BF UTILITIES LIMITED

KALYANI

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Annual Report for the year ended on 31st March, 2026

BOARD OF DIRECTORS

Mr. A. B. Kalyani	Chairman, Non-Executive Director, Non-Independent Director
Mr. S. K. Adivarekar	Non-Executive, Independent Director (ceased to be an Independent Director w.e.f May 30, 2026)
Mr. B. S. Mitkari	Whole-time Director (WTD)
Mr. J. K. Hemade	Non-Executive, Independent Director
Mr. M. U. Takale	Non-Executive, Non-Independent Director
Mrs. M. R. Vartak	Non-Executive, Independent Director (appointed w.e.f March 17, 2026)

CHIEF EXECUTIVE OFFICER (CEO)/ CHIEF FINANCIAL OFFICER (CFO)

Mr. B. S. Mitkari

COMPANY SECRETARY

Ms. Pragati Suresh Rai

STATUTORY AUDITORS

G. D. Apte & Co., Chartered Accountants

SECRETARIAL AUDITORS

SVD & Associates Practicing Company Secretaries

BANKERS

HDFC Bank Limited
ICICI Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Pvt. Ltd.
(Formerly known as Link Intime India Private Limited)
'Akshay' Complex, Block No. 202, 2nd Floor,
Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001
Tel.: +91 (20) 46014473
Email: Investor.helpdesk@in.mpms.mufg.com

REGISTERED OFFICE

BF Utilities Limited
Mundhwa, Pune Cantonment,
Pune 411 036, Maharashtra, India.
Tel.: +91 7719004777
E-mail : secretarial@bfutilities.com
Website : www.bfutilities.com
CIN : L40108PN2000PLC015323

INFORMATION FOR SHAREHOLDERS

Annual General Meeting
Day & Date : Saturday, November 28, 2026
Time : 03.00 p.m.
Venue : AGM will be held through VC/OAVM
Date of Book Closure : Saturday, November 28, 2026

BF UTILITIES LIMITED

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036.

CIN : L40108PN2000PLC015323

Phone No: 7719004777 **Website :** www.bfutilities.com **Email id :** Secretarial@bfutilities.com

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of BF Utilities Limited will be held on Saturday, November 28, 2026, at 03.00 p.m. Indian Standard Time (IST) through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
   a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026, and the reports of the Board of Directors along with its Annexures and Auditors thereon.
   b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, and the report of the Auditors thereon.
2. To appoint a Director in place of Mr. B. S. Mitkari (DIN: 03632549), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Kirtane & Pandit LLP, Chartered Accountants, Pune (Firm Registration No. 105215W/W100057) as the Statutory Auditors of the Company and fix their remuneration.

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 142, 177 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Chartered Accountants Act, 1949 and based on the recommendation of Audit committee and approval of the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for appointment of Kirtane & Pandit LLP , Chartered Accountants (Firm Registration No. 105215W/W100057) as the Statutory Auditors of the Company for conducting the Statutory Audit of the Company for a term of 5 (Five) consecutive years commencing from FY 2026-27 to FY 2030-31 i.e. to hold office from the conclusion of the ensuing 26th Annual General Meeting (AGM) of the Company until the conclusion of 31st AGM of the Company to be held in the Financial Year 2031-32 at a remuneration to be mutually agreed between the Board of Directors/Management and the Auditors, plus applicable taxes and reimbursement of out-of-pocket expenses.

   RESOLVED FURTHER THAT any Director of the Company (including any committee thereof) and/or Key Managerial Persons of the Company, be and are hereby authorized to decide and finalize the terms and conditions of appointment, including the remuneration of the Statutory Auditors, from time to time and to file returns/forms /other documents with statutory and other authorities and to do all such acts, deeds and things, including execution of all such forms, deeds, documents, instruments and writings as may be required in this regard."

By Order of the Board
For **BF Utilities Limited**

Pragati S. Rai
Company Secretary
Membership No.: ACS 66887

Place : Pune
Date : September 30, 2026

Registered Office:
Mundhwa Pune cantonment Pune MH 411036 IN
CIN: L40108PN2000PLC015323

E-mail: Secretarial@bfutilities.com
Website: www.bfutilities.com

NOTES :

1. The Notice of Annual General Meeting was approved by the Board of Directors at its meeting held on September 30, 2026

2. The Ministry of Corporate Affairs ("MCA"), inter alia, vide its General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being General Circular No 03/2025 dated September 22, 2025 (collectively referred to as "MCA Circulars") read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30 January, 2026 ("SEBI Circular") and other applicable circulars and notifications issued including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members. In compliance with the said Circulars, the AGM of the Company shall be conducted through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

3. Your Company had applied for extension of 26th Annual General Meeting (AGM) to Registrar of Companies, Pune (ROC). ROC Pune vide its order dated August 19, 2026 gave an extension for the period of three months for holding the 26th AGM.

4. In compliance with the provisions of the Companies Act, 2013 (the "Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and MCA Circulars, the Twenty Sixth Annual General Meeting (the "Meeting" or "AGM") of the Company is being held through VC / OAVM on Saturday, November 28, 2026 at 03.00 p.m. (IST). The proceedings of the AGM deemed to be conducted at the Registered Office of the Company situated at Mundhwa Pune Cantonment Pune Maharashtra 411036 India.

Remote e-voting period [During this period, Members of the Company may cast their vote by remote e-voting]	Commences from	Wednesday, November 25, 2026 at 9.00 AM
	Ends at	Friday, November 27, 2026 at 5.00 PM
Transcript	Will be made available post AGM at https://bfutilities.com/chairman-message.html	

5. In compliance with the aforesaid MCA Circular and SEBI Circular, Notice of the AGM along with the Annual Report for the Financial Year 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Hard copy of the full Integrated Annual Report will be sent to shareholders upon request.

6. In case of any change of address or queries relating to their shares please contact to Company's Registrar and Transfer Agent (the "Registrar" or "RTA"), MUFG Intime India Pvt. Ltd. (Formerly known as Link Intime India Private Limited) at the address given in the Annual Report.

7. Additionally, as per Regulation 36(1)(b) of the Listing Regulations, a letter providing the weblink of the Integrated Annual Report for FY 2025-26, will be sent to those shareholder(s) who have not registered their email address with the Company/ Depositories/ Depository Participants/ RTA.

8. The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e., date and time of AGM, details for e-voting, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses and other matters as may be required.

9. The Register of Members and Share Transfer Books of the Company will remain closed on Saturday, November 28, 2026 for taking record of the Members of the Company for the purpose of 26th (Twenty Sixth) Annual General Meeting.

10. Pursuant to the aforesaid MCA circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM since it is being held through VC/OAVM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

11. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

12. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

13. Mr. Sridhar Mudaliar, (Membership No. FCS 6156 & CP No. 2664), failing him, Mrs. Sheetal Joshi (Membership No. FCS 10480 & CP No 11635), Partners of SVD & Associates, Company Secretaries have been appointed as the Scrutinizer by the Board to scrutinize the remote e-Voting process before the AGM as well as e-Voting during the AGM and to conduct the same in a fair and transparent manner.

14. The Explanatory Statement according to Section 102 of the Act setting out material facts concerning the business under Item 3 of the Notice is annexed hereto as "**Annexure A**". The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at the AGM are provided as "**Annexure B**". Requisite declarations have been received from the Directors for seeking re-appointment.

15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting during AGM will be provided by NSDL.

16. In line with the MCA Circulars, the Notice calling the AGM along with Annual Report 2025-26 will also be uploaded on the website of the Company at https://bfutilities.com/annual-report.html The Notice and annual report can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com

17. Members holding more than one share in the same name or joint names in the same order but under different ledger folios are requested to apply for consolidation of such folios into a single folio and accordingly send a request letter duly signed by the shareholder and the relevant share certificates along with the self-attested copy of Permanent Account Number (PAN) card and Aadhar card to the Company, to enable us to consolidate all such multiple folios into one single folio.

18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for electronic inspection for the Members without any fee from the date of circulation of this Notice up to the date of AGM, i.e. Saturday, November 28, 2026. Members seeking to inspect can send an e- mail to secretarial department of the Company at Secretarial@bfutilities.com

19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM

20. SEBI vide its Master Circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, and SEBI (LODR) Regulations, 2015 has mandated that, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In light of the same, shareholders are requested to kindly convert their physical shares in Demat form to avoid hassle in transfer of shares. In view of the same and to eliminate all risks associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialize the shares held by them in physical form and convert their physical shares in Demat form to avoid hassle in transfer of shares. Further, the request for transmission or transposition of securities held in physical or dematerialised form shall be affected only in dematerialised form.

21. As per Regulation 40 of the Listing Regulations as amended and SEBI vide its Master Circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, securities of listed companies can be transferred only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, MUFG Intime India Private Limited (Previously known as Link Intime India Pvt. Ltd) ("Registrar" or "RTA") at the address given in Annual Report for assistance in this regard. Members to note that pertaining to SEBI circular vide its circular HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, whoever lodged transfer deeds prior to deadline of April 01, 2019 and rejected/returned due to deficiency in the documents can be re-lodged by contacting the Company's Registrar and Share Transfer Agent, MUFG Intime India Private Limited (Previously known as Link Intime India Pvt. Ltd.)

