CIN: L35201GJ1993PLC020620

HILLTONE SOFTWARE & GASES LIMITED

33rd ANNUAL REPORT

FY 2025-26

HILLTONE
SOFTWARE & GASES LIMITED

ESTABLISHED IN

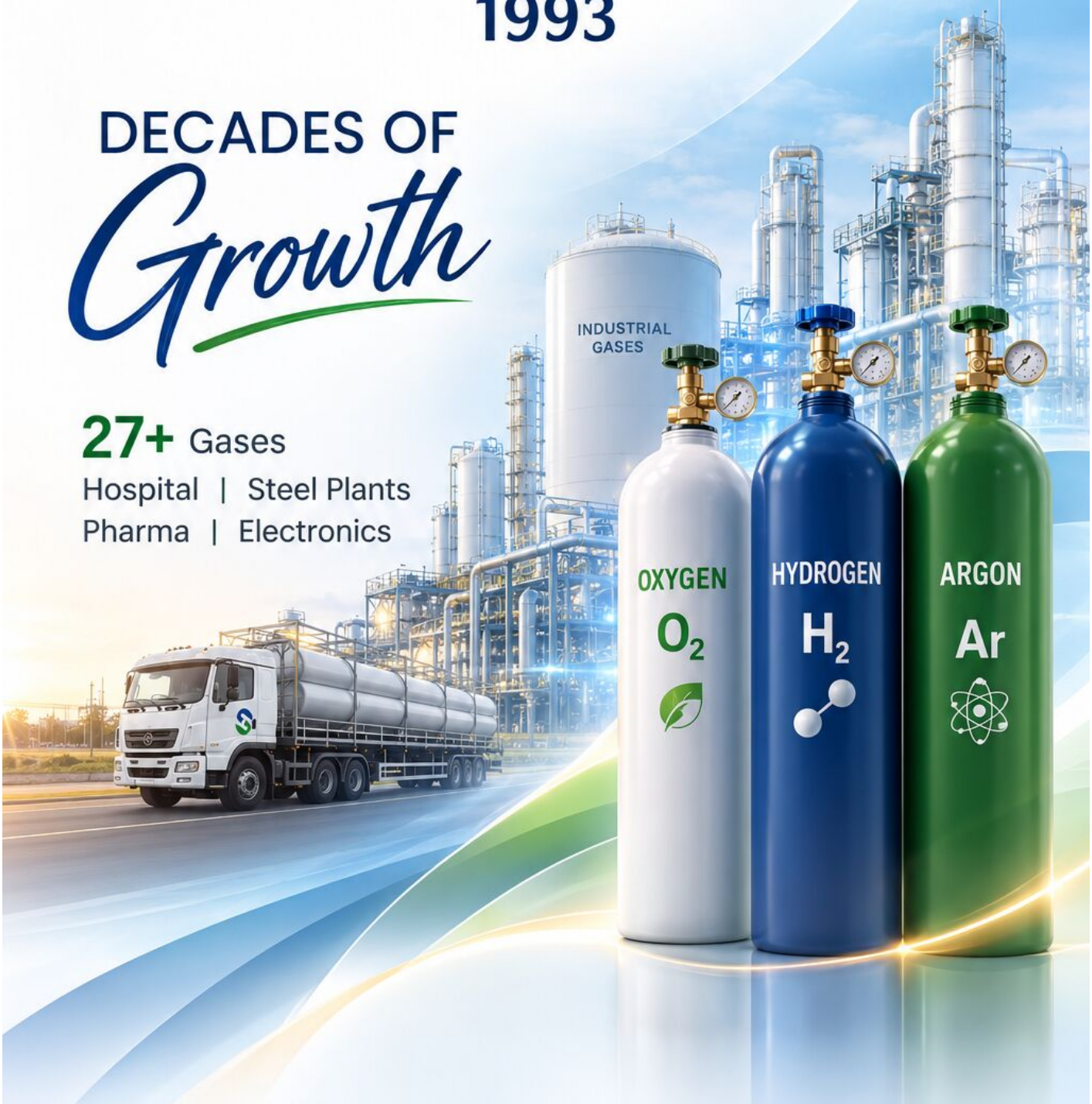
1993

DECADES OF *Growth*

27+ Gases

Hospital | Steel Plants

Pharma | Electronics



HILLTONE SOFTWARE & GASES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

NAME OF DIRECTOR	DIN	DESIGNATION	REMARKS
Niketbhai Mahendrabhai Shah	00278968	Managing Director	NA
Hitalbhai Mahendrabhai Shah	00279026	Whole-Time Director	NA
Sapnaben Hitalbhai Shah	07126594	Non-Executive and Women Director	NA
Aditya Vikrambhai Patel	09121052	Independent Director	NA
Nihar Gaurang Sheth	10308024	Independent Director	NA
Paresh Rameshchandra Parekh	10895389	Independent Director	Resigned on 19/11/2025
Dipika Modi	11269866	Independent Director	Resigned on 30/07/2026

COMPANY SECRETARY & COMPLIANCE OFFICER
CS Hinisha Patel

CHIEF FINANCIAL OFFICER
Prafullbhai Rameshchandra Makvana (till 11/05/2026)
Ms. Parinda Mohanbhai Patel (from 30/07/2026)

STATUTORY AUDITORS
M/s Ashvin K Yagnik & Co.
Chartered Accountants
2nd Floor, Ambizone,
Nr. Apollo Enclave,
Mehsana, Gujarat 384002

INTERNAL AUDITORS
M/s Dipesh Choksi & Co.
Chartered Accountants
1111, Addor Aspire, Opp Passport Office,
Gujarat University Road, Ahmedabad

SECRETARIAL AUDITORS
Hussain Bootwala & Associates
Practicing Company Secretary
Ahmedabad

BANKERS
Mehsana Urban Co-op Bank Limited
Bank of Baroda, HDFC Bank
ICICI Bank

REGISTERED OFFICE
B/4, K B Complex, Dairy Road,
Mehsana Gujarat- 384002
Ph. No: 9825070680
e-mail: secretarial.hilltone@gmail.com

REGISTRAR & SHARE TRANSFER AGENT
MCS SHARE TRANSFER AGENT LIMITED
101, Shatdal complex, Opp Bata Show
Room, Ashram Road, Ahmedabad-380009
email: mcsstaahmd@gmail.com
Tel- (079)26580461/62/63

GST NUMBER: 24AAACH3866Q1Z4 (Gujarat)

: 06AAACH3866Q1Z2 (Haryana)

SECURITY CODE: CSE: 018077 BSE: 544308

ISIN NUMBER: INE168C01013

Hilltone Software & Gases Limited

ANNUAL REPORT F.Y 2025-26

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NOTICE

NOTICE is hereby given that **33rd Annual General Meeting** of the Members of Hilltone Software and Gases Limited, will be held on **Friday, 25th September 2026 at 03.00 P.M** through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. **To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31st March, 2026 and the reports of the Board of Directors' and Auditors' thereon;**
2. **To appoint a director in place of Mr. Niketbhai Mahendrabhai Shah (DIN: 00278968), who retires by rotation and being eligible, has offered himself for reappointment.**

SPECIAL BUSINESS

3. **To Appoint Mr. Bhupeshbhai Ambalal Patel (DIN: 11833797) as Non-Executive Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Bhupeshbhai Ambalal Patel (DIN: 11833797), who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act read with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, read with the Rules made thereunder and the applicable provisions of Listing Regulations, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director (under Non-Executive category) of the Company, to hold office for a term of five consecutive years i.e., from 25th September, 2026 till 24th September, 2031 and not liable to retire by rotation.

"RESOLVED FURTHER THAT any Director, CFO and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, desirable or expedient to give effect to the above resolutions, including completing necessary filings with the relevant regulatory authorities regarding such appointment."

4. **TO ADOPT A NEW SET OF ARTICLES OF ASSOCIATION**

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

"RESOLVED THAT pursuant to the provisions of Section 5, 14, 15 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee), the consent of the members of the Company be and is hereby accorded to amend Articles of Association as under:

Addition of following Clauses after Clause 91

92. Number of Managing Directors

Subject to the provisions of the Companies Act, the Company may from time to time to appoint one or more Managing Directors, Joint Managing Director, or Co-Managing Director of the Company. The Board may determine their term of office, remuneration, duties, and conditions of service, subject to any required approvals of the shareholders in a General Meeting.

93. Division of Management Powers

Every Managing Director, Joint Managing Director, or Co-Managing Director so appointed shall be exercised with substantial powers of management over the affairs of the Company. Where more than one Managing Director is appointed, the Board may, at its absolute discretion, allocate, divide, or segregate specific business operations, geographic territories, or functional portfolios between them. Such division of power shall be recorded through a Board Resolution or separate employment agreements.

94. Exercise of Authority

Unless the Board decides otherwise or outlines specific restrictions in their terms of appointment, every Managing Director, Joint Managing Director, or Co-Managing Director shall have the power to act individually and bind the Company within their designated portfolio. For matters falling outside their individual portfolios, or for material corporate transactions (such as major capital expenditure, borrowing, or asset disposal), the joint approval or signature of at least two Managing Directors, or the prior sanction of the Board, shall be required.

95. Vacation of Office

Every Managing Director, Joint Managing Director, or Co-Managing Director shall automatically and immediately vacate office if they cease to hold the office of Director for any reason, or if the Board resolves to terminate their contract of employment as Managing Director.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.
Resolved Further That any one of the Directors of the Company be and is hereby authorized to file necessary forms with Registrar of Companies and submit the certified copy of this resolution to the concerned authorities as and when required."

By Order of the Board of Directors
For Hilltone Software and Gases Limited

HINISHA PATEL
COMPANY SECRETARY
ACS No: 59842

Date : 01st September, 2026
Place : Mehsana

NOTES:

1. The Ministry of Corporate Affairs ("MCA") allows companies to hold AGM through VC/OAVM, without physical presence of Members at a common venue. In compliance with the MCA Circulars, AGM of the Company is being held through VC/OAVM. The 33rd AGM of the Company is being held through VC/OAVM on Friday, 25th September, 2026 at 3:00 p.m. The deemed venue for the AGM will be the Registered Office of the Company.
2. Since the 33rd AGM of the company is being held through VC or OAVM pursuant to the above cited MCA circulars, the requirement of physical attendance of members has been dispensed with. accordingly, in terms of the MCA circulars and listing regulations, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of the 33rd AGM are not annexed to this notice.
3. Corporate members intending to send their authorized representative to attend meeting are requested to send the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of Names will be entitled to vote.
6. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Members and Share Transfer Book of the Company will be closed from 17th September, 2026 to 25th September 2026 (both days inclusive) for the purpose of Annual General Meeting.
8. Members holding shares in electronic form are requested to intimate immediately for any change in their address or bank mandates to their Depository Participants with whom they are maintaining their dematerialised accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or contact our Registrar and Transfer Agent i.e. MCS Share Transfer Agent Limited.
9. Members are requested to contact our Registrar and Transfer Agent for any queries related to shares and other inquiry at the following address:
   MCS Share Transfer Agent Limited
   Unit: Hilltone Software and Gases Limited, 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009
   Phone: (079) 26582878, Fax No : (079) 26581296 E-mail: mcssta@gmail.com

Please quote Folio no. / DP ID & CL ID for any communication for your shareholding.

10. Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the Members in electronic mode up to the date of the 33nd Annual General Meeting. Members can inspect the same by sending an email to the Company through their registered email id at secretarial.hilltone@gmail.com
11. Pursuant to Regulation 36 (3) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges, the details of Directors seeking appointment / re-appointment in the Annual General Meeting to be held on Friday, 17th September 2026 is attached as per Annexure I
12. Any member desiring any clarification / explanation in respect of the information given in this annual report is requested to submit query to the Company at least seven days in advance before the meeting so as to enable the management to keep information ready.
13. Pursuant to Regulations 36 of SEBI (LODR) Regulations, 2015, the soft copies of Annual Report 2025-26 are being sent through electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report.
14. The Companies Act, 2013 has also recognized serving of documents to any Member through electronic mode. Your email addresses made available by the Depository for your respective Depository Participant accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices / documents including those covered under Sections 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the underlying rules relating to transmission of documents in electronic mode.
15. Members may also note that the Notice of the 33rd AGM and the Annual Report 2025-26 will be available on the Company's website www.hilltonegases.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at secretarial.hilltone@gmail.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
16. To support the 'Green Initiative' of the Ministry of Corporate Affairs, the Members who have not registered their e-mail addresses are requested to register the same with MCS Share Transfer Agent Limited/Depository Participant(s) as under
    For Physical shareholders :-
    Please send duly signed Request Letter mentioning therein Name of shareholder, Folio No., Email ID & Mobile No. along with self-attested copy of PAN Card through email at mcsstaahmd@gmail.com
    For Demat shareholders :-
    Please contact your Depository Participant (DP) and register your email ID, Mobile No. & PAN No. with your DP as per the process advised by your DP.
17. The Company has designated Email ID: "secretarial.hilltone@gmail.com" for redressal of Shareholders'/Investors complaints/grievances. In case you have any queries, complaints/grievances, then kindly write to the above-mentioned email address. If any of the members are holding shares in the same name or in the same order of names, under different folios, then members are requested to notify the same to the RTA of the Company for consolidation of their shareholding into a single folio.
18. If any of the members are holding shares in the same name or in the same order of names, under different folios, then members are requested to notify the same to the RTA of the Company for consolidation of their shareholding into a single folio.
19. Securities and Exchange Board of India (SEBI) has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all the securities holders. Members holding shares in physical mode are therefore, requested to register their PAN & Bank Account details by sending duly signed request letter to Company's Registrar and Transfer Agent, Link In time India Pvt. Ltd. ("RTA") on ahmedabad@linkintime.co.in and also to the Company on secretarial.hilltone@gmail.com along with the self-attested copy of PAN & cancelled cheque bearing the name of the Member (in case of joint holding, the cancelled cheque shall bear the name of first named shareholder) or self-attested copy of latest bank statement duly attested by Bank Manager & cancelled cheque (if name of the shareholder is not reflected in the cheque). Members holding shares in demat form are requested to submit the aforementioned documents, as applicable, to their Depository Participants for registration/ updation of PAN & Bank Account details.

By Order of the Board of Directors
For Hilltone Software and Gases Limited

HINISHA PATEL
COMPANY SECRETARY
ACS No: 59842

Date : 01st September, 2026
Place : Mehsana
Registered Office:
B/4, K B Complex, Dairy Road,
Mehsana Gujarat

ANNEXURE I

Details of Directors seeking appointment/reappointment/continuation of directorship in Annual General Meeting to be held on 25th September, 2026.

Information on directors recommended for appointment/re-appointment as required under Regulation 36 (3) of the SEBI (Listing and Obligation Disclosure Requirements) Regulations 2015, Companies Act 2013 and Secretarial Standard at ensuing Annual General Meeting are as follows:

Name	Niketbhai Mahendrabhai Shah	Bhupeshbhai Ambalal Patel
Director Identification Number (DIN)	**00278968**	**11833797**
DOB	03/05/1969	27/04/1978
Qualification	Bachelors of Arts	Bachelor of Commerce
Expertise in specific area	Gas, Marketing, Management, Leadership	Business, Retail, Finance, Development, Compliance
Date of First appointment on the Board of the Company	08/11/1993	-
Shareholding in the Company (Only In case the Director to be appointed is a Non-Executive Director)	NA	NIL
List of Directorship held in other companies	Nil	AKSY ENERGY PRIVATE LIMITED (CIN: U35100GJ2026PTC180844)
Names of Listed Entities in which the person holds membership of Committees of the Board	HILLTONE SOFTWARE AND GASES LIMITED	NIL
Relationship with other Directors/Key Managerial Personnel	Brother of Mr. HITALKUMAR SHAH, Whole Time Director of the Company	NIL

HILLTONE SOFTWARE AND GASES LIMITED
CIN: L35201GJ1993PLC020620
Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat- 384002, India
Phone: (02762) 255282 Email: secretarial.hilltone@gmail.com
Website: https://hilltonegases.com/

THE INSTRUCTIONS FOR E-VOTING:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

		NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL		1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants		You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password

c) How to retrieve your 'initial password'

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to M/s. D.A. Rupawala & Associates, Practicing Chartered Accountants, (Firm Registration No.:108902W ;Membership No.: 37674), rupawala_ca@yahoo.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990and1800 22 44 30 or send a request to (MR. KETAN KUMAR PATEL) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (tfrl4444@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (tfrl4444@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
   Members are encouraged to join the Meeting through Laptops for better experience.
2. Members are encouraged to join the Meeting through Laptops for better experience
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial.hilltone@gmail.com. The same will be replied by the company suitably.

SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS:

i. The E-Voting period commences on **9:00 a.m. on Monday, September 21th, 2026 until 5:00 p.m. on Thursday, September 24th, 2026.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Cut-off date **i.e. Wednesday, September 16th, 2026** may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

ii. The voting rights of shareholders shall be in proportion to their shares of the Paid-Up Equity Share Capital of the Company.

iii. M/s. D.A. Rupawala & Associates, Practicing Chartered Accountants (Firm Registration No.:108902W; Membership No.: 37674) **(Address: 705, Mahakant, Opp. V.S Hospital, Ellisbridge, Ahmedabad – 380 006, Gujarat, India)** has been appointed as the Scrutinizer to scrutinize the e-Voting process.

iv. The Scrutinizer shall on conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any and submit forth with to the Chairman of the Company.

v. The Results shall be declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of National Securities Depository Limited (NSDL) https://www.evoting.nsdl.com/ immediately after declaration of results by the Chairman or a person authorized by him in writing and communicated to the Bombay Stock Exchange Limited, where the shares of the Company are listed.

vii. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.

viii. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporates, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to evoting@nsdl.co.in. They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.

ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding NSDL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.

x. The Members are requested to pay attention to the matter that once he / she has exercised his / her right then he / she shall not be allowed to change his / her vote subsequently in any case.

xi. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to evoting@nsdl.co.in.

EXPLANATORY STATEMENT [Pursuant to Sections 102 and 110 of the Companies Act, 2013]

ITEM No. 3

Mr. BHUPESH PATEL, holding Director Identification No. 11833797, is to be appointed as Director of the Company, under the category of Independent Director, pursuant to the provisions of Sections 149, 150, 152, 160, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company.

Further, Mr. BHUPESH PATEL has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to avail his services as an Independent Director of the Company and he has given his consent to act as a Director of the Company.

A brief profile of Mr. BHUPESH PATEL is mentioned hereunder:

He is a dedicated business professional with hands-on experience in successfully managing and expanding a retail business. Known for making practical business decisions, building strong relationships with customers and stakeholders, and leading teams with integrity and accountability. Experienced in overseeing day-to-day operations, financial planning, regulatory compliance, and business development. Brings a proactive approach, strong leadership skills, and a commitment to driving long-term growth and organizational success. He is a Proprietor at Aastha Auto Gas Service, Indian Oil Petrol Pump, Mehsana. Further He is Business Partner in Santosh Gas Service, Indian Oil LPG Agency, Ahmedabad

Mr. BHUPESH PATEL is not related to any Director or KMP of the Company.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 3 for approval of the Members as a Special Resolution.

ITEM No. 4

The Management is of opinion that given varied divisions of the company it is important that different management heads overlook different divisions and all divisions are managed independently. Therefore the Board in its meeting discussed the requirement that two or more managing directors or Joint Directors be appointed in the company.

For such purpose the company needs to add clause of such in its Articles of Association.

Pursuant to Section 14 of the Companies Act, 2013 ("Act"), the consent of the members of the Company by way of a Special Resolution is required for adoption of a new set of Articles of Association of the Company. Accordingly, this matter has been placed before the Shareholders for approval.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in the Notice as Item No 4.

A copy of the proposed new set of the Articles of Association of the Company would be available for inspection at the registered office of the Company situated on all working days except Saturdays and Public Holidays between 9.30 A.M and 2.00 P.M upto the date of declaration of the results of voting by Postal Ballot by the Company and would be uploaded on the Company's Website for perusal by the shareholders.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed resolution.

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India
Phone: (02762) 255282 **Email:** secretarial.hilltone@gmail.com **Website**: www.hilltonegases.com

BOARD'S REPORT

To
The Members of,
HILLTONE SOFTWARE AND GASES LIMITED
Your directors have pleasure in submitting their 33rd Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2026.

