# Nandi Infrastructure Corridor Enterprise Limited

**No.1, Midford House,Midford Gardens, off MG Road**
**Bengaluru - 560 001**
**Tel : (080) 2555 9819, 2559 5252 Fax : (080) 2555 9998**
**CIN : U85110KA1996PLC019619**



# 30th Annual Report

# 2025- 2026

# NANDI INFRASTRUCE CORRIDOR ENTERPRISE LIMITED

**CIN:U85110KA1996PLC019619**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Ashok Kumar Kheny, Managing Director

Mr. A.B Shiva Subramanyam, Director

Mr. B. S. Mitkari, Director

Mrs. Deepti R. Puranik, Director

Mr. Vikram Munje, Director

Mr. Shrikrishna K. Adivarekar , Director

Mr. Jayant Kumodchandra Hemade

### BANKERS AND FINANCIAL INSTITUTIONS

Bank of India

### STATUTORY AUDITORS

M/s. S.Panna Raj & Associates

Chartered Accountants

### SECRETARIAL AUDITORS

CS Hari Babu Thota

Practicing Company Secretary

### CHIEF FINANCIAL OFFICER

Mr. Ashok Kumar Shetty

### COMPANY SECRETARY

Mr. N. Balaji Naidu

**NANDI INFRASTRUCTURE CORRIDOR ENTERPRISE LIMITED**
No.1, Midford House, Midford Garden, Off. M.G. Road, Bangalore - 560 001, INDIA
Telephone : (80) 2555 9819, 2559 5252 Fax : (80) 2555 9998
Email : nandi@nicelimited.com CIN : U85110KA1996PLC019619

Bangalore - Mysore
INFRASTRUCTURE CORRIDOR

Shorter Notice is hereby given that the 30th (Thirtieth) Annual General Meeting of the Members of Nandi Infrastructure Corridor Enterprise Limited will be held on Monday, the 28th day of September 2026 at 5:45 p.m. at NICE Sompura Office, Clover Leaf Junction, IC-4/7, Chudenapura Post, Kengeri Hobli, Bengaluru – 560 060 to transact the following business:

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**ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2026 and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a director in place of Mr. Vikram Munje (DIN: 02772991), who retires by rotation and being eligible, offers himself for reappointment.

3. To appoint a director in place of Mrs. Deepti Rajeev Puranik (DIN: 01291379), who retires by rotation and being eligible, offers herself for reappointment.

By Order of the Board of Directors
For NANDI INFRASTRUCTURE CORRIDOR ENTERPRISE LIMITED

N. BALAJI NAIDU
COMPANY SECRETARY
M. No. F6174

Place: Bengaluru:
Date: 24/09/2026

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business under Item No. 5 of the Notice to be transacted at the 27th Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing a proxy should however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
4. Documents referred to in any of the Items of the Notice are available for inspection at the Registered Office of the Company on any working day up to the day of Annual General Meeting during the business hours of the Company.
5. The Proxy form and Attendance slip is enclosed with this Notice.
6. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio Number/s in the Attendance Slip for attending the AGM to facilitate identification of Membership at the AGM.
7. Members/Proxies/Authorised Representatives are requested to bring their Attendance Slip along with the copy of Annual Report to the AGM.
8. In case of joint holders attending the AGM, only such joint holder whose name appears as first holder in the order of names in the Register of Members of the Company will be entitled to vote.
9. Road map showing directions to reach the venue of the AGM is enclosed with this Notice.

## ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

| | |
|---|---|
| Name(s) of Member (s) including joint holders, if any (in Block Letter(s)) | |
| Registered Address of the Sole / First named Member | |
| Name of Proxy holder | |
| Registered Folio No./*DP ID No. and Client ID No. | |
| Number of Shares held | |

* Applicable to Members holding shares in dematerialized form

I/ We hereby record my/our presence at the Thirtieth Annual General Meeting of the Company being held on 28th day of September 2026 at 5:45 pm (I.S.T.) at the Registered Office of the Company at the registered office of the company at No.1, Midford House, Midford Gardens, off: M.G. Road, Bengaluru – 560 001 or SyNo.26, NICE Sompura office, Clover Leaf Junction, Chudenapura Post, Kengeri Hobli, Bangalore – 560 060 and at any adjournment thereof.

_____

Signature of Member(s) / Proxy(s)

Note:

1. Only Member/Proxy holder can attend the Meeting
2. Member/Proxy holder should bring his/her copy of the Notice for reference at the Meeting.

**MGT-11**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014]**

**PROXY FORM**

**NANDI INFRASTUCTURE CORRIDOR ENTERPRISE LIMITED**
CIN: U85110KA1996PLC019619
REGISTERED OFFICE:
NO.1, MIDFORD HOUSE, MIDFORD GARDEN,
OFF M.G. ROAD, BENGALURU 560 001

*DP ID: Folio No:

*Client ID

I/We_____ being a Member / Members of NANDI INFRASTRUCTURE CORRIDOR ENTERPRISE LIMITED, Bengaluru, hereby appoint_____of _____or failing him_____of _____ as my/our Proxy to vote for me/us and on my/our behalf, at the Thirtieth Annual General Meeting of the Company to be held 28th day of September 2026 and at any adjournment thereof.

Signed this _____ day of September 2026.

Please affix 30 P. Revenue Stamp here

Signature(s) of Member(s)
across the stamp

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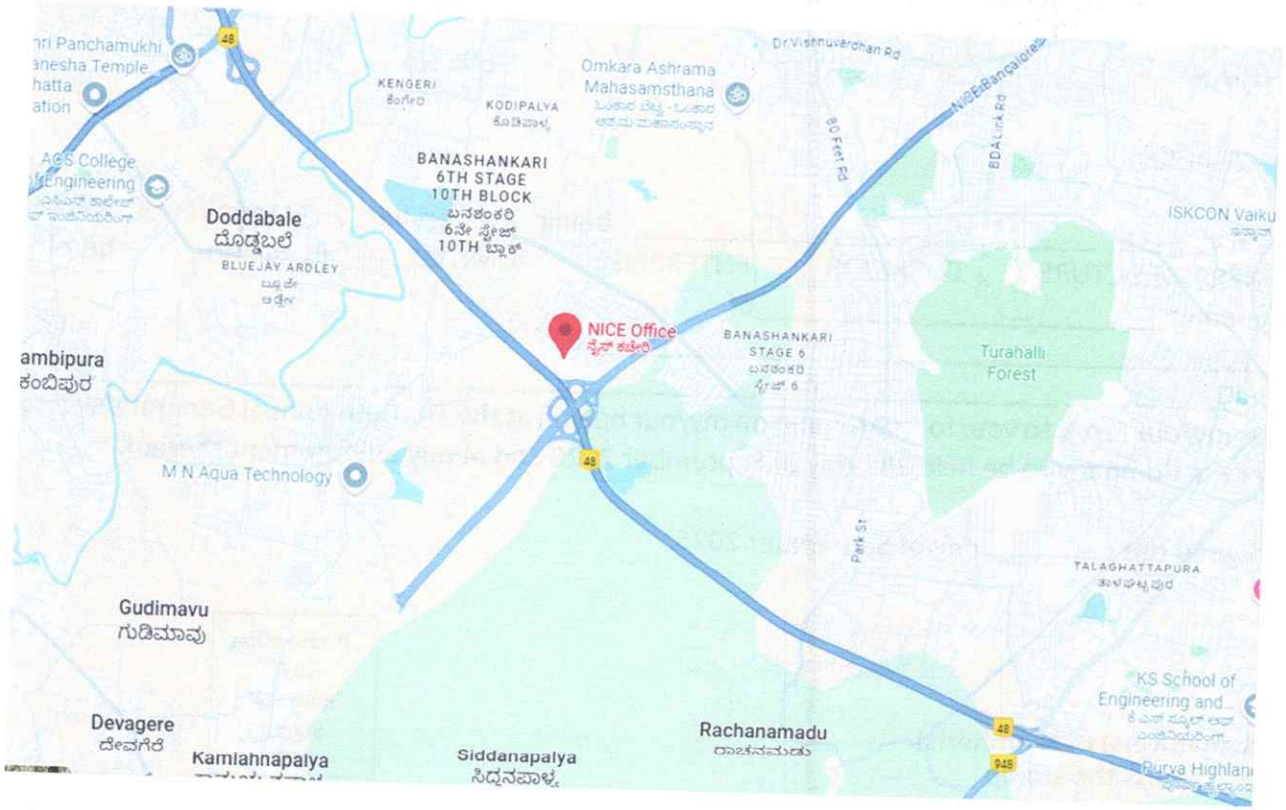
**Applicable for investors holding shares in electronic form.*

NOTE:

The Proxy must be deposited with the Registered Office of the Company, not less than 48 hours before the time fixed for the Meeting.

## ROUTE MAP OF VENUE OF THE ANNUAL GENERAL MEETING

**https://maps.app.goo.gl/S9WBmjYCJSFNpRbY9**




**Venue of the Annual General Meeting:**

NICE Sompura Office, Clover Leaf Junction, IC-4/7, Chudenapura Post, Kengeri Hobli, Bengaluru – 560 060

# NANDI INFRASTRUCTURE CORRIDOR ENTERPRISE LIMITED

Registered Office: No. 1, Midford House, Midford Garden, off: M.G. Road, Bengaluru – 560 001, INDIA
Telephone: (80) 25559819, 25595252 Fax: (80) 25559998
Email: companysecretaryi@nicelimited.com, CIN: U85110KA1996PLC019619

## BOARD'S REPORT

for the financial year ended March 31, 2026

To the Members,

Your directors have pleasure in presenting their Thirtieth Annual Report on the business and operations of the Company together with Audited Financial Statements for the Financial Year ended as on 31st March 2026.

### 1. FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended March 31, 2026, as compared to previous financial year is summarized in the following table:

(Rupees in lakhs)

| Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 |
|---|---|---|
| Income from Business Operations | - | - |
| Other Income | 1.75 | 9.42 |
| Total Income | 1.75 | 9.42 |
| Total Expenditure | 178.50 | 560.03 |
| (Loss)/ Profit before tax | **(176.75)** | **(550.60)** |
| Current Income Tax | | |
| Deferred Tax | (6.16) | (97.27) |
| Net profit/(loss) after tax attributable to equity shareholders | **(170.59)** | **(453.33)** |
| Dividend (including Interim, if any and final) | - | - |
| Other Comprehensive Loss | - | - |
| Net Profit / (Loss) | **(170.59)** | **(453.33)** |
| Earnings per share of Rs.10/- each (Basic) | (0.16) | (0.40) |
| Earnings per Share of Rs.10/- each (Diluted) | (0.16) | (0.40) |

During the Financial Year ended March 31, 2026, your company incurred a loss of Rs.170.59 lakhs as against loss of Rs.453.33 lakhs for the year ended March 31, 2025. There is no change in the business operations of the company during the FY 2025-16.