    For details, you may refer the below mentioned circular at https://www.sebi.gov.in/legal/circulars/jan-2026/ease-of-doing-investment-special-window-for-transfer-and-dematerialisation-of-physical-securities_99411.html

22. **Due diligence:** To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from

the concerned Depository Participant and holdings should be verified from time to time.

23. A Member, who wish to receive information regarding financial statements or matters to be placed at the AGM, shall send a request by providing full name, DP ID and Client ID / Folio Number and contact number from the registered e-mail ID to Secretarial@bfutilities.com at least 7 days in advance so as to enable the management to keep the information ready.

24. SEBI vide its Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of Bank and branch details, bank account number, MICR code, IFSC code etc. It encourages all existing investors/ unitholders, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. The formats for providing Nomination and Opting-out of Nomination both in case of Demat Account and MF Folios are provided in the SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026. All new investors/unitholders shall continue to be required to mandatorily provide the 'Choice of Nomination' for demat accounts/ MF Folios (except for jointly held Demat Accounts and Mutual Fund Folios)

    Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at https://www.bfutilities.com/downloads.html

Type of holder	Process to be followed	
Demat	Please contact your DP, register your email address, and bank account details in your demat account, as per the process advised by your DP	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, MUFG Intime India Pvt. Ltd (Previously known as Link Intime India Pvt. Ltd). either by email to rnt.helpdesk@in.mpms.mufg.com or by post to Block no. 202, Akshay Complex, Near Ganesh Temple, off Dhole Patil Road, Pune-411 001	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/ update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rule 19(1) of Companies (Share Capital and Debenture) Rules, 2014	Form SH-13
	Cancellation of nomination by the holder(s) (along with ISR-3)/Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares held in physical form	Form ISR- 4
	Members may download all the forms from website of the Company i.e. https://www.bfutilities.com/downloads.html or RTA i.e. https://web.in.mpms.mufg.com/KYC-downloads.html	

25. The Company has designated an exclusive e-mail id viz. Secretarial@bfutilities.com to enable Investors to register their grievances, if any. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at least seven days in advance through email on Secretarial@bfutilities.com. The same will be replied by the Company suitably. Members may note that in case of any dispute against the Company and/or its Registrar and Share Transfer Agent, SEBI vide its Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/14 dated 11 August, 2023, has introduced Online Dispute Resolution (ODR), which is in addition to the existing SCORES platform which can be utilized by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES platform. The ODR portal can be accessed at https://smartodr.in/login

    For more details, please see the following weblinks of the Stock Exchanges:

    BSE: https://bsecrs.bseindia.com/ecomplaint/frmInvestorHome.aspx

    NSE: https://www.nseindia.com/complaints/online-dispute-resolution

26. Documents mentioned in this notice are available for inspection and such documents shall be so made available for inspection in physical or in electronic form during specified business hours at the Registered Office of the company and copies thereof shall also be made available for inspection, in physical or electronic form at the Head Office as well as Corporate Office of the Company if any, and also at the Meeting.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Wednesday, November 25, 2026 at 09:00 A.M. and ends on Friday, November 27, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, November 21, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, November 21, 2026.

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

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

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

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

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

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

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

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

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

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

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password ?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

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

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

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

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

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional/ Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@svdandassociates.com with a copy marked to evoting@nsdl.com and Secretarial@bfutilities.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Secretarial@bfutilities.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Secretarial@bfutilities.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
    a. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 **days prior to meeting** mentioning their name, demat account number/folio number, email id at Secretarial@bfutilities.com or mobile number at +91 77190 04777. The shareholders who do not wish to speak during the Twenty Sixth AGM but have queries may send their queries in advance 7 **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at Secretarial@bfutilities.com. These queries will be replied to by the company suitably by email.
5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

   The Scrutinizer will submit his report to the Chairman after the completion of scrutiny and the result of the voting will be declared within two working days from the conclusion of the meeting. The declared results along with the Scrutinizer Report will also be displayed on the website of the Company at www.bfutilities.com and will simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited where equity shares of the Company are listed.

ANNEXURE - A

Details of Statutory Auditors being appointed:

M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration No. 100515W) will be retiring as Statutory Auditors of the Company at the conclusion of the ensuing 26th AGM after completing their first term of 5 years and they do not wish to be reappointed as Statutory Auditors of the Company for the second term, due to their pre-occupancies.

Considering that the tenure of M/s. G. D. Apte & Co., will come to an end upon conclusion of the 26th AGM, the Board of Directors at its meeting held on September 30, 2026, upon recommendation of the Audit Committee, have recommended for approval of the Members, appointment of Kirtane & Pandit LLP ("K&P LLP"), Chartered Accountants (Firm Registration No. 105215W/W100057) as the Statutory Auditors of the Company for conducting the Statutory Audit for the term of 5 (five) consecutive years effective from FY 2026-27 to FY 2030-31 i.e. from conclusion of the ensuing 26th AGM till conclusion of the 31st AGM of the Company to be held in the Financial Year 2031-32.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found K&P LLP to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

K&P LLP have given their consent to act as the Auditors and have confirmed that their appointment, if made, will be within the limits specified under Section 141 of the Act. They have confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Brief profile, terms & conditions of appointment and the proposed fee of the Statutory Auditors, are as follows:

Brief profile:

K&P LLP, Chartered Accountants, is a 70+ year-old Accounting, Auditing & Consulting firm with a strong national presence and a trusted network of financial experts. They deliver comprehensive Assurance, Accounting, and Advisory services to reputed and listed companies across diverse industries worldwide.

With the expertise of core services of Audit, Risk Management and Tax, Kirtane & Pandit in its 7+ decades of existence have created services lines and divisions spanning across IT, Business Process and ESOP Advisory Sectors. Over the years, these service lines and divisions achieved exponential growth and evolved into independent and listed companies with operations spanning across globe.

The terms of their appointment are as follows:

a. **Tenure of appointment:**

Upto 5 (Five) consecutive years from the conclusion of this AGM till the conclusion of 31st Annual General Meeting.

b. **The proposed fees:**

Proposed fees is in connection with the Statutory audit and limited review shall be Rs. 17,00,000/- (Rupees Seventeen Lakhs only) plus applicable taxes and other out-of-pocket expenses for FY 2026-27, and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors or any committees thereof and the proposed auditors.

The fees for services in the nature of statutory certifications and other professional work will be in addition to the audit fee as above and will be decided by the management in consultation with the Statutory Auditors, subject to approval of the Board of Directors and/or Audit Committee, wherever required.

The proposed fees are based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark.

c. **Basis of recommendations:**

The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI LODR Regulations with regard to the full-time partners, Statutory Audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done by them in the past.

The Board recommends the passing of the Resolution as set out in Item No. 3 as an Ordinary Resolution for approval of members.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in passing of the resolution mentioned in Item No. 3 of the Notice.

ANNEXURE - B

Additional information as required under the Companies Act, 2013 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 in respect of the Directors' appointment/ re-appointment is provided below:

Item No 2:

Details of Directors seeking ~~appointment~~/re-appointment:

Name of the Director	**Mr. B. S. Mitkari**
Director IdentificationNumber	03632549
Qualification	Company Secretary and Associate Member of ICMAI
Date of Birth and Age	February 06, 1967 ; 59 years
Brief Resume of the Director and Experience	Mr. B. S. Mitkari is a qualified Company Secretary (Fellow member of the ICSI) and Cost & Management Accountant (Associate Member of ICAI) with vast experience in Accounts, Corporate Laws and business operations for last 36 years. He graduated in Commerce from Pune University in 1987 and qualified as a Company Secretary and Cost & Management Accountant in 1990.During his professional career, Mr. Mitkari worked in the areas of corporate laws, accounts, finance and business operations & management. He has handled various corporate and legal matters of the group. He has been associated with the Company, working in various capacities since last 25 years and is an Executive Director of the Company since April 01, 2019.
Nature of expertise in specificfunctional areas / skills / capabilities	Corporate laws, accounts, finance and business operations & management
Justification of choosing theappointee as a Director	The Board recommends the re-appointment of Mr. Mitkari considering his educational background, vast experience and extensive knowledge.
Date of first appointment on the Board	Appointed as Additional director on March 27, 2019 and designated as Whole-time Director with effect from April 01, 2025
Disclosure of relationships between Directors inter-se	Not related to any other Director/KMP on the Board of the Company
Number of Meetings of the Board attended during the year	During the year 2025-26, 10 (ten) Board meetings of the Company were held and he had attended 10 (ten) Board Meetings.
Directorships held in other Listed Companies	BF Investment Limited
Committee Memberships / Chairmanships held in other Listed companies	BF Investment Ltd ● Stakeholder Relationship Committee - Member
Listed entities from which he has resigned as Director in past 3 years	Nil
Shareholding in the Company as on March 31, 2026	Nil

Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person	He shall continue to be subject to terms and conditions of his appointment as Executive Director. Terms and Conditions of re-appointment are in accordance with Nomination and Remuneration Policy of the Company available on the website www.bfutilities.com
Non- debarment	In terms of Circular No. NSE/CML/2018/24 issued by National Stock Exchange of India Limited and Circular No. LIST/COMP/14/2018-19 issued by BSE Limited (both Circulars dated June 20, 2018), Mr. Mitkari is not debarred from holding the office of Director by virtue of any order issued by SEBI or any other Authority.