1. FINANCIAL RESULTS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
The financial performance of the Company, for the financial year ended on 31st March, 2026 is summarized below:

(In Lac Rs)

PARTICULARS	FY 2025-26	FY 2024-25	FY 2023-24
Revenue from Operations	1472.81	753.88	684.53
Other Income	51.83	69.81	48.24
Profit Before Depreciation and Taxation	60.34	39.78	75.89
Less: Depreciation	70.31	16.03	13.59
Profit before Tax	(9.97)	23.75	62.30
Less: Current Tax (Net)	(1.57)	11.45	15.05
Deferred Tax/MAT Entitlement	(22.01)	27.99	(3.38)
Profit for the year	13.61	(15.70)	50.64
Other Comprehensive Income	1.72	-	-
Total comprehensive income for the year	15.33	(15.70)	50.64

Earning per Equity Share
(Amount in Actual Rs.)

PARTICULARS	Standalone		
	2025-26	2024-25	2023-24
Basic	0.12	(0.14)	0.63
Diluted	0.12	(0.14)	0.63

2. **SHARE CAPITAL**

The paid-up Equity Share capital of the Company is Rs. 13,17,78,000/-. During the year under review, the company has neither issued any shares with differential voting rights nor granted any stock Option nor any sweat Equity Shares.

The Board has issued 22,47,000 Equity Shares of Rs. 10/- each at a premium of Rs. 34/- as preferential issue to finance the expansion of Gas Division, Engineering Division and Information Technology Division.

3. **DIVIDEND**

To conserve funds for future prospects, the Board of Directors have not recommended any dividend on the Equity Share Capital of the Company for the financial year ended 31st March, 2026.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

4. **TRANSFER TO RESERVES:**

During the year under review, the Company has not transferred any amount to General Reserve out of the amount available for appropriation.

5. **FINANCIAL LIQUIDITY:**

Cash and Cash equivalent as at March 31st, 2026 was Rs. 362.20 lacs. The Company's working capital management is robust and involves a well-organised process, which facilitates continuous monitoring and control over receivables, inventories and other parameters

6. **DEPOSIT**

During the year, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or reenactment(s) for the time being in force) from the public or the members and as such, no amount on account of principal or interest on public is outstanding.

7. **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Your Company has established adequate internal financial control systems to ensure reliable financial reporting and compliance with laws and regulations. All resources are put to optimal use and adequately protected against any loss.

Internal control systems commensurate with its size and operations to ensure orderly and efficient conduct of business while safeguarding the assets, quality, and safety, procurements, finance and accounts and reducing and detecting error.

The Company also has appointed an external firm of Chartered Accountants to supplement the efficient Internal Audit.

8. **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015 is provided in a separate section and forms an integral part of this Report and is annexed as **Annexure A**.

9. **CORPORATE GOVERNANCE**

Maintaining of high standards of Corporate Governance has been fundamental to the business of your Company since its inception.

Your Company always endeavors to adhere to the highest standards of corporate governance, which are within the control of the Company. A comprehensive Report on Corporate Governance inter-alia highlighting the endeavors of the Company in ensuring transparency, integrity and accountability in its functioning has been incorporated as a separate section, forming a part of the Annual Report as **Annexure B**. The certificate issued by Practicing Company Secretaries on Compliance with Corporate Governance is annexed to the Report on Corporate Governance.

10. **RELATED PARTY TRANSACTIONS**

All contracts/ arrangements/ transactions entered by the Company during the previous financial year with the related parties were in the ordinary course of business and on arms' length basis. There were no materially significant related party transactions entered by the Company with its Promoters, Directors, Key Managerial Personnel or other persons which may have potential conflict with the interest of the Company. All Related

Party transactions are placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval for normal business transactions is also obtained from the Audit Committee for the related party transactions which are of repetitive nature and accordingly, the required disclosures are made to the Committee on a quarterly basis in terms of the approval of the Committee. The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC - 2 is annexed as **Annexure C.** The Related Party Transactions took placed during the financial year 2025-26 have placed in Notes of Financial Statements of the Company.

The policy on Related Party Transactions as approved by the Board may be accessed through the web link:
https://hilltonegases.com/wp-content/uploads/2024/02/Related-Party-Policy.pdf

11. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL & PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure D** to this report

PARTICULARS OF EMPLOYEES:

The particulars of employees required to be furnished pursuant to section 197 (12) of the Companies Act, 2013 read with sub rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, are not applicable to the Company as there was no employee in receipt of remuneration under this section.

12. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment and Resignation of Directors/KMP

During the F.Y 2025-26, the following changes were made in Board of Directors

i. The Following Non-Executive Independent Directors are appointed

Sr. No	Name of Director	Date of Appointment
1.	Ms. Dipika Modi	29/09/2025

ii. The Following Directors have resigned from the company

Sr. No	Name Director	Date of Resignation
1.	PARESH RAMESHCHANDRA PAREKH	19/11/2025

iii. The Board in its meeting dated 31/08/2026, decided to appoint Mr. Bhupeshbhai Ambalal Patel (DIN: 11833797) as Non-Executive Independent Director for a period of Five years subject to approval from shareholders as special Resolution in Annual General Meeting.

iv. Further Ms. Dipika Modi has resigned from the Board as on 30/07/2026. She has also resigned from all Committees.

v. Mr. Prafullbhai Rameshchandra Makvana has resigned from the post of Chief Financial Officer as on 11th May, 2026.

vi. Ms. Parinda Mohanbhai Patel been has been appointed as Chief Financial Officer from 30th July, 2026

CEO/CFO Certification

The requisite certification from the Managing Director and Chief Financial Officer required to be given under Regulation 17(8) read with Part B of Schedule II of SEBI (LODR) Regulations, 2015. The aforesaid certificate, duly signed by the Managing Director and Chief Financial Officer in respect of the financial year ended 31st March 2026, has been placed before the Board. **(Annexure E)**

Retirement by Rotations

In accordance with the provisions of section 152 (6) of the Act and in terms of the Articles of Association of the Company, Mr. Niketbhai Mahendrabhai Shah (DIN: 00278968), will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The board recommends her re-appointment.

Profile of Directors Seeking Appointment / Re-appointment

As required under Regulation 36 (3) of the SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting are annexed to Annexure I of the notice convening 33rd Annual General Meeting.

Training of Independent Directors

To familiarise the new inductees with the strategy, operations and functions of our Company, the executive directors / senior managerial personnel make presentations to the inductees about the Company's' strategy, operations, product and service offerings, organisation structure, finance, human resources, technology, quality and facilities. Further, the Company has devised a Familiarisation Program for Independent Directors as per Regulation 46 (2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the same has been placed on the website of the Company at:
https://hilltonegases.com/wp-content/uploads/2024/02/Familiarization-of-Independent-Director.pdf

Key Managerial Personnel

Pursuant to Section 203 of the Companies Act 2013, the following were the Key Managerial Personnel of the Company as on 31st March, 2026:

Mr. Niket Shah	Managing Director
Mr. Hital M. Shah	Whole time Director
Mrs. Hinisha Patel	Company Secretary
Mr. Prafull Makwana	CFO

Ms. Parinda Patel is appointed as CFO with effect from 30/07/2026

Evaluation of Performance of the Board, its Committees and Individual Directors

During the year, the evaluation of the annual performance of individual directors including the Chairman of the Company and Independent Directors, Board and Committees of the Board was carried out under the provisions of the Act and relevant Rules and the Corporate Governance requirements as prescribed under Regulation 17 of Listing Regulations, 2015 and the circular with respect to Guidance Note on Board Evaluation. The Nomination and Remuneration Committee had approved the indicative criteria for the evaluation based on the SEBI Guidance Note on Board Evaluation.

The Exercise was carried out through a structured evaluation process covering the various aspects of the Board's functioning such as composition of board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the independent Directors was carried out by Board, except the independent Director being evaluated and the chairperson and the non-independent Directors was carried out by the independent Directors.

Board of Director Meetings

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly, half yearly and annual financial results of the Company. Additional Board meetings are convened to discuss and decide on various business policies, strategies and other businesses.

The Board business generally includes consideration of important corporate actions and events including:-

- quarterly and annual result announcements;
- oversight of the performance of the business;
- development and approval of overall business strategy;
- Board succession planning;
- review of the functioning of the Committees and
- other strategic, transactional and governance matters as required under the Companies Act, 2013, Listing Regulations and other applicable legislations.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Mehsana or at the factory office at Santej. The Agenda of the Board Meetings is set by the Company Secretary in consultation with the Chairman and the Managing Director and Whole time Director of the Company. The Agenda is circulated a week prior to the date of the meeting. The Board Agenda includes an Action Taken Report comprising the actions emanating from the Board Meetings and status update thereof. The Agenda for the

Board Meetings covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board Meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

Prior approval from the Board is obtained for circulating the Agenda items with shorter notice for matters that form part of the Board Agenda and are considered to be in the nature of Unpublished Price Sensitive Information.

The minutes of proceeding of each Board meetings are maintained in terms of statutory provisions.

During the year under review, the Board of Directors of the Company met Eleven times. The Dates of meeting are as under:

Meeting Number	Date of Meeting
01/2025-26	29/05/2025
02/2025-26	14/06/2025
03/2025-26	02/07/2025
04/2025-26	14/08/2025
05/2025-26	23/08/2025
06/2025-26	01/09/2025
07/2025-26	12/11/2025
08/2025-26	29/11/2025
09/2025-26	24/12/2025
10/2025-26	12/02/2026
11/2025-26	30/03/2026

13. COMMITTEES OF BOARD OF DIRECTORS

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Board of Directors of the Company have constituted the following Committees:

a. Audit Committee
b. Nomination and Remuneration Committee
c. Stakeholders' Grievances and Relationship Committee and Share Transfer Committee
d. Risk Management Committee.

a. AUDIT COMMITTEE

The composition of the Audit Committee is in alignment with the provisions of Section 177 of the companies Act, 2013 read with the Rules issued there under and Regulation 18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

All the Members of the Audit Committee are well Qualified, experienced and possess sound knowledge of finance, accounting practices and internal controls. The Company Secretary of the Company acts as the Company Secretary of the Audit Committee.

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

MEETING AND ATTENDENCE

During the Financial Year ended 31st March, 2026, the Audit Committee met Seven times as follows and the requisite Quorum was present.

1. 29/05/2025
2. 14/06/2025
3. 02/07/2025
4. 14/08/2025
5. 12/11/2025
6. 24/12/2025
7. 12/02/2026

b. NOMINATION & REMUNERATION COMMITTEE

The composition of the Nomination & Remuneration Committee is in alignment with the provisions of Section 178 of the companies Act, 2013 read with the Rules issued there under and Regulation19 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

MEETING AND ATTENDENCE

During the Financial Year 2025-26 the Nomination & Remuneration Committee met twice on 01st September, 2025, and 30th March, 2026 and the requisite Quorum was present.

c. STAKEHOLDERS RELATIONSHIP COMMITTEE AND SHARE TRANSFER COMMITTEE

The compliance with the provisions of Section 178 of the Companies Act, 2013 read with the Rules issued there under and Regulation 20 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board has constituted Stakeholders Relationship Committee and share transfer committee. The Committee is entrusted with the responsibility of addressing the stakeholders' / investors' complaints with respect to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate shares, etc and other shareholders related queries, complaints, as well as relating to transfer of shares, Review and approval of all requests pertaining to sub-division, consolidation, transfer, transmission of shares and issue of duplicate share certificates; etc.

There were 2 meetings of Stakeholders Relationship Committee & Share transfer Committee meeting held during the year as under:

1) 01/09/2025 2) 29/11/2025

14. REMUNERATION AND NOMINATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of the board members.

15. DECLARATION BY INDEPENDENT DIRECTORS

All the independent Directors of your company have given their declarations, that they meet the criteria of independence as laid down under Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

16. AUDITORS

STATUTORY AUDITOR AND THEIR REPORT

The Board has duly reviewed the Statutory Auditors' Report for the year ended on 31st March, 2026 and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors as provided under section 134 of the Companies Act, 2013.

Pursuant to Section 139 of the Companies Act, 2013 and Rules made there under, M/S Ashvin K. Yagnik & Co., Chartered Accountants (FRN: 100710W), are appointed for a period of five years from the conclusion of the 32nd Annual General Meeting held on 29th September, 2025 until the conclusion of the 37th Annual General Meeting to be held in the year 2030.

INTERNAL AUDITOR AND THEIR REPORT

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditors of the Company by M/s Dipesh Choksi & Co., Chartered Accountants, (FRN: 114533W), the Internal Auditors of the Company for F.Y 2025-26.

There were no adverse remarks or qualification on accounts of the Company from the Internal Auditors.

SECRETARIAL AUDITOR AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company had appointed M/s. HUSSAIN BOOTWALA & ASSOCIATES, COMPANY SECRETARIES IN PRACTICE having Membership No. A49591 and COP no. 23980 to undertake the Secretarial Audit of the Company for the FY 2025-26. The Secretarial Audit Report for the FY 2025-26 is annexed to this Directors' Report as **Annexure-F**. The Board of Directors has duly reviewed the Secretarial Auditors' Report and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation/clarification by the Board of Directors as provided under section 134 of the Act.

COST AUDITORS

The section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 are not applicable to the Company Hence, the Board of Directors of your company had not been appointed Cost Auditor for obtaining Cost Compliance

Report of the company for the financial year 2025-26.

17. **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

As per Section 186 of the Act, the details of Loans, Guarantees or Investments made as on 31st March, 2026 are given below:

Name of Party	Nature of Trans-actions	Loan Amt (In. Lakhs Rs.)
Bajaj Finance Limited	Debt	0.67
Jeevan Jyoti Vanijya Ltd	Debt	73.41
Leading Leasing Finance And Investment Company Ltd	Debt	96.73
HSG Tech Solutions	Debt	142.00

18. **PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Particulars as prescribed under sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, forms an integral part of this report and is annexed as **Annexure – G**.

19. **CORPORATE SOCIAL RESPONSIBILITY**

In accordance with the provisions of section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 Made there under, the Company has not developed and implemented the following Corporate Social Responsibility initiatives as the said provisions are not applicable.

20. **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

21. **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in compliance with the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR), 2015, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the Chairman of the Audit Committee. The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at https://hilltonegases.com/codes-and-policies.php

22. **PREVENTION OF INSIDER TRADING:**

Your company has adopted the "Code of Conduct on Prohibition of insider trading "and" Code of Conduct for Directors and Senior Management Personnel" for regulating the dissemination of Unpublished Price Sensitive Information and trading in security by insiders.

23. **PREVENTION OF SEXUAL HARASSMENT OF WOMAN AT WORKPLACE:**

The company has in place the "Policy on Prevention of Sexual Harassment at the workplace" in line the requirements of the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Company had constituted Internal Complaints committee (ICC) to redress the complaints received regarding sexual harassment. During the year under review, no complaints were received by the Committee for Redressal.

24. **BUSINESS RESPONSIBILITY REPORT:**

The Business Responsibility Report as per Regulation 34(2) of the SEBI (LODR) Regulations, 2015 is not applicable to the Company as the Company does not fall under top 500 listed Companies on the basis of market capitalization.

25. **HUMAN RESOURCE**

The company considers its employees as its most valuable assets. The company focuses on building an organization through induction and development of talent to meet current and future needs.

26. **DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:-

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent

so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit 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 this 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 laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f. 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.

27. STOCK EXCHANGES

The Company is listed on Bombay Stock Exchange and was listed on Calcutta Stock Exchange. The members can trade their shares on the Bombay Stock exchange. The Company has successfully delisted from Calcutta Stock Exchange as on 15th April, 2025.

28. RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximising returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

29. AFFIRMATION AND DISCLOSURE:

All the Members of the Board and the Senior Management Personnel have affirmed their compliance with the Code of Conduct as on 31st March, 2026 and a declaration to that effect, signed by the Managing Director, forms an integral part of this report and is annexed as **Annexure – H**

30. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

The Company has its engineering division fully operational during the year under review. The company has received multiple Purchase Orders and the same will contribute significantly to the overall revenue and profit of the company.

31. SIGNIFICANT AND MATERIAL ORDERS:

There were no significant and material orders passed by any Regulators or courts or Tribunals during the year ended 31st March, 2026 impacting the going concern status and company's operations in future.

32. LISTING FEES:

The Company's Equity Shares are listed with Bombay Stock Exchange. The Company has paid Listing Fees for the financial year 2026-27 to BSE within the prescribed time period.

33. WEBSITE

As per Regulation 46 of SEBI (LODR) Regulations, 2015, your Company has maintained a functional website namely https://hilltonegases.com/ containing the information about the Company. The website of the Company is also containing information like Policies, Shareholding Pattern, Financial Results and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company, etc.

34. CYBER SECURITY:

In view of increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data

35. INSURANCE

Your Company has taken appropriate insurance for all assets against foreseeable perils

36. OTHER DISCLOSURES:

a) The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

b) There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

c) There was no instance of onetime settlement with any Bank or Financial Institution.

37. GENERAL DISCLOSURE

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events of this nature during the year under review:

1.Details relating to deposits covered under Chapter V of the Companies Act, 2013.

2.Issue of equity shares with differential rights as to dividend, voting or otherwise.

3.Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any scheme.

4.No significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.

5.Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Companies Act, 2013).

6. There has been no change in the nature of business of your Company.

7. No application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

8.There was no instance of onetime settlement with any Bank or Financial Institution.

38. ACKNOWLEDGEMENTS

Your directors wish to thank all stakeholders, employees, Company's bankers, various government authorities, members and business associates for their continued support and valuable co-operation. Your directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

On behalf of the Board of Directors

NIKET M. SHAH **HITAL M. SHAH**
(Managing Director) **(Executive Director)**
DIN: 00278968 DIN: 00279026
Date: 01/09/2026
Place: Mehsana

ANNEXURE A
MANAGEMENT DISCUSSION ANALAYSIS REPORT

(Pursuant to Regulation 34(2)(e) and Schedule V of SEBI (LODR) Regulations 2015)

Your directors have pleasure in presenting the "Management Discussion and Analysis Report" for the Financial Year ended on 31st March, 2026.

A. OVERALL REVIEW OF THE COMPANY "HILLTONE SOFTWARE AND GASES LIMITED":

Established in 1993, Hilltone Software and Gases Limited has attained the leadership position in the Manufacturing and Supply of Industrial and Medical Gases due to its excellent credentials, zeal to excel and an unswerving commitment to quality.

The Company has its plant at Santej using the latest technology and process to obtain the best quality Medical Oxygen and complete in-house analytical set to control our process at all stages. We also providing the entire range of industrial gases and medical gases like Nitrous Oxide - Bulk 'A' Type, Oxygen/ Nitrogen/ Co2/ D.A, Helium etc. We supplying Medical Gases to many reputed Hospitals and medical institutions like S.A.L hospital and medical institute, Krishna Heart Institute and many more (List of major customers enclosed herewith) in Trolleys of 40 cylinders on regular basis.

Hilltone Software and Gases Limited has a strong focus on Research and Development for process improvement, cost reduction and new product development. This is evident in the fact that Hilltone continuously modifies its production process to enhance flexibility on the use of various types and quality of the raw materials.

The Company has started Software Business during the year under review.

The Company has also full-fledged started the its Engineering division at its Haryana Plant.

Further, the following information on the economy and industry is based on the various reports on industry and websites and the Company is not responsible for any discrepancy/error in the information.

B. OVERVIEW OF THE GLOBAL ECONOMY:

In FY26, global economic growth is expected to remain subdued, shaped by lingering inflationary pressures, elevated interest rates in key developed markets, and continued geopolitical uncertainties. While easing inflation and potential monetary policy normalization may offer some support, cautious consumer spending and fragile global trade dynamics are likely to persist. As a result, global growth is projected to remain modest, with only a gradual recovery from the slowdown observed in 2025.

US economy is expected to remain resilient, supported by strong services activity and a stable labour market, though growth may moderate due to higher interest rates. Europe, including the UK, is likely to see subdued growth amid geopolitical tensions and high energy costs. China's growth is expected to stay moderate due to real estate and industrial challenges. The Asia-Pacific region is projected to be the fastest-growing, driven by robust domestic demand.

C. OVERVIEW OF THE INDIAN ECONOMY:

Real GDP or GDP at Constant Prices is estimated to attain a level of Rs. 192 lakh crore in FY26, against the First Revised Estimate GDP for the year FY25 of Rs. 178 lakh crore

The total expenditure that the government is expected to spend in FY27 Rs. 54 lakh crore, compared to the last financial year growth trajectory of around 10.1%. Real GDP has been grew by 7.6% in FY26 against the growth rate of 6.5% during FY25. Nominal GDP is expected to grow at 8.0% in FY26.