## 2. DIVIDEND

Your directors do not recommend any dividend on the equity shares for the year under review as on 31st March 2026.

## 3. RESERVES

During the year under review, the Company has not made any profit and not transferred any amount to the General Reserve. The details of Reserves and accumulated losses are disclosed at note no.10 of notes to accounts forming part of audited financial statements.

## 4. PERFORMANCE OF THE COMPANY - REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your directors wish to present the details of business operations carried out during the year under review (FY 2025-26):

**PERFORMANCE OF THE COMPANY - REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS**

Your directors wish to present the details of business operations carried out during the year under review:

The Company through its subsidiary namely Nandi Economic Corridor Enterprises Limited has till date completed the Right of Way (ROW) of the Peripheral Road, substantial section of the Link Road, and portion of the Express Way being part of substantial portion of the Toll Road component of the Bangalore-Mysore Infrastructure Corridor Project (Section-A,) to the extent of Land that was made available to it by the Government of Karnataka (GoK). Small part/s of lands required for the Toll Road Component, though notified for acquisition, is yet to be made available to the Company by GoK.

The Link Road, Peripheral Road and the Expressway have been completed up to 55 KMs out of 63 Kilometers of Toll Road in Section–A (Part) and the balance 8 KMs (portion of Expressway) is yet to be completed. Even though the majority of this land has been made available by GoK to the Company, the Company could not take up the work since balance land for the project, which is crucial for the completion, has not been made available. Simultaneous construction work on this parcel of the land is required to make the Expressway operational.

The Company's subsidiary company is expecting to get the required balance land from GOK, to enable the Company to complete balance portion of the toll road construction work. The Company's subsidiary company had undertaken the concretisation of entire Peripheral Road, Link Road.

With reference to the development of group housing at interchange land areas, the Hon'ble Supreme Court of India vide its judgment dated 19/05/2020 has directed the Company to approach the State Government to get necessary approvals.

The Company and subsidiary have made several representations before the Government of Karnataka and pursuant to this an Empowered Committee meeting was held on 08.04.2025 reviewed BMIC Project issues under the FWA. The Chairman of Empowered Committee directed the concerned Departments and instructed to expedite completion of the Missing Link roads and the Expressway. Directions were also given to verify site allotments, sale deeds, and layout approvals at Clover Leaf Junction. It was decided to place BMICP issues before the Cabinet.

In the Cabinet Meeting held on 11.04.2025, it was resolved to constitute a Cabinet Sub-Committee to examine and submit a report. The Cabinet Sub-Committee was formed with concerned Ministries of the GoK to review the progress of Bangalore Mysore Infrastructure Corridor Project (BMICP) and to recommend to the Cabinet for early resolving of all pending project issues including the development approvals in connection with interchange lands and smooth implementation of BMICP.

Landowners filed several writ petitions challenging the land acquisition proceedings. On 04.07.2025, a Single Judge of High Court quashed the acquisition proceedings and, in some cases, postponed the date of preliminary Notification to 22.04.2019 for determination of compensation for acquired Land. The Company had filed writ appeals before the Division Bench, which has granted an interim stay on the Single Judge's order and later, on 29th July 2026, dismissed the Appeals and confirmed the single Judge's order of quashing the acquisition proceedings. The subsidiary company, aggrieved by the division bench order, has filed Special Leave Petitions before the Supreme Court. The KIADB and GOK also filed separate SLPs challenging the same order.

**i) OTHER LEGAL MATTERS**

As reported in previous years, the Company and subsidiary company has been subjected to several Public Interest Litigations (PIL) and other cases on land acquisition matters. In all the significant cases against the Company, the Hon'ble High Court of Karnataka and the Hon'ble Supreme Court of India have given favorable judgments for BMICP Project. The Supreme Court has observed that the Project is in the larger public interest of the State of Karnataka and has upheld the validity of the Framework Agreement in its entirety.

The Hon'ble High Court of Karnataka has vide its judgments dated 28th February 2005 and 3rd May 2005 upheld the validity of acquisition of the lands for the Project in its entirety and also once again upheld the validity of Framework Agreement and directed the Government of Karnataka to implement the Project in Letter and Spirit of the Framework Agreement.

Validity of FWA, Extent of Land required, Road Alignment, Issue raised on Toll Concretisation and Toll Collections related to BMIC Project have been sufficiently dealt with by the Hon'ble High Court of Karnataka and the Hon'ble Supreme Court and the same have attained finality.

**ii) GOING FORWARD**

In view of the judgments and directions of the Hon'ble High Court of Karnataka and the Hon'ble Supreme Court of India, your Company/subsidiary is confident of completing the balance work related to the Project, Section-A, and start the construction of remaining sections of the Expressway Toll Roads as the Govt. machinery reviewed criticality of missing land parcels and agreed to clear the same.

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

Particulars of loans, guarantees and investments covered under section 186 of the Companies Act, 2013, forms part of the notes to the financial statements provided in this Annual Report.

## 6. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All Related Party Transactions entered by the Company during the financial year were in the ordinary course of business and at arm's length basis. Particulars of material contracts / arrangements entered by the Company with related parties referred to Section 188(1) of the Companies Act, 2013, are provided in Form AOC-2, which is annexed herewith as **Annexure-A.** Related party disclosures as per IND AS 24 have been provided in Note 39 to the Financial Statements.

## 7. DEPOSITS

During the year under review, the Company has not accepted any deposit under Chapter V of the Act.

## 8. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial Statements, commensurate with size and complexity of its operations. During the year, such controls were tested and no reportable material weaknesses in design or operation were observed. The audit committee of the Board monitors the adequacy and effectiveness of Company's internal control framework.

## 9. RISK MANAGEMENT

The Company has a robust risk management framework. The audit committee has oversight in the areas of financial risks and controls. The major risks identified by the Company are systematically addressed through mitigating actions on a continuous basis.

## 10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no adverse material changes or commitments occurred after March 31, 2026, which may affect the financial position of the company or may require disclosure.

## 11. SIGNIFICANT AND MATERIAL ORDERS

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future other than the items disclosed in the financial statements at note no.1.2(c) (ii).

There are no applications made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 as at the end of the financial year, nor the Company has done any onetime settlement with any bank or financial institutions.

## 12. SHARE CAPITAL AND SHARES

There was no change in share capital of the company during the financial year 2025-26 and the present paid-up Equity Share Capital of the Company continues to stand at Rs. 104,09,36,880/- and the total paid up share capital of the company as on March 31, 2026, stood at Rs.125,09,36,880/- including 7%, 2,10,00,000 Cumulative Redeemable Preference shares of Rs.10/- each.

During the year under review the company has not issued shares with the differential voting rights nor has granted any stock options or sweat equity.

## 13. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply to the Company as there were no dividends declared by the Company and no other amounts specified under section 125(2) of the Companies Act, 2013 are available with the Company to transfer to the Investor Education and Protection Fund.

## 14. DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company confirms that: —

a) in the preparation of the annual accounts for the Financial Year ended March 31st, 2026, the applicable accounting standards have been followed along with proper explanations 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 ended March 31, 2026, and of the profit and loss of the company for that period.

c) The directors have 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.
e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors and Key Managerial Personnel of your Company consists of the following **DIRECTORS:**

| Name | Designation |
|---|---|
| Ashok Kumar Kheny | Managing Director |
| Bhalchandra Shankar Mitkari | Director |
| Jayant K. Hemade | Independent Director |
| Srikrishna Kiran Adivarekar* | Independent Director |
| Shiva Subramanyam Basappa Arehalli | Independent Director |
| Deepti Rajeev Puranik | Director |
| Vikram Munje | Director |

**KEY MANAGERIAL PERSONNEL**

| Name | Designation |
|---|---|
| Ashok Kumar Shetty | Chief Financial Officer |
| N Balaji Naidu | Company Secretary |

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company, Mr. Vikram and Mrs. Deepti Rajeev Puranik are liable to retire by rotation at the ensuing AGM and being eligible have offered themselves for re–appointment. Accordingly, the resolution for their re–appointment is being placed for your approval at the ensuing AGM.

* Mr. Srikrishna Kiran Adivarekar has resigned as Director of the company w.e.f. 29/05/2026 and Board hereby places on record of his contributions made to the progress of the Company.

Mr. Ashok Kumar Kheny has been re-appointed as Managing Director of the Company for a period starting from 1st April 2025 to March 31, 2027.

The Board is satisfied with the integrity, expertise, and experience of all Independent Directors on the Board.

## 16. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures and declarations to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 to qualify themselves to be appointed and continuing as Independent Directors under the provisions of the Companies Act, 2013 and the rules made there under.

## 17. NUMBER OF MEETINGS OF THE BOARD

The Board met 7 (Seven) times during the year on the following dates - 04.04.2025, 29.7.2025, 23.09.2025, 07.11.2025, 11-12.2025, 11.12.2025 and 24.02.2026. The intervening gap between two meetings was within the timeline prescribed under the Companies Act, 2013.

## 18. BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, board committees and individual Directors. The performance of the Board was evaluated by the Board after seeking inputs from all Directors based on criteria such as Board composition and structure, effectiveness of Board processes, Information and functioning etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members based on criteria such as composition of committees, effectiveness of committee meetings etc.

## 19. INFORMATION PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information relating to the remuneration of employees and key managerial personnel of the Company as required under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The details of remuneration will be provided to the shareholders who desires it as per second proviso to Rule 5(3) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014.

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

M/s. Nandi Economic Corridor Enterprises Limited is the subsidiary of the Company. The Company does not have any Joint venture or Associate Company.

A statement showing salient features of the financial statements of subsidiaries in the prescribed form AOC - 1 is annexed to the Board's Report as **Annexure – B**.

## 21. AUDIT COMMITTEE

The Audit Committee comprises of following members:

- A.B. Shiva Subramanyam - Chairman of the Committee and Independent Director
- Srikrishna Kiran Adivarekar – Independent director & member
- Jayant K. Hemade – Independent Director & Member

The Audit Committee met 7 (seven) times during the year on the following dates – 04.04.2025, 29.7.2025, 23.09.2025, 07.11.2025, 11-12.2025, 11.12.2025 and 24.02.2026.