By Order of the Board
For **BF Utilities Limited**

Pragati S. Rai
Company Secretary
Membership No.: ACS 66887

Place : Pune
Date : September 30, 2026

Registered Office:
Mundhwa Pune cantonment Pune MH 411036 IN
CIN: L40108PN2000PLC015323

E-mail: Secretarial@bfutilities.com
Website: www.bfutilities.com

CORPORATE GOVERNANCE REPORT

(Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein after called "Regulations, 2015")

1. Company's Philosophy on Corporate Governance

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies.

The Company has included a compliance report on Corporate Governance in its Annual Report in the spirit of transparency in management and best board practices. This Chapter of the report, plus the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitute such a compliance report on corporate governance during 2025-26.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as applicable with regard to Corporate Governance.

2. Board of Directors

Composition of the Board

The Company has an active, experienced, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Board periodically evaluates the need for change in its composition and size.

In terms of Regulation 17 of the SEBI Listing Regulations, at least 50% of the Board should comprise Non-Executive Independent Directors with at least one-Woman Director. Out of total 6 Directors as on March 31, 2026, the Non-Executive Independent Directors constitute 50% of the Board. The Company had one Woman Director on the Board as on March 31, 2026 who was holding her office as Non-Executive Independent Director.

Detailed profile of the Directors is available on the Company's website at http://www.bfutilities.com/board-committees.html

The Board met 10 (ten) times during FY 2025-26 on the following dates:

- April 09, 2025
- May 29, 2025
- August 13, 2025
- October 31, 2025
- November 12, 2025
- December 16, 2025
- February 13, 2026
- February 23, 2026
- February 28, 2026
- March 17, 2026

The gap between two Meetings did not exceed 120 days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

Category and Attendance of Directors:

The category of Directors, attendance at Board Meetings held during the financial year under review, the number of Directorships and Committee Chairpersonships/Memberships held by them in other public limited companies and Directorships held by them in other listed entities, including this Company as on March 31, 2026 are as follows:

Sr. No.	Name of Director	No. of shares held by Non-Executive Directors	No. of Directorships in other public companies including this company #	No. of Committee positions held in other public companies including this company ***		No. of Board Meetings held during Tenure	Attendance at the meetings	
				Chairman	Member		Board	AGM 24/12/2025
	Non-Executive Directors							
1	@Mr. B. N. Kalyani (DIN: 00089380)	7,212	4	1	3	2	1	NA
2	##Mr. A. B. Kalyani (DIN: 00089430)	0	6	0	2	10	8	Yes
3	&Mr. M.U. Takale (DIN: 01291287)	0	4	1	3	8	8	Yes
	Independent and Non-Executive Directors							
4	**Ms. A. A. Sathe (DIN: 06925030)	0	0	0	0	3	2	NA

Sr. No.	Name of Director	No. of shares held by Non-Executive Directors	No. of Directorships in other public companies including this company #	No. of Committee positions held in other public companies including this company ***		No. of Board Meetings held during Tenure	Attendance at the meetings	
				Chairman	Member		Board	AGM 24/12/2025
5	^^Mr. S. K. Adivarekar (DIN: 06928271)	0	5	2	5	10	9	Yes
6	Mr. J. K. Hemade (DIN:10331350)	0	4	1	4	10	10	Yes
7	^Mrs. M.R. Vartak (DIN: 11613408)	0	2	0	3	0	NA	NA
	Executive Director							
8	$Mr. B. S. Mitkari (DIN : 03632549)	0	5	0	1	10	10	Yes

Note:

@Promoters within the meaning of Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares & Takeover) Regulations, 2011.

Further, he resigned from the post of Non-Executive, Non-Independent Director and Chairperson of the Company due to other business exigencies w.e.f close of business hours on May 29, 2025.

#Other Directorships exclude Directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

**For this purpose, only Audit and Stakeholders' Relationship Committees of the Public Limited Companies have been considered.*

$Re-appointed as a Whole time Director ("WTD") and Chief Executive Officer ("CEO") of the Company for a further period of 23 (Twenty-three) months with effect from April 1, 2025 upto February 28, 2027 (both inclusive)

##Designated as the Chairperson of the Company w.e.f May 30, 2025

& Appointed as a Non- Executive, Non-Independent Director of the Company w.e.f May 29, 2025.

*** Resigned from the position of Non-Executive, Independent Director of the Company w.e.f close of business hours on August 14, 2025*

^Appointed as a Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026 and she attended the meeting as Invitee.

^^Ceased to be the Director of the Company w.e.f close of business hours on May 29, 2026.

The Twenty Fifth (25th) Annual General Meeting ('e-AGM') of the Company for the Financial Year ('FY') 2024-25 was held on December 24, 2025 through video conferencing ('VC') / other audio-visual means ('OAVM') in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'). All the Directors of the Company were present at the 25th AGM.

Directors and their Directorships in other listed Companies as on March 31, 2026 is as under:

Sr.	Name of the Director	Name of the listed entities in which Director holds Directorship		Category of Directorship
1	Mr. A. B. Kalyani	1	Bharat Forge Ltd.	Vice Chairman and Joint Managing Director
		2	Kalyani Steels Ltd.	Non-Executive, Non-Independent Director
		3	Kalyani Investment Company Ltd.	Chairman & Non-Executive, Non-Independent Director
		4	Hikal Ltd.	Non-Executive, Non-Independent Director
		5	BF Investment Ltd.	Chairman & Non-Executive-Non-Independent Director
		6	Schaeffler India Ltd. (resigned w.e.f 23.07.2026)	Independent Director

Sr.	Name of the Director	Name of the listed entities in which Director holds Directorship		Category of Directorship
2	Mr. S. K. Adivarekar	1	Kalyani Steels Ltd. (ceased w.e.f 18.05.2026 pursuant to completion of term)	Independent Director
		2	Kalyani Investment Company Ltd.	Independent Director
		3	Hikal Ltd.	Independent Director
3	Mr. J. K. Hemade	-	-	-
4	Mr. B. S. Mitkari	1	BF Investment Ltd.	Non-Executive-Non-Independent Director
5	Mr. M.U. Takale	1	Kalyani Steels Ltd.	Non-Executive-Non-Independent Director
		2	BF Investment Ltd.	Non-Executive-Non-Independent Director
6	Mrs. M.R. Vartak	1	BF Investment Ltd.	Independent Director

Notes:

1. Directorships held in unlisted public Companies, foreign companies, private limited companies, one person companies and companies under Section 25 of the Companies Act, 1956 / under Section 8 of the Companies Act, 2013 have not been considered.
2. None of the Directors on the Board is a Director of more than seven listed companies.

No other Director is related to any other Director of the Company within the meaning of Section 2(77) of the Companies Act, 2013 and rules thereof.

Shareholding of Directors as on March 31, 2026:

Sr. No.	Name of Director	Category	Equity Shares of Rs.5 each
1	Mr. A. B. Kalyani	NED	NIL
2	Mr. S. K. Adivarekar	ID	NIL
3	Mr. J. K. Hemade	ID	NIL
4	Mr. B. S. Mitkari	ED	NIL
5	Mr. M.U. Takale	NED	NIL
6	Mrs. M.R. Vartak	ID	NIL

NED - Non-Executive Director, Non-Independent Director; ID - Independent Director;

ED - Executive Director

Apart from the above, no Director holds any shares in the Company. The Company has not issued any convertible instruments.

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee) as per Regulation 26(1) of the SEBI (Listing Regulations) across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

None of the Directors hold office in more than 10 public limited companies as prescribed under Section 165(1) of the Act. No Director holds directorships in more than 7 listed companies. None of the Non-Executive Directors serve as an Independent Director in more than 7 listed Companies and Directors who are Executive Director serve as Independent Directors in more than three listed entities, as required under the SEBI Listing Regulations. Further, the CEO does not serve as Independent Director in any listed Company.

Key Skills, Expertise and Competencies of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise, special skills and geography. The Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills/ expertise/competencies as required in the context of the businesses and sectors of the Company for its effective functioning and the same is mapped against each of the Directors:

Skill	Skill definitions
Business Acumen	Ability to understand business environment and identify new business opportunities
Leadership	Ability to lead a large team of professionals
Technology	Passion for technology upgradation
Legal and Regulatory knowledge	Understanding of regulatory and legal frameworks in Taxation

Disclosure of Expertise or Skills of Directors

Following are the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively:

General Management, Finance and Accounting, Corporate Laws, Automotive Industry, Operations, Corporate Strategy, Finance and Corporate Treasury, Manufacturing, Engineering, Business reengineering strategy.