India's economic outlook remains compelling. The country continues to benefit from a strong combination of structural drivers—manufacturing expansion, rising urbanization, digital adoption, and policy-led growth initiatives. The increasing share of manufacturing in the economy, along with initiatives such as Production Linked Incentive (PLI) schemes and supply chain localization, is expected to drive demand across sectors including steel, electronics, chemicals, and energy. At the same time, emerging sectors such as semiconductors, electric mobility, renewable energy, and advanced materials are creating new avenues for demand for high-value gas applications. Infrastructure development remains a key catalyst, with continued investment in transportation, logistics, and urban development expected to support industrial activity and long-term demand for gases across applications. While

the external environment may continue to present uncertainties—ranging from geopolitical developments to commodity price volatility—the structural growth story of the Indian economy remains intact.

D. **INDUSTRY INSIGHT**

Indian Industrial and Medical Gas Industry

The India medical gas market size reached USD 780 Million in 2025-2026. Looking forward, IMARC Group expects the market to reach USD 1,656.70 Million by 2033, exhibiting a growth rate (CAGR) of 9.03% during 2025-2033. The India medical gas market is driven by rapid healthcare infrastructure expansion, increasing adoption of advanced medical devices, rising demand for home healthcare services, government initiatives like the Ayushman Bharat scheme, and growing investments in domestic medical gas production, ensuring a steady supply to support hospitals, clinics, and emergency medical care. The rising utilization of industrial gases across various industries, such as steel manufacturing, pharmaceuticals, healthcare, etc., as they aid in optimizing processes, improving efficiency, streamlining operations, reducing costs, and increasing overall productivity, is primarily driving the India industrial gases market.

The Company has increased its total number of customer touch points through the growing network. Currently your company is catering to the need of Domestic Markets only but the Company's products have good demand in the international markets. The product wise performance of the Company is briefly described herein below.

(A) Oxygen: Oxygen is required in steel melting, fabrication, copper smelting, medical applications, etc. The use of oxygen improves the thermal efficiency of fuel. As a result, oxygen is used as a method of better energy production from available fuel. Oxygenation in different furnaces including those for steel, copper, cement production, etc will improve efficiency in energy generation. Similarly, oxygen can be used for hazardous waste clean -up, pollution treatment of water and in coal gasification systems. It can also be used as a replacement of chlorine in paper and pulp industry to reduce pollution. Your Company manufactures Oxygen for both medical and Industrial use. The Production in this year has Increased of Oxygen to cater the high supply in the market.

(B) Nitrogen: Nitrogen is an inert material and is used in heat -treatment to create a neutral atmosphere. It is also used for the removal of air from contaminated mines having methane to avoid occurrence of fire. Huge quantities of nitrogen are used in blast furnaces and other furnace applications to make use of its neutral properties. It is also used as a source of nitrogenous fertiliser from ammonia which is obtained from the synthesis of nitrogen with hydrogen. Ammonia is also the starting point of chemicals like nitric acid, hydrazine and amines. Liquid nitrogen is used for cryogenic applications to take advantage of its low temperature properties in many applications like solvent extraction, recycling tires, food and pharmaceutical industry, hospitals, artificial insemination, enhanced oil recovery etc. Your Company manufactures Nitrogen for both medical and Industrial use. The Production in this year has Increased of Nitrogen to cater the high supply in the market.

(C) Argon: Your Company is involved in trading Argon Gas. Argon is known as 'Noble gas'. It does not mix with oxygen and is used in stainless and alloy steel production, MIG and TIG method of welding. Argon is also used in light bulbs for creating an inert atmosphere to increase the life of tungsten filaments.

(D) Hydrogen: Your Company is involved in trading Hydrogen. Hydrogen is presently made by the electrolysis of water and its production consumes a lot of energy. In spite of this handicap, it is used for the manufacture of edible oil fats like margarine from vegetable oils. Hydrogen is used to create a reducing atmosphere in heat -treatment furnaces. It is also needed for the manufacture of silicon chips. Liquid hydrogen is used as fuel in space shuttles. With the availability of hydrogen as a by-product from some chemical processes, its use has been growing. Many consider hydrogen as a future source of energy. Hydrogen is also used to remove sulphur from sour crude oil which is gaining ground because of emphasis on environmental protection.

(E) Carbon Dioxide: Gas Carbon Dioxide gas is traded by your Company. CO2is mainly used in food industry for carbonating beer, soft drinks, etc. Liquid carbon dioxide is used as a refrigerant in food industry. Carbon dioxide gas is used as a de -oxidant/insecticide for food

preservation, foundry applications and fire-fighting. Solid and liquid carbon-dioxide is used in many cryogenic applications, as in blood storage.

(F) Helium: This is a very light gas and is nobler than Argon. It is used in deep sea diving, balloons and many other applications including high quality electric welding and leak detection. Liquid Helium is used in MRIs at hospitals for its supra-conductive characteristics. Your Company is involved in trading of this gas.

(G) RISK AND CONCERN

The company has an effective framework for assessment and mitigation of the risk. The management of the Company identifies, reviews and develops a plan for reducing risks. Current global and domestic headwinds need to be closely monitored for their impact on the business operations. The Company has put in place appropriate measure for its mitigation including business portfolio risk, financial risk and legal risk and internal process risk.

(H) FUTURE SCENARIO

(I) We believe that the application of industrial gases will grow in all areas of manufacturing industry. Products like CNG, LNG and LCNG should join the portfolio since the nature of these products are similar. Shale gas is yet another area for growth of the industry. We think the country has challenges from 3Es, namely Energy, Environment and Eatables. These areas need a helping hand from the industrial gas industry to solve their problems. With rapid urbanization in the close vicinity of the plant, the Company will be investing more on environmental protection systems, policies and practices, leading to a possible increase in the cost of production. Your Company aims at enhancing and maximizing shareholders value by achieving appropriate trade-off between risk & returns.

(J) HUMAN RESOURCES

Human Resources play a critical role in driving Hilltone's strategies and growth. The Company endeavours to become the best place to work for its employees and to provide them with a nurturing environment that is essential for their growth. Hilltone has implemented comprehensive and well-structured HR policies to ensure employee growth both at personal and professional levels. The Company's talent pool comprises a diverse set of experienced and skilled people who play key roles in enhancing business efficiency, devising strategies, setting up systems and evolving business as per industry requirements. The Company provides a safe, conducive and productive work environment to its people. Hilltone's strong organisational culture also enables it to attract talented resources.

(K) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an adequate system of internal controls to ensure that all the assets are safeguarded and are productive. Necessary checks and controls are in place to ensure that transactions are properly verified, adequately authorized, correctly recorded and properly reported. The Internal Auditors of the Company conduct Audit of various departments to ensure that internal controls are in place and are submitting quarterly reports to the Audit Committee. The management maintains adequate internal financial control systems encompassing its entire business operations, statutory compliances and Financial Reports.

(L) CONCLUSION

Your Company's primary focus will be to grow volumes across markets. The Company will address each market depending on local conditions and consumer trends. While we recognize that the global environment is extremely challenging, there are new opportunities emerging to meet consumer needs. Your Company will focus on profitable growth through a mix of brand led growth, innovation and cost efficiencies.

On behalf of the Board of Director

NIKET M. SHAH **HITAL M. SHAH**
(Managing Director) (Executive Director)
DIN: 00278968 DIN: 00279026
Date: 01/09/2026
Place: Mehsana

"Annexure – B"

CORPORATE GOVERNANCE REPORT

Your directors present the Company's Report on Corporate Governance for the financial year ended 31st March, 2026 in compliance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a synthesis of business elements & ethics encompassing accountability, transparency, fairness, responsibility, risk management and sustainability that not only enhances the organizational growth and values but also generates trust among all its shareholders and other stakeholders.

The Directors and Management of the Company believes in constructive and progressive Corporate Governance principle and are committed to maintain high standards of Corporate Governance in conducting its business and ensure that an effective self-regulatory mechanism exists to protect the interest of all the Stakeholders be it Investors, Customers, Employees, Suppliers, Financiers, Government and Community at large.

The Company is in compliance with the requirements stipulated under the provisions of Regulations 17 to 27 and clauses (b) to (i) and (t) of sub regulation (2) of regulation 46 read with Regulation 34(2) and Schedule V of the Listing Regulations.

2. BOARD OF DIRECTORS

A. COMPOSITION AND CATEGORY OF DIRECTORS: -

The Board of Directors is the apex body constituted by shareholders, for overseeing the Company's overall functioning. It provides strategic direction, leadership and guidance to the Company's management as also monitors the performance of the Company with the objective of creating long-term value for the Company's stakeholders.

The following is the Composition of the Board as at 31st March, 2026:

Names of the Director	Category
NIKETBHAI MAHENDRABHAI SHAH	Chairman& Managing Director (Promoter)
HITALKUMAR SHAH	Whole-Time Director (Promoter)
SAPNABEN HITALBHAI SHAH	Non-Executive Director (Promoter)
ADITYA VIKRAMBHAI PATEL	Non-Executive Independent Director
NIHAR GAURANG SHETH	Non-Executive Independent Director
DIPIKA MODI	Non-Executive Independent Director

*Ms. Dipika Modi has resigned with effect from 30th July, 2026

During the year under review, the composition of the Board of Directors was in conformity with the provisions of Section 149 and 152 of the Companies Act, 2013 ('the Act') and Regulation 17 of the Listing Regulations during the period under review. The strength of the Board of Directors as on 31st March, 2026 consisted of Six (6) Directors comprising of Two (2) Executive Director, One (1) Non-Executive Non Independent Director (Non-Executive Woman Director) and Three (3) Non-Executive Independent Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities. The Board presently, does not have any nominee director.

The Independent Directors are enough as per the requirement of the Companies Act, 2013 and the Listing Regulations. 1 out of 6 members is women Director. The Company has received confirmation from all the existing IDs of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Based on the disclosures received from all the IDs, the Board is of the opinion that the IDs fulfill the conditions of Independence as specified in the Act, the SEBI Listing Regulations and they are independent of the Management.

None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as disclosed under Section 184 of the Act read with Rules framed thereunder. None of the IDs serve as IDs in more than 7 listed entities and none of the IDs are Whole-time Directors / Managing Directors in any listed entity. Furthermore, none of the Whole-time Directors of the Company serve as IDs in more than 3 listed entities. In accordance with Regulation 26 of the SEBI Listing

Regulations, none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees [the committees being, Audit Committee and Stakeholders' Relationship Committee] across all public limited companies in which he/she is a Director. All Non- Independent Directors are liable to retire by rotation.

Pursuant to Regulation 27(2) of the SEBI Listing Regulations, the Company also submitted a quarterly compliance report on Corporate Governance to Bombay Stock Exchange, where it is listed within 30 days from the close of every quarter. The Managing Director and the Chief Financial Officer ('CFO') have certified to the Board inter alia, on the accuracy of the financial statements and adequacy of internal controls for financial reporting, in accordance with Regulation 17(8) read together with Part B of Schedule II of the SEBI Listing Regulations, pertaining to CEO and CFO certification for the Financial Year ended March 31, 2026.

In view of the scope and the nature of the Company's operations, the present size of the Board is appropriate for effective decision making. The Board of Directors has ultimate responsibility for the management, general affairs, direction, performance and long-term success of business.

B. ATTENDANCE OF DIRECTORS AT BOARD & ANNUAL GENERAL MEETING: -

The Board meets at regular intervals on a quarterly basis to discuss and decide on business policies and strategies apart from other Board businesses. An ad-hoc meeting is convened as and when circumstances require. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The Company in consultation with the Directors prepares the Annual calendar of meetings and circulates a tentative Schedule for the meeting of the Board and Committee in order to facilitate the Directors to plan their schedules.

During the F.Y. 2025-26, the Board meetings were held through physical mode at the Registered Office of the Company situated at B/4, K B COMPLEX, DAIRY ROAD, MEHSANA, Gujarat, India, 384002. The details of attendance of the Directors at the Board Meeting during the year and at Annual General Meeting are given below:

Name of Director	Category of Directors	Board Meeting attended	Last AGM Attended
Mr. NIKETBHAI MAHENDRABHAI SHAH	Executive Director- Managing Director	11	Yes
Mr. HITALKUMAR SHAH	Executive-Director-Whole-Time Director	11	Yes
Mr. SAPNABEN HITALBHAI SHAH	Non-Executive Director	11	Yes
Mr. ADITYA VIKRAMBHAI PATEL	Non-Executive - Independent Director	11	No
Mr. NIHAR GAURANG SHETH	Non-Executive - Independent Director	11	No
*Mr. PARESH RAMESHCHANDRA PAREKH	Non-Executive - Independent Director	6	No
**Ms. DIPIKA MODI	Non-Executive - Independent Director	5	No

**Directors resigned during the year under review **Directors appointed during the year under review*

C. DIRECTORSHIP AND MEMBERSHIP IN COMMITTEES: -

The Company has obtained the requisite disclosures from the Directors in respect of their Directorship and Membership in Committees of other Companies, the details of which are given below:

Name of Director	Category of Directors	Directorship in other *Companies	No. of **Committee Positions held in Indian Companies	
			Member	Chairman
Mr. NIKETBHAI MAHENDRABHAI SHAH	Executive Director-Managing Director	1	1	0

Mr. HITALKUMAR SHAH	Executive Director-Whole-Time Director	0	1	0
Mr. SAPNABEN HITALBHAI SHAH	Non-Executive Director	0	0	0
Mr. ADITYA VIKRAMBHAI PATEL	Non-Executive - Independent Director	6	7	4
Mr. NIHAR GAURANG SHETH	Non-Executive - Independent Director	0	1	0
Ms. Dipika Modi	Non-Executive - Independent Director	0	2	1

** Includes Directorships held in Listed and Unlisted Public Limited Companies and Private Limited Companies other than HILLTONE SOFTWARE AND GASES LIMITED*

***Committees considered are Audit Committee & Stakeholder's Relationship Committee of all the Public Limited Companies including HILLTONE SOFTWARE AND GASES LIMITED.*

All the Directors are in compliance with the provisions of the Act and Listing Regulations, in this regard.

None of the Directors are holding directorship in any other listed entities.

D. NUMBER OF BOARD MEETINGS HELD: -

During the year under review, 11 Board Meetings were held as under:

Meeting Number	Date of Meeting	Meeting Number	Date of Meeting
01/2025-26	29/05/2025	07/2025-26	12/11/2025
02/2025-26	14/06/2025	08/2025-26	29/11/2025
03/2025-26	02/07/2025	09/2025-26	24/12/2025
04/2025-26	14/08/2025	10/2025-26	12/02/2026
05/2025-26	23/08/2025	11/2025-26	30/03/2026
06/2025-26	01/09/2025		

The quorum for the meeting of the Board of Directors is one-third of the Board of Directors or two Directors, whichever is higher, including atleast one ID and during the year, the requisite quorum was present for all Board meetings. The maximum gap between any two Board Meetings was less than one hundred and twenty days.

E. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTOR INTER-SE: -

Except Mr. HITALKUMAR SHAH, Mr. NIKETBHAI MAHENDRABHAI SHAH and Mrs. SAPNABEN HITALBHAI SHAH who are related to each other, none of the Directors of the Company have any inter-se relationship.

F. NUMBER OF SHARES HELD BY NON-EXECUTIVE DIRECTORS: -

Particulars of number of Equity Shares held by the Non-Executive Directors as on 31st March, 2026 are given below:

Name of Non-Executive Director	No. of Equity Shares held
Mrs. SAPNABEN HITALBHAI SHAH	7200

G. FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTOR: -

Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations, kindly refer to the Company's website http://hilltonegases.com/pdf/codesandpolicies/Familiarization%20of%20Independent%20Director.pdf for details of the familiarization programme for IDs.

Independent Directors are taken through a detailed induction and familiarization Programme when they join the Board of your Company. As part of the induction sessions, the Managing Director provide an overview of the organization, history, culture, values and purpose. The Business and Functional Heads take the Independent Directors through their respective businesses and functions.

H. SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS

The Board as on 31st March, 2026 comprises of qualified members who bring in the required skills, competencies and expertise that allow them to make effective contributions to the Board and its Committees.

The matrix below summarizes the list of core skills, expertise, competencies identified by the Board as required in the context of the Company's business and as possessed by individual members of the Board. –

Name of Director	Entrepreneur/ Leadership	Strategic Planning	Finance	Taxation	Technical Expertise	Production	Marketing	Research and Development	Legal and Regulatory
Mr. NIKETBHAI MAHENDRABHAI SHAH	√	√	√	√	√	√	√	√	√
Mr. HITALKUMAR SHAH	√	√	√	√	-	-	√	√	√
Mr. SAPNABEN HITALBHAI SHAH	√	√	-	-	√	-	-	-	√
Mr. ADITYA VIKRAMBHAI PATEL	√	√	√	√	-	-	-	-	√
Mr. NIHAR GAURANG SHETH	√	√	√	√	-	-	-	-	√
Ms. DIPIKA MODI	-	-	√	√	-	-	-	-	√

I. INDEPENDENT DIRECTORS: -

Independent Directors play an important role in the governance processes of the Board. They bring with them their expertise and experience for fruitful discussions and deliberations at the Board. This betters the decision-making process at the Board.

The Independent Directors have been appointed for a fixed term of 5 (five) years from their respective dates of appointment with an option to retire from the office at any time during the term of appointment. Their appointment has been approved by the Members of the Company. The Independent Directors have confirmed that they meet with the criteria of independence laid down under the Act, the Code and Listing Regulations.

Pursuant to the requirements of Section 150 of the Companies Act, 2013 read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, all the Independent Directors of the Company have registered their names in the Data Bank maintained with the Indian Institute of Corporate Affairs, Manesar ("IICA"), the authority notified by the Ministry of Corporate Affairs.

J. KEY MANAGERIAL PERSONNEL:

Pursuant to Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company as on 31st March, 2026:

Mr. NIKETBHAI MAHENDRABHAI SHAH	Managing Director
Mr. HITALKUMAR SHAH	Whole-Time Director
Ms. HINISHA PATEL	Company Secretary & Compliance Officer
*Mr. PRAFULLBHAI MAKVANA	Chief Financial Officer

**Resigned after the 31st March, 2026*

K. SEPARATE MEETING OF INDEPENDENT DIRECTOR: -

In accordance with provisions of Regulation 25(3) of the SEBI Listing Regulation read with Schedule IV of the Companies Act, 2013 the Independent Directors separately met on 30th of March, 2026, without the attendance of Non-Independent Directors and Management Personnel of the Company. At such meeting, the Independent Directors (i) reviewed the performance of Non-Independent Directors and the Board as a whole, (ii) reviewed the performance of Chairman of the Company after taking into account views of Executives and Non-Executive Directors and (iii) assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

L. ISSUANCE OF LETTER OF APPOINTMENT: -

The Independent Directors are given a formal appointment letter inter alia containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality, etc.

M. BOARD'S ROLE: -

The Board's role is to:

a. provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
b. establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;
c. set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met;
d. Consider sustainability issues, e.g. environmental, governance and social factors, as part of its strategic formulations
e. review and approve the recommended remuneration framework and packages for the Board and key management personnel;
f. review the performance of the Board, set the criteria for selection of directors and to nominate directors for shareholders' approval; and
g. Ensure that communications with shareholders are accurate, adequate and timely.
h. To assist the Board in the execution of its responsibilities, the Board has constituted various Board committees, namely the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee.

The role and function of each committee is disclosed in subsequent sections in this report. While these committees are delegated with responsibilities as provided in their Terms of Reference, the decision-making powers have been delegated to the Board of Directors as a whole.

All Board Committees are constituted with clear Terms of Reference to assist the Board in discharging its functions and responsibilities.

3. COMMITTEES OF THE BOARD OF DIRECTORS: -

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview.

All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

The Board has constituted Four (4) statutory committees as on 31st March 2026:

- Audit Committee (AC)
- Nomination and Remuneration Committee (NRC)
- Stakeholders Relationship Committee (SRC)
- Risk Management Committee (RMC)

The terms of reference of the Committees are determined by the Board from time to time. The respective Chairman of the Committee informs the summary of discussions held in the Committee Meetings to the Board.