## 22. AUDITORS

### A. STATUTORY AUDITORS

M/s. S. Panna Raj & Associates (Firm Registration No.022509S), Chartered Accountants, were appointed as Statutory Auditors of the Company at 26$^{th}$ Annual General Meeting of the company for a period of 5 years, to conduct statutory audit and to hold office up to the conclusion of 30$^{th}$ Annual General Meeting.

There were no observations and qualifications made by the Statutory Auditors in their report, which requires explanations and clarifications from the Board of Directors of the Company. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and hence do not call for any further comments.

### B. SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Board has appointed Mr. Hari Babu Thota, Practicing Company Secretaries, Bengaluru, to conduct Secretarial Audit of the Company for the Financial Year 2023-24. The Secretarial Audit Report in Form No.MR-3, for the Financial Year ended March 31, 2025, is enclosed as **Annexure-C.**

### C. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is not required to maintain the cost records as specified by the Central Government.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the relating to appointment of cost auditor is not applicable to the Company.

## D. INTERNAL AUDITORS

Pursuant to the Section 138 of the Companies Act, 2013, the Company had appointed M/s. R. Shashidhara & Co, Chartered Accountants, as Internal Auditors. The Audit Committee of the Board reviews the Internal Audit process and the adequacy and effectiveness of internal audit and controls periodically.

## E. REPORTING OF FRAUD BY AUDITORS

During the year under review, the Statutory Auditors of the Company have not reported any fraud as specified u/s 143(12) of the Companies Act, 2013 to the Audit Committee.

## 23. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Provisions of Corporate Social Responsibility (CSR) are not applicable to the Company as the Company does not have required profits as envisaged in the CSR Rules.

## 24. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of the following members:

1. A.B. Shiva Subramanyam
2. SriKrishna Kiran Adivarekar
3. Jayant K. Hemade, an Independent Director

The NRC Committee met once during the year on 04/04/2025.

## POLICY LAID DOWN BY THE NOMINATION AND REMUNERATION COMMITTEE FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) & OTHER EMPLOYEES AND THE CRITERIA FORMULATED BY THE COMMITTEE FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR

The Company has adopted a Nomination and Remuneration Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013. The Policy is available at the registered office of the Company.

Role of Nomination and Remuneration Committee:

- Formulate the criteria for determining qualification, positive attributes, and independence of a director.
- Identify people who are qualified to become Director and people who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment, and removal of Director, KMP and Senior Management Personnel.

## 25. RISK MANAGEMENT COMMITTEE

The Risk Management Committee consists of the following members:

1. A.B. Shiva Subramanyam
2. SriKrishna Kiran Adivarekar
3. Jayant K Hemade

## STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company has formulated Risk Management Policy to identify and manage risks /threats that could have impact on the goals and objectives of the Company.

Within the framework of the Risk Management Policy, the Committee reviews the risks trends, exposure, potential impact analysis and mitigation plan.

The Audit Committee has additional oversight in the area of financial risks and controls, the major risks identified by the business functional heads are systematically addressed through mitigating actions on a continuing basis.

## 26. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has complied with provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has zero tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made there under for prevention and redressal of complaints of sexual harassment at workplace. During the year under review no complaints received by the Internal Complaint Committee constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 27. VIGIL MECHANISM

Pursuant to the provisions of section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014, the Company has established a vigil mechanism to oversee the genuine concerns expressed by the employees and other Directors.

The Company has also provided adequate safeguards against victimization of employees who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees of the Company.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 are appended as **Annexure-D** to this report.

## 29. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## 30. ANNUAL RETURN

The Company does not have a functional website as on date and the Annual Return in form MGT-7 as required under section 92(4) of the companies Act 2013 will be submitted to the Registrar of Companies.

## 31. ACKNOWLEDGEMENT

Your directors place on record their sincere thanks to bankers, financial institutions, business associates, consultants and various Government Authorities for their continued support extended to your Company's activities during the year under review.

Your Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

for and on behalf of the Board of Directors

| | Sd/- | Sd/- |
|---|---|---|
| | Ashok Kumar Kheny | A.B. Shiva Subramanyam |
| Date: 24/09/2026 | Managing Director | Director |
| Place: Bengaluru | DIN: 00248397 | DIN: 06822431 |

**ANNEXURE-A**
**FORM AOC – 2**

**Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014**

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

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

| | | |
|---|---|---|
| A | Name(s) of the related party and nature of relationship | Not Applicable |
| B | Nature of contracts / arrangements / transactions | Not Applicable |
| C | Duration of contracts / arrangements / transactions | Not Applicable |
| D | Salient terms of the contracts / arrangements / transactions including the value if any | Not Applicable |
| E | Justification for entering into such contracts / arrangements / transactions | Not Applicable |
| F | Date(s) of approval by the Board | Not Applicable |
| G | Amount paid as advance if any | Not Applicable |
| H | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | Not Applicable |

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

| | | |
|---|---|---|
| A | Name(s) of the related party and nature of relationship | Not Applicable |
| B | Nature of contracts / arrangements / transactions | Not Applicable |
| C | Duration of contracts / arrangements / transactions | Not Applicable |
| D | Salient terms of the contracts / arrangements / transactions | Not Applicable |
| E | Date(s) of approval by the Board | Not Applicable |
| F | Amount paid | Not Applicable |

For and on behalf of the Board of Directors

Sd/- Sd/-

Ashok Kumar Kheny A.B. Shiva Subramanyam
Managing Director Director
DIN: 00248397 DIN: 00963838

Date: 24/09/2026
Place: Bengaluru

**Annexure -B**
**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures. The ultimate holding company is consolidating the financials of the company and company's subsidiary, Nandi Economic Corridor Enterprises Limited, in terms of provisions of section 129 of the companies Act 2013 read with Proviso to Rule 6 of Companies (Accounts) Rules 2014, the numbers mentioned below are based on management accounts.

(Rs. In lakhs)

| Sl. no. | Particulars | Details |
|---|---|---|
| 1 | Name of the subsidiary | Nandi Economic Corridor Enterprises Ltd |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 31st March, 2026 |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | INR |
| 4 | Share capital | 24,904.66 |
| 5 | Reserves & surplus | 86,695.85 |
| 6 | Total assets | 2,40,855.38 |
| 7 | Total Liabilities | 2,40,855.38 |
| 8 | Investments | 13,603.25 |
| 9 | Turnover | 92,912.06 |
| 10 | Profit before Taxation | 50,539.69 |
| 11 | Provision for Taxation | 15,290.8 |
| 12 | Profit after taxation | 35,203.55 |
| 13 | Proposed dividend | - |
| 14 | % Shareholding | 54.22% |
| | Names of subsidiaries which are yet to commence operations | NIL |
| | Names of subsidiaries which have been liquidated or sold during the year. | NIL |

For and on behalf of the Board of Directors

| | Sd/- | Sd/- |
|---|---|---|
| | Ashok Kumar Kheny | A.B. Shiva Subramanyam |
| Date: 24/09/2026 | Managing Director | Director |
| Place: Bengaluru | DIN: 00248397 | DIN: 00963838 |

**ANNEXURE- D**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

**(A) Conservation of energy**-

(i) the steps taken or impact on conservation of energy:

The Company's main line of activity is toll road operation and civil construction. The Company is making all efforts to conserve the usage of power by switching to LED lights, installing solar lights wherever possible to reduce power consumption.

(ii) the steps taken by the Company for utilising alternate sources of energy:

The Company has plans to use alternate sources of energy, like solar energy, wind energy, wherever possible as one above and minimize the usage of power consumption.

(iii) the capital investment on energy conservation equipments:

As the Company is in the process of implementation of all components of the mega infrastructure project and the emphasis for capital investment on energy conservation equipment would be intensified at an appropriate time.

**(B) Technology absorption-**

(i) the efforts made towards technology absorption.

The Company continues to strive for new technological innovations that can enhance product quality, increase process speed, and reduce adverse impact on the environment. The Company has already used the latest techniques for the construction of toll roads, bridges, underpass, and overpass which enabled early completion of Roads and made available for public usage in a short span of time.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution.

The Company's main line of activity is construction of toll roads. The Company is achieving substantial savings in cost reduction measures during the implementation of the project components. The company has undertaken development of residential and commercial plots with the latest technology which ensures minimum maintenance cost for seamless flow of electricity, water, and sewage etc. which are environmentally friendly.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(a) the details of technology imported: Not imported any technology as all technology has been indigenously developed the system relating to toll operation and maintenance.

(b) the year of import: Not applicable

(c) whether the technology been fully absorbed: Not applicable

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable

(iv) the expenditure incurred on Research and Development: Not applicable

**(C) Foreign exchange earnings and Outgo-**

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo during the year under review in terms of actual outflows: Nil

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year Ended 31st March 2026

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

To,
The Members
**Nandi Infrastructure Corridor Enterprises Limited**
**(CIN: U85110KA1996PLC019619)**
No.1, Midford House, Midford Gardens Off
M.G. Road, Bangalore – 560 001, Karnataka

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nandi Infrastructure Corridor Enterprises Limited (hereinafter called "**the Company**"). The Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 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 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 there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made there under; **(Not applicable to the Company as the Company is an Unlisted Public Company)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent applicable;

HARI BABU THOTA * COP # 15090 * COMPANY SECRETARY



Office: #41/1, 2nd Floor, 11th Cross, 8th Main, 2nd Block, Jayanagar, Bengaluru – 560 011
Office: 080 42133344 E-mail ID: csharibabuthota@gmail.com

(v) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws, Policies and Regulations applicable specifically to the Company.

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'):

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ***(Not applicable to the Company as the Company is an Unlisted Public Company)***;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,1992 ***(Not applicable to the Company as the Company is an Unlisted Public Company)***;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ***(Not applicable to the Company as the Company is an Unlisted Public Company)***;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ***(Not applicable to the Company as the Company is an Unlisted Public Company)***;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ***(Not applicable to the Company as the Company is an Unlisted Public Company)***;
- 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 ***(Not applicable to the Company as the Company is an Unlisted Public Company)***;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ***(Not applicable to the Company as the Company is an Unlisted Public Company)***; and
- The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 ***(Not applicable to the Company as the Company is an Unlisted Public Company).***

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

HARI BABU THOTA * COMPANY SECRETARY * COP # 15090



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a) Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings (SS-1) and General Meetings (SS-2);

b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**") and amendments made thereunder to the extent applicable. ***(The Company is material subsidiary of BF Utilities Ltd, a listed entity).***

I have not examined compliance by the Company relating to the applicable financial laws, such as direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

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 during the Audit Period. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as per the minutes, as duly recorded and signed by the Chairman of the meeting of the Board of Directors or Committees of the Board;

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.