The following table states the identified core skills/expertise/competencies mapped for each of the Director:

Sr.	Name of Directors	Expertise, Skills in specific functional areas
1	Mr. A. B. Kalyani	Business acumen, leadership, Technology, Strategic Planning, Finance Acumen, Automotive Industry, Corporate Strategy and Business Management, Governance and Risk Management
2	Mr. S. K. Adivarekar	Taxation, Corporate laws, Finance Accounting
3	Mr. J. K. Hemade	General Law, laws relating to land
4	Mr. B. S. Mitkari	Legal and Regulatory knowledge, Finance & Accounting, Corporate laws, Legal and Operations.
5	Mr. M.U. Takale	Technology, Leadership, Automotive Industry, Engineering and Manufacturing
6	Mrs. M.R. Vartak	Organizational development, HR consulting, Industrial Psychology, People management, Strategic management

Board Procedure

For seamless scheduling of Meetings, the calendar of Meetings of the Board and Committees is circulated and agreed upon at the beginning of the year.

The Company Secretary tracks and monitors the Board and Committee proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes. Meeting effectiveness is ensured through clear agenda, circulation of material in advance and as per statutory timelines, detailed presentations at the Meetings.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the CEO apprises the Board on the overall performance of the Company every quarter.

The Board periodically reviews the strategy, annual business plan, business performance of the Company. Amongst other things, the Board also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, adoption of quarterly/half-yearly/annual results, minutes of the Meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations which is required to be placed before the Board, the Directors are also kept informed of major events.

Independent Directors

All Independent Directors are Non-Executive Directors as defined in Regulations 16(1) of SEBI (LODR).

The Company had 3 Non-Executive Independent Directors (including 1 Woman Director) which comprise 57.14% of the total strength of the Board of Directors as on March 31, 2026

Independence of Directors

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed

that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the SEBI Listing Regulations with respect to integrity, expertise and experience including the proficiency.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Director's Databank maintained with the Indian Institute of Corporate Affairs ('IICA')

During the year, Ms. A.A. Sathe resigned from the position of Non-Executive, Independent Director of the Company w.e.f close of business hours on August 14, 2025 due to the fact that she was elevated as Additional Judge of the Hon'ble Bombay High court by way of notification No. K-13014/06/2021-US-I dated 13th August, 2025 issued by Government of India, Ministry of Law & Justice, Department of Justice (Appointments Division). There was no material reason for the resignation.

Meeting of Independent Directors

During the year under review, two (2) meetings of the Independent Directors of the Company were held on September 08, 2025 and February 13, 2026 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole including the Chairman of the Board after taking the views of other Non-Executive Directors and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meetings were attended by all the Independent Directors as on that date and Mr. J. K. Hemade chaired the said Meetings.

Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at https://bfutilities.com/pdf/Policies%20and%20Terms/Terms%20of%20Appointment%20of%20Independent%20Directors.pdf

Induction and Familiarisation Programme for Directors

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company imparted various familiarisation programmes to its Directors. Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of such familiarisation programme during FY 2025-26 are available on the website of the Company at https://www.bfutilities.com/familiarization.html

Appointment/Re-appointment of Directors

As required under Regulation 26(4) and Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Notice of the AGM which forms part of this Integrated Annual Report.

Code of Conduct

The Company has formulated Code of Conduct for its Directors, Senior Management Personnel and other Executives which is available on the website of the Company at https://bfutilities.com/code-of-conduct.html

The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV to the Act ('Code for Independent Directors') and Regulation 17(5) of the SEBI Listing Regulations and the same is available on the website of the Company at https://bfutilities.com/code-of-conduct.html

As on March 31, 2026, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Code of Conduct. A declaration to this effect duly signed by the CEO forms part of this Report.

Apart from reimbursement of expenses incurred in discharging their duties and the remuneration that the Directors would be entitled under the Act as Non-Executive Directors, except for Mr. A. B. Kalyani, none of the Directors have any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors or its Senior Management during the three immediately preceding financial years.

Particulars of senior management including the changes therein since the close of the previous financial year:

Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

Sr. No.	Name of Person	Category	Designation	Changes during FY 2025-26
1.	B. S. Mitkari	KMP	- Chief Executive Officer - Chief Financial Officer	Ceased to be the Company Secretary of the Company w.e.f April 01, 2025.
2.	Pragati S. Rai	KMP	- Company Secretary and Compliance Officer	Appointed as Company Secretary w.e.f April 01, 2025
3.	S. S. Joshi	SMP	- Sr. Manager- Finance	No change
4.	K. V. Lodekar	SMP	- Windmill site in charge	No change

Committees of the Board:

As on March 31, 2026, the Company has Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles, which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are also applicable to Committee Meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its work. Minutes of the proceedings of the Committee Meetings are placed before the Board Meeting for perusal and noting. The Company Secretary acts as a Secretary of all the Board Committees.

1. Audit Committee

The Audit Committee's role is to assist the Board, fulfil its Corporate Governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions. The Audit Committee functions according to its terms of reference that defines its composition, authority, responsibilities and reporting functions. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations are covered in its terms of reference.

Terms of Reference

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and *inter alia*, performs the following functions:

i.) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

ii.) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- b) changes, if any, in accounting policies and practices and reasons for the same;
- c) major accounting entries involving estimates based on the exercise of judgment by management;
- d) significant adjustments made in the financial statements arising out of audit findings;
- e) compliance with listing and other legal requirements relating to financial statements;
- f) disclosure of any related party transactions;
- g) modified opinion(s) in the draft audit report;

iii.) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or

qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

iv.) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

v.) Approval or any subsequent modification of transactions of the Company with related parties;

vi.) Scrutiny of inter-corporate loans and investments;

vii.) Valuation of undertakings or assets of the Company, wherever it is necessary;

viii.) Evaluation of internal financial controls and risk management systems;

ix.) reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

x.) Reviewing of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;

xi.) Discussing with internal auditor any significant finding and follow up on such issues;

xii.) Discussing with the external auditors before the audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any areas of concern;

xiii.) Reviewing any changes in accounting policies or practices as compared to last completed financial year and commenting on any deviation from accounting standards;

xiv.) Reviewing details of related party transactions exceeding 1% of last year's turnover;

xv.) Reviewing the Company's financial and risk management policies;

xvi.) Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors;

xvii.) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;

xviii.) Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xix.) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or failure of internal control systems of a material nature and reporting the matter to the Board;

xx.) To look into the reason for substantial default in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared Dividends) and creditors;

xxi.) To review the functioning of the whistle blower mechanism;

xxii.) Approval of appointment of CFO (i.e. the whole-time finance Director or any other person heading the finance function or discharging that function) after accessing the qualifications, experience and background, etc. of the candidate;

xxiii.) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

xxiv.) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

xxv.) Carrying out any other function as is mentioned in the terms of reference of audit committee.

The detailed terms of reference is disclosed on the Company's website

https://www.bfutilities.com/pdf/Policies%20and%20Terms/Audit%20Committee%20-%20Terms%20of%20Reference.pdf

Further, pursuant to Regulation 18(2)(c) of the SEBI Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

Meetings Held

During FY 2025-26, 9 (nine) Meetings of the Audit Committee were held on the following dates:

- April 09, 2025
- May 29, 2025
- August 13, 2025
- October 31, 2025
- November 12, 2025
- December 16, 2025
- February 13, 2026
- February 23, 2026
- February 28, 2026

The gap between two Meetings did not exceed 120 days. Necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. S. K. Adivarekar (Chairperson)	ID	9	9
Mr. A. B. Kalyani	NED	9	7
*Ms. A. A. Sathe	ID	3	2
Mr. J. K. Hemade	ID	9	9
^Mrs. M. R. Vartak	ID	0	0

ID - Independent Director; NED - Non-Executive Director

**Resigned from the position of Non-Executive, Independent Director of the Company w.e.f close of business hours on August 14, 2025*

^Appointed as an Additional, Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026

The Company Secretary acts as the Secretary to the Audit Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the SEBI Listing Regulations.

The Chairperson of the Audit Committee has one-on-one meetings both with the Internal Audit Team and the Statutory Auditors on a periodic basis to discuss key concerns, if any.

The Chief Executive Officer & Chief Financial Officer, Company Secretary, Statutory Auditor, Internal Auditor attend and participate in all the Meetings of the Committee. Internal Audit Reports are discussed. During the year under review, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems. The Committee reviewed Related Party Transactions. During the year under review, the Audit Committee reviewed the process and controls for Insider Trading and also adopted a framework for levying penalties in case of any violation under the Insider Trading Code.

The Chairperson of the Audit Committee briefs the Board at each Board Meeting about the significant discussions at the Audit Committee Meetings including the internal audit matters. The minutes of each of the Audit Committee Meetings are placed in the next Meeting of the Board after they are confirmed by the Committee.

Mr. S. K. Adivarekar, Chairperson of the Audit Committee, was present at the last e-AGM held on December 24, 2025.

2. Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. The NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

The Policy of the Company including the terms of reference is disclosed on the Company's website https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination%20Remuneration%20Policy%2013022025.pdf

Meetings Held

During FY 2025-26, 5 (five) Meetings of the NRC were held on the following dates:

- May 29, 2025
- October 31, 2025
- November 12, 2025
- February 13, 2026
- March 17, 2026

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. S. K. Adivarekar (Chairperson)	ID	5	3
Mr. J.K. Hemade	ID	5	5
*Ms. A. A. Sathe	ID	1	0
Mr. M. U. Takale	NED	4	4
^Mrs. M. R. Vartak	ID	0	0

ID - Independent Director; NED - Non-Executive Director, Non- Independent Director

**Resigned from the position of Non-Executive, Independent Director of the Company w.e.f close of business hours on August 14, 2025*

^*Appointed as an Additional, Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026*

Mr. S. K. Adivarekar, Chairperson of the NRC, was present at the last e-AGM held on December 24, 2025.

The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

The Chairman of the NRC briefs the Board at each Board Meeting about the significant discussions at the NRC Meetings.

Terms of reference:

(1) Determine size and composition of the Board to ensure that it is structured to make appropriate decision, with a variety of prospective and skills, in the best interest of the Company as a whole;

(2) Formulate the criteria for determining qualifications, positive attributes and independence of a director and for evaluation of performance of independent directors and Board of Directors.

(3) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

The Policy of the Company including the terms of reference is disclosed on the Company's website https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination_Renumeration_Policy.pdf

Board and Director Evaluation

In terms of the requirement of the Act and the SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The exercise was led by the Chairman of the NRC along with the Chairman of the Board.

Criteria for Evaluation

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report

Remuneration of Directors

The Company's philosophy for remuneration of Directors, Key Managerial Personnel ('KMP') and all other employees is to promote leadership, skill, development and innovation. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy.

The principles governing the Company's Remuneration Policy is provided in the Board's Report. The said Policy is also uploaded on the website of the Company at

https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination_Renumeration_Policy.pdf

3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

Meetings Held

During FY 2025-26, 4 (four) Meetings of the SRC were held on the following dates:

- May 30, 2025
- August 13, 2025
- October 31, 2025
- February 13, 2026

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. J. K. Hemade (Chairperson)	ID	4	4
Mr. M. U. Takale	NED	4	3
*Mr. B.N. Kalyani	NED	0	0
^Mrs. M. R. Vartak	ID	0	0
Mr. S. K. Adivarekar	ID	4	1

ID - Independent Director; NED - Non-Executive Director

** Resigned from the post of Non-Executive, Non-Independent Director and Chairperson of the Company due to other business exigencies w.e.f close of business hours on May 29, 2025.*

^Appointed as an Additional, Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026

The Chairperson of the SRC briefs the Board at each Board Meeting about the significant discussions at the SRC Meetings.

Mr. J. K. Hemade, Chairperson of the SRC, was present at the e-AGM of the Company held on December 24, 2025.

Brief terms of reference:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The terms of reference is disclosed on the Company's website

https://bfutilities.com/pdf/Policies%20and%20Terms/Stakeholders%20Relationship%20Committee%20Terms%20of%20Reference.pdf

Status of Investor Complaints

The status of investor complaints as on March 31, 2026 as reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

Complaints as on April 1, 2025	0
Received during the year	5
Resolved during the year	5
Pending as on March 31, 2026	0

The complaints have been resolved to the satisfaction of the shareholders. The correspondence identified as investor complaints are letters received through statutory/regulatory bodies.

Name, designation and address of the Compliance Officer

Ms. Pragati S. Rai
Company Secretary & Compliance Officer
BF Utilities Limited
Mundhwa,
Pune - 411 036
Tel. No.: +91 77190 04777
Email: Secretarial@bfutilities.com

Details of Remuneration of Key Managerial Personnel other than Managing Director / Manager / Whole-time Directors for FY 2025-26

Amount in Million

Particulars of Remuneration	Mr. B. S. Mitkari (CEO& CFO)	Ms. P. S. Rai Company Secretary	Total Amount
Gross Salary:			
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	17.23	0.87	
Value of perquisites under Section 17(2) of the Income Tax Act, 1961	0.03		
Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-		19.03
Stock Option	-		
Sweat Equity	-		
1. Commission			
- As % profit			
- Others, specify ...	-		
Others, please specify			
(Company's contribution towards Provident Fund and Superannuation)	0.87	0.03	
Total	18.13	0.90	19.03

Chief Executive Officer

The Company pays remuneration by way of salary, allowances (variable pay) to its Chief Executive Officer. Annual increments are recommended by the NRC and are effective April 1 each year.

Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the Board Meetings.

Non-Executive Directors are eligible for a commission within the ceiling of 1% per annum of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and Committee Meetings. However, for F.Y. 2025-26, the Company has not proposed any Commission. The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the Meetings.

Details of sitting fees paid and commission payable to the Non-Executive Directors for FY ended March 31, 2026 is given below:

Amount in Rs.

Name of the Director	Sitting Fees, reimbursement etc. paid during FY 2025-26	Commission (for FY 2025-26 payable in FY 2026-27)
Mr. B. N. Kalyani	15,000	NIL
Mr. A. B. Kalyani	1,20,000	NIL
Ms. A. A. Sathe	30,000	NIL
Mr. S. K. Adivarekar	1,35,000	NIL
Mr. B. S. Mitkari	NA	NIL
Mr. J. K. Hemade	1,50,000	NIL
Mr. M. U. Takale	1,20,000	NIL
Total	**5,70,000**	NIL

As per the practice, commission to the Directors, if recommended is paid after the annual accounts are adopted by the Members at the AGM. The Company has not granted any stock options to its Directors.

Service Contract, Severance Fees and Notice Period

Terms of Agreement	Mr. B S Mitkari, CEO
Period of Contract	April 01, 2025 upto February 28, 2027
Severance fees/notice period	The Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party 90 days notice of such termination or the Company paying 90 days basic salary in lieu of notice. There is no separate provision for payment of severance fees.

Succession Plan

The Company has succession plans for the senior management. The Nomination and Remuneration Committee works on leadership succession plan.

Retirement Policy for Directors

The Directors retirement policy is in compliance with the prevailing rules and regulations.

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The CSR Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programmes. The scope of the CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programmes, formulation of annual action plan and monitoring the CSR spends

The Policy of the Company including the terms of reference is disclosed on the Company's website

https://www.bfutilities.com/pdf/Policies%20and%20Terms/Corporate%20Social%20Responsibility%20Policy.pdf

The CSR Report is attached to the Director's Report.

Meetings Held

During FY 2025-26, 1 (one) Meeting of the CSR Committee was held on October 31, 2025

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. J. K. Hemade (Chairperson)	ID	1	1
#Mr. B. N. Kalyani	NED	0	0
Mr. A. B. Kalyani	NED	1	0
*Mr. M. U. Takale	NED	1	1

ID - Independent Director; NED - Non-Executive Director

 # Resigned from the post of Non-Executive, Non-Independent Director and Chairperson of the Company due to other business exigencies w.e.f close of business hours on May 29, 2025.

**Appointed as a Non- Executive, Non-Independent Director of the Company w.e.f May 29, 2025.*

The Chairman of the CSR Committee briefs the Board at each Board Meeting about the significant discussions at the CSR Meetings.

Mr. J. K. Hemade, Chairperson of the CSR, was present at the e-AGM of the Company held on December 24, 2025.

5. Risk Management Committee

The Company had constituted a Risk Management Committee (RMC) on November 28, 2014.. The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls. Additionally, the Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The Policy of the Company including the terms of reference is disclosed on the Company's website

https://bfutilities.com/pdf/Policies%20and%20Terms/BFUL%20Risk%20Management%20Policy%202025.pdf

Meetings Held

During FY 2025-26, 2 (two) Meetings were held on

- September 08, 2025
- February 13, 2026

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. J. K. Hemade (Chairperson)	ID	2	2
Mr. A. B. Kalyani	NED	2	0
Mr. S. K. Adivarekar	ID	2	2
Mrs. Mugdha Vartak*	ID	0	0

ID - Independent Director; NED - Non-Executive Director

**Mrs. Mugdha Vartak was appointed as a Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026.*

The Chairman of the RMC briefs the Board at each Board Meeting about the significant discussions at the RMC Meetings.

6. Independent Directors Meeting

In terms of Section 149 of the Act and Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors was held, *inter alia,* to discuss:

a) Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;

b) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Non-Executive Directors; and

c) Evaluation of the quality, content and timeliness of flow on information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors were present at the Meeting.

Meetings Held

During FY 2025-26, 2 (two) Meetings were held on September 08, 2025 and February 13, 2026.