The Minutes of the Committee Meetings are tabled at the respective Committee Meetings. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

A. AUDIT COMMITTEE

The Board has constituted a qualified and independent Audit Committee in line with the provisions of Regulation 18 of the Listing Regulations, read with Section 177 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein. The Committee has full access to financial information.

i. TERMS OF REFERENCE: -

The Terms of Reference of the Audit Committee are broadly as follows:

1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions;
   g. Modified opinion(s) in the draft audit report;
5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8) Approval or any subsequent modification of transactions of the company with related parties;
9) Scrutiny of inter-corporate loans and investments;
10) Valuation of undertakings or assets of the company, wherever it is necessary;
11) Evaluation of internal financial controls and risk management systems;
12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14) Discussion with internal auditors of any significant findings and follow up there on;
15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18) To review the functioning of the Whistle Blower mechanism;
19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20) Reviewing the Management letters/ letters of Internal Control weaknesses issued by Statutory Auditors;
21) Review of Management discussion and analysis of financial condition and results of operations;
22) Review of Internal audit reports relating to internal control weaknesses;
23) Review of appointment, removal and terms of remuneration of the Chief internal auditor;
24) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower;

25) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders;
26) Review of the following statement of deviations:
    a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1);
    b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7);
27) Approval of all Related Party Transactions and subsequent material modifications of transactions of the company with related parties;
28) Review of the information provided by the company for approval of proposed Related Party Transactions;
29) Review of the status of long-term (more than one year) or recurring Related Party Transactions on an annual basis; and
30) Carrying out any other function as may be required in pursuance of the decision of the Board of Directors of the Company or any provisions under the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or any other applicable laws.

ii. COMPOSITION OF AUDIT COMMITTEE: -

As on 31st March, 2026, the Audit Committee is comprised of Four (4) Directors. All members of the Audit Committee are financially literate having expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. The composition of the Audit Committee is given below:

Name of the Director	Category
Ms. Dipika Modi	Chairman – Independent Director
Mrs. Sapnaben Hitalbhai Shah	Non-Executive Director
Mr. Nihar Gaurang Sheth	Non-Executive - Independent Director
Mr. Aditya Vikrambhai Patel	Non-Executive - Independent Director

Mrs. HINISHA PATEL, Company Secretary, acts as the Secretary of the Audit Committee.

iii. MEETINGS AND ATTENDANCE: -

During the Financial Year ending on 31st March, 2025 the Committee met Seven (7) times on 29/05/2025, 14/06/2025, 02/07/2025, 14/08/2025, 12/11/2025, 24/12/2025 and 12/02/2026. The time elapsed between any two consecutive meetings did not exceed 120 days.

Name of the Director	No. of meetings attended
Mr. Paresh Rameshchandra Parekh	4
Mrs. Sapnaben Hitalbhai Shah	7
Mr. Nihar Gaurang Sheth	7
Mr. Aditya Vikrambhai Patel	7
Ms. Dipika Modi	3

**Directors resigned from Board during the year under review and were not part of Committee as on 31st March, 2026*

All the Audit Committee Meetings are attended by Chief Financial Officer of the company as an Invitee. Partner of Internal Auditors also attended the audit committee meetings as invitee.

The Committee relies on the expertise and knowledge of the Management and the Internal Auditor, in carrying out its oversight responsibilities. The Audit Committee also considers taking professional advice from external experts, as and when required.

The minutes of Audit Committee Meetings are placed in the next meeting of the Board.

Total fees for all services paid by the Company to the Statutory Auditors is given below:

(Rs. In Lakh)

M/s. Ashvin K Yagnik & Co.	FY 2025-26
Audit Fees	5.00
Total	**5.00**

B. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The NRC of the Company functions according to its terms of reference, its objectives, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in

accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

i. **TERMS OF REFERENCE: -**

The Nomination and Remuneration Committee (NRC) aims at establishing a formal and transparent process for the appointment / re-appointment of Directors. The Nomination Committee is responsible to:

The role of Nomination and Remuneration Committee, inter alia, includes:

1) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
2) Recommend to the Board, all remuneration, in whatever form, payable to senior management;
3) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
4) Formulation of criteria for evaluation of performance of independent director and the board of directors;
5) To carry out evaluation of every Director's performance;
6) Ensure that level and composition of remuneration is reasonable and sufficient, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
7) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
8) To ensure that as per the prevailing HR policy of the Company there is an appropriate induction program for newly appointed Key Managerial Personnel and new Senior Management personnel;
9) To provide the Key Managerial Personnel and Senior Management personnel with reward based fixed and incentive pay which is directly linked to their efforts, performance, dedication, achievement and operations of the Company;
10) To assist the Board in fulfilling its responsibilities;
11) To perform such other functions as may be necessary or appropriate for the performance of its duties;
12) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    a. use the services of an external agencies, if required;
    b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    c. consider the time commitments of the candidates;
13) Devising a policy on diversity of Board of Directors; and
14) Whether to extend or continue the terms of appointment of the independent director, on the basis of the report of performance evaluation of independent director.

ii. **COMPOSITION & MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE: -**

As on 31st March, 2026, the Nomination & Remuneration Committee is comprised of three (3) Non-Executive Independent Directors and One (1) Non-Executive Non-Independent Director. The Nomination and Remuneration Committee held Two (2) meetings during the relevant financial year on 01/09/2025 and 30/03/2026.

The composition of the Nomination & Remuneration Committee as on 31st March, 2026 and the details of meetings attended by its members are appearing hereinafter:

Name of the Director	Category	No. of Meetings attended
Mr. Paresh Rameshchandra Parekh	Non-Executive - Independent Director	1
Mrs. Sapnaben Hitalbhai Shah	Non-Executive – Non-Independent Director	2
Mr. Nihar Gaurang Sheth- Chairman	Non-Executive - Independent Director	2

Mr. Aditya Vikrambhai Patel	Non-Executive - Independent Director	2
Ms. Dipika Modi	Non-Executive - Independent Director	1

**Directors resigned from Board and were not part of the committee as on 31st March, 2026*

iii. **ANNUAL PERFORMANCE EVALUATION OF BOARD OF DIRECTORS & INDIVIDUAL DIRECTORS:** -

The Nomination and Remuneration Committee (NRC) has laid down criteria for evaluation of the performance of the Board of Directors, Committees of the Board and individual directors (Independent and Non-Independent Directors) Pursuant to the provisions of the Act and Listing Regulations, the NRC and the Board of Directors have carried out the Annual performance evaluation of the Board of Directors, Committees of the Board and individual directors (Independent and Non-Independent Directors) based on the criteria laid down by NRC. An exercise was carried out to evaluate the performance of individual Directors. The Chairman of the Board of Directors and the Chairman of Nomination and Remuneration Committee met the Directors individually to get an overview of functioning of the Board and its constituents inter alia on the following broad criteria:

- attendance and acquaintance with business level of participation,
- independence of judgement exercised by Independent Directors,
- vision and strategy
- Interpersonal relationship etc.
- effective participation, domain knowledge.

iv. **PECUNIARY RELATIONSHIP OR TRANSACTION: -**

During the current financial year 2025-26 there was no pecuniary relationship or transaction with Non-Executive Directors of the company other than payment of Sitting Fees to Independent Directors for attending Board Meetings

v. **PAYMENT TO NON EXECUTIVE DIRECTORS: -**

Your company has paid sitting fees of Rs. 7.29 Lacs to its Non-Executive Directors.

vi. **REMUNERATION TO EXECUTIVE DIRECTOR: -**

In FY 2025-26, the Company has paid Rs. 32 Lacs to its Executive Directors as Remuneration. The remuneration paid is within the limits approved by the Shareholders.

Given below are details pertaining to payment of Managerial Remuneration for FY 2025-26:

(Rs. In Lakh)

Particulars	Remuneration paid for FY 2025-26
Gross Salary	24.00
Perquisites	--
Total	**24.00**

The Company is paying remuneration to its Executive Directors in compliance with Section II of Part II of Schedule V of the Companies, Act, 2013.

The Company does not have any Employee Share Option Scheme or Employee Stock Purchase Scheme or any long-term incentive scheme.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted the Stakeholders' Relationship Committee in line with the provisions of Regulation 20 of the Listing Regulations, read with Section 178 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

i. **TERMS OF REFERENCE: -**

1) To allot the Equity Shares of the Company, and to supervise and ensure;
2) To attend to requests from the shareholders for transfer / transmission of shares and all matters incidental or related thereto;
3) To attend to matters relating dematerialization / re-materialization of shares / other securities and all matters incidental or related thereto;
4) To advise the Board on matters incidental or relating to issue of Bonus Shares & Rights Shares, etc.;
5) To consider and resolve grievances of the security holders of the Company, including complaints related to the transfer / transmission of shares, non-receipt of annual report and non-receipt of declared dividends;
6) To review the measures taken for effective exercise of voting rights by shareholders;

7) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
8) To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
9) To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares or any other securities;
10) To attend to issue of duplicate certificates and new certificates on split / consolidation / renewal;
11) To attend to matters relating to compliance with the SEBI (LODR) Regulations, 2015 and other statutory requirements concerning the interests of holders of shares and other securities; and
12) To carry out any other function as may be required in pursuance of the decision of the Board of Directors of the Company or any provision under the Companies Act, 2013 or SEBI (LODR) Regulations, 2015 or any other applicable law.

ii. COMPOSITION & MEETINGS OF SRC COMMITTEE: -

In compliance of provisions of Section 178 of Companies Act, 2013 & Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee. As on 31st March, 2026, the Stakeholders' Relationship Committee is comprised of One (1) Non-Executive Independent Director, One (1) Non-Executive Non-Independent Director and Two (2) Executive Directors. Two (2) meetings of the SRC were held on 01/09/2025 and 29/11/2025.

The composition of the SRC Committee as on 31st March, 2026 and the details of meetings attended by its members are appearing hereinafter:

Name of the Director	Category	No. of Meetings attended
Mr. Hital Shah- Member	Executive Director	2
Mr. Niket Shah- Member	Executive Director	2
Mrs. Sapnaben Hitalbhai Shah- Chairman	Non-Executive - Director	2
*Mr. Paresh Parekh	Non-Executive Independent Director	1
Ms. Dipika Modi	Non-Executive Independent Director	1

**Directors resigned from Board during the year and were not a part of SRC as on 31st March, 2026*

During the year under review, Nil shareholders' complaint was received and Nil was resolved. No shareholders' complaint was pending as on 31st March, 2026.

Mrs. HINISHA PATEL, Company Secretary of the company acts as a Compliance Officer for the Stakeholders Relationship Committee.

iii. REDRESSAL OF INVESTOR GRIEVANCES:

The Company and its Registrar and Share Transfer Agent address the complaints and grievances of its shareholders expeditiously and replies are sent usually within 15 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

D. RISK MANAGEMENT COMMITTEE

The Risk Management Committee as per Regulation 21(5) of the SEBI (LODR) Regulations, 2015 is not applicable to the Company as the Company does not fall under top 1000 listed Companies on the basis of market capitalization. However, as a part of good corporate governance, your Company has constituted a Risk Management Committee in compliance with Regulation 21(1) of the SEBI (LODR) Regulations, 2015.

As per Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to lay down the procedures about the risk assessment and minimization procedures.The meeting of Risk Management Committee was held on 30th March, 2026 during the year under review.

i. The Composition of the Risk Management Committee is as follow:

Name of Members	Designation	Category of Director
Mr. Niket Shah	Chairman	Managing Director
Mr. Hital Shah	Member	Whole-Time Director
Mrs. Sapnaben Hitalbhai Shah	Member	Non-Executive Director

ii. **The Terms of Reference of the Risk Management Committee are broadly as follows:**

1) To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management;
2) To establish a framework for the Company's risk management process and to ensure its implementation;
3) To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices; and
4) To achieve business growth with financial stability.

The detailed terms of reference of the Risk Management Committee is available on the website of the Company and can be downloaded from the weblink: https://hilltonegases.com/pdf/codesandpolicies/Risk%20Management.pdf

4. GENERAL BODY MEETINGS: -

The details of date, time and location of Extra-Ordinary General Meetings and Annual General Meetings (AGM) held in last 3 years and Special Resolutions passed are as under: -

Financial Year	Date & Time	Venue	Special – Resolutions passed
2025-26	02.04.2025 at 03:30 p.m	At Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat	1. To Appoint Mr. Nihar Gaurang Sheth (DIN:-10308024) as an Independent Director of the Company 2. To Appoint Mr. Aditya Vikrambhai Patel (DIN:- 09121052) as an Independent Director of the Company 3. To Appoint Mr. Paresh Rameshchandra Parekh (DIN:- 10895389) as an Independent Director of the Company
2025-26	29.09.2025 at 03.00 p.m	Through Video Conferencing at the Registered office of the Company	1. To Appoint Ms. Dipika Modi (DIN: 11269866) as Non-Executive Independent Director 2. To Make Alteration in the Main Object of the Company and Consequent Amendment To Clause III of the Memorandum Of Association of The Company 3. To adopt a new set of Articles of Association 4. To issue and allot 30,82,000 equity shares of the company, each having face value of Rs. 10/-, at a price of Rs. 44/- per equity share and for an aggregate consideration of Rs. 13,56,08,000/- (Rupees Thirteen Crores fifty-six lakhs eight thousand only), on a preferential basis 5. To increase the borrowing powers under Section 180(1)(c) of the Companies Act, 2013 up to INR 200 crores 6. To create charges, mortgages, hypothecation on the immovable and movable properties of the company under Section 180(1)(a) of the Companies Act, 2013 7. Making investment(s) and/or providing loan(s) and give guarantee (s) in excess

			of the limits prescribed under section 186 of the Companies Act, 2013 8. To increase the limit of investment by non-resident indians (NRIs) or Overseas Citizen of India (OCI) on fully diluted basis in the paid-up shares capital of the company 9. To increase the limit of investment by Foreign Portfolio Investors (FPIs) on fully diluted basis in the paid-up shares capital of the company
2024-25	13.09.2024 at 03:30 p.m.	Through Video Conferencing at the Registered office of the Company	1. Approval for Locking-in Shares of Shareholders Holding More Than 5% of Equity Share Capital for a Period of One Year from the Date of Listing at BSE Limited 2. To approve the re-appointment of Mr. SHAILESHKUMAR AMBALAL PATEL (DIN: 08453992), as an Independent Director of the Company for a second term of five consecutive years 3. To approve the re-appointment of Mr. SUNIL VISHNUPRASAD PUROHIT (DIN: 08454069), as an Independent Director of the Company for a second term of five consecutive years
2023-24	29.09.2023 at 03:30 p.m.	Through Video Conferencing at the Registered office of the Company	i. Re-Appointment of Niket M. Shah (Din: 00278968) as Managing Director and Revision of Remuneration ii. Re-Appointment of Mr. Hitalbhai Mahendrabhai Shah (DIN: 00279026), Whole-Time Director of The Company and Revision of Remuneration. iii. To approve the re-appointment of Mr. Amitkumar Chandrakantbhai TrivedI (DIN: 08204344), as an Independent Director of the Company for a second term of five consecutive years

Details of Special Resolution passed last year through postal ballot:

During the financial year ending on 31st March, 2026, No Special Resolutions were passed through postal ballot.

Whether any special resolution is proposed to be conducted through postal ballot:

Any Special Resolution, if required to be passed through Postal ballot during FY 2025-26 shall be passed as per the procedure prescribed under the Companies Act, 2013 and Rules framed thereunder.

5. **OTHER DISCLOSURES: -**

A. <u>Disclosure of Material Transactions: - Related Party Transaction: -</u>

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirement) Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length price.

There were no materially significant transactions with related parties. during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (Ind-AS 24) has been made in the notes to the Financial Statements in this Annual Report. The Policy on Related Party Transaction has been placed on the Company's website at https://hilltonegases.com/pdf/codesandpolicies/Related%20Party%20Policy.pdf

B. Vigil Mechanism / Whistle Blower Policy: -

In line with Regulation 22 of the Listing Regulations and Section 177 of the Act, the Company has formulated a Whistle Blower Policy / Vigil Mechanism for Directors and employees to report genuine concerns about instance of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is posted on the website of the Company at https://hilltonegases.com/pdf/codesandpolicies/Vigil%20Mechanism.pdf. During the year under review, no complaint has been received under Vigil Mechanism /Whistle Blower Policy.

C. Compliance with Listing Regulations: -

The Company has complied with all the mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There was no Non-Compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital markets during the F.Y. 2025-26 except as under:

The Company has delayed in submission of Cashflow statement with Standalone Results. The company paid a fine of Rs. 1,41,600/- for such delay

D. As required under the Listing Regulations, M/s HUSSAIN BOOTWALA & ASSOCIATES, Practicing Company Secretaries, has certified that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Ministry of Corporate Affairs or any such statutory authority. A Copy of the same is attached at the end of the report.

E. Prevention of Sexual Harassment (POSH) of Women at workplace: -

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a policy on prevention of Sexual Harassment of women at workplace. The Status of complaints during FY 2025-26 is as under: -

Period	Complaints
Opening as on 01.04.2025	Nil
Received during – 01.04.2025 to 31.03.2026	Nil
Disposed of during – 01.04.2025 to 31.03.2026	Nil
Pending as at 31.03.2026	Nil

F. Disclosure of Material Subsidiaries: -

The company has no Subsidiaries, hence above clause is not applicable

G. Certificate on Corporate Governance: -

The Company has obtained a certificate from Practicing Company Secretaries, Hussain Bootwala & Associates regarding compliance of conditions of Corporate Governance prescribed under the Listing agreement with Stock Exchanges which forms part of this report.

H. Shareholder's Information: -

This Chapter read with the information given in the section titled General Shareholders' information constitutes the compliance report on Corporate Governance.

I. Code of Conduct: -

The Company has adopted a code of conduct for its Directors and Senior Management Personnel. All the Board Members and Senior Management Personnel have agreed to follow compliance of code of conduct. The code has been posted on the Company's website at https://hilltonegases.com/pdf/codesandpolicies/Code%20of%20Conduct.pdf.

J. Management Discussion and Analysis Report: -

The Management Discussion and Analysis Report on Company's financial and operational performance, Industry trends etc. is presented as the Separate chapter in the Annual Report which forms part of this report as Annexure A.

K. Insider Trading: -

The Company has in place "Code of Conduct to regulate, monitor and report Trading by Insider" and accordingly Company Secretary of the Company closes window for trading in Equity Shares of the Company at the end of every quarter in addition to specific event, if any to comply with said Insider Trading Code.

L. Disclosures regarding Re-appointment of Directors: -

As per the Articles of Association of the Company, one third of the Directors are liable to retire by rotation every year and if eligible, they offer themselves for re-election by the shareholders at the General Meeting. There is no Alternate Director being appointed to the Board. The independent Directors are not liable to retire by rotation.

M. Transfer of shares to Investor Education and Protection Fund (IEPF): -

There was no amount which was required to be transferred, to the Investor Education and Protection Fund by the Company.

N. Discretionary Requirements: -

The table below summarizes compliance status of discretionary requirements of Part E of Schedule II of SEBI (LODR) Regulations, 2015.

S. No.	Particulars	Status
1	Non-Executive Chairman's office	The Company has an Executive Chairman.
2	Shareholders Rights	The quarterly and year to date financial results are published in the newspapers and are also posted on the website of Bombay Stock Exchange and website of the Company, the same are not being sent to the shareholders.
3	Modified Opinion in Audit Report	The Audit Opinion for Financial Statements as on 31st March, 2026 is unmodified.
4	Separate posts of Chairman and MD or CEO	There is no separate post of Chairman and Managing Director.
5.	Reporting of Internal Auditor	The Internal Auditor of the company reports to the Audit Committee at the Audit Committee Meeting held on quarterly basis.

O. Means of Communication: -

i. Financials Results: -

The quarterly and year to date financial results (unaudited / audited) are published in one English language and one Gujarati Language Newspaper.

ii. Website Display: -

The Company's policies, financial results, all information submitted to stock exchange, etc. are displayed on the Company's website https://hilltonegases.com/codes-and-policies.php.