HARI BABU THOTA * COP # 15090 * COMPANY SECRETARY *

**Hari Babu Thota**
**Company Secretary in Practice**
**FCS: 12204; CP No.15090**
**Peer Review Cert.No.:2210/2022**
**UDIN No. F012204H001383343**

**Place: Bengaluru**
**Date: 05-09-2026**

Note: This report is to be read with my letter of even date which is annexed as Annexure-1 and forms an integral part of this report



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Office: 080 42133344 E-mail ID: csharibabuthota@gmail.com

**ANNEXURE-1**

*To,*
**Nandi Infrastructure Corridor Enterprises Limited**
**Bengaluru**

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

*(1)Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.*

*(2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed provide a reasonable basis for my opinion.*

*(3)I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.*

*(4)Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.*

*(5)The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.*

*(6)The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management conducts the affairs of the Company.*

HARI BABU THOTA * COP # 15090 * COMPANY SECRETARY

**Place: Bengaluru**
**Date: 05-09-2026**

**Hari Babu Thota**
**Company Secretary in Practice**
**FCS No. 12204; CP No.15090**
**Peer Review Cert.No.:2210/2022**
**UDIN No. F012204H001383343**



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Office: 080 42133344 E-mail ID: csharibabuthota@gmail.com

S. Panna Raj & Associates
Chartered Accountants

Cell : 94490 73398
e-mail : pannaraj@gmail.com

Ref. :

Date :

**Independent Auditor's Report**

**To the Members of Nandi Infrastructure Corridor Enterprise Limited**

**Report on the Audit of the Financial Statements**

1. We have audited the accompanying standalone financial statements of Nandi Infrastructure Corridor Enterprise Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information other than the Financial Statements and Auditor's Report thereon**

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Return, but does not include the financial statements and our auditor's report thereon.

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

The Annual Report is not made available to us at the date of this auditor's report and hence we have nothing to report in this regard.

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

5. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act 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 ensuing the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the 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 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 with reference to the financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of Board of Director'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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. 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 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.



**Report on Other Legal and Regulatory Requirements**

14. As required by section 197(16) of the Act based on our audit, we report that the Company has not paid the remuneration to its directors during the year and hence reporting under this section 197 read with Schedule V of the Act is not applicable.

15. 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 the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

16. Further to our comments in Annexure I, as required by Section 143(3) of the Act based on our audit and to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;

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 financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to financial statements of the Company as on 31st March 2026 and the operating effectives of such controls, refer to our separate report in Annexure II, wherein we have expressed unmodified opinion; and

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 has disclosed in the financial significant accounting policies the impact of pending litigations on Bangalore Mysore Infrastructure Corridor Project.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2026;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company as at 31st March, 2026;

iv. (a) The management has represented that, to the best of its knowledge and belief, on the date of this audit report as disclosed in the note no.26 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, on the date of this audit report as disclosed in the note no.27 to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2026.

vi. Based on our examination which included test checks, the Company, in respect of financial years commencing on or after 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For S Panna Raj & Associates**
*Chartered Accountants*
Firm's Registration No.: 022509S

*S Panna Raj*
*Proprietor*
Membership No. 026366
UDIN: 26026366ZGQKSK7755
Date: 25.08.2026
Place: Bangalore

**Annexure I referred to in Paragraph of the Independent Auditor's Report of even date to the members of Nandi Infrastructure Corridor Enterprise Limited on the financial statements for the year ended 31 March 2026:**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

(B) The company does not have intangible assets hence the reporting under this is not applicable.

(b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, there were no immovable properties held by the Company hence the reporting under this is not applicable.

(d) No revaluation has been done by the company on its fixed assets company during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The Company does not have Inventory. Accordingly, the provision of Clause 3(ii) (a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current asset during any point of time of the year. Accordingly, the reporting under Clause 3(ii) (b) of the Order is not applicable to the company.

(iii) During the year, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability partnerships or any other parties. Accordingly, the provision of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provision of Clause 3(iv) of the Order is not applicable to the company.



(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules thereunder. Accordingly, the provision of Clause 3(v) of the Order is not applicable to the company.

(vi) The maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act is not applicable to the company. Accordingly, the provision of Clause 3(vi) of the Order is not applicable to the company.

(vii) (a) According to information and explanations given to us and on the basis of our examination of books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable with the appropriate authorities. Further, no undisputed amount payable in respect thereof were outstanding at the year end for a period of more than 6 months from the day they became payable.

(b) According to the information and explanation given to us, there are no statutory dues referred in sub clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

| Name of the statute | Nature of dues | Gross amount (Rs. In Lakhs) | Amount paid under protest | Period to which the amount relates | Forum where dispute is pending | Remarks if any |
|---|---|---|---|---|---|---|
| Income Tax Act,1961 | Income Tax | 21.00 | 04.20 | FY 2016-17 | Income Tax Appellate Tribunal | - |
| Income Tax Act,1961 | Income Tax | 156.96 | - | FY 2017-18 | The Assessing Officer Circle 3(1)(1) | Rectification letter filed as per section 154 of Income Tax Act |

(viii) According to the information and explanation given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of accounts.

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

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any

previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year or in any previous year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, during the year, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of 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, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934. Accordingly, reporting under clauses 3(xvi)(a), (b), (c) and (d) of the Order are not applicable to the Company.

(xvii) According to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

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

(xix) According to the information and explanations given to us, on the basis of the financial ratio, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, Plans of the Management, we are of the opinion that no material uncertainty exists as on date of our audit report, that the company is capable meeting its liabilities existing at the date of the balance sheet as and when they falls due within a period of one year from the balance sheet date.

(xx) According to the information and explanations given to us, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) Reporting under Clause 3(xxi) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company, as the financial statements of its subsidiary are consolidated directly with BF Utilities Limited, which is the ultimate holding company.

**For S Panna Raj & Associates**

*Chartered Accountants*
Firm's Registration No.: 022509S

*S Panna Raj*
*Proprietor*
Membership No. 026366
UDIN: 26026366ZGQKSK7755

Date: 25/08/2026
Place: Bangalore

**Annexure II to the Independent Auditor's Report of even date to the members of Nandi Infrastructure Corridor Enterprises Limited on the financial statements for the year ended 31 March 2026**

**Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the financial statements of Nandi Infrastructure Corridor Enterprises Limited ("the Company") as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Company ("IFCoFS") as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors 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 ('Guidance note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

**Auditors' Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

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

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

5. 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 IFCoFS.



**Meaning of Internal Financial Controls with reference to Financial Statements**

6. A company's IFCoFS is a process designed to provide reasonable assurance regarding the 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 reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFS include those assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

**Opinion**

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

**For S Panna Raj & Associates**
*Chartered Accountants*
Firm's Registration No.: 022509S

*S Panna Raj*
*Proprietor*
Membership No. 026366
UDIN: 26026366ZGQKSK7755

Date: 25/08/2026
Place: Bangalore

**Nandi Infrastructure Corridor Enterprise Limited**
**Balance Sheet as at 31 March 2026**
**(All amounts in ₹ Lakhs, unless otherwise specified)**

| | Note | 3/31/2026 | 3/31/2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 2 | 4.24 | 4.94 |
| Capital work-in-progress | 3 | 984.26 | 984.26 |
| Financial assets | | | |
| Investments | 4 | 11,335.63 | 11,335.63 |
| Loans | | - | - |
| Deferred tax assets (net) | 6 | - | - |
| Other non-current assets | 7A | 49.49 | 56.34 |
| **Total non-current assets** | | **12,373.62** | **12,381.17** |
| Current assets | | | |
| Financial assets | | | |
| Cash and cash equivalents | 8 | 2.61 | 0.27 |
| Loans | 5 | 2,444.00 | 2,444.00 |
| Other current assets | 7B | 11.85 | 10.86 |
| **Total current assets** | | **2,458.46** | **2,455.13** |
| **Total assets** | | **14,832.08** | **14,836.30** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 9 | 10,409.37 | 10,409.37 |
| Other equity | 10 | (881.20) | (2,506.37) |
| **Total equity** | | **9,528.17** | **7,903.00** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 11 | 2,376.68 | 4,605.00 |
| Other non-current liabilities | 12 | 1,882.54 | 1,882.54 |
| Deferred Tax Liabilities (net) | 6 | 597.87 | - |
| **Total non-current liabilities** | | **4,857.09** | **6,487.54** |
| **Current liabilities** | | | |
| Financial liabilities | | - | - |
| Trade payables | 13 | | |
| Dues to micro enterprises and small enterprises | | - | - |
| Dues to creditors other than micro enterprises and small enterprises | | 446.42 | 445.76 |
| Statutory Dues | 14 | 0.40 | - |
| **Total current liabilities** | | **446.82** | **445.76** |
| **Total equity and liabilities** | | **14,832.08** | **14,836.30** |

**Significant accounting policies** 1.2

The accompanying notes referred to above form an integral part of the financial statements

As per report of even date

**For S Panna Raj & Associates**
Chartered Accountants
Firm's Registration No.: 022509S

**S Panna Raj**
Proprietor
Membership No.: 026366

Bengaluru
25/Aug/2026

**For and on behalf of the Board of Directors of**
**Nandi Infrastructure Corridor Enterprise Limited**

**Ashok Kumar Kheny**
Managing Director
DIN: 00248397

**AB Shiva Subramanyam**
Director
DIN: 00963838

**Ashok Kumar Shetty**
Chief Financial Officer

**N Balaji Naidu**
Company Secretary
M No. F6174

Bengaluru
25/Aug/2026

Bengaluru
25/Aug/2026

UDIN : 26026366ZGQKSK7755

**Nandi Infrastructure Corridor Enterprise Limited**
**Statement of profit and loss for the year ended 31st March 2026**
**(All amounts in ₹ Lakhs, unless otherwise specified)**

| | Note | 31-Mar-26 | 31-Mar-25 |
|---|---|---|---|
| **Revenue** | | | |
| Revenue from operations | | - | - |
| Other income | 15 | 1.75 | 9.42 |
| **Total revenue** | | **1.75** | **9.42** |
| | | | |
| **Expenses** | | | |
| Finance costs | 16 | 171.47 | 512.07 |
| Depreciation and amortisation expense | 2 | 0.70 | 1.09 |
| Other expenses | 17 | 6.33 | 46.87 |
| **Total expenses** | | **178.50** | **560.03** |
| | | | |
| **(Loss) before tax** | | **(176.75)** | **(550.61)** |
| | | | |
| Tax expense | 18 | | |
| Current tax | | - | - |
| Deferred tax | | (6.16) | (97.27) |
| | | **(6.16)** | **(97.27)** |
| | | | |
| **(Loss) after tax** | | **(170.59)** | **(453.34)** |
| | | | |
| **Other comprehensive income/(loss)** | | | |
| Items that will not be reclassified to profit or loss | | | |
| Re-measurement of gains/(losses) on defined benefit plans | | - | - |
| Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| Items that will be reclassified to profit or loss | | - | (40.59) |
| **Total other comprehensive income for the year** | | - | **(40.59)** |
| | | | |
| **Total comprehensive income/(loss) for the year** | | **(170.59)** | **(412.75)** |
| | | | |
| **Earnings/(loss) per share (Nominal value ₹ 10 per share)** | 19 | | |
| Basic (₹) | | (0.16) | (0.40) |
| Diluted (₹) | | (0.16) | (0.40) |
| | | | |
| **Significant accounting policies** | 1.2 | | |