The necessary quorum was present for the Meeting of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. J. K. Hemade (Chairperson)	ID	2	2
Mr. S. K. Adivarekar	ID	2	2
*Ms. A. A. Sathe	ID	0	0
#Mrs. Mugdha Vartak	ID	0	0

ID - Independent Director

** Resigned from the position of Non-Executive, Independent Director of the Company w.e.f close of business hours on August 14, 2025*

 # Mrs. Mugdha Vartak was appointed as a Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026.

General Body Meetings

A) Annual General Meetings:

Annual General Meetings held and Special Resolution(s) passed:

Day, date, time and venue of AGMs held during the last 3 years and Special Resolutions passed are given as below:

Year	Day, Date and Time	Venue	Special Resolution(s)
2024-25	Wednesday, December 24, 2025 at 11:00 a.m	VC/OAVM Deemed Venue: Mundhwa, Pune Cantonment, Pune - 411 036	-
2023-24	Tuesday, December 24, 2024 at 11:00 a.m	VC/OAVM Deemed Venue: Mundhwa, Pune Cantonment, Pune - 411 036	-
2022-23	Wednesday, September 27, 2023 at 11:00 a.m	VC/OAVM Deemed Venue: Mundhwa, Pune Cantonment, Pune - 411 036	Re-appointment of Mr. B. N. Kalyani (DIN: 00089380) as Director of the Company

Resolutions moved at the last three AGMs were passed by the requisite majority of Members.

No Extraordinary General Meeting of the Members was held during FY 2025-26. However, following resolutions were passed via postal ballot in FY 2025-26 and post March 31, 2026:

B) Postal Ballot

Procedure for postal ballot:

Pursuant to the provisions of Listing Regulations, the approval of shareholders for appointment or re-appointment of a Director is required to be taken at the next General Meeting or within a time period of three months from the date of appointment, whichever is earlier. The Company carried out Postal Ballot as per the provisions of Section 110 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, and other applicable rules read with relevant Circulars issued by the Ministry of Corporate Affairs and Circulars issued by the SEBI and applicable provisions of Listing Regulations to obtain approval of its Members on June 05, 2025, August 02, 2025 and May 06, 2026.

In compliance with Regulation 44 of Listing Regulations and provisions of Section 108, Section 110 of the Act, read with Rule 20 and 22 of the Rules, the Company had offered e-Voting facility to all its Members to exercise their right to vote. For this purpose, the Company had availed the services of National Securities Depository Limited ("NSDL") for facilitating e-Voting. The Company had appointed Mr. Sridhar Mudaliar (Membership No. FCS 6156), and failing him Mrs. Sheetal Joshi (Membership No. FCS 10480), Partners of M/s. SVD & Associates, Company Secretaries, Pune as Scrutinizer for conducting the postal ballot process (which includes e-Voting) in fair and transparent manner.

1. The Board on the basis of recommendation of the Nomination and Remuneration Committee, proposed the re-appointment of Mr. B. S. Mitkari [DIN: 03632549] as a Whole-Time Director and Chief Executive Officer of the Company for a further period of 23 (Twenty-three) months with effect from April 1, 2025 upto February 28, 2027 (both inclusive), liable to retire by rotation.

   Since, the proposed appointment was with effect from April 01, 2025 and the upcoming Annual General Meeting was not scheduled, it was proposed to seek shareholders' approval by way of postal ballot in order to comply with the extant Listing Regulations.

   The Board of Directors in its meeting held on March 31, 2025 accorded their approval to conduct a Postal Ballot through electronic mode (i.e. through remote e-voting) for obtaining members' approval by:

   a) Special Resolution for re-appointment of Mr. B S. Mitkari (DIN: 03632549) as a Whole-Time director and Chief Executive Officer of the Company for a further period of 23 (Twenty-three) months with effect from April 1, 2025 upto February 28, 2027 (both inclusive), liable to retire by rotation.

   The results of the postal ballot was declared on June 06, 2025. Special Resolution was declared passed with requisite majority by the Shareholders for the postal ballot dated June 05, 2025. Voting particulars of the said special resolution are as under:

Particulars/Description of item No	**Re-appointment of Mr. B S. Mitkari as a WTD & CEO**	
Votes in favour of the resolution	Number of members voted	139
	Number of valid votes cast (shares)	2,17,56,107
Votes against the resolution	Number of members voted	8
	Number of valid votes cast (shares)	370
Invalid votes	Total number of members whose votes were declared invalid	0
	Total number of invalid votes cast (shares)	0
	Percentage of total number of valid votes cast	**99.99%**

2. The Board on the basis of recommendation of the Nomination and Remuneration Committee, proposed the appointment of Mr. M. U. Takale (DIN: 01291287) as an Additional Non-Executive, Non-Independent Director, liable to retire by rotation, with effect from May 29, 2025.

   Since, the proposed appointment was with effect from May 29, 2025 and the upcoming Annual General Meeting was not scheduled, it was proposed to seek shareholders' approval by way of postal ballot in order to comply with the extant Listing Regulations.

   In consideration of the above, the Board of Directors in its meeting held on May 29, 2025 accorded their approval to conduct a Postal Ballot through electronic mode (i.e. through remote e-voting) for obtaining members' approval by:

   a) Ordinary Resolution for appointment of Mr. M. U. Takale (DIN: 01291287) as an Additional Non-Executive, Non-Independent Director, liable to retire by rotation, with effect from May 29, 2025.

   The results of the postal ballots were declared on August 04, 2025. Ordinary Resolution was declared passed with requisite majority by the Shareholders for the postal ballot dated August 02, 2025.

Voting particulars of the said Ordinary resolution are as under:

Particulars/Description of item No	Appointment of Mr. M. U. Takale (DIN: 01291287) as an Additional Non-Executive, Non-Independent Director	
Votes in favour of the resolution	Number of members voted	174
	Number of valid votes cast (shares)	2,02,02,622
Votes against the resolution	Number of members voted	20
	Number of valid votes cast (shares)	1,18,719
Invalid votes	Total number of members whose votes were declared invalid	2
	Total number of invalid votes cast (shares)	10,532
	Percentage of total number of valid votes cast	**99.41%**

3. The Board on the basis of recommendation of the Nomination and Remuneration Committee, proposed the appointment of Mrs. M. R. Vartak [DIN: 11613408] as an Additional, Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026

   Since, the proposed appointment was with effect from March 17, 2026 and the upcoming Annual General Meeting was not scheduled, it was proposed to seek shareholders' approval by way of postal ballot in order to comply with the extant Listing Regulations.

   The Board of Directors in its meeting held on March 17, 2026 accorded their approval to conduct a Postal Ballot through electronic mode (i.e. through remote e-voting) for obtaining members' approval by:

   a) Special Resolution for appointment of Mrs. Mugdha Rajesh Vartak (DIN: 11613408) as a Non-Executive, Independent Director of the Company.

   The results of the postal ballot were declared on May 07, 2026. Special Resolution was declared passed with requisite majority by the Shareholders for the postal ballot dated May 06, 2026. Voting particulars of the said special resolution are as under:

Particulars/Description of item No	Appointment of Mrs. Mugdha Rajesh Vartak (DIN: 11613408) as a Non-Executive, Independent Director	
Votes in favour of the resolution	Number of members voted	137
	Number of valid votes cast (shares)	2,17,70,141
Votes against the resolution	Number of members voted	9
	Number of valid votes cast (shares)	587
Invalid votes	Total number of members whose votes were declared invalid	0
	Total number of invalid votes cast (shares)	0
	Percentage of total number of valid votes cast	**99.99%**

4. Further, Mr. Ajay Charuchandra Kirtane (DIN: 02711040) was appointed as an Additional, Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) consecutive years with effect from September 07, 2026 to September 06, 2031, in the Board meeting held on September 07, 2026, subject to approval of the Shareholders of the Company. The Company has initiated the procedure of Postal Ballot and results of the same shall be declared within two working days from October 17, 2026 being the date of closure of the postal ballot process.

Means of Communication

Stock Exchange Intimations

All submissions to the Stock Exchanges are made through the respective electronic filing systems. All unpublished price sensitive information, material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated to the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NEAPS and with BSE Limited ('BSE') through BSE Online Portal.

They are also displayed on the Company's website at

https://bfutilities.com/disclosure-under-regulation-46-of-sebi-(lodr)-regulations.html

Financial Results

The quarterly/half-yearly/annual financial results are published in the Financial Express (English) all India edition and Loksatta (Marathi), Pune edition. They are displayed under 'Investors' section of the Company's website viz. https://bfutilities.com/financial-results.html

They are also filed with the NSE through NEAPS and with BSE through BSE Online Portal.

Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of the SEBI Listing Regulations. The section on 'Investors' serves to inform the Members by giving complete financial details, annual reports, shareholding patterns, stock exchange intimations, Company policies, etc.

The proceedings of the 25th AGM held on December 24, 2025 are also available under the 'Investors' section.

Transfer of unpaid dividend to Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Companies Act, 2013 and rules thereof, any money transferred to the Unpaid Dividend Account of a company, which remains unpaid or unclaimed for a period of seven years, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

Since the Company has not declared any dividend in past, this clause is not applicable.

Transfer of equity shares to the Investor Education and Protection Fund (IEPF)

Pursuant to provisions of Section 124(6) of the Companies Act, 2013 and rules thereof as amended from time to time, all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred by the company in the name of Investor Education and Protection Fund (IEPF) along with a statement containing such details as may be prescribed.

Since the Company has not declared any dividend in past, this clause is not applicable.