6. GENERAL SHAREHOLDER INFORMATION: -

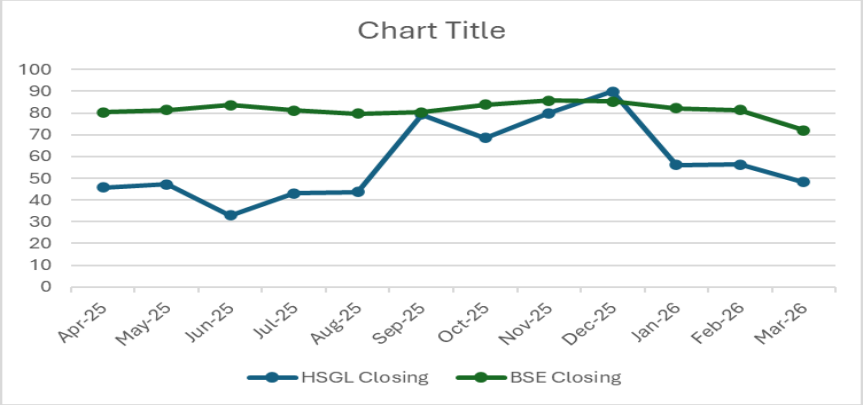
Annual General Meeting:	25th September at 3.00 p.m. through Video Conferencing /Other Audio Visual Means (VC).
Financial Year:	April 01, 2025 to March 31, 2026
The financial calendar (tentative)	Quarter ending June 30, 2026 - On August 13, 2026 Quarter ending September 30, 2026 - On or before November 14, 2026 Quarter ending December 31, 2026 – On or before February 14, 2027 Quarter ending and Year ending March 31, 2027- On or before May 30, 2027
Dates of Book Closure:	From September 17, 2026 to September 25, 2026 (both days inclusive) (for the purpose of Annual General Meeting of the Company)
Dividend Payment Date:	N.A.
Listing Details:	Equity Shares are listed on the following Stock Exchanges: Bombay Stock Exchange The Annual Listing Fees for the year 2026-27 has been paid to BSE
Stock Code:	BSE: 544308
Market Price Data	High, Low during each month in last Financial year i.e. April 1, 2025 to March 31, 2026 at BSE Limited are as below

Month	High	Low
April, 2025	45.75	32.28
May, 2025	55.05	46.18
June, 2025	57.16	32.52
July, 2025	44.50	31.59

August, 2025	47.00	36.02
September, 2025	84.00	41.36
October, 2025	77.63	58.56
November, 2025	93.11	69.00
December, 2025	93.00	73.25
January, 2026	92.00	52.78
February, 2026	63.70	50.00
March, 2026	57.98	45.70

Stock Performance

The comparison on the performance of the Company's share price (closing) vis-à-vis the BSE Sensex (closing) during the year 2025-26 is as under:



**(BSE SENSEX Figures in Thousands)*

ISIN Number:	INE168C01013
CIN:	L35201GJ1993PLC020620
Registrar and Share Transfer Agent:	Mcs Share Transfer Agent Limited 101, Shatdal complex, Opp Bata Show Room, Ashram Road, Ahmedabad-380009 Phone–(079)26580461/62/63, Email: mcsstaahmd@gmail.com
Share Transfer System:	Mcs Share Transfer Agent Limited, is Registrar & Share Transfer Agent of the Company. The Share Transfer and Share Dematerialization is processed by Link Intime India Private Limited, Ahmedabad. The transfer of shares in Depository mode need not be approved by the Company. The Physical transfers of shares are approved by Share Transfer Committee.
Distribution of Shareholding & Category-wise Distribution:	Refer Table B

Dematerialization of shares and liquidity:

As on 31st March, 2026, 89.88% of the paid-up share capital (face value of Equity Shares of Rs. 10/- each) is held in Demat form with NSDL and CDSL.

Mode	No. of Equity Shares	% to Total Share Capital
Physical	13,32,600	10.11
Electronic		
NSDL	61,84,995	46.93
CDSL	56,60,205	42.96
Total	1,31,77,800	100.00

Outstanding GDR / ADR / Warrants or any Convertible Instruments and their likely impact on Equity:	NIL
Commodity price risk or foreign exchange risk and hedging activities:	NIL
Plant Locations:	i. Plot No 54, 71, 78, 81, Siddhivinayak Estate, Santej- Vadsar Rd, Vill: Santej, Tal.: Kalol Dist.: Gandhinagar- 382721. ii. Plot No 4 Road Street : Street -G , Sector -7b, Locality :Reliance Met City

	: Badli, District: Jhajjar State: Haryana Pin Code: 124105
Address for Correspondence:	All enquiries, clarification and correspondence should be addressed to the Company Secretary and Compliance Officer: Mrs. HINISHA PATEL- Company Secretary B/4, K B Complex, Dairy Road, Mehsana, Gujarat, India, 384002 M: +91 98250 70110 / +91 9825070680 E-mail: secretarial.hilltone@gmail.com
Credit Ratings	Nil

TABLE A

Distribution of Shareholding: 31.03.2026: -

Category	Shareholders		Total Shares of Rs.10/- each	
	Number	Percent	Number	Percent
1-500	1235	63.79	309945	2.35
501-1000	356	18.39	327879	2.49
1001-2000	78	4.03	125516	0.95
2001-3000	36	1.86	93712	0.71
3001- 4000	28	1.45	105033	0.80
4001- 5000	30	1.55	141852	1.07
5001-10000	54	2.79	415843	3.16
10001- & ABOVE	119	6.14	11658020	88.47
Total	**1936**	**100**	**13177800**	**100**

TABLE B

Shareholding Pattern as on 31.03.2026: -

Sr. No.	Category	No. of Shares	Total Value (Rs)	%
I.	**Promoters Shareholding:**			
	Promoters and Promoter Group	14,03,500	1,40,35,000	10.66
II	**Public Shareholding:**			
1	Body Corporate - LLP	-	-	-
2	Clearing Members	2,00,500	20,05,000	1.52
3.	Hindu Undivided Family	16,72,807	1,67,28,070	12.69
4	Non-Resident Indians	22,29,197	2,22,91,970	16.91
5.	Other Bodies Corporate	2,79,616	27,96,160	2.12
6.	Foreign Portfolio Investors	8,81,057	88,10,570	6.69
7.	Individuals	65,10,423	6,51,04,230	49.41
	TOTAL :	**1,31,77,800**	**13,17,78,000**	**100.00**

For and on behalf of the Board

NIKET M. SHAH
Managing Director
DIN: 00278968

HITAL M. SHAH
Executive Director
DIN: 00279026

Date: 01/09/2026
Place: Mehsana

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
HILLTONE SOFTWARE AND GASES LIMITED
B/4, K B COMPLEX, DAIRY ROAD,
MEHSANA 384002

1. We have examined the compliance of conditions of Corporate Governance of Hilltone Software And Gases Limited ("the Company") for the year ended on March 31st, 2026 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and other applicable regulations of Chapter IV pertaining to Corporate Governance and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as "SEBI Listing Regulations"].

Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

2. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the Corporate Governance requirements by the Company.
5. We have conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate and the Guidance Manual on Quality of Audit & Attestation Services issued by the Institute of Company Secretaries of India ("ICSI").

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.
7. 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.

Restriction on use

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place : AHMEDABAD
Date : 01/09/2026

HUSSAIN BOOTWALA & ASSOCIATES
FRN: S2022GJ854400

HUSSAIN BOOTWALA
ACS No: 49591
C.P. No: 23980
PRC: 3936/2023
UDIN: A049591H001246204

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(refer Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
HILLTONE SOFTWARE AND GASES LIMITED
B/4, K B COMPLEX, DAIRY ROAD,
MEHSANA 384002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HILLTONE SOFTWARE AND GASES LIMITED having CIN L35201GJ1993PLC020620 and having registered office at B/4, K B COMPLEX, DAIRY ROAD, MEHSANA, Gujarat, India, 384002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below as on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

SR. NO.	Name of Director	DIN	Date of appointment in Company
1	HITALKUMAR SHAH	00279026	08/11/1993
2	NIKETBHAI MAHENDRABHAI SHAH	00278968	08/11/1993
3	SAPNABEN HITALBHAI SHAH	08615859	14/11/2019
4	ADITYA VIKRAMBHAI PATEL	09121052	03/01/2025
5	NIHAR GAURANG SHETH	10308024	03/01/2025
6	DIPIKA MODI	11269866	29/09/2025

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

Place : AHMEDABAD
Date : 01/09/2026

HUSSAIN BOOTWALA & ASSOCIATES
FRN: S2022GJ854400

HUSSAIN BOOTWALA
ACS No: 49591
C.P. No: 23980
PRC: 3936/2023
UDIN: A049591H001246336

ANNEXURE C

FORM AOC-2

A statement in Form AOC-2 is given below:-

1. Details of contracts or arrangements or transactions not at arm's length basis: No such transactions were entered during the financial year 2025-26.
2. Details of material contracts or arrangement or transactions at arm's length basis:

Rs. In Lacs

Name(s) of the related party and nature of relationship	Nature of transactions	Duration of the transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Dhanlaxmi Distributors **Enterprises having Significant Influence**	Sales	Yearly	Rs. 5.00	29/05/2025	--

On behalf of the Board of Director

NIKET M. SHAH (Managing Director) DIN: 00278968

HITAL M. SHAH (Executive Director) DIN: 00279026

Date: 01/09/2026

Place: Mehsana

ANNEXURE – D

DETAILS OF REMUNERATION OF DIRECTORS, KMPs AND EMPLOYEES

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

The ratio of remuneration of each Director to the median employees' remuneration for the financial year:

Sr.	Name	Designation	Ratio
1	Niket M. Shah	Managing Director	3.66
2	Hital M. Shah	Whole time Director	3.66

b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr.	Name	Designation	Ratio
1	Niket M. Shah	Managing Director	Nil
2	Hital M. Shah	Whole time Director	Nil
3	HINISHA PATEL	Company Secretary	Nil

c) The percentage increase in the median remuneration of employees in the financial year 2025-26: 73.07%

d) The number of permanent employees on the rolls of the Company as on 31st March 2026: 36 Employees

e) Average increase in the salaries of the employees and managerial remuneration:

The Board of Directors of the Company hereby affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Date: 01/09/2026

Place: Mehsana

NIKET M. SHAH (Managing Director) **DIN:** 00278968

HITAL M. SHAH (Executive Director) DIN: 00279026

ANNEXURE E

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

To,
Board of Directors
Hilltone Software and Gases Limited
As required under the Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) read with Schedule II part B of the Listing Regulations, we hereby certify that;

1. We have reviewed the Balance Sheet and Profit and Loss account, its schedule and notes to the accounts and cash flow statements for the year ended 31st March 2026 and that to the best of our knowledge and belief:

a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. We also certify that based on our knowledge and information provided to us, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.

3. We accept the responsibilities for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.

4. We have indicated to the Auditors and the Audit Committee:

a) Significant change in internal control over financial reporting during the year.

b) Significant changes in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and

c) Instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 01/09/2026
Place: Mehsana

Niket M. Shah
Managing Director
(DIN: 00278968)

Parinda Mohanbhai Patel
Chief Financial Officer

ANNEXURE F

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2026

To,

The Members,

HILLTONE SOFTWARE AND GASES LIMITED

B/4, K B COMPLEX, DAIRY ROAD, MEHSANA 384002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HILLTONE SOFTWARE AND GASES LIMITED. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the HILLTONE SOFTWARE AND GASES LIMITED (name of the company's) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by HILLTONE SOFTWARE AND GASES LIMITED ("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;
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;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   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;

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (d), (e), (g), (h) of para (v) mentioned hereinabove during the period under review. Further, there were no instances of Foreign Direct Investment or External Commercial Borrowings.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.
ii. The Listing Agreements entered into by the Company with the Stock Exchange, i.e. Bombay Stock Exchange
iii. SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended);

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

The Company has delayed in submission of Cashflow statement with Standalone Results. The company paid a fine of Rs. 1,41,600/- for such delay

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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 at the Board Meetings as represented by the management were carried out unanimously whereas, as informed, there is a system of capturing the views of dissenting members' and recording the same as part of the minutes, wherever required.

I further report that based on review of compliance mechanism established by the company we are of opinion 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.

I further report that during the audit period there was no specific event/action having a major bearing on the company's affairs

Place : AHMEDABAD
Date : 01/09/2026
UDIN: A049591H001247997

HUSSAIN BOOTWALA & ASSOCIATES
FRN: S2022GJ854400

HUSSAIN BOOTWALA
ACS No: 49591 C.P. No: 23980
PRC: 3936/2023

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

ANNEXURE-A

To,
The Members
HILLTONE SOFTWARE AND GASES LIMITED
B/4, K B COMPLEX, DAIRY ROAD, MEHSANA384002
Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2026

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 records based on our audit.
2. I 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 a 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. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. 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.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : AHMEDABAD
Date : 01/09/2026
UDIN: A049591H001247997

HUSSAIN BOOTWALA & ASSOCIATES
FRN: S2022GJ854400
HUSSAIN BOOTWALA
ACS No: 49591 C.P. No: 23980
PRC: 3936/2023

ANNEXURE G

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A.CONSERVATION OF ENERGY

a. Energy conservation measures:

The Company is making continuous efforts for the conservation of energy through improved operational methods and better plant utilization.

b. Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

We have made investment in energy saving equipments during the year. We are anticipating substantial savings in energy cost in coming years.

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

Consumption of energy has been optimised to the extent possible.

d. Total energy consumption per unit of production.

			2025-26	2024-25
	Electricity Purchased			
	Units	Kwh	114089	65022
	Total amount	Rs.	11,30,758	5,69,087
	Rate / Unit	Rs.	9.91	8.75

B TECHNOLOGY ABSORPTION

1. Research and Development (R & D):

(a) Specific area in which R & D carried out by the Company:

The Company employs indigenous technology and continuous efforts are made for improvement in technical process and energy saving. The Company also is continuously working towards product development and achieving higher turnover in such a way that the bottlenecks in the production process is taken care of.

(b) Benefits derived as a result of the above R & D:

By addition of the new product the company is trying to improve presence in markets. The company will be also in a position to achieve higher production by reducing the impact of production mismatch with new product development.

(c) Future plan of action:

The Company will continue to work towards product development and cost cutting Measures to achieve higher efficiency.

(d) Expenditure on R & D:

There is no specific/separate expenditure incurred for the R & D during the year under review. The efforts for R & D are part of every productive activity of the Company.

2. Technology Absorption, Adaption & Innovation

(a) Efforts made:

The Company has in house technical expertise and no foreign / imported technology is used. It is constant endeavour of the Company to absorb new product / process of manufacturing and continue to innovate new products keeping in mind changing demands of the customers. During the year under review Company focussed on developing a product mix which made best use of the available production capacity and reduced the impact of production bottlenecks.

(b) Benefits derived as a result of above efforts:

The Company is now confident of achieving higher production and would be in a position to achieve higher efficiency improving overall working of the Company.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	2025-26	2024-25
Foreign Exchange Earned	6,80,475 Rs.	18,16,000 Rs.
Foreign Exchange Used	1,41,21,648 Rs.	24,17,150 Rs.

On behalf of the Board of Directors

Date: 01/09/2026
Place: Mehsana

NIKET M. SHAH
(Managing Director)
DIN: 00278968

HITAL M. SHAH
(Executive Director)
DIN: 00279026

ANNEXURE – H

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

Regulation 34(3) read with Schedule V (D) of the SEBI (LODR), 2015

I do hereby declare that pursuant to Schedule V (D) read with Regulation 34(3) of the Listing Regulations, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31st, 2026.

On behalf of the Board of Directors

NIKET M. SHAH
(Managing Director)
DIN: 00278968

Date: 01/09/2026
Place: Mehsana

INDEPENDENT AUDITOR'S REPORT

To The Members
Hilltone Software And Gases Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HILLTONE SOFTWARE AND GASES LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards 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 31st March 2026, and its profit, other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified (SAs) under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in your audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matters	How our Audit addressed the Key Audit Matters
Revenue Recognition The Company's revenue principally comprises sale of gases, Software & Manufacturing of Heat Exchanger. The revenue from sale of goods is recognized in accordance with the accounting principles prescribed under Ind AS 115 revenue recognition and is measured at the transaction price excluding taxes or duties collected on behalf	Our audit procedures on revenue recognition included' the following: Testing the operating effectiveness of Company's controls around Revenue Recognition Assessing the Company's accounting policy for revenue recognition in accordance with Ind AS 115 "Revenue Recognition"

of government authorities and is recognized at the time when control of promised goods transferred to customer. The Control in respect of sale of goods is generally transferred when the Products are delivered customers in accordance with the term of contract with customer	Selecting samples of revenue transactions during the year and inspecting underlying documents which included invoices, shipping, documents, customers acceptance, as applicable, to determine recognized in accordance with the agreed terms. Testing on a sample basis credit notes issued to customers Based on the above procedures performed, we did not identify any material exceptions in Revenue recognition of sale of goods

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

The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statement and our audit reports thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes of equity of the Company in accordance with the Indian Accounting Standards (IND AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rues 2015, as amended and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management and Board of Directors are 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.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The Income tax department had carried out a search operation at the office/factory premises of the Company on 14th May, 2025. No assets were seized or impounded. Income tax department is yet to frame the assessments of the search period. The Company does not expect any additional liability on account of search proceedings.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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, the Statement of Cash Flows and changes in equity dealt with by this Report are in agreement with the books of account.
d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (IND AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
iv.

a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries') except for the entities consolidated with the company, 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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ('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") except for the entities consolidated with the company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
c) Based on the audit procedures that have been considered reasonable and 'appropriate in the circumstances, nothing has come to our notice that has caused

us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year in contravention of the provision of Section 123 of the Companies Act, 2013.

vi. Based on our examination, which included test checks, the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except in respect of Haryana branch of company. Further, the audit trail facility has been operated throughout the year for all relevant transactions recorded in software except in respect of Haryana branch of company. Further, during the course of our audit, we did not come across any instance of audit trail features being tampered with during the year. Additionally, the audit trail has been preserved by the Company as per the statutory requirement for record retention.

2. With respect to the matters to be included in Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of section 197 of the Act.

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

For Ashvin K Yagnik & Co.

Chartered Accountants,
Firm's Registration Number: 100710W

Bhavan M Trivedi
(Partner)
Membership No.043482
Place : Ahmedabad
Date : 30-05-2026
UDIN : 26043482VMBJIF5953

Annexure — A to Independent Auditor's Report on Standalone Financial Statements

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of HILLTONE SOFTWARE AND GASES LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of HILLTONE SOFTWARE AND GASES LIMITED ('the Company'), as of 31st March 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the period ended and as on that date.

Opinion

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of Internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and

fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Place : Ahmedabad
Date : 30-05-2026
UDIN : 26043482VMBJIF5953

For Ashvin K Yagnik & Co.
Chartered Accountants,
Firm's Registration Number: 100710W

Bhavan M Trivedi
(Partner)
Membership No.043482

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of HILLTONE SOFTWARE AND GASES LIMITED

i.

a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

b) According to the information and explanations furnished to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were physically verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) according to information and explanations given to us and the records examined by us, we report that, the title deeds comprising of the immovable properties of land and buildings which are freehold, are held in the name of the company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as ROU Assets in the financial statements, the lease agreements are in the name of the company.

d) According to the information and explanations furnished to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

e) According to information and explanations furnished to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements does not arise.

ii.

a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified at reasonable intervals by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate.

b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been sanctioned any working capital limit during the year. Accordingly reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.

iii.

a) During the year the company has provided any loans or advances in the nature of loans te companies. Details as under;

	Loan Given
Aggregate Amount Given during the Year. - Subsidiary/Joint Ventures/Associates - Other	 Nil 27.75 Lakhs
Balance Outstanding as at Balance Sheet Date. - Subsidiary/Joint Ventures/Associates - Other	 Nil 170.14 Lakhs

b) According to the information and explanations given to us and based on the audit procedures, we are of the opinion that the terms and conditions on which loans have been given by the company are not prejudicial to the interest of the company. Further the said loans have been granted within the limits given in section 186 of the Companies Act, 2013. Balance Outstanding as at the balance sheet date is Rs.170.14 Lakhs.

c) According to the information and explanations given to us and based on the audit procedures conducted by us, in the case of loans given, there are no stipulated terms and conditions for repayment of principal and such loans are repayable on demand by the company. Further, as per mutual loan arrangement letter executed between parties in respect of each loans, interest is payable on a monthly basis. However, in the following cases, interest accrued and due is not received on monthly basis:

Name of the Entity	Total Amount charges as Interest during the Year
Harsha R Javeri	2.22 Lakhs
Leading Leasing Finance and investment company limited	8.92 Lakhs
Jeevan Jyoti Vanjiya Limited	6.90 Lakhs

d) According to the information and explanations given to us and based on the audit procedures conducted by us in the case of loans given, in absence of stipulated terms and conditions in respect of repayment of principal, we are unable to comment as to whether the any amount of loans given is overdue for more than 90 days. However, the management has represented us that they are following up with the respective entities for recovery of outstanding interest amount.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan was granted to the same party which has fallen due during the year and were renewed / exetended. Further no fresh loans were granted to same parties to settle the existing overdue loans.

f) Company has granted advances in nature of loans without specifying the scheduled repayment of principal and were repayable on demand as mentioned below:

Particular	All Parties	Related Parties
Aggregate advance in nature of Loans -Repayable on demand and provided without specifying any term or period of repayment	170.14 Lakhs	-

Percentage of advance in nature of loans to total loans	100%	-

iv. According to the information and explanations given to us and on the basis of our examination o records of the Company has not granted any loans under section 185. Further the company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of grant of loans.

v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013.

vi. The provisions of section 148(1) of the Companies Act, 2013 with regard to maintenance of cos records are not applicable to the company.

vii.

a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, Goods and Services Tax, and other material statutory dues, in arrears as at March 31, 2026 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 according to the records of the Company examined by us, there are no dues of income tax, service tax, sales tax, excise duty, custom duty and Goods and Services Tax which have not been deposited on account of any dispute.