The accompanying notes referred to above form an integral part of the financial statements

As per report of even date

**For S Panna Raj & Associates**
Chartered Accountants
Firm's Registration No.: 022509S

**S Panna Raj**
Proprietor
Membership No.: 026366

Bengaluru
25-Aug-2026

**For and on behalf of the Board of Directors of**
**Nandi Infrastructure Corridor Enterprise Limited**

**Ashok Kumar Khemka**
Managing Director DIN: 00248397

**AB Shiva Subramanyam**
Director
DIN: 00963838

**Ashok Kumar Shetty**
Chief Financial Officer

Bengaluru
25-Aug-2026

**N Balaji Naidu**
Company Secretary
M No. F6174

Bengaluru
25-Aug-2026

UDIN: 26026366ZGQKSK7755

**Nandi Infrastructure Corridor Enterprise Limited**
**Statement of cash flows for the year ended 31st March 2026**
**(All amounts in ₹ Lakhs, unless otherwise specified)**

| | | 3/31/2026 | 3/31/2025 |
|---|---|---|---|
| A. | **Cash flow from operating activities** | | |
| | (Loss) before tax | (176.75) | (550.61) |
| | **Adjustments to reconcile profit after tax to net cash flows** | | |
| | Interest income on Optionally Fully Convertible Debentures (OFCD) | - | - |
| | Loss on Sale of Investment - OFCD | | - |
| | Income Tax | - | - |
| | Rental Income | 1.75 | - |
| | Depreciation | 0.70 | 1.09 |
| | Interest on deposits | - | - |
| | Finance costs | 171.47 | 512.07 |
| | **Operating profit/(loss) before working capital changes** | **(2.83)** | **(37.46)** |
| | *Changes in working capital:* | | |
| | *Adjustment for (increase) decrease in operating assets:* | | |
| | Decrease/(increase) in loans | - | - |
| | Decrease/(increase) in other non-current assets | 6.85 | - |
| | Decrease/(increase) in other financial assets | | |
| | (Increase)/decrease in other current assets | (0.99) | (8.41) |
| | | **5.86** | **(8.41)** |
| | *Adjustment for increase (decrease) in operating liabilities:* | | |
| | Increase/(decrease) in trade payables | 0.66 | 48.36 |
| | Increase/(decrease) in provisions | 0.40 | (2.42) |
| | **Cash flow from operating activities** | **1.06** | **45.94** |
| | **Net Income Tax (Paid) / refund received** | - | - |
| | **Net cash flow from operating activities (A)** | **4.08** | **0.08** |
| | **Cash flow from investing activities** | | |
| | Interest received on deposits | - | - |
| | Rental Income | (1.75) | - |
| | Purchase of Fixed assets | | |
| | Tax paid in advance | - | - |
| | TDS paid on Interest on Optionally Fully Convertible Debentures (OFCD) | | |
| | **Net cash flow (used in)/from investing activities (B)** | **(1.75)** | **-** |
| | **Cash flow from financing activities** | | |
| | Bank Charges | - | (0.03) |
| | **Net Cash flow (used in)/from financing activities (C)** | **-** | **(0.03)** |
| | **Net (decrease)/increase in cash & cash equivalents (A+B+C)** | 2.33 | 0.06 |
| | Cash and cash equivalents at beginning of the year | 0.27 | 0.22 |
| | Cash and cash equivalents at the end of the year* | 2.61 | 0.27 |
| | * Comprises | | |
| | (a) Cash on hand | 0.00 | 0.02 |
| | (b) Balances with banks | 2.60 | 0.26 |
| | - in current accounts | | |
| | **Cash & cash equivalents at the end of the year (as per note 8)** | 2.61 | 0.27 |
| | | - | - |

As per report of even date

**For S Panna Raj & Associates**
Chartered Accountants
Firm's Registration No. 022509S

**S Panna Raj**
Proprietor
Membership No.: 026366

Bengaluru
25-Aug-2026

**For and on behalf of the Board of Directors of**
**Nandi Infrastructure Corridor Enterprise Limited**

**Ashok Kumar Kheny**
Managing Director DIN: 00248397

**Ashok Kumar Shetty**
Chief Financial Officer

Bengaluru
25-Aug-2026

**AB Shiva Subramanyam**
Director
DIN: 00963838

**N Balaji Naidu**
Company Secretary
M No: F6174

Bengaluru
25-Aug-2026

UDIN: 26026366ZGQKSK7755

**Nandi Infrastructure Corridor Enterprise Limited**
**Statement of changes in equity as at 31 March 2026**
**(All amounts in ₹, Lakhs unless otherwise specified)**

**A. Equity share capital**

| | Amount |
|---|---|
| **Balance as at 01 April 2024** | 10,409.37 |
| Changes in equity share capital during the year | - |
| **Balance as at 31 March 2025** | 10,409.37 |
| Changes in equity share capital during the year | - |
| **Balance as at 31 March 2026** | 10,409.37 |

**B. Other equity**

| | Reserve fund u/s 45 IC(1) of the RBI Act, 1934 | Surplus / (deficit) in statement of profit and loss | Measurement of below market rate financial liability at fair value | Total equity attributable to equity shareholders |
|---|---|---|---|---|
| **Balance as at 01 April 2024** | 40.59 | (3,348.27) | 1,254.65 | (2,053.03) |
| Add: Additions | - | - | - | - |
| Loss for the period | - | (453.34) | - | (453.34) |
| Remeasurement of financial asset | (40.59) | 40.59 | | - |
| Deferred tax on items directly recognized in equity | | | | |
| **Balance as at 31 March 2025** | - | (3,761.01) | 1,254.65 | (2,506.37) |
| Add: Additions | - | (604.03) | 2,399.79 | 1,795.76 |
| Profit / (Loss) for the period | - | (170.59) | - | (170.59) |
| Transferred to P&L Account | | | | - |
| Other comprehensive income | | | | - |
| Deferred tax on items directly recognized in equity | | | | - |
| **Balance as at 31 March 2026** | - | (4,535.64) | 3,654.44 | (881.20) |

As per our report of even date

**For S Panna Raj & Associates**
Chartered Accountants
Firm's Registration No.: 022509S

**S Panna Raj**
Proprietor
Membership No. : 026366

Bengaluru
25-Aug-2026

UDIN : 26026366ZGQKSK7755

**For and on behalf of the Board of Directors of**
**Nandi Infrastructure Corridor Enterprise Limited**

**Ashok Kumar Kheny**
Managing Director
DIN: 00248397

**AB Shiva Subramanyam**
Director
DIN: 00963838

**Ashok Kumar Shetty**
Chief Financial Officer

Bengaluru
25-Aug-2026

**N Balaji Naidu**
Company Secretary
M No.: F6174
Bengaluru
25-Aug-2026

**Nandi Infrastructure Corridor Enterprise Limited**

**Summary of significant accounting policies and other explanatory information**

## 1 Company overview and significant accounting policies

### 1.1 Company overview

Nandi Infrastructure Corridor Enterprises Limited ("NICE" or the "Company") was incorporated on January 19, 1996. The Government of Karnataka ("GoK") and Nandi Infrastructure Corridor Enterprises Limited ("NICE"), have entered into a Frame Work Agreement (FWA) dated April 3, 1997 (as amended) under which the GoK has granted rights to NICE for the development, maintenance and operation of integrated infrastructure corridor situated between Bangalore and Mysore in Karnataka, consisting of residential, industrial, and commercial facilities such as, among other things, self-sustaining townships, expressways, utilities and amenities, including power plants, industrial plants, water treatment plants and other infrastructural developments (together referred as the "Bangalore Mysore Infrastructure Corridor Project" or "BMICP").

The GoK and NICE have also entered into Toll Concession Agreement (the "TCA") dated September 4, 2000, wherein the GoK has granted to NICE, the right to collect toll and other revenues from the BMICP.

The FWA and TCA provide inter-alia that the NICE may assign the whole or part of NICE's rights, privileges, benefits, interests and obligation under either of the above mentioned FWA and TCA to any project company or successor of NICE.

Accordingly, the Nandi Economic Corridor Enterprises Limited ("NECE" or the "Subsidiary Company") was incorporated and NICE has assigned Section A of the BMICP (as defined in the FWA) to the Subsidiary Company and the same has been endorsed by the GoK vide Tripartite Agreement dated August 9, 2002 ("the Tripartite Agreement"). The above mentioned privileges, benefits, interests and obligations under FWA and TCA with respect to Section A of the BMICP were also assigned to the Subsidiary Company. The Section A of the BMICP comprises: (a) development of Toll Road comprising 41 kms of Peripheral Road, 9.8 kms of Link Road and 13 kms of Expressway (b) acquisition of the land and such rights, title and interests therein as may be required for the above mentioned roads and for development and sale of land (c) basic development and sale of land, (including that at 10 inter changes) and (d) basic development and sale of land in corporate town-ship.

As per the terms of the reference in FWA read with concomitant agreements namely Tripartite Agreement and the TCA, NICE / NECE have a period of 10 years for construction of the Toll Road and a right to collect toll from the users of the Toll Road for a Concession period of 30 years. Under these agreements, the collection of toll can commence as and when the sections of the toll roads are completed.

The time periods specified in the FWA and TCA is subject to conditions precedent as per Article 2.1 specified in the FWA and all of the land required for the BMICP being transferred to the NICE/NECE as per Article 2.2, 2.2.1 & 2.2.2 of the TCA. Further, as per Article 2.3 of the TCA, in case all of the land required for the execution of the BMICP are not provided to the Subsidiry Company, upon the Subsidiary Company providing a written notice to the GoK with regard to the same, the Toll Concession Period would be deemed to be extended for a corresponding period of time for the duration or continuance of such event or circumstance.