Procedure for dealing with unclaimed shares

Pursuant to Regulation 39(4) of the Listing Regulations, the Company had in past sent reminder letters to those shareholders, whose share certificates have returned undelivered by the postal authorities due to insufficient / incorrect information and are lying with the Company. These share certificates will be sent to eligible shareholders, if these shareholders submit necessary documents to the Company.

Nominations in respect of shares held in physical form / electronic form

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be vested in the event of death of the registered shareholder(s). The prescribed nomination form i.e Form SH 13 can be obtained from the Company or the Registrar and Share Transfer Agent.

Nomination facility for shares held in electronic form is available with the depository participant as per the bye laws and business rules applicable to NSDL and CDSL.

Register Your National Electronic Clearing Services (NECS) Mandate

The Reserve Bank of India (RBI) has initiated NECS for credit of Dividend directly to the Bank Account of shareholders. Shareholders holding shares in electronic mode are requested to register their latest Bank Account details with their Depository Participant and in physical form with the Company's R & T Agent viz. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited).

KYC details:

According to the Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, the members holding shares in physical form, requested to furnish Self attested PAN card and bank and nomination details to the RTA of the Company.

General Shareholder Information

The Company is registered with the Registrar of Companies, Maharashtra, Pune. The Corporate Identity Number (CIN) allotted to the Company by the MCA is **L40108PN2000PLC015323**

Annual General Meeting and other details

Day, Date and Time	Saturday, November 28, 2026 at 03.00 p.m. (IST)
Venue	In accordance with the General Circular issued by the MCA on May 5, 2020 read with General Circulars dated April 8, 2020, General Circular No. 02/ 2022 and 03/2022 dated May 05, 2022, and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated September 22, 2025, the AGM will be held **through VC/OAVM only**
Financial Year	April 1, 2025 to March 31, 2026
Book Closure Date	Saturday, November 28, 2026 as annual closure for the purpose of AGM
Last date for receipt of Proxy Forms	In terms of the relaxations granted by MCA and SEBI, the facility for appointment of Proxies by Members will not be available at the ensuing e-AGM
Listing on Stock Exchanges	The Company's Ordinary Shares are listed on the following Stock Exchanges: 1. BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 2. The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 The Company has paid the listing fees to these Stock Exchanges for FY 2024-25 and FY 2025-26
International Securities Identification Number (ISIN) in NSDL and CDSL	INE243D01012 (Ordinary Shares)

Registrar and Transfer Agent

Members are requested to correspond with the Company's Registrar and Transfer Agent - MUFG Intime India Private Limited (Previously known as Link Intime India Private Limited), quoting their folio no./DP ID and Client ID at the following addresses:

For transmission, transposition and other correspondence:

MUFG Intime India Private Limited
(Previously Known as Link Intime India Private Limited)
Registrar & Transfer Agent
Block No.202, 2nd Floor, Akshay Complex,
Off Dhole Patil Road,
Pune 411 001.
Phone No.: 020-26161629
Email: Investor.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
Business Hours: 10.00 a.m. to 3.30 p.m. (Monday to Friday)

Share Transfer Process

Effective April 1, 2019, requests for effecting the transfer of listed securities were required to be processed only in dematerialised form with a Depository.

The Company had stopped accepting any fresh transfer requests for securities held in physical form with effect from the said date. In order to address the issue of transfer requests filed prior to April 1, 2019 but rejected due to deficiency in documents, etc., the Company accepted transfer requests up to March 31, 2021 in accordance with SEBI Circular dated September 7, 2020. After March 31, 2021, the Company has stopped accepting any transfer requests.

Dematerialisation of holdings will, *inter alia*, curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

Secretarial Audit

M/s. SVD & Associates, Practicing Company Secretaries (Peer review No. 6357/2025), have conducted a Secretarial Audit of the Company for FY 2025-26.

The observations of Secretarial Auditors are given in the Directors' Report along with Board's explanations to the same.

In accordance with the SEBI Circulars dated February 8, 2019, January 30, 2026 read with Regulation 24A of the SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from M/s. SVD & Associates, Practicing Company Secretaries.

Reconciliation of Share Capital Audit

Subhash Y. Joshi & Co., Chartered Accountant in practice has carried out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL & CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Certificate from Practicing Company Secretary

M/s. Paritosh Khandelwal & Associates, Practicing Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI/MCA or any such statutory authority. The said Certificate is annexed to this report as an **Annexure A**.

Distribution of Shareholding as on March 31, 2026

Range	Number of Shares	Amount	% to Capital	Number of Shareholders	% to total Shareholders
Up to 5,000	6961058	34805290.00	18.48	48793	99.41
5,001 to 10,000	1037191	5185955.00	2.75	141	0.29
10,001 to 20,000	997992	4989960.00	2.65	71	0.14
20,001 to 30,000	496458	2482290.00	1.32	21	0.04
30,001 to 40,000	377738	1888690.00	1.00	11	0.02
40,001 to 50,000	183056	915280.00	0.49	4	0.01
50,001 to 100,000	1095286	5476430.00	2.91	15	0.03
100,001 and above	26518849	132594245.00	70.40	29	0.06
Total	**37667628**	**188338140.00**	**100.00**	**49085**	**100.00**

Category of Shareholding as on March 31, 2026

	Category	No. of Shares	% of Shareholding
1.	Promoter and Promoter Group	2,13,66,765	56.72
2.	Mutual Funds / UTI	1,709	0.00
3.	Financial Institutions / Banks	3,139	0.01
4.	Bodies Corporate	40,10,869	10.65
5.	Foreign Portfolio Investors	5,89,282	1.56
6.	Clearing Members	1,71,249	0.45
7.	Non-Resident Indians	2,07,949	0.55
8.	General Public	1,13,16,666	30.04
	Total	**3,76,67,628**	**100.00**

Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for dematerialisation on both the depositories viz. NSDL and CDSL.

(% of total issued capital)

Shares held in	As on March 31, 2026	As on March 31, 2025
Physical form	0.98	1.18
Electronic form with NSDL	80.65	80.37
Electronic form with CDSL	18.37	18.45
Total	100	100

The Company's Ordinary Shares are regularly traded on BSE and NSE

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs or ADRs or warrants or any convertible instruments during the year under review.

Commodity price risk or foreign exchange risk and hedging activities

(i) Commodity Price Risk

The Company's operations do not involve commodity price risk.

(ii) Foreign exchange risk and hedging activities

The Company's operations do not involve Foreign exchange and hedging risk.

Address for Correspondence

BF Utilities Ltd.
Mundhwa, Pune Cantonment,
Pune - 411 036,
Tel. No.: +91 77190 04777
Email: Secretarial@bfutilities.com
Website: www.bfutilities.com

Plant locations: The Company's wind farms are located at Padekarwadi, Ghatewadi, Pawangaon, Maloshi and Kadve Khurd Dist- Satara, Maharashtra State

Credit Ratings obtained by the Company - Nil

Other Disclosures

Related Party Transactions

All related party transactions that were entered into during FY 2025-26 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at

http://www.bfutilities.com/pdf/Policies%20and%20Terms/BFUL_Related%20Party%20Transaction%20Policy%2028052026.pdf

i) The particulars of transactions between the Company and its related parties are in accordance with Ind AS 24 & set out in Note No.29 to the Accounts. These transactions are in the ordinary course and are not likely to have any conflict with the interest of the Company.

ii) There were no pecuniary relationships or transactions of the non-executive directors vis-š-vis the Company, other than payment of Board fees/commission and investments (if any) in shares / securities of the Company.

iii) There were no material transactions of the Company with its promoters, directors, management or their relatives that may have potential conflict with the interest of the Company at large.

Policy for determining material subsidiary

The Company have identified Nandi Infrastructure Corridor Enterprise Limited, Nandi Economic Corridor Enterprises Ltd. and Nandi Highway Developers Limited as its material Subsidiaries on Consolidated Accounts basis.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations''). The Policy, as approved by the Board, is uploaded on the Company's website at

https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20on%20Material%20Subsidiary.pdf

Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities except as disclosed in the Secretarial Compliance Report issued by SVD & Associates, Company Secretaries which is available on the Company's website at

http://www.bfutilities.com/secretarial-compliance-report.html

None of the Company's listed securities is suspended from trading.

Whistleblower Policy and Vigil Mechanism

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. No personnel of the Company has been denied access to the Chairperson of the Audit Committee.

The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower.

The Whistleblower Policy as adopted by the Company is available on the Company's website at

https://bfutilities.com/pdf/Policies%20and%20Terms/Whisle%20Blower%20Policy.pdf

Code of Conduct for Prevention of Insider Trading

The Company has adopted the Model Code of Conduct for Prevention of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Code'). The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company

Ms. Pragati S. Rai, Company Secretary, is the Compliance Officer for ensuring the compliance with and for the effective implementation of the SEBI PIT Regulations and the Code across the Company.

The Company has in place a digital platform for ensuring compliance with the provisions of the SEBI PIT Regulations and the Code of Conduct for Prevention of Insider Trading.