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

ix.

a) According to the information and explanation and as verified from books of accounts, the company has not defaulted in repayment in loan or interest thereon to any lender.
b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
d) According to the information and explanations given to us and on an overall examination of the financial statement of the Company, as at 31 March 2026, we report that no funds raised on short term basis of have been used for long term purposes
e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

x. a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.
b) According to the information and explanations given to us and on the basis of our examination of the records of the Company the company has made preferential allotment of equity shares. The company has utilized the funds so raised for the purposes for which they were raised except following:

Nature of Securities	Purpose for Funds were Raised	Amount unutilized for the purpose for which funds were raised as at 31-03-2026	Remark
Preferential allotment of Equity Shares (Rs 988.70 Lakhs raised in FY 2025-26)	For General Corporate purpose and Haryana Plant Expansion and software division and gases Plant Expansion	483.68 lakhs	Company have planning for utilization Before end of Quarter 1 of FY 2026-27

XI.

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, we have not come across any instances of material fraud by the Company or on the Company, noticed or reported during the year, nor we have been informed of such case by the management.

b) No report under sub-section (12) of section 143 of the Act, has been filed in Form ADT 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended from time to time) with the Central Government, during the year and up to the date of this report. As per information and explanations given by the management and audit committee, there were no whistle blower complaints received by the Company during the year. Accordingly reporting under paragraph xi (c) of the order is not applicable to the Company.

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

XIII. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where ever and to the extent applicable, and the details of the related party transactions have been disclosed in the standalone financial statements.

XIV.

a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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

XVI. According to the information and explanation given to us and based on our examination of the books and records of the Company:

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(b) The Company is not a NBFC, hence reporting under this clause is not required.

(c) The Company is not a NBFC, hence reporting under this clause is not required.

(d) The Company is not a CIC, hence reporting under this clause is not required.

XVII. Based on the examination of the books of accounts, we report that the Company has not incurred cash losses in the current financial year covered by my audit or in the immediately preceding financial year.

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

XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities,

other information accompanying the standalone 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 get discharged by the Company as and when they fall due.

XX.

a) In our opinion and according to the information and explanations given to us, company is not fulfilling any of the conditions mentioned under section 135(1) of the Act, hence reporting under this clause is not required

b) In our opinion and according to the information and explanations given to us, company Is not fulfilling any of the conditions mentioned under section 135(1) of the Act, hence reporting under this clause is not required.

For Ashvin K Yagnik & Co.
Chartered Accountants,
Firm's Registration Number: 100710W

Bhavan M Trivedi
(Partner)
Membership No.043482
Place : Ahmedabad
Date : 30-05-2026
UDIN : 26043482VMBJIF5953

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED

Standalone Balance Sheet as at March 31, 2026

Rs. In Lakhs

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
I. Non-current assets			
Property, plant and equipment	2	989.14	549.22
Capital work-in-progress	2	60.67	142.23
Non-current financial assets			
Investment		-	-
Trade Receivables	4		-
Loans	5	329.68	413.58
Other non-current financial assets	6	272.42	235.09
Deferred tax assets	16	-	-
Non-current tax assets	16	0.85	-
Other non-current assets	8	77.70	19.89
		1,730.46	**1,360.02**
II.Current assets			
Inventories	3	246.60	59.38
Current Financial Assets			
Investment			-
Trade receivables	5	253.80	109.68
Cash and cash equivalents	7	362.20	158.35
Other balances with Bank	7	-	
Loans	6		
Other current financial assets	7		-
Other current assets	8	85.29	57.46
Current tax Asset	16	7.13	5.37
		955.03	**390.23**
Total Assets		**2,685.49**	**1,750.26**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	1,317.78	1,093.08
Other equity	10	1,011.63	273.08
		2,329.41	**1,366.16**
LIABILITIES			
I. Non-current liabilities			
Non-current financial liabilities			
Borrowings	11	42.70	28.41
Lease Liabilities		93.58	105.76
Other Finanacial Liability		27.96	28.46
Long-term provisions	14	23.70	21.49
Deferred tax liabilities	16	0.28	21.71
Other non-current liabilities	15	6.30	8.40
		194.52	**214.23**
II.Current liabilities			
Current financial liabilities			
Borrowings	11	27.05	11.83
Lease Liabilities		26.40	22.69
Trade payables	12		-
Total outstanding dues of			-
a) Micro enterprises and small enterprises		23.35	57.73
b) Creditors other than micro enterprises and small enterprises		35.72	38.36
Other current financial liabilities	13		
Other current liabilities	15	38.67	32.91
Short-term provisions	14	10.36	6.35
Current tax liabilities	16		
		161.55	**169.87**
Total Equity and Liabilities		**2,685.49**	**1,750.26**

Notes forming part of financial statements (including significant accounting policies) (Notes 1-36)

In terms of our report of even date attached

FOR, Ashvin K Yagnik & Co.
Chartered Accountants
Firm Registration No. : 100710W

Bhavan M Trivedi
Partner
Membership No.: 043482

Place: Mehsana
Date: 30-05-2026

For and on behalf of the Board of Directors

NIKET M. SHAH
Managing Director
DIN:00278968

HITAL M. SHAH
Whole-Time Director
DIN:00279026

HINISHA PATEL
Company Secretary
ACS No. A59842

SAPNABEN H SHAH
Non-Executive Director
DIN: 08615859

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED

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

Rs. In Lakhs

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	18	1,472.81	753.88
Other income	19	51.83	69.81
Total Income [I]		**1,524.65**	**823.70**
Expenses			
Cost of Material Consumed	20	614.48	30.28
Purchase of Stock in trade	21	542.27	530.72
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	20	-187.21	-18.40
Employee benefits expense	22	219.94	103.86
Finance costs	23	24.85	10.89
Depreciation and amortisation expense	25	70.31	16.03
Impairment on Tangible Assets		-	
Other Expenses	26	249.98	126.57
Total expenses [II]		**1,534.62**	**799.94**
Profit before tax [III=I-II]		**-9.97**	**23.75**
Tax expense			
Current tax		-	11.45
Adjustment of tax relating to earlier periods		-1.57	-
Deferred tax		-22.01	27.99
Total tax expense [IV]		**-23.58**	**39.45**
Profit for the year [V=III-IV] [A]		**13.61**	**-15.69**
Other comprehensive income			
a) Items that will be classified to profit | loss		-	-
b) tems that will not to be reclassified to profit | loss			
i) Re-measurement gains / (losses) on defined benefit plans		2.29	-
ii) Net gain / (loss) on FVOCI Equity instruments		-0.58	-
iii) Income tax effect on above		-	-
Total other comprehensive income for the year, net of tax [B=i+ii]		**1.72**	**-**
Total comprehensive income for the year, net of tax [A+B]		**15.33**	**-15.69**
Earning per equity share of Rs.10/- each (Amount in Rs.)			
Basic		0.12	-0.14
Diluted		0.12	-0.14

Notes forming part of financial statements (including significant accounting policies) (Notes 1-36)

In terms of our report of even date attached

FOR, Ashvin K Yagnik & Co.
Chartered Accountants
Firm Registration No. : 100710W

Bhavan M Trivedi
Partner
Membership No.: 043482

Place: Mehsana
Date: 30-05-2026

For and on behalf of the Board of Directors of

NIKET M. SHAH
Managing Director
DIN:00278968

HITAL M. SHAH
Whole-Time Director
DIN:00279026

HINISHA PATEL
Company Secretary
ACS No. A59842

SAPNABEN H SHAH
Non-Executive Director
DIN: 08615859

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED
Cash Flow Statement For the year ended March 31, 2026

Rs. In Lakhs

PARTICULARS	As at March 31, 2026	As at March 31, 2025
CASH FLOW FROM OPERATION ACTIVITIES :		
Profit before tax	(9.97)	23.75
Non Cash Expenses / Incomes :-	**79.77**	**47.94**
Depreciation and amortisation expenses	70.31	16.03
Loss on sale of Fixed Assets	0.06	-0.05
Provision for Doubtful debts	2.42	6.66
Re-measurement gain	2.29	25.30
Provision for Gratuity	4.68	
Considered Under Different Head :-	**(20.37)**	**(54.33)**
Interest paid	24.85	10.68
Interest income	(45.21)	-65.01
Dividend income		-
Changes in Working Capital	***(473.82)***	***75.52***
Trade receivables	(146.54)	35.97
Inventory	(187.22)	-18.40
Other current assets	(27.84)	-39.50
Trade payables	(37.01)	16.71
Provision	1.54	-2.78
Short term borrowing	15.22	-27.51
Other financial liabilities	(0.50)	-9.49
Other non-current assets	(57.81)	-19.89
Other non-current liabilities	(2.10)	8.40
Other current liabilities	5.77	32.91
Other non-current financial assets	(37.33)	99.10
Direct taxes paid (net)	**(1.04)**	(17.13)
NET CASH FROM OPERATING ACTIVITIES	**(425.43)**	**75.75**
CASH FLOWS FROM INVESTING ACTIVITIES :		
Interest received	45.21	65.01
Dividend income received	-	-
Purchase of tangible and intagible assets including CWIP	(428.72)	-182.04
Proceeds from sale of property, plant and equipment	-	2.03
Sale of Investment	-	2.30
Loans and Advances	83.90	170.57
NET CASH GENERATED IN INVESTING ACTIVITIES	**(299.61)**	**57.87**
CASH FLOW FROM FINANCING ACTIVITIES :		
Interest paid	(24.85)	(10.68)
Net changes in Loan liability	14.29	(11.92)
Net changes in Lease liability	(8.48)	-
Issuance of Share capital	988.70	
Expenses towards issuance of Share Capital	(40.77)	
NET CASH FLOWS USED IN FINANCING ACTIVITIES	**928.89**	**(22.60)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**203.85**	**111.02**
Cash and cash equivalents at the beginning of the period	158.35	47.31
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**362.20**	**158.34**
Components of cash and cash equivalents		
Cash on hand	14.91	93.82
Cheques in Hand	-	-
Balance with banks	347.29	64.52
Fixed deposits with bank (maturity within 12 months)	-	-
TOTAL	**362.20**	**158.35**

Accompanying Notes are integral part of the Financials

As per our report of even date
FOR, Ashvin K Yagnik & Co.
Chartered Accountants
Firm Registration No. : 100710W

Bhavan M Trivedi
Partner
Membership No.: 043482

Place: Mehsana
Date: 30-05-2026

For and on behalf of the Board of Directors of
HILLTONE SOFTWARE & GASES LIMITED

NIKET M. SHAH
Managing Director
DIN:00278968

HITAL M. SHAH
Whole-Time Director
DIN:00279026

HINISHA PATEL
Company Secretary
ACS No. A59842

SAPNABEN H SHAH
Non-Executive Director
DIN: 08615859

HILLTONE SOFTWARE & GASES LIMITED
Notes to the Standalone Financial Statements

Background

HILLTONE SOFTWARE & GASES LIMITED is a public company limited by shares incorporated in India. Its registered office is located at B/4, K B COMPLEX, DAIRY ROAD, MEHSANA, Gujarat, India, 384002

Hilltone Software and Gases Limited ("the company") is engaged in the business of trading of Industrial as well as Medical Oxygen gase and other allied gases as well as Software business.

Note 1 Significant accounting policies

This Note provides a list of the significant accounting policies adopted by the Company in preparation of these Standalone Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated

a) Basis of preparation

i) Statement of Compliance:

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended.

ii) Historical cost convention:

The standalone financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

iii) The Standalone Financial Statements have been prepared on accrual and going concern basis.

iv) The accounting policies are applied consistently to all the periods presented in the Standalone Financial Statements. All assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

v) Recent accounting pronouncements:

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

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

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

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief.The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

b) Foreign currency transactions:

i) Functional and presentation currency:

Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Standalone Financial Statements of the Company are presented in Indian currency (₹), which is also the functional currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Standalone Statement of Profit and Loss except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Standalone Statement of Profit and Loss are on a net basis within other income | (expense).

Non-monetary items that are measured at fair value that are denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

c) Revenue recognition

i) Revenue from contracts with customers:

The Company is engaged in the manufacturing and supply of industrial and medical gases, while also offering eco-energy and digital software solutions.

Revenue is recognized by when control of the goods is transferred to the customer, in accordance with the terms of the contract. Control is deemed to be transferred upon delivery at the factory gate, at the customer's designated location, or upon handover to the freight carrier, as specified in the contract. A receivable is recognized at the point of delivery, as this represents the moment when the right to consideration becomes unconditional, with only the passage of time remaining before payment is due

Revenue from services including those embedded in contract for sale of goods namely freight and insurance services mainly in case of export sales, is recognised upon completion of services.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

ii) Other income:

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Standalone Statement of Profit and Loss only when the right to receive payment is established; it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

Lease rental income is recognised on accrual basis.

d) Taxes

Income tax expense comprises current tax and deferred tax. Current tax is the tax payable on the taxable income of the current period based on the applicable income tax rates. Deferred tax reflects changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Standalone Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

The Company considers reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making the assessment of deferred tax liabilities and realisability of deferred tax assets. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realise the benefits of those deductible differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

e) Leases

As a lessee:

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

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

f) Current / non-current classification

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

a) expected to be realised or intended to be sold or consumed in normal operating cycle;
b) held primarily for the purpose of trading;
c) expected to be realised within twelve months after the reporting period; or
d) 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 treated as current when it is:

a) expected to be settled in normal operating cycle;
b) held primarily for the purpose of trading;
c) due to be settled within twelve months after the reporting period; or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

g) Property, plant and equipment

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Standalone Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Standalone Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Standalone Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value:

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Depreciation is provided on a pro-rata basis on the straight-line method from the date of acquisition | installation till the date the assets are sold or disposed of:

Particulars	Useful life of assets (in Years)
Air conditioner	10
Camera	10
Furniture & fixtures	10
Computer	3
Computer Software	10
Office equipments	5
Vehicles	8
Factory Building	30
Plant and Equipment	25

The Company, based on technical evaluation carried out by internal technical experts, believes that the useful lives as given above best represents the period over which the management expects to use these assets.The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

h) Intangible assets

Intangible assets acquired separately are measured, on initial recognition, at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The amortisation expense on intangible assets is recognised in the statement of profit and loss.

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

i) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit or loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

j) Cash and cash equivalents

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

k) Trade receivables

Trade receivables are recognised when the right to consideration becomes unconditional. These assets are held at amortised cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss.

l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

m) Inventories

Inventories are stated at cost or net realisable value whichever is lower. Cost is determined on moving weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to effect the sale.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

Due allowances are made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

Items such as spare parts, stand-by equipment and servicing equipment which are not plant and machinery get classified as inventory.

n) Investments and other financial assets

Classification:

The Company classifies its financial assets in the following measurement categories:
i) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
ii) Those measured at amortised cost

Debt instruments:

Initial recognition and measurement:
Financial asset is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial asset is recognised initially at fair value plus, in the case of financial asset not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial asset carried at fair value through profit or loss are expensed in the Standalone Statement of Profit and Loss.

Subsequent measurement:
Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:
Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Standalone Statement of Profit and Loss.
Measured at fair value through other comprehensive income (FVOCI):
Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Standalone Statement of Profit and Loss. On derecognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Standalone Statement of Profit and Loss.
Measured at fair value through profit or loss (FVPL):
A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Standalone Statement of Profit and Loss.

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies and associate company at fair value. The Company has elected to present fair value gains and losses on such equity investments in other comprehensive income and there is no subsequent reclassification of these fair value gains and losses to the Standalone Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.
Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.
Investments in subsidiary companies, associate companies and joint venture company:
Investments in subsidiary companies, associate companies and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate companies and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Derecognition:
A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, the asset expires or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised through the Standalone Statement of Profit and Loss or other comprehensive income as applicable. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities:
i) Classification as debt or equity:
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.
ii) Initial recognition and measurement:
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.
iii) Subsequent measurement:
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Standalone Statement of Profit and Loss.
iv) Derecognition:
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

o) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Standalone Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

q) Borrowings Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

r) Provisions & contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

s) Employee benefits

Retirement benefit in the form of contribution to provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company's liabilities towards gratuity payable to its employees are determined using the Acturial Valuation Report which is obtained in accordance with Ind AS 19

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and
b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the standalone statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
b) Net interest expense or income.

t) Earnings Per Share

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

For the purpose of calculating diluted EPS, the net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Critical estimates and judgements

Preparation of the Standalone Financial Statements requires use of accounting estimates, judgements and assumptions, which, by definition, will seldom equal the actual results. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Standalone Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone Financial Statements. This Note provides an overview of the areas that involves a higher degree of judgements or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Statements.

The areas involving critical estimates or judgements are:

i) Estimation for income tax: Note 1 (d)
ii) Estimation of useful life of tangible assets: Note 1 (i)
iii) Estimation of provision for inventories: Note 1 (n)
iv) Estimation of defined benefit obligations: Note 1 (u)
v) Fair value measurements: Note 30

u)

The Income tax department had carried out a search operations at the office/factory premises of the Company on 14th May, 2025. No assets were seized or impounded. Income tax department is yet to frame the assessments of the search period. The Company does not expect any additional liability on account of search proceedings

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED

Standalone statement of changes in equity for the year ended on March 31, 2026

A. Equity share capital **Rs. In Lakhs**

Particulars	Amount
Balance as at April 1, 2024	1,093.08
Changes in Equity share capital during the year	-
Balance as at March 31, 2025	**1,093.08**
Balance as at April 1, 2025	1,093.08
Changes in Equity share capital during the year	224.70
Balance as at March 31, 2026	**1,317.78**

B. Other equity

Particulars	Attributable to the equity holders of the Company						Total
	Reserve and Surplus					Items of OCI	
	Capital Reserve	General Reserve	Security premium	Depreciation Fund	Retained Earnings	Net gain / (loss) on FVTOCI Equity instruments	
Balance as at April 1, 2024	9.66	128.55	116.99	-	33.56	-	**288.77**
Profit for the year					-15.69		
Provided For							
Utilisation for Bonus Issue							
Items of OCI, net of tax							
Re-measurement losses on defined benefit plans							
Net gain / (loss) on Equity instruments carried at fair value through OCI							
Balance transfer on derecognition of Equity Instruments carried at fair value through OCI (See note below)							
Balance as at March 31, 2025	**9.66**	**128.55**	**116.99**	**-**	**17.87**	**-**	**273.08**
Balance as at April 1, 2025	**9.66**	**128.55**	**116.99**	**-**	17.87	**-**	**273.08**
Profit for the year			723.23	-	15.33		738.55
Provided for							-
Items of OCI, net of tax							-
Re-measurement losses on defined benefit plans							-
Net gain / (loss) on Equity instruments carried at fair value through OCI							-
Balance transfer on derecognition of Equity Instruments carried at fair value through OCI (See note below)							-
Balance as at March 31, 2026	**9.66**	**128.55**	**840.22**		**33.20**	**-**	**1,011.63**

Refer Note 11 for nature and purpose of reserves.