In accordance with the above mentioned terms and conditions as per the FWA and TCA, the period of 30 years will need to be calculated from the time the Subsidiary Company is handed over all of the land required for completing the Section A of the BMICP. Since all the lands required for the execution of the Section A of the BMICP has not been transferred to the Subsidiary Company, the Subsidiary Company has given written notices to the GoK of the continued delay in providing the required land for the BMICP. Accordingly, the Concession period is deemed to have been extended as per the provisions of FWA and TCA.

In December 2008, the Subsidiary Company had completed 40 kms of peripheral road and in October 2009, 8 kms of link road was also completed ("Toll road assets – Section A") and the Subsidiary Company has commenced collecting tolls as per the rights under the FWA and TCA. Toll road assets – Section A created under Build, Own, Operate and Transfer ("BOOT") is considered as an intangible asset since the asset will be transferred to the GoK at the end of the concession period.

### 1.2 Significant accounting policies

#### a. Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as per Companies (Indian Accounting Standards) Rules 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisons of the Act.

The financial statements for the year ended 31 March 2026 were authorized and approved for issue by the Board of Directors on 25th August 2026



**Nandi Infrastructure Corridor Enterprise Limited**

**Summary of significant accounting policies and other explanatory information**

**b. Overall considerations**

The financial statements have been prepared using the significant accounting policies and measurement bases that are in effect as at 31 March 2026. The accounting policies used in the preparation of financial statements are consistent with that of previous year.

**c. Basis of preparation of financial statements**

(i) The financial statements have been prepared on going concern basis under the historical cost basis except for certain financial assets and liabilities which are measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, 'Leases', and measurements that have some similarities to fair value but are not fair value, or value in use in Ind AS 36 'Impairment of assets'.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: Inputs for the assets or liabilities that are not based on the observable marked data (unobservable inputs).

**d. Functional and presentation currency**

The financial statements are presented in Indian Rupee (' ₹ ') which is also the functional and presentation currency of the Company.

**e. Use of estimates**

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 1.3 and 1.4.

**f. Recent accounting pronouncements**

The Company has adopted Ind AS 116 "Leases" effective April 1, 2019, as notified by the Ministry of Corporate Affairs(MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the losses of the current year.

**Nandi Infrastructure Corridor Enterprise Limited**

**Summary of significant accounting policies and other explanatory information**

**g. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

(i) An asset is classified as current when it is:

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

(ii) All other assets are classified as non-current.

(iii) A liability is classified as current when:

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

(iv) All other liabilities are classified as non-current.

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

The business operations of the Company are classified into (a) Toll road and (b) Township development. Based on the nature of business operations of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined the operating cycle as 12 months for Toll Road operations and 5 years for Township development from the date of registration of land in the name of the Company and after getting the required regulatory approval for commencing the development activities.

**h. Foreign currency transactions**

(i) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded are recognized in the statement of profit and loss in the year in which they arise.

**i. Revenue recognition**

**Sale of land**

Revenue from sale of land is recognised when all significant risks and rewards of ownership of land is transferred to the buyer and the revenue can be reliably measured, regardless of when the payment is being made. 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.

Construction revenue and construction expenses:

Construction revenue from contracts covered under service concession agreements are recognised in line with the Appendix A to Ind AS 11 – Service Concession Arrangements.

Under Appendix A to Ind AS 11 – Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e a concessionaire) to charge users of the public service.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable. Interest income is included in the finance income in the statement of profit or loss.

**j. Inventories**

Stock of land and related developments are valued at lower of cost and net realizable value. Cost is the aggregate of land cost and development cost which includes materials, contract works, direct expenses and apportioned borrowing costs.



**Nandi Infrastructure Corridor Enterprise Limited**

**Summary of significant accounting policies and other explanatory information**

**k. Property, Plant and Equipment (PPE)**

**Recognition and initial measurement**

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met, any expected costs of decommissioning and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

**Subsequent measurement**

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

**Depreciation and useful lives**

Depreciation/amortization on fixed assets is provided on the straight-line method, based on the useful life of asset specified in Schedule II to the Companies Act, 2013. The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Buildings
Plant and machinery
Electrical Items
Laboratory Equipments
Towers
Office equipments
Furniture & fixtures
Computers
Vehicles

Cost of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

**De-recognition**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

**l. Borrowing cost**

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

All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

**m Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**n. Leases**

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Lease term includes these options when it is reasonably certain that they will be exercised.

**o. Tax expense**

**Income taxes**

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

**Current tax**

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

**Deferred tax**

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

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**Current and deferred tax for the period**

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

**p. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share (or increase net loss per share) from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**q. Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

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

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



**Nandi Infrastructure Corridor Enterprise Limited**

**Summary of significant accounting policies and other explanatory information**

**r. Financial instruments**

**Financial assets**

***Initial recognition and measurement***

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

***Subsequent measurement***

*Debt Instruments*

*Debt instruments at amortized cost*

A 'Debt instruments' is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit and loss.

*Debt Instruments at fair value through other comprehensive income (FVTOCI)*

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognized in other comprehensive income (OCI).

*Debt instruments at Fair value through profit and loss (FVTPL)*

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

*Equity investments*

All equity investments in the scope of Ind AS 109,' Financial Instruments', are measured at fair value. Equity instruments which are held for trading and contingent consideration has been recognized by an acquirer in a business combination to which Ind AS 103,' Business Combinations' applies, are classified as at FVTPL.. For all other equity instruments, the Company may make an irrevocable election to present in OCI with subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI.

There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

***De-recognition of financial assets***

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Investment in subsidiaries and joint ventures:

The Company's investment in equity instruments of subsidiaries and joint ventures are accounted for at cost.

**s. Financial liabilities**

***Initial recognition***

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost.

***Subsequent measurement***

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

***De-recognition of financial liabilities***

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

***Offsetting of financial instruments***

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



**t. Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss.

**u. Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.3 Significant estimates in applying accounting policies**

a. Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

b. Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.

c. Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**1.4 Critical judgements in applying accounting policies**

a. Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

b. Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c. Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against doubtful debts. However the actual future outcome may be different from this judgement.



## 2 Property, plant and equipment

**Details of the Company's property, plant and equipment and reconciliation of their carrying amounts from beginning to end of reporting period is as follows:**

| | Computers | Office Equipment | Vehicles | Total |
|---|---|---|---|---|
| **Gross carrying amount** | | | | |
| **At 01 April 2024** | 1.63 | 0.05 | 5.90 | **7.58** |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| **At 31 March 2025** | **1.63** | **0.05** | **5.90** | **7.58** |
| Additions | - | - | - | |
| Disposals | - | - | - | - |
| **At 31 March 2026** | **1.63** | **0.05** | **5.90** | **7.58** |
| **Accumulated depreciation** | | | | |
| **At 01 April 2024** | 1.55 | - | - | 1.55 |
| Charge for the year | - | - | 1.09 | 1.09 |
| Disposals/adjustments | - | - | - | - |
| **At 31 March 2025** | **1.55** | **-** | **1.09** | **2.64** |
| Charge for the year | - | - | 0.70 | 0.70 |
| Disposals/adjustments | - | - | - | - |
| **At 31 March 2026** | **1.55** | **-** | **1.79** | **3.34** |
| **Net block** | | | | |
| **As at 01 April 2024** | 0.08 | 0.05 | 5.90 | **6.03** |
| **As at 31 March 2025** | 0.08 | 0.05 | 4.81 | **4.94** |
| **As at 31 March 2026** | 0.08 | 0.05 | 4.11 | **4.24** |

## 3 Capital work-in-progress

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Capital work-in-progress | 984.26 | 984.26 |
| | **984.26** | **984.26** |

**Capital work-in-progress ageing schedules**
**As at 31 March 2026**

| | Amount of capital work in progess for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Capital work-in-progress | - | - | - | 984.26 | 984.26 |
| | - | - | - | **984.26** | **984.26** |

**As at 31 March 2025**

| | Amount of capital work in progess for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Capital work-in-progress | | - | - | 984.26 | 984.26 |
| | - | - | - | **984.26** | **984.26** |

**Nandi Infrastructure Corridor Enterprise Limited**
**Summary of significant accounting policies and other explanatory information**
**(All amounts in ₹ Lakhs, unless otherwise specified)**

**4 Investments**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Non- current investments (unquoted) | | |
| **Investment in equity shares (carried at cost)** | | |
| - Nandi Economic Corridor Enterprises Limited- Subsidiary Company* | 11,335.00 | 11,335.00 |
| - Nandi Engineering Limited | 0.63 | 0.63 |
| **Investment on govt. securities/trusts** | | |
| - Indira Vikas Patra | 0.00 | 0.00 |
| | **11,335.63** | **11,335.63** |

* The Company has pledged 11,33,50,000 equity shares as collateral security to IDBI Trusteeship Services Limited for sanctioning the credit facilities amounting to ₹ 1650 crores to Subsidiary Company Nandi Economic Corridor Enterprises Limited by consortium of lenders.

**5 Loans**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **A) Current Assets** | | |
| Loan given to Related Party- Nandi Engineering Limited ( repayable on demand) | 2,444.00 | 2,444.00 |
| | **2,444.00** | **2,444.00** |

**6) Deferred tax (Liabilities) / assets (Net)**

| | | |
|---|---|---|
| **A. Non-current** | | |
| **Deferred tax asset arising on account of :** | | |
| Financial assets carried at fair value | - | - |
| Less: | | |
| **Deferred tax liabilities arising on account of :** | | |
| Financial liabilities carried at amortized cost | 597.87 | (0.00) |
| | **597.87** | **(0.00)** |

**7) Other assets**

| | 9-Sep-06 | 9-Sep-06 |
|---|---|---|
| **A) Non-current** | | |
| Unsecured, considered good unless otherwise stated | | |
| Advance to suppliers/service providers | 43.34 | 43.34 |
| Advance to related party | 6.15 | 13.00 |
| | **49.49** | **56.34** |
| **B) Current** | | |
| Unsecured, considered good unless otherwise stated | | |
| Prepaid expenses | - | |
| Duties and taxes receivable | 11.85 | 10.86 |
| | **11.85** | **10.86** |

**8) Cash and cash equivalents**

| | 9-Sep-06 | 9-Sep-06 |
|---|---|---|
| Cash on hand | 0.00 | 0.02 |
| Balances with banks | | |
| - in current accounts | 2.61 | 0.25 |
| | **2.61** | **0.27** |

## 9 Equity share capital

| | 31-Mar-26 | | 31-Mar-25 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| **Authorised** | | | | |
| Equity share of ₹ 10/- each | 104,093,688 | 10,409.37 | 104,093,688 | 10,409.37 |
| | **104,093,688** | **10,409.37** | **104,093,688** | **10,409.37** |
| **Issued, subscribed and fully paid-up** | | | | |
| Equity share of ₹ 10/- each | 104,093,688 | 10,409.37 | 104,093,688 | 10,409.37 |
| | **104,093,688** | **10,409.37** | **104,093,688** | **10,409.37** |

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| | 31-Mar-26 | | 31-Mar-25 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| **Equity share of ₹ 10/- each** | | | | |
| Opening balance | 104,093,688 | 10,409.37 | 104,093,688 | 10,409.37 |
| Addition during the year | - | - | - | - |
| **Closing balance** | **104,093,688** | **10,409.37** | **104,093,688** | **10,409.37** |

(b) **Terms/ Rights attached to equity share holders:**
The Company has only one class of Equity Share, having a par value of ₹ 10/-. The holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all other parties concerned. The distribution will be in proportion to number of equity shares held by the shareholders.