Other Policies under the SEBI Listing Regulations

Policy on Retention and Archival of Documents as required under Regulation 9 of the SEBI Listing Regulations is available on the website of the Company at

https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20for%20prevention%20of%20Records.pdf

Policy on Determination of Materiality of Events/ Information for Disclosures of Events or Information as per Regulation 30 of the SEBI Listing Regulations is available on the website of the Company at https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20for%20determination%20of%20materiality%20of%20events%20information_13112023.pdf

Policy on Dividend Distribution as required under SEBI Listing regulations is available at

https://bfutilities.com/pdf/Policies%20and%20Terms/Dividend%20Distribution%20Policy.pdf

Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable, save and except as disclosed and explained elsewhere in the Annual Report.

CEO/CFO Certification

The Chief Executive Officer and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the SEBI Listing Regulations pertaining to CEO/CFO certification for the year ended March 31, 2026. The certificate issued is attached herewith as Annexure B.

Disclosures with respect to demat suspense account/ unclaimed suspense account

1. Unclaimed Suspense Demat Account:

Particulars	No. of shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	0	0
No. of Shares Transferred to Unclaimed Suspense Demat Account during the Year	721	59762
number of shareholders who approached listed entity for transfer of shares from suspense account during the year	5	518
number of shareholders to whom shares were transferred from suspense account during the year	5	518
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	716	59244

2. Suspense Escrow Demat Account:

Particulars	No. of shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1	10
number of shareholders who approached listed entity for transfer of shares from suspense account during the year	0	0
number of shareholders to whom shares were transferred from suspense account during the year	0	0
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1	10

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.

The Company had complied all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations (relating to disclosure on the website of the Company) except as mentioned in the Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 appearing in **Annexure C** herein below.

Disclosure of certain types of agreements binding listed entities:

The Agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations were intimated to the Stock Exchanges and are available on the Company's website at the link:

https://www.bfutilities.com/pdf/ANNOUNCEMENTS%20UNDER%20REG%2030/Disclosure_Reg30A_BFUL_14082023.pdf

Details of utilisation of funds raised through preferential allotment or qualified institutional placement

The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.

Acceptance of recommendations of Committees by the Board of Directors

In terms of the SEBI Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

Fees paid to G. D. Apte & Co., Statutory Auditors and all entities in the network firm of the Statutory Auditors

During FY 2025-26, a total fee of Rs. 13.45 Lacs (incl. of taxes) was paid by the Company, for all services to G. D. Apte & Co., Statutory Auditors and all entities in the network firm/entity of which they are a part.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount given in Note no. 30 to consolidated financial statements.

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Sr. No	Name of Material Subsidiaries	Date of Incorporation	Place of Incorporation	Name of statutory auditor	Date of appointment of statutory auditor
1	Nandi Infrastructure Corridor Enterprise Limited	19/01/1996	Bangalore	M/s S. Panna Raj & Associates	30th September, 2022
2	Nandi Highway Developers Limited	19/01/1996	Bangalore	M/s B. Hiremath & Associates	23rd September, 2025
3	Nandi Economic Corridor Enterprises Ltd.	17/04/2000	Bangalore	M/s Walker Chandiok & Co LLP	7th September, 2022

Green Initiative

In order to enable us to further extend our support towards paperless compliance as a part of Green Initiative in the Corporate Governance, which was introduced by the Ministry of Corporate Affairs (MCA) in the year 2011, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

In respect of shares held in physical form, shareholders are requested to register their e-mail addresses with the Company / R & T Agent (with Depository Participants in case of shares held in dematerialized form).

Mandatory Requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance, except otherwise disclosed elsewhere in the Annual Report.

Reporting of Internal Auditor:

The Internal Auditor reports to the Audit Committee

Shareholder Rights:

The quarterly/half-yearly/financial performance of the Company are also available on the Company's website at https://bfutilities.com/financial-results.html

Modified opinion(s) in Audit Report:

During the year under review, the Statutory Auditors M/s. G. D. Apte & Co. issued a modified opinion in their Audit Report. The observations given in the Audit Report and Secretarial Audit Report are duly explained in the Director's Report.

As regards a qualified opinion on compliance of Corporate Governance requirements, with respect to appointment of women director and compliance with the board composition requirements of six directors as required under Regulation 17(1)(a)(b) and (c) of Listing Regulations during the period August 15, 2025 to March 16, 2026, the Company was in search of the suitable person for the said position and had complied with the said requirement, by appointing Mrs. M. R. Vartak as Independent Woman Director on March 17, 2026. Further, there has been no instance of penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital market, during the last three years, other than those mentioned below:

Financial Year	Regulation	Name of the authority	Amount (in Rs.)	Reason
2025-26	Regulation 33 of SEBI LODR	1. National Stock Exchange of India Limited 2. BSE Limited	Rs. 22,65,600 Rs. 22,65,600	Delay in filing the Consolidated financial results for the quarter and year ended March 31, 2025, quarter ended June 30, 2025, September 30, 2025 and December 31, 2025
	Regulation 17 of SEBI LODR	1. National Stock Exchange of India Limited 2. BSE Limited	Rs. 2,71,400/- Rs. 2,71,400/-	Delay in complying with the provisions of Regulation 17(1) of SEBI LODR for quarter ending December 31, 2025.
	Regulation 23 of SEBI LODR	SEBI	Rs.36,28,050/-	The listed entity had filed settlement application under Settlement Regulations on May 29, 2024. In respect of such Settlement Application No. 7873/2024, settlement amount was paid to SEBI by the listed entity on February 12, 2026, pursuant to which, an order was received from SEBI on February 23, 2026.
2024-25	Regulation 33 of SEBI LODR	1. National Stock Exchange of India Limited 2. BSE Limited	Rs. 21,12,200/- Rs. 21,12,200/-	Delay in filing the Consolidated financial results for the quarter and year ended March 31, 2024, June 30, 2024, September 30, 2024 and December 31, 2024
2023-24	Regulation 33 of SEBI LODR	1. National Stock Exchange of India Limited 2. BSE Limited	Rs. 1,29,800/- Rs. 1,29,800/-	Delay in filing the Consolidated financial results for the quarter and year ended March 31, 2023

For BF Utilities Limited

B. S. Mitkari
Whole time Director
CEO & CFO
DIN: 03632549

A. B. Kalyani
Director
DIN: 00089430

Place: Pune
Date: September 30, 2026

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the members of BF Utilities Limited

I, B. S. Mitkari, Whole-time Director of BF Utilities Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI Listing Regulations for the year ended March 31, 2026.

For BF Utilities Limited

B. S. Mitkari
Whole time Director, CEO & CFO
(DIN : 03632549)

Place: Pune
Date: September 30, 2026

ANNEXURE A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of
BF Utilities Limited
Mundhwa,
Pune Cantonment,
Pune - 411 036

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BF Utilities Limited having CIN L40108PN2000PLC015323 and having registered office at Mundhwa, Pune Cantonment, Pune - 411036 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	*Mr. Amit Babasaheb Kalyani	00089430	01/08/2005
2.	^Mr. Bhalchandra Shankar Mitkari	03632549	01/04/2019
3.	Mr. Jayant Kumodchandra Hemade	10331350	29/11/2023
4.	Mr. Madan Umakant Takale	01291287	29/05/2025
5.	#Mr. Shrikrishna Kiran Adivarekar	06928271	30/05/2018
6.	Mrs. Mugdha Rajesh Vartak	11613408	17/03/2026

**Mr. Amit Babasaheb Kalyani, Non - Executive, Non-Independent Director was designated as Chairperson of the Company with effect from May 30, 2025.*

^Mr. Bhalchandra Shankar Mitkari was reappointed for the 2nd term as Whole Time Director of the company in the Board Meeting held on 31st March, 2025 for the period beginning from 1st April, 2025 till 28th February, 2027.

@Mr. Babasaheb Neelkanth Kalyani resigned as Non - Executive, Non-Independent Director and Chairperson of the Company from the close of business hours on May 29, 2025 and Ms. Aarti Arun Sathe resigned as the Independent Director of the Company, with effect from the close of business hours on August 14, 2025.

#Mr. Shrikrishna Kiran Adivarekar resigned from the position of director of the company with effect from 30th May, 2026 which is after the end of financial year 2025-26.

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

For Paritosh Khandelwal & Associates
Company Secretaries
(ICSI Unique Code No.: S2023MH914100)
Peer Review UIN: S2023MH913800
Peer Review Certificate No.: 7176/2025

CS Paritosh Khandelwal
Proprietor
Membership No.: 66858
C.P: 26530
UDIN: A066858H001678006

Place: Pune
Date: 30/09/2026

ANNEXURE B

TO THE BOARD OF DIRECTORS OF BF UTILITIES LIMITED
CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER OF THE COMPANY

(under Regulation 17 read with Part B of Schedule II of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

We, the undersigned, in our respective capacities as, Chief Executive Officer and Chief Financial Officer of BF Utilities Limited, ("the Company") to the best of our knowledge and belief certify that:

a) We have reviewed the financial statements and the cash flow statements of BF Utilities