In terms of our report of even date attached
FOR, Ashvin K Yagnik & Co.
Chartered Accountants
Firm Registration No. : 100710W

Bhavan M Trivedi
Partner
Membership No.: 043482

Place: Mehsana
Date: 30-05-2026

For and on behalf of the Board of Directors

NIKET M. SHAH
Managing Director
DIN:00278968

HITAL M. SHAH
Whole-Time Director
DIN:00279026

HINISHA PATEL
Company Secretary
ACS No. A59842

SAPNABEN H SHAH
Non-Executive Director
DIN: 08615859

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED

Notes to the Consolidated Financial Statements

Note 2 : Property, plant and equipment

Particulars	Freehold Land*	Leasehold Land	Factory Buildings	Plant and Equipment	Computer	Furniture & Fixtures	Office Equipment	Vehicle	Total	Intangible Asset
Gross carrying amount										
As at April 1, 2025	148.24	137.19	83.24	303.57	8.85	14.54	7.81	36.06	**739.50**	**3.25**
Additions	-	2.89	91.20	275.96	5.29	62.06	8.53	45.47	**491.40**	**7.39**
Inter Transfers									**-**	
Recoupment / Adjustment									**-**	
Disposal	-			-					**-**	
As at March 31, 2026	**148.24**	**140.08**	**174.45**	**579.52**	**14.15**	**76.60**	**16.34**	**81.53**	**1,230.90**	**10.63**
As at April 1, 2024	148.24	-	63.24	285.85	7.44	14.14	7.51	36.06	**562.48**	**3.25**
Additions	-	137.19	20.00	20.39	1.41	0.40	0.30	-	**179.69**	
Inter Transfers									**-**	
Recoupment / Adjustment									**-**	
Disposal				-2.67					**-2.67**	
As at March 31, 2025	**148.24**	**137.19**	**83.24**	**303.57**	**8.85**	**14.54**	**7.81**	**36.06**	**739.50**	**3.25**
Accumulated depreciation										
As at April 1, 2025	-	-	41.35	101.21	6.62	10.09	5.84	16.06	**181.17**	**0.92**
Depreciation for the year	-	28.93	1.68	25.40	1.59	2.87	1.83	7.42	**69.72**	**0.59**
Inter Transfers									**-**	
Impairment for the period									**-**	
Recoupment / Adjustment									**-**	
Disposal	-			-					**-**	
As at March 31, 2026	**-**	**28.93**	**43.04**	**126.61**	**8.21**	**12.96**	**7.67**	**23.47**	**250.89**	**1.51**
As at April 1, 2024	-	-	40.39	93.05	6.04	9.37	5.01	12.26	**166.12**	**0.63**
Depreciation for the year	-	-	0.96	8.84	0.59	0.72	0.84	3.79	**15.74**	**0.29**
Inter Transfers	-	-	-	-	-	-	-	-	**-**	
Impairment for the period	-	11.43	-	-	-	-	-	-	**11.43**	
Recoupment / Adjustment	-	-	-	-	-	-	-	-	**-**	
Disposal	-	-	-	-0.69	-	-	-	-	**-0.69**	
As at March 31, 2025	**-**	**11.43**	**41.35**	**101.21**	**6.62**	**10.09**	**5.84**	**16.06**	**192.60**	**0.92**
Net carrying amount									**-**	
As at March 31, 2025	**148.24**	**125.76**	**41.89**	**202.36**	**2.23**	**4.45**	**1.97**	**20.00**	**546.90**	**2.33**
As at March 31, 2026	**148.24**	**111.15**	**131.41**	**452.92**	**5.94**	**63.64**	**8.67**	**58.05**	**980.01**	**9.12**
As at April 1, 2025	**148.24**	137.19	41.89	202.36	2.23	4.45	1.97	20.00	**558.33**	**2.33**

2.1 Refer annexure note to Schedule 12 to 14 for the purpose of tangible assets offered as security

2.2 Refer Note 35 for contractual commitments for the acquisition of property, plant and equipment.

2.3. Assets categorized under "Assets held for Sale" continues to classify under the same head despite the fact that the Assets have not been sold within a twelve-month timeframe. This is due to unavailability of buyers and unique characteristics of the assets. Although the company actively engaged in ongoing efforts to identify a potential buyer for these assets. The management is still confident about the fair value of Assets held for Sale and therefore no impairment is provided to the carrying value of Assets held for Sale for the year ended

Capital Work-In-Progress

CWIP ageing

Amount in Capital work in progress as on March 31, 2026						
	Less than 1 year		**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Factory Buildings	5.94		-	-	-	5.94
Vehicle	20.00		-	-	-	20.00
Plant & Machinery	23.07		-	-	-	23.07
Intangible Asset	3.29		8.38			11.67
Total Projects in progress	52.30		8.38	-	-	60.67

Amount in Capital work in progress as on March 31, 2025						
	Less than 1 year		**1-2 years**	**2-3 years**	**More than 3**	**Total**
Plant & Machinery	112.71		-	-	-	**112.71**
Computer & accessories	1.22				-	**1.22**
Furniture & fixtures	2.22					**2.22**
Lease Liability	6.27					**6.27**
ROU Asset	11.43					**11.43**
Others	8.38		-	-	-	**8.38**
Total Projects in progress	**142.23**		**-**	**-**	**-**	**142.23**

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED

Rs. In Lakhs

NOTE : '3' INVENTORIES	**As at March 31, 2026**	**As at March 31, 2025**
(As verified, valued and certified by management)		
(a) Raw Materials	-	-
Finished Goods	246.60	59.39
Less: Non-moving Inventory transferred to Non-Current Financial Assets	-	-
(b) Net Finished Goods	**246.60**	**59.39**
Total	**246.60**	**59.39**
	-	

3.1 Method of Valuation of inventory for all above categories of inventory is lower of cost or net realizable value

Note 4 : Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, Considered good	**253.80**	**109.68**
Considered doubtful	**9.08**	**6.66**
	253.80	**109.68**

Note: The Company has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers wherever necessary.

Ageing Schedule for Trade Receivables- outstanding as on March 31, 2026

Particulars		Outstanding for following periods from due date of transaction					Total
		<6 Months	6 Months-1 year	1-2 Years	2-3 Years	More than	
	(i) Undisputed Trade receivables - considered good	234.65	5.28	4.55	1.82	7.50	**253.80**
	(ii) Undisputed Trade Receivables —which have significant increase in credit risk						
	(iii) Undisputed Trade receivables - credit impaired	9.08					**9.08**
	(iv) Disputed Trade receivables - considered good						**-**
	(v) Disputed Trade Receivables —which have significant increase in credit risk						**-**
	(iii) Disputed Trade receivables - credit impaired						**-**
	Total	**243.73**	**5.28**	**4.55**	**1.82**	**7.50**	**262.88**
	Less: Allowance for doubtful trade receivables						**9.08**
	Net Trade Receivables-Non Current						**253.80**

Ageing Schedule for Trade Receivables- outstanding as on March 31, 2025

Particulars		Outstanding for following periods from due date of transaction					Total
		Less than 6 Months	6 Months-1 year	1-2 Years	2-3 Years	More than 3 years	
	(i) Undisputed Trade receivables - considered good	76.90	6.35	16.93	5.16	4.34	**109.68**
	(ii) Undisputed Trade Receivables —which have significant increase in credit risk						**-**
	(iii) Undisputed Trade receivables - credit impaired	6.66					**6.66**
	(iv) Disputed Trade receivables - considered good						**-**
	(v) Disputed Trade Receivables —which have significant increase in credit risk						**-**
	(iii) Disputed Trade receivables - credit impaired						**-**
	Total	**83.56**	**6.35**	**16.93**	**-**	**-**	**116.34**
	Less: Allowance for doubtful trade receivables						**6.66**
	Net Trade Receivables						**109.68**

4.1 refer note no. 4.4 for non-current Trade Receivables and provision thereof.

Summary of movement in allowance for doubtful trade receivables

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**6.66**	**-**
Allowances provided during the year	9.08	6.66
Allowances reversed during the year	-	
Less : Write off of bad debts	-	
Balance at the end of the year	**15.75**	**6.66**

Trade receivables are valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit losses, the Company has considered the likelihood of increased credit risks, subsequent recoveries, insurance and consequential default. This assessment is considering the nature of industries, impact immediately seen in the demand outlook of these industries and the financial strength of the customers in respect of whom amounts are receivable.

Allowance for doubtful debts in the Standalone Statement of Profit and Loss for the year ended as on 31.03.2026 is Rs. 9.08

Note 5 : Loans

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
[Unsecured and considered good, unless otherwise stated]		
Financial assets-Current		
Loans to Corporates		
Loans to Employees	16.76	12.90
Loans to Others	312.92	400.68
	329.68	**413.58**

Note 6 : Other Non Current / Current financial assets

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
[Unsecured and considered good, unless otherwise stated]		
Non-current		
Security Deposits	217.48	193.15
Fixed Deposits With Banks having maturity more than 12 months	54.94	41.94
TDS Receivable	-	-
	272.42	**235.09**
	272.42	**235.09**

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED
Notes to the Standalone Financial Statements

Note 7 : Cash and Bank balances

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Cash on hand	14.91	93.82
Balance with Bank	402.23	106.46
Less: Fixed depsotis having maturity of more than 12 months	-54.94	-41.94
Total cash and cash equivalents	**362.20**	**158.35**

Fixed Deposits pledged with banks as security against overdraft facilit	5.20	5.20

Note 8 : Other Non-current / Current assets

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
[Unsecured and considered good, unless otherwise stated]		
Non-current		
Non-moving Inventory lying at Naaptol (See Note 9.1)	-	-
Less: Provision against inventory	-	-
Net Non-moving Inventory lying at Naaptol	-	-
Prepaid Cylinder charges	77.70	17.49
Unamortised Employee benefit exps	-	2.40
	77.70	**19.89**
Current		
Advance to suppliers	39.09	23.33
Balance with Government authorities	13.61	21.73
Prepaid Expenses	32.59	12.39
	85.29	**57.46**

Note 9 : Share Capital

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
1,50,00,000 (1,20,00,000) Equity Shares of Rs.10/-each	**1,500.00**	**1,200.00**
Issued, Subscribed, & Fully Paid up :		
1,31,77,800 (1,09,30,800) Equity Shares of Rs.10 each fully paid up	1,317.78	1,093.08
	1,317.78	**1,093.08**

(i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting year :

Particulars	As at March 31, 2026		As at March 31, 2025	
	Numbers	Amount	Numbers	Amount
As at beginning of the year	1,09,30,800	1,093.08	1,09,30,800	1,093.08
Add: Issued During the Year	22,47,000	224.70	-	-
Outstanding at the end of the year	1,31,77,800	1,317.78	1,09,30,800	1,093.08

	Particulars	As at March 31, 2026		As at March 31, 2025	
(ii)	Shareholders holding more than 5% of total equity shares				
Sr No	Name of Shareholders	Nos	% of Holding	Nos	% of Holding
1	NIKET M. SHAH	6,15,500	4.67	6,15,500	5.63
2	HITAL M. SHAH	6,70,500	5.09	6,70,000	6.13
3	VIRALI VICKY JHAVERI	1,24,627	0.95	8,00,000	7.32
4	RAVEESH DEWAN	7,93,000	6.02	6,00,000	5.49
5	PARMINDER SINGH SETHI	7,93,000	6.02	6,00,000	5.49
6	RAJESH NANUBHAI JHAVERI HUF	5,09,673	3.87	7,00,000	6.40
6	VICKY R. JHAVERI HUF	6,71,000	5.09	7,00,000	6.40

(iii) Disclosure of Shareholding of Promoters:

Disclosure of Shareholding of Promoters as on March 31, 2026

Name	No. of Shares	% Held	% Change
Name of promoters			
NIKET M. SHAH	6,15,500.00	4.67	-0.96%
HITAL M. SHAH	6,70,500.00	5.09	-1.04%
SAPNABEN HITALBHAI SHAH	7,200.00	0.05	0.00%
NARENDRA BHOGILAL SHAH	1,10,800.00	0.84	0.00%
Total	**14,04,000.00**	**10.65**	

Disclosure of Shareholding of Promoters as on March 31, 2025

Name	No. of Shares	% Held	% Change
Name of promoters			
NIKET M. SHAH	6,15,500.00	5.63	0.00%
HITAL M. SHAH	6,70,500.00	6.13	0.00%
Total	**12,86,000.00**	**11.76**	

The Company has issued 22.47 Lakh Equity Shares at Rs 44 and face value of 10 each at premium of Rs. 34 per share by way of Preferential Allotment on 29th November, 2025

Note 10 : Other equity

Refer to the statement of changes in equity for movement in Other equity.

Nature and purpose of reserves

General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Security premium

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognised in Securities Premium Reserve.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Capital Reserve

This represents gain on money forfeited due non - payment of balance call amount after following due procedures.

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED
Notes to the Standalone Financial Statements

Note 11 : Borrowings

Rs. In Lakhs

	Particulars	As at March 31, 2026	As at March 31, 2025
	Non-current		
	Secured		
	Term Loans from		
(i)	Banks	39.55	28.41
(ii)	Non Banking Finance Company	1.66	-
(iii)	Others	1.50	-
	Unsecured		
	Loans from related parties		
(i)	From Directors		
(ii)	From Bodies Corporate		
		42.70	**28.41**
	Current		
	Secured		
	Working Capital Loans	-	-
	Term Loan		
	i) From Banks	22.64	11.83
	ii) From NBFC	4.41	-
	Unsecured	-	-
	From Others	-	-
	From Non Banking Finance Company	-	-
	From Others		
		27.05	**11.83**
		69.75	**40.24**

Note 12 : Trade Paybles

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Due to micro, small and medium enterprise	23.35	57.73
Due to others	35.72	38.36
	59.08	**96.09**

Ageing Schedule of Trade Payables as on 31.03.2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	23.35				23.35
(ii) Others	35.10	0.62			35.72
(iii) Disputed dues – MSME					-
(iv) Disputed dues – Others	-	-	-	-	-

Ageing Schedule of Trade Payables as on 31.03.2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	57.73				57.73
(ii) Others	35.60	1.39		1.37	38.36
(iii) Disputed dues – MSME					-
(iv) Disputed dues – Others	-	-	-	-	-

Note 12.1: The disclosure under Micro, small and medium Enterprise Development Act, 2006 in respect of the amounts payable to such enterprises as at 31st March, 2026 has been made in the financial statements based on information received and on the basis of such information. No interest is paid or payable to such enterpises due to disputes. Auditors have relied on the same.

Note 13 : Other financial liabilities

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Security Deposit	27.96	28.46
	27.96	**28.46**

Note 14 : Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Provision for Gratuity	23.70	21.49
	23.70	**21.49**
Current		
Provision for Gratuity	3.99	3.81
Other provisions	6.37	2.54
Provision for Income Tax	-	
	10.36	**6.35**
	34.06	**27.85**

Note 14.1: The expected timing of any resulting outflows cannot be determined as the said obligation is based on employee attrition.
Refer note 17B(a)

Note 14.2: Movement in the Provision (As at 31.03.2026)

Particulars	Opening	Additional Provision	Less: Utilised	Closing Balance
Provision for Bonus	-	-	-	-
Provision for leave encashment	-	-	-	-
Provision for Gratuity	25.30	2.39	-	27.69
Provisions for Employee Benefit	2.54	3.83	-	6.37
Provision for contribution to various funds	-	-	-	-
Provision for Sitting Fees of directors	-	-	-	-
Total	**27.84**	**6.22**	**-**	**34.06**

Movement in the Provision (As at 31.03.2025)

Particulars	Opening	Additional Provision	Less: Utilised	Closing Balance
Provision for Bonus	-	-	-	-
Provision for leave encashment	-	-	-	-
Provision for Gratuity	-	25.30	-	25.30
Provisions for Employee Benefit	5.32	-	2.78	2.54
Provision for contribution to various funds	-	-	-	-
Provision for Sitting Fees of directors	-	-	-	-
Total	**5.32**	**25.30**	**2.78**	**27.84**

Note 15 : Other liabilities

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unearned Cylinder Charges	6.30	8.40
Exp - Deposit	-	
	6.30	**8.40**
Current		
Statutory Dues	6.50	-
Advance from customers	8.38	28.12
Unearned Cylinder Charges	2.10	2.10
Provision for Exps	21.69	2.69
	38.67	**32.91**

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED

Notes to the Standalone Financial Statements

Note 18 : Income taxes

1 Components of Income tax expense

The major component of Income tax expense for the year ended on March 31, 2026 and March 31, 2025 are as follows:

Rs. In Lakhs

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Statement of Profit and Loss		
Current tax		
Current income tax	0.00	0.00
Adjustment of tax relating to earlier periods	0.00	0.00
	0.00	0.00
Deferred tax	0.00	0.00
Deferred tax expense	0.00	0.00
	-0.00	**0.00**
Other comprehensive income		
Deferred tax on		
Net loss/(gain) on actuarial gains and losses	0.00	-
Equity instruments carried at FVTOCI	-0.00	-
	0.00	**-**
Income tax expense as per the statement of profit and loss	**-0.00**	**0.00**

2 Reconciliation of effective tax

Rs. In Lakhs

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Profit before tax from continuing and discontinued operations	(0.00)	0.00
	-	-
Tax @ 25.17%	(0.00)	0.00
Adjustments for:		
Permenant differences not allowable as per Income Tax Act, 1961		
Changes in deferred tax due to change in Future Tax Rate of the company		
Carried Forward credit forgone		
Impact of current tax of earlier years		
Other Adjustments	(21.07)	
Tax expense / (benefit)	**(21.07)**	**0.00**

3 Movement in deferred tax assets and liabilities

For the year ended on March 31, 2025

Rs. In Lakhs

Particulars	As at March	Charge/(credit) in the Statement of Profit and Loss	Charge/(credit) in Other Comprehensive Income	As at March 31, 2025
Deferred tax liabilities/(assets)				
Accelerated depreciation for tax purposes	-6.14	22.39		16.25
Items Disallowed u/s 43B of Income Tax Act, 1961	-	-6.14		-6.14
Deposits Taken	-	-2.73		-2.73
Deposits Given	-	5.68		5.68
Depreciation on ROU	-	2.97		2.97
Interest Expense on Lease Liability	-	1.63		1.63
Reversal of Annual Lease Payments	-	3.90		3.90
Provision for Doubtful Debts	-	1.73		1.73
MAT Credit Entitlement	-0.15	-1.44		-1.59
	-6.14	**28.00**	**-**	**21.71**

For the year ended on March 31, 2026

Particulars	As at March 31, 2025	Charge/(credit) in the Statement of Profit and Loss	Charge/(credit) in Other Comprehensive Income	As at March 31, 2026
Deferred tax liabilities/(assets)				
Accelerated depreciation for tax purposes	16.25	3.54	-	19.79
Items Disallowed u/s 43B of Income Tax Act, 1961	-6.14	-	(6.58)	-12.72
Deposits Taken	-2.73	43,112.26		43,109.53
Deposits Given	5.68	-3,60,074.76		-3,60,069.07
Depreciation on ROU	2.97	7,52,062.55		7,52,065.52
Interest Expense on Lease Liability	1.63	3,57,465.21		3,57,466.84
Reversal of Annual Lease Payments	3.90	-9,55,500.00		-9,55,496.10
Provision for Doubtful Debts	1.73	62,996.09		62,997.82
MAT Credit Entitlement	-1.59	-		-1.59
	21.71	**-99,935.11**	**-6.58**	**-99,919.97**

4 Current / Non-current tax assets and liabilities

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Current tax assets (TDS & TCS)	**0.85**	**-**
Current	**-**	**-**
Current tax assets (TDS & TCS)	**7.13**	**16.32**
Current tax liabilities	**-**	**(10.95)**
Total	**7.98**	**5.37**

5 Deferred Tax Liabilities/ (Assets)

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Liability	**0.28**	**21.71**
Total	0.28	21.71

Note 17 : Employee benefits

A. Defined contribution plans:

The Company deposits amount of contribution to government under PF and other schemes operated by government.

Rs. In Lakhs

Particulars	For the Year ended March 31, 2026		For the Year ended March 31, 2025
Provident and other funds	0.00		0.00
	0.00		**0.00**

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death/disability of employee during service. The vested benefit is payable on separation from the Company, on retirement, death or termination.

Particulars	As at March 31, 2026		As at March 31, 2025	
Gratuity - Defined benefit obligation				
Opening Balance	**-**	**25.30**		**1,00,000.00**
Gratuity cost charged to statement of profit and loss	**-**	**-**		
Service cost	**4.68**	**-**	25.30	
Net interest expense				
Sub-total included in statement of profit and loss		**4.68**		**25.30**
Benefit paid				
Remeasurement gains/(losses) in other comprehensive income		**-2.29**		
Return on plan assets (excluding amounts included in net interest expense)				
Actuarial changes arising from changes in demographic assumptions	-			
Actuarial changes arising from changes in financial assumptions				
Experience adjustments				
Sub-total included in OCI		**-**		
Benefits paid		-		
Defined benefit obligation		**27.69**		
Fair value of plan assets		**-**		
Total benefit liability		**27.69**		**-**

The net liability disclosed above relates to following funded and unfunded plans:

Particulars	As at March 31, 2026		As at March 31, 2025
Defined Benefit Obligation	27.69		25.30
Fair Value Of Plan Assets	-		-
Net Liability(Asset)	**27.69**		**25.30**

Significant estimates: Actuarial assumptions and sensitivity

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

Particulars	For the Year ended March 31, 2026		For the Year ended March 31, 2025
Discount rate	7.00% p.a.		6.6% p.a.
Future salary increase	7.00% p.a.		7.00% p.a.
Attrition rate			-
	Age 25 & Below : 10 % p.a.		Age 25 & Below : 10 % p.a.
	25 to 35 : 8 % p.a.		25 to 35 : 8 % p.a.
Witdrawal Rates	35 to 45 : 6 % p.a.		35 to 45 : 6 % p.a.
	45 to 55 : 4 % p.a.		45 to 55 : 4 % p.a.
	55 & above : 2 % p.a.		55 & above : 2 % p.a.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions	Impact on defined benefit obligation		
		For the Year ended March 31. 2026		For the Year ended March 31. 2025
Gratuity				
Discount rate	0.5% increase	-2.72%		-2.99%
	0.5% decrease	2.87%		3.16%
Salary increase	0.5% increase	2.75%		3.09%
	0.5% decrease	-2.69%		-2.97%
Withdrawal Rates	W.R. x 110%	-0.07%		-0.02%
	W.R. x 90%	0.05%		0.02%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the Standalone Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the prior year.