(c) **Details of shares held by Holding Company**

| Particulars | 31-Mar-26 | | 31-Mar-25 | |
|---|---|---|---|---|
| | No. of shares | % | No. of shares | % |
| **Equity share of ₹ 10/- each** | | | | |
| 1. BF Utilities Limited- Holding Company | 77,569,111 | 75% | 77,569,111 | 75% |

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

| Particulars | 31-Mar-25 | | 31-Mar-25 | |
|---|---|---|---|---|
| | No. of shares | % | No. of shares | % |
| **Equity share of ₹ 10/- each** | | | | |
| 1. BF Utilities Limited- Holding Company | 77,569,111 | 75% | 77,569,111 | 75% |
| 2. Mr. Ashok Kumar Kheny | 20,618,738 | 20% | 20,618,738 | 20% |
| 3. Mr. Baba Neelkanth Kalyani | 4,805,838 | 5% | 4,805,838 | 5% |

(e) **Aggregate number of bonus shares issued and shares issued for consideration other than cash during the year of five years immediately preceding the reporting date**
The company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2026

(f) **Details of Shares held by promoters**

**As at 31 March 2026**

| Promoter Name | No. of Shares at the begining of the year | Change during the year | No. of Shares at the end of the year | % of Total Shares | % change during the year |
|---|---|---|---|---|---|
| 1. BF Utilities Limited- Holding Company | 77,569,111 | - | 77,569,111 | 75% | - |
| 2. Mr. Ashok Kumar Kheny | 20,618,738 | - | 20,618,738 | 20% | - |
| 3. Mr. Baba Neelkanth Kalyani | 4,805,838 | - | 4,805,838 | 5% | - |

**As at 31 March 2025**

| Promoter Name | No. of Shares at the begining of the year | Change during the year | No. of Shares at the end of the year | % of Total Shares | % change during the year |
|---|---|---|---|---|---|
| 1. BF Utilities Limited- Holding Company | 77,569,111 | - | 77,569,111 | 75% | - |
| 2. Mr. Ashok Kumar Kheny | 20,618,738 | - | 20,618,738 | 20% | - |
| 3. Mr. Baba Neelkanth Kalyani | 4,805,838 | - | 4,805,838 | 5% | - |

## 10 Other equity

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Deficit in statement of profit and loss | (4,535.64) | (3,761.00) |
| Measurement of below market rate financial liability at fair value | 3,654.44 | 1,254.64 |
| | **(881.20)** | **(2,506.37)** |



## 11. Borrowings

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **Non-current** | | |
| **Unsecured loans** | | |
| Other loans | | |
| 7% cumulative redeemable preference shares of ₹ 10/- each* | 2,076.68 | 4,305.00 |
| Interest free loan from related parties** | 300.00 | 300.00 |
| | **2,376.68** | **4,605.00** |

*The Company issued 7% Cumulative Redeemable preference shares (CRPS) issued to M/s. Nandi Engineering Limited on 27th March 2010 for the initial period of 7 years. The Board of Directors have approved the modification of terms of issue of CRPS by extending the tenure up to 25th March 2025 and subsequently up to 25th March 2040 with a total tenure being 30 years in view of long-term nature of Road infrastructure project undertaken by the company through its subsidiary Company the Hon'ble National Company Law Tribunal on 30.07.2025, considering the recommendation of the Registrar of Companies and considering the consent given by the Holder of the Preference Shares, the date of maturity of has extended tenure by a further period of 15 years i.e. upto 25.03.2040.

** Interest free unsecured loans - The Company has obtained an unsecured, interest-free loan from BF Investments Limited, a related party. The loan is repayable as and when the funds position of of the Company permits repayment.

## 12. Other liabilities

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **Non-current** | | |
| Advances received for sale of land | 1,882.54 | 1,882.54 |
| | **1,882.54** | **1,882.54** |

## 13. Trade payables

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Dues to micro enterprises and small enterprises | - | - |
| Dues to creditors other than micro enterprises and small enterprises | 96.57 | 101.17 |
| Dues to related party | 349.85 | 344.59 |
| | **446.42** | **445.76** |

**Ageing of trade payables (undisputed):**

**As at 31 March 2026**

| | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 year | Total |
| Total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | (4.61) | 48.36 | 3.67 | 393.73 | 441.16 |
| | **(4.61)** | **48.36** | 3.67 | **393.73** | **441.16** |

**As at 31 March 2025**

| | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 year | Total |
| Total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 48.36 | 3.67 | - | 393.73 | 445.76 |
| | **48.36** | **3.67** | - | **393.73** | **445.76** |



**Nandi Infrastructure Corridor Enterprise Limited**
**Summary of significant accounting policies and other explanatory information**
**(All amounts in ₹ Lakhs, unless otherwise specified)**

**14. Statutory Dues**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **Short-term** | | |
| Statutory Dues | 0.40 | - |
| | **0.40** | - |

**15. Other income**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Interest income on financial instruments | - | - |
| Interest on deposits | - | - |
| Rental Income | 1.75 | - |
| Provisions / Exp written back | - | 9.42 |
| | **1.75** | **9.42** |

**16. Finance costs**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Bank charges | - | 0.03 |
| Interest on financial instruments | 171.47 | 512.05 |
| | **171.47** | **512.07** |

**17. Other expense**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Office maintenance & administration Expenses | 1.02 | 10.54 |
| Travelling expenses | 0.08 | 0.03 |
| Professional fees | 3.51 | 34.57 |
| **Payment to auditors** | | |
| Statutory Audit Fees | 1.73 | 1.73 |
| Limited Review Fees | - | - |
| | **6.33** | **46.87** |

**18. Tax expense**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **Tax expense comprises of:** | | |
| Current tax | - | - |
| Deferred tax | (6.16) | (97.27) |
| **Income tax expense reported in the statement of profit and loss** | **(6.16)** | **(97.27)** |

| **Reconciliation of tax expense and the accounting profit multiplied by India's tax rate** | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% and the reported tax expense in profit or loss are as follows: | | |
| Accounting profit/(loss) before tax from continuing operations | (176.75) | (882.64) |
| **Accounting loss before income tax** | **(176.75)** | **(882.64)** |
| Effective tax rate in India | 25.17% | 25.17% |
| Expected tax expenses charged/(credited) | (44.49) | (222.16) |
| Tax effect of amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Effect of non-deductible expenses | 38.33 | 124.89 |
| **Income tax expense** | **(6.16)** | **(97.27)** |

**19. Earning Loss per share (EPS)**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Weighted average number of shares outstanding during the year | 104,093,688 | 104,093,688 |
| Add: Dilutive effect of stock options | - | - |
| Weighted average number of shares used to compute diluted EPS | 104,093,688 | 104,093,688 |
| Net profit/(loss) after tax attributable to equity shareholders | (170.59) | (412.75) |
| Profit / (Loss) per share | | |
| Basic (₹) | (0.16) | (0.40) |
| Diluted (₹) | (0.16) | (0.40) |
| Nominal value - Rupees (₹) per equity share | 10 | 10 |

**20. Assets pledged as security**

The carrying amounts of assets pledged as security for non-current borrowings (refer note 4)

## 21 Financial instruments

### Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2026 were as follows :

| | Note | FVT PL | FVT OCI | Amortized cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|
| **Financial assets :** | | | | | | |
| Investments | 4 | - | - | - | - | - |
| Trade receivables | | - | - | - | - | - |
| Loans and advances | 5 | - | - | 2,444.00 | 2,444.00 | 2,444.00 |
| Cash and cash equivalents including othe | 8 | - | - | 2.61 | 2.61 | 2.61 |
| Other financial assets | 7 | - | - | - | - | - |
| **Total financial assets** | | - | - | **2,446.61** | **2,446.61** | **2,446.61** |
| **Financial liabilities :** | | | | | | |
| Borrowings | 11 | - | - | 2,376.68 | 2,376.68 | 2,376.68 |
| Trade payables | 13 | - | - | 446.42 | 446.42 | 446.42 |
| **Total financial liabilities** | | - | - | **2,823.10** | **2,823.10** | **2,823.10** |

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

| | Note | FVT PL | FVT OCI | Amortized cost | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|
| **Financial assets :** | | | | | | |
| Investments | 4 | - | - | - | - | - |
| Trade receivables | | - | - | | - | - |
| Loans and advances | 5 | - | - | 2,444.00 | 2,444.00 | 2,444.00 |
| Cash and cash equivalents including othe | 8 | - | - | 0.27 | 0.27 | 0.27 |
| Other financial assets | 7 | - | - | - | - | - |
| **Total financial assets** | | - | - | **2,444.27** | **2,444.27** | **2,444.27** |
| **Financial liabilities :** | | | | | | |
| Borrowings | 11 | - | - | 4,605.00 | 4,605.00 | 4,605.00 |
| Trade payables | 13 | - | - | 445.76 | 445.76 | 445.76 |
| **Total financial liabilities** | | - | - | **5,050.76** | **5,050.76** | **5,050.76** |

### Notes to financial instruments

i. The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

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

ii. **Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1**: Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2**: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

**Level 3**: Inputs for the assets or liabilities that are not based on the observable

**Measurement of fair value of financial instruments**

The Company's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialist for complex valuations, wherever necessary. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximizing the use of market-based information.

## 22 Financial risk management

**Financial risk factors**

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to

| Risk | Exposure arising from | Measurement |
|---|---|---|
| Credit risk | Cash and cash equivalent, trade receivables, financial assets | Ageing analysis |
| Liquidity risk | Borrowings and other financial liabilities | Rolling cash flow forecasts |
| Market risk – Interest rate | Long-term borrowings at variable rates | Sensitivity analysis |

The Company's risk management is carried out by the management under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

### a. Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortized cost and deposits with banks and financial institutions.

