट्रीम), दिल्ली

संलग्न : यथोपरि

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

The preparation of financial statements of **Konkan LNG Limited** for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **16 May 2026**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Konkan LNG Limited** for the year ended 31 March 2026 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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



Vishal Chawre

Principal Director of Audit (Oil & Gas), Mumbai

Place: Mumbai

Date: 29 July 2026

Handwriting practice lines consisting of multiple rows of dashed lines on a blue-lined background, designed for tracing and letter formation.



Registered office: GAIL Bhawan, 16 Bhikaji Cama Place, New Delhi – 110066
CIN: U11100DL2015GOI288147, Website: www.konkanlng.in