Hilltone Software & Gases Limited

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Notes to the Standalone Financial Statements

Note 18 : Revenue from operations

Rs. In Lakhs

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Sales		
Sale of products		
Sale of goods	1,415.69	635.11
	-	-
Sale of sevices	50.70	107.96
Other operating revenues	6.43	10.81
Software Integration Charges		
Software License		
Software Integration Export		
	1,472.81	**753.88**
Other operating income		
Other operating income	-	-
	-	**-**
	1,472.81	**753.88**

Note 19 : Other income

Rs. In Lakhs

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
a.Interest income:		
Deposits with banks	30.13	65.13
Others	15.08	-
	-	-
b. Dividend income:	-	-
Shares	-	-
	-	-
Others non operating income	2.12	0.50
Rent Income	4.50	4.18
	51.83	**69.81**

NOTE 21 COST OF MATERIAL CONSUMED

Rs. In Lakhs

Particulars	For the Year ended March 31, 2026	For the year ended March 31, 2025
Cost of Raw Material Consumed		
Opening Stock	-	
Add: Purchases	583.06	22.21
Closing Stock	-	
Cost of Raw Material Consumed	**583.06**	**22.21**
Cost of Stores & Spares Consumed	-	
Opening Stock	-	
Add: Purchases	31.42	8.07
Closing Stock	-	
Cost of Stores & Spares Consumed	**31.42**	**8.07**
	614.48	**30.28**

NOTE 20 CHANGE IN INVENTORIES OF STOCK IN TRADE

Rs. In Lakhs

Particulars	For the Year ended March 31, 2026	For the year ended March 31, 2025
Closing Finished Goods- Traded items	**246.60**	**59.39**
Opening Finished Goods- Traded items	**59.39**	**40.99**
CHANGE IN INVENTORIES OF FINISHED GOODS	**(187.21)**	**(18.40)**

Note 21 : Purchases of stock-in-trade

Particulars	For the Year ended March 31, 2026	For the year ended March 31, 2025
Purchases	542.27	530.72
	542.27	**530.72**

Note 22 : Employee benefits expense

Particulars	For the Year March 31, 2026	For the Year March 31, 2025
Salaries, wages, bonus & gratuity	205.28	102.97
Contribution to provident fund and other funds	5.26	0.89
Staff welfare	3.56	-
Other	5.84	-
	219.94	**103.86**

Note 24 : Finance costs

Particulars	For the Year March 31, 2026	For the Year March 31, 2025
Interest expense	23.44	10.55
Other Borrowing Costs	1.41	0.34
	24.85	**10.89**

Note 25 : Depreciation and amortisation expenses

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Depreciation on property, plant & equipment and investment property	70.31	16.03
	70.31	**16.03**

Hilltone Software & Gases Limited

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Notes to the Standalone Financial Statements

Note 26 : Other expenses

Rs. In Lakhs

Particulars	**Year Ended March 31, 2026**	**Year Ended March 31, 2025**
Advertisement Exps	0.72	1.33
Insurance Exps	6.33	3.92
Interest & Penalty	1.24	0.00
Legal & Professional Fees	23.32	5.38
Miscelleneous Exps	34.88	2.35
Office & Stationery Exps	2.09	1.30
Rent Exps	22.74	2.67
Office Exps	13.38	7.10
Rates & Taxes	2.58	2.41
Repairs & Maintenance-Building	0.20	0.77
Repairs & Maintenance-Vehicles	6.22	2.01
Repairs & Maintenance-Others	6.99	6.64
Power & Fuel	17.39	15.10
Communication Exps	2.16	1.27
License & Renewals	1.59	19.35
Director Sitting Fees	7.29	6.82
Freight & Forwarding	34.59	0.00
Security Expenses	7.67	1.90
Software expenses	1.97	0.71
Sales & Promotional Exps	4.22	8.82
Transport Exps	19.87	18.30
Travelling Exps	9.98	2.52
Foriegn Exchange Gain/Loss	1.70	0.12
Loss on Sale of Assets	0.06	0.27
Payment to Auditors	5.00	1.50
Provision for doubtful debts	2.42	6.66
Electric Exp. A/c	13.39	7.36
Total	**249.98**	**126.57**

Note 27: Related Party transactions

Related party disclosures, as required by Ind AS 24, " Related Party Disclosures", are given below.

(ii)Related Party Transactions

Particulars	2025-26	2024-25
Key Management Personnel		
A. Loan Repayment	0.00	12.88
Niket M Shah	0.00	11.63
Hital M Shah	0.00	1.25
B. Loan Taken	0.00	22.09
Niket M Shah	0.00	11.63
Hital M Shah	0.00	1.25
B. Loan Given (net)		
Prafull Makvana	1.10	1.61
C. Director's Remuneration	24.00	32.00
Niket M Shah	12.00	16.00
Hital M Shah	12.00	16.00
D. Key manager Salary		
Prafull Makvana	6.10	6.68
A. Sales		
Dhanlaxmi Distributors	2.01	0.38
E. Director Sitting Fees		
Paresh R Parekh	0.24	0.00
Dipika Modi	0.20	0.00
Nihar G Sheth	0.42	0.00
Aditya V Patel	0.42	0.00
Sapnaben Shah	6.00	0.00

(iii)Related Party Balances

Particulars	2025-26	2024-25
Key Management Personnel		
A. Trade Payables	0.00	0.00
Dhanlaxmi Distributors	0.00	0.00
B. Trade Receivables	**0.00**	**2.32**
Dhanlaxmi Distributors	0.00	2.32
Shree Vinayak Speciality Gases	0.00	0.00
United Gases	0.00	0.00
B. Trade Deposiit	**0.75**	**0.75**
Dhanlaxmi Distributors	0.75	0.75
C. Loan Taken		
Niket M Shah	0.00	0.00
Hital M Shah	0.00	0.00
Parul N Shah	0.00	0.00
D.Loan Given to Employee	**6.97**	**6.78**
Prafull Makvana	6.97	6.78

Hilltone Software & Gases Limited

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Notes to the Standalone Financial Statements

Note 28 : Segment information

S No.	Particulars	Year Ended Mar 31,2026 Audited	Year Ended Mar 31,2025 Audited
1	**Segment Revenue (Income)**		
	Sales Of Gases (net of adjustments)	553.88	644.53
	Engineering Dept (Heat Exchanger)	868.23	-
	Sales Of Software	50.70	107.96
	Gross Revenue from Operations	**1,472.81**	**752.49**
	Net Revenue from Operations	**1,472.81**	**752.49**
2	**Segment Expenses**		
	Gases	610.65	733.20
	Engineering Dept (Heat Exchanger)	881.41	-
	Software	40.29	66.74
	Total Expenses	**1,532.35**	**799.94**
2	**Segment Result**		
	Gases	(56.77)	(88.67)
	Engineering Dept (Heat Exchanger)	(13.18)	-
	Software	10.41	41.22
	Total Segment Profit	**(59.54)**	**(47.45)**
	Unallocated Finance Cost		-
	Other Net Unallocable (Expenses)/ Income	(51.84)	71.19
	Income taxes	(23.03)	(39.45)
	Profit After Tax	**(134.42)**	**(15.71)**
3	**Segment Assets**		
	Gases	2,694.65	1,750.27
	Engineering Dept (Heat Exchanger)	859.38	
	Software	142.00	-
	Unallocated	-	-
	Total	**3,696.03**	**1,750.27**
4	**Segment Liabilites**		
	Gases	2,694.65	384.11
	Engineering Dept (Heat Exchanger)	859.38	
	Software	142.00	-
	Unallocated	-	1,366.16
	Total	**3,696.03**	**1,750.27**

Note 29 : Financial instruments by category
Financial assets by category

Particulars	As at March 31, 2026				As at March 31, 2025			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in								
- Associate			-	-		-	-	-
- Subsidiary								
- Equity shares - Unquoted	-		-	-	-		-	-
-OTHERS					-			
Trade receivables	-		-	253.80	-	-	-	109.68
Loans		-	-	329.68	-	-	-	413.58
Cash & cash equivalents (including other bank balances)		-	-	362.20		-	-	158.35
Other financial assets								
- Security & Tender deposits		-	-	54.94		-	-	41.94
- Deposits - Maturity more than 12 months *	-	-	-	217.48				193.15
- Interest Accrued	-	-	-	-	-	-	-	-
- Amount receivable from Statutory Authorities		-	-		-	-	-	-
- Others	-	-	-	-	-	-	-	-
Total Financial assets	**-**	**-**	**-**	**1,218.10**	**-**	**-**	**-**	**916.70**

Financial liabilities by category

Particulars	As at March 31, 2026				As at March 31, 2025			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings	-	-	-	69.75	-	-	-	40.24
Lease Libaility				119.98				128.45
Trade payables	-	-	-	59.08	-	-	-	96.09
Other financial liabilities				-				
- Security Deposits	-	-	-	27.96	-	-	-	28.46
- Unpaid Expenses	-	-	-	-	-	-	-	-
- Interest accrued				-				-
Total Financial liabilities	**-**	**-**	**-**	**276.76**	**-**	**-**	**-**	**293.24**

HILLTONE SOFTWARE & GASES LIMITED
Notes to the Standalone Financial Statements
Note 30 : Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:
a) Level 1 -- This includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded on the Stock Exchanges is valued using the closing price as at the reporting period.

b) Level 2 -- The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

c) Level 3 -- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the Company after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.
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.
This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

1 Carrying value and fair value

Given below is the comparison by class of the carrying value and fair value of the Company's financial instruments.

Particulars	Carrying value		Fair value	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Financial Assets				
Trade receivables	254	110	254	110
Loans	330	414	330	414
Cash & cash equivalents (including other bank balanc	362	158	362	158
- Security & Tender deposits	55	42	55	42
- Deposits - Maturity more than 12 months *	217	193	217	193
Total Financial Assets	1,218	917	1,218	917
Financial Liabilities				
Borrowings	70	40	70	40
Lease Libaility	120	128	120	128
Trade payables	59	96	59	96
Security Deposits	28	28	28	28
Total Financial Liabilities	277	293	277	293

The management assessed that cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, borrowings and other financial liabilities (excluding current maturities of long-term borrowings) approximate their carrying amounts largely due to the short-term maturities of these instruments.

HILLTONE SOFTWARE & GASES LIMITED
Notes to the Standalone Financial Statements

Note 31 : Financial risk management

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the Company's operations. The Company's principal financial assets include loans, cash and cash equivalents, trade receivables and other financial assets.

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 ensures that financial risk activities 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. The risk management system is relevant to business reality, pragmatic and simple and involves the following:
Risk identification and definition: Focuses on identifying relevant risks, creating / updating clear definitions to ensureundisputed understanding along with details of the underlying root causes / contributing factors.
Risk classification: Focuses on understanding the various impacts of risks and the level of influence on its root causes. This involves identifying various processes generating the root causes and clear understanding of risk interrelationships.
Risk assessment and prioritisation: Focuses on determining risk priority and risk ownership for critical risks. This involves assessment of the various impacts taking into consideration risk appetite and existing mitigation controls.
Risk mitigation: Focuses on addressing critical risks to restrict their impact(s) to an acceptable level (within the defined risk appetite). This involves a clear definition of actions, responsibilities and milestones.

Risk reporting and monitoring: Focuses on providing to the Board periodic information on risk profile evolution and mitigation plans.

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. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or Net assset value ("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2026 and March 31, 2025.
The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2026 and March 31, 2025.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in basis points	Increase/(decrease) in profit before tax
March 31, 2026		
Rupee borrowings	+50	-
	-50	-
March 31, 2025		
Rupee borrowings	+50	-
	-50	-

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not its functional currency (Rs). The risk also includes highly probable foreign currency cash flows

As an estimation of the approximate impact of the foreign exchange rate risk, with respect to the Standalone Financial Statements, the Company has calculated the impact as follows:

Particulars	Foreign Currency Amount		Reporting Currency Amount	
	As at		As at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Accounts Receivable				
USD				
Accounts Payable				
USD	-	-	-	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2026	5%	-
	-5%	-
March 31, 2025	5%	-
	-5%	-

2 ***Credit Risk***

Credit risk istheriskof financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. TheCompany is exposed to credit risk primarily from trade receivables, cash and cash equivalents, and other financial assets. The Company has a credit risk management policy in place to monitor and manage credit risk.The credit worthiness of customers is evaluated based on financial position,past experience,andother relevant factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management.These limits are regularly monitored.

Trade receivables

Trade receivables are subject to credit limits,on going credite valuation,and account monitoring procedures.The Company applies the simplified approach for recognition of impairment loss allowance on trade receivables as permitted by Ind AS 109,which requires expected life time losses to be recognized from initial recognition of the receivables

With respect to financial instruments such as cash and cash equivalents, deposits with banks, and other financial assets, the Company's exposure to credit risk arises from the default of the counter party,with a maximum exposure equal to the carrying amount of these instruments.The Company deals only with reputable banks and financial institutions having high credit ratings to reduce the risk of counterparty default
There is no significant concentration of credit risk in respect of trade receivables, with exposure spread across a number of customers.The Company does not hold any collateral or other credit enhancements to cover its credit risk.

3 ***Liquidity Risk***

The principal sources of liquidity of the Company are cash and cash equivalents, borrowings and the cash flow that is generated from operations. It believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Standalone Balance Sheet date

Particulars	On demand	Less than 1 Year	More than 1 Year	Total
As at year ended				
March 31, 2026				
Borrowings (including current maturities of long-term borrowings)	-	27.05	42.70	69.75
Trade & other payables	-	59.08	-	59.08
Lease Liabilities		26.40	93.58	119.98
Other financial liabilities	-	-	27.96	27.96
March 31, 2025				
Borrowings (including current maturities of long-term borrowings)	-	11.83	28.41	40.24
Trade & other payables	-	96.09	-	96.09
Lease Liabilities		22.69	105.76	128.45
Other financial liabilities	-		28.46	28.46

HILLTONE SOFTWARE & GASES LIMITED
Notes to the Standalone Financial Statements
Note 32 : Capital Management

The primary objective of capital management is to maintain a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value, safeguard business continuity and support the growth of the Company. It determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings less cash and cash equivalents.

-

Particulars	As at March 31, 2026	As at March 31, 2025
Interest-bearing loans and borrowings (Note 12 & 14)	69.75	40.24
Less: cash and cash equivalent (Note 8)	362.20	158.35
Net debt	**-292.45**	**-118.11**
Equity share capital (Note 10)	1,317.78	1,093.08
Other equity (Note 11)	1,011.63	273.08
Total capital	**2,329.41**	**1,366.16**
Capital and net debt	**2,036.96**	**1,248.05**
Gearing ratio (%)	***-14.36%***	***-9.46%***

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.
The capital gearing ratio of the Company is negative as at the reporting date due to erosion of net worth arising from accumulated losses. This indicates stress on the Company's capital structure and may affect its ability to meet long-term financial obligations and raise additional funds. Management is taking necessary steps to improve the financial position and strengthen the capital base of the Company.

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

Hilltone Software & Gases Limited

HILLTONE SOFTWARE & GASES LIMITED
Notes to the Standalone Financial Statements
Financial ratios:

Particulars	2025-26	2024-25	% Change	Reasons for Material Change
Current ratio	5.91	2.30	157.33%	Due In Increase in Current Assets
Total debt equity ratio	0.15	0.28	-45.63%	Due to Increase In Equity
Debt service coverage ratio	8.07	3.70	117.98%	-
Return on Equity (%)	0.83%	-1.66%	-149.87%	Due to Increase In profit
Inventory turnover ratio	2.32	11.11	-79.11%	Due to Increase In Turnover
Debtors turnover ratio (in days)	8.10	5.55	46.01%	Due to Increase In Turnover
Trade payables turnover ratio (in days)	11.13	9.58	16.17%	-
Net capital turnover ratio (in days)	2.91	4.61	-37.03%	Due to Increase In Turnover
Net profit ratio (%)	1.04%	-2.08%	-149.98%	Due to Increase In profit
Return on Capital Employed (%)	0.00%	0.00%	-155.02%	Due In Increase in Capital Employed

Basis for ratios:
Current ratio
(Total current assets/Current liabilities)
Net Debt equity ratio
(Total debt/ equity)
[Total debt: Non-current borrowings + Current Borrowings - Deposits/Margin Money against Long Term Borr
[Equity: Equity share capital + Other equity]
Debt service coverage ratio
(EBIT/(Net finance charges + Scheduled principal repayments of non current
[EBIT: Profit before taxes +/(-) Exceptional items + Net finance charges]
[Net finance charges: Finance costs]
Return on Equity (%)
Profit after tax (PAT)/Average Equity)
[Equity: Equity share capital + Other equity]
Inventory turnover ratio
(Cost of Goods sold/Average Inventory)
Debtors turnover ratio (in days)
(Average trade receivables/Turnover in days)
[Turnover: Revenue from operations]
Trade payables turnover ratio (in days)
(Average Trade Payables/Expenses in days)
[Expenses: Total Expenses - Finance Cost - Depreciation and Amortisation
Net capital turnover ratio (in days)
working capital/Turnover in days
[Working capital: Current assets - Current liabilities]
[Turnover: Revenue from operations]
Net profit ratio (%)
(Net profit after tax/Turnover)
[Turnover: Revenue from operations]
Return on Capital Employed (%)
(EBIT/Average capital employed)
[Capital Employed: Equity share capital + Other equity + Non current
[EBIT: Profit before taxes +/(-) Exceptional items + Net finance charges
Return on investment (%)
((Net gain/(loss) on sale+fair value changes of mutual funds)/Average

Note 33 : Contingent Liabilities

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
a. Claim against the company not acknowledge as debts	-	-
b. Disputed demand under :		
Income tax	-	

The regulatory claims are under litigation at various forums. The Company expects the outcome of the above matters to be in its favour and

Note 34 : Commitments & Obligations

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities, is as follows:

Rs. In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
a. Estimated amount of contracts remaining to be executed on capital account and not	-	-

Note 35 : Earnings per Share (EPS)

(Rs. In lakhs)

Particulars	As at 'March 31, 2026	As at 'March 31, 2025
Basic & Diluted EPS		
Computation of Profit (Numerator)		
(i) Profit/(loss) from continuing operations	13.61	(15.69)
(ii) Profit from discontinued operations	-	-
(iii) Profit/(loss) from continuing & discontinued operations	13.61	(15.69)
Weighted Average Number of Shares (Denominator)	**Nos.**	**Nos.**
Weighted average number of Equity shares of Rs.10 each used for calculation of basic and	1,31,77,800	1,09,30,800
Basic & Diluted EPS (in Rupees)		
(i) Continuing operations	0.1	(0.14)
(ii) Discontinued operations		
(iii) Continuing and Discontinued operations	0.1	(0.14)
Face value per share (in Rs.)	10	10

Note 36 : Payment to Auditors

Details of payment to Auditors are as follows:

(Rs. In lakhs)

Particulars	As at 'March 31, 2026	As at 'March 31, 2025
Audit fees and tax audit fees	5.00	1.50
Certification and other services		
Total	**5.00**	**1.50**

The Management is of the opinion that as on Balance Sheet Date, there are no indication of material impairment loss on Property, Plant and

The figures of Previous Years have been regrouped wherever considered necessary.

Reasons for Material Discrepancies:

1. The company submits the value of stock and debtors to the bank on historical cost basis whereas the same are valued in books of accounts

2 During the first and second quarter, the stock statements submitted to the bank contained arithmetical mistake in respect of stock and

In terms of our report of even date attached
FOR, Ashvin K Yagnik & Co.
Chartered Accountants
Firm Registration No. : 100710W

Bhavan M Trivedi
Partner
Membership No.: 043482

Place: Mehsana
Date: 30-05-2026

For and on behalf of the Board of Directors

NIKET M. SHAH
Managing Director
DIN:00278968

HITAL M. SHAH
Executive Director
DIN:00279026

HINISHA PATEL
Company Secretary
ACS No. A59842

SAPNABEN H SHAH
Non-Executive Director
DIN: 08615859