*Credit risk management*

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

**Expected credit loss for trade receivables under**

The Company recognises significant income from toll road on the basis of actual collection and hence there are no significant outstandings. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattern. The company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated.

During the periods presented, the Company made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

### b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities**

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

| As at 31 March 2026 | Less than 1 year | 1 years to 5 years | 5 years and above | Total |
|---|---|---|---|---|
| **Non-derivatives** | | | | |
| Borrowings* | - | - | 2,376.68 | 2,376.68 |
| Trade payables | 3.70 | - | 442.79 | 446.49 |
| **Total** | **3.70** | **-** | **2,819.47** | **2,823.17** |

| As at 31 March 2025 | Less than 1 year | 1 years to 5 years | 5 years and above | Total |
|---|---|---|---|---|
| Non-derivatives | | | | |
| Borrowings* | - | - | 4,605.00 | 4,605.00 |
| Trade payables | 0.33 | - | 445.43 | 445.76 |
| Security deposits | | | | |
| Other financial liabilities | | | | |
| Total | **0.33** | **-** | **5,050.43** | **5,050.76** |

### c. Interest rate risk

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| Variable rate borrowing | - | - |
| Fixed rate borrowing | 2,076.68 | 4,305.00 |
| Interest free borrowing | 300.00 | 300.00 |
| **Total borrowings** | **2,376.68** | **4,605.00** |

## 23 Capital Management

The Company's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances.

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| Long term borrowings | 2,376.68 | 4,605.00 |
| Current maturities of long term borrowings | - | - |
| Less: Cash and cash equivalents | 2.61 | 0.27 |
| Net debt | 2,374.07 | 4,604.73 |
| Total equity | 9,528.17 | 7,903.00 |
| Gearing ratio | 0.25 | 0.58 |

(i) Equity includes all capital and reserves of the Company that are managed as capital
(ii) Debt is defined long term and short term borrowings

## 24 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2026 and the date of authorization of these financial statements.

## 25 Contingent liabilities:

| | 31 March 2026 | 31 March 2025 |
|---|---|---|
| Claims against the Company not acknowledged as debts | 553.64 | 553.64 |
| 7% dividend on cumulative preference shares issued to Nandi Engineering Limited * | 2,352.00 | 2,205.00 |

*The Company issued 7% Cumulative Redeemable preference shares (CRPS) issued to M/s. Nandi Engineering Limited on 27th March 2010 for the initial period of 7 years. The Board of Directors have approved the modification of terms of issue of CRPS by extending the tenure up to 25th March 2025 and subsequently up to 25th March 2040 with a total tenure being 30 years in view of long-term nature of Road infrastructure project undertaken by the company through its subsidiary Company the Hon'ble National Company Law Tribunal on 30.07.2025, considering the recommendation of the Registrar of Companies and considering the consent given by the Holder of the Preference Shares, the date of maturity of has extended tenure by a further period of 15 years i.e. upto 25.03.2040.

26 AIRRO Mauritius Holdings V ("AIRRO V") and Soinfra Enterprises Private Limited ("Soinfra") (collectively "Claimants") have filed a notice of arbitration before the Singapore International Arbitration Centre ("SIAC") pursuant to Clause 24.2 (Arbitration) of the Shareholders' Agreement dated 24th December 2010 ("SHA") executed in relation to Nandi Economic Corridor Enterprises Limited (NECE) against the Sponsors and Promoters (as defined in the SHA) and NECE. The Company being one of the Sponsors under the SHA received the said notice of arbitration on 27th March 2025. In the notice of arbitration, the Company has been named as the Respondent No. 1 along with the other Sponsors and, the Promoters being Respondent Nos. 2 to 8 and NECE being Respondent No. 9.

The Company along with Sponsors and Promoters have denied the alleged breaches of SHA and or the alleged failure to provide an exit, by filing an appropriate response to the said notice of arbitration with SIAC. As of date, the arbitral tribunal has been duly constituted in this matter, and the Claimants have submitted their statement of claim on 26th September 2025 claiming the damages and other reliefs for alleged breach of SHA and failure to provide exit options such as share swap and default put option under the SHA. The Claimants have claimed damages from the Promoters (i.e., Respondents Nos. 4 to 8, which does not include NICE as it is not a Promoter under the SHA) jointly and severally for an amount equal to Investor's investment amount along with 18% IRR from date on which the put option was demanded to be settled/ given effect to and an interest of 18% on such amounts due. The Investor has computed its investment amount as INR 500 crore invested in NECE and a sum of INR 70.90 Crores in respect of NECE's share subsequently acquired by AIRRO Mauritius Holdings V under a separate transaction with one of the other Respondents by way of a separate Share Purchase Agreement. It is the position of the Company and other Promoters and Sponsors that since these shares form part of separate agreement, no claim in respect the same can form subject matter of arbitration under the SHA.
Furthermore, the Claimants have sought directions from the Tribunal against Respondent Nos. 1 to 8 to jointly and severally pay costs and expenses of the arbitration including attorneys and expert fees and arbitration costs.

NANDI INFRASTRUCTURE CORRIDOR ENTERPRISES LIMITED Bangalore

27 a During the year ended 31 March 2026 and 31 March 2025, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) in the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries)

27 b During the year ended 31 March 2026 and 31 March 2025, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) in the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries)

27 c **Other statutory information**

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

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(v) The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act,2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(vi) The Company does not have any transactions with companies struck off.

**Nandi Infrastructure Corridor Enterprise Limited**
**Summary of significant accounting policies and other explanatory information**
(All amounts in ₹ lakhs, unless otherwise stated)

**27 d. Ratio analysis**

**a) Current ratio**

| Particulars | 31/Mar/2026 | 31/Mar/2025 |
|---|---|---|
| Current assets | 2,458.46 | 2,455.13 |
| Current liabilities | 446.82 | 445.76 |
| **Current ratio** | **5.50** | **5.51** |
| **% Change from previous year** | **-0.10%** | **-11.53%** |

**b) Debt-equity ratio**

| Particulars | 31/Mar/2026 | 31/Mar/2025 |
|---|---|---|
| Non-current borrowings | 300.00 | 300.00 |
| Current maturities of long-term borrowings | - | - |
| Overdraft/ working capital | - | - |
| **Total debt** | **300.00** | **300.00** |
| Total equity | 9,528.17 | 7,903.00 |
| **Debt-equity ratio** | **0.03** | **0.04** |
| **% Change from previous year** | **-17%** | **6%** |

**c) Debt service coverage ratio**

**d) Return on equity**

| Particulars | 31/Mar/2026 | 31/Mar/2025 |
|---|---|---|
| Profit (Loss) for the period | (176.75) | (550.61) |
| Total equity | 9,528.17 | 7,903.00 |
| **Return on equity** | **-1.86%** | **-6.97%** |
| **% Change from Previous year** | **-73%** | **-34%** |

**e) Inventory turnover ratio** **Not Applicable**

**f) Trade receivables turnover ratio** **Not Applicable**

**g) Net capital turnover ratio** **Not Applicable**

**h) Net profit ratio** **Not Applicable**

**i) Return on capital employed**

| Particulars | 31/Mar/2026 | 31/Mar/2025 |
|---|---|---|
| Profit (Loss) before tax | (176.75) | (550.61) |
| Less:IndAS interest income | - | - |
| Add: Finance costs | 171.47 | 512.07 |
| **Earnings before interest & tax** | **(5.28)** | **(38.54)** |
| | | |
| Equity | 9,528.17 | 7,903.00 |
| Long term debt including Financial Liabilitites | 2,376.68 | 4,605.00 |
| **Capital employed** | **11,904.85** | **12,508.00** |
| | | |
| **Return on capital employed** | **(0.0004)** | **(0.0031)** |
| **% Change from previous year** | **-86%** | **-93%** |

28 **Related party transactions**

**A. Details of related parties:**

| Description of relationship | Names of related parties |
|---|---|
| Holding Company (HC) | BF Utilities Limited |
| Subsidiary Company (SC) | Nandi Economic Corridor Enterprises Limited (NECE) |
| Key Managerial Personnel (KMP) | Mr. Ashok Kheny, Managing Director, N Balaji Naidu, Company Secretary, Ashok Kumar Shetty, CFO |
| Relative of KMP | Mr. Shivkumar Kheny |
| Enterprises over which KMP have significant influence | AKK Entertainment Limited (AKKEL)<br>Ashok Kheny Production Private Limited (AKPPL)<br>Ashok Kheny Infrastructure Limited (AKIL)<br>BF Investments limited<br>SAB Engineering Inc., USA (SEI)<br>Nandi Engineering Limited (NEL) |

**B. Details of related party transactions during the year ended 31 March 2026 and 31 March 2025:**

| Nature of Transaction | HC | SC | KMP | Enterprises over which KMP have significant influence | Relatives of KMP |
|---|---|---|---|---|---|
| **Interest expense/(income) from financial instruments** | | | | | |
| For the Year 2025-26 | - | - | | 171.47 | |
| For the Year 2024-25 | - | - | | 512.05 | - |
| **Received/(paid) towards advance/loans** | - | | | | |
| For the Year 2025-26 | - | 5.26 | | | |
| For the Year 2024-25 | | 52.28 | - | - | - |
| **Balance of Cumulative Redeemable Preference Shares (CRPS)** | | | | | |
| as at 31 March, 2026 | - | - | - | 2,076.68 | |
| as at 31 March, 2025 | - | - | - | 4,305.00 | - |
| **Balance of advances/loans outstanding** | | | | | |
| as at 31 March, 2026 | - | 349.85 | | (2,450.15) | |
| as at 31 March, 2025 | - | 344.59 | | (2,457.00) | - |
| **Balance of interest free unsecured loan from BF Investments Limited** | | | | | |
| as at 31 March, 2026 | - | - | - | 300.00 | - |
| as at 31 March, 2025 | - | - | - | 300.00 | - |

**For S Panna Raj & Associates**
Chartered Accountants
Firm's Registration No.: 022509S

**S Panna Raj**
Proprietor
Membership No.: 026366

Bengaluru
25/Aug/2026

**For and on behalf of the Board of Directors of**
**Nandi Infrastructure Corridor Enterprise Limited**

**Ashok Kumar Kheny**
Managing Director
DIN: 00248397

**AB Shivasubramanyam**
Director
DIN: 00963838

**Ashok Kumar Shetty**
CFO
Bengaluru
25/Aug/2026

**N Balaji Naidu**
Company Secretary
M No.: F6174
Bengaluru
25/Aug/2026

UDIN: 26026366ZGQKSK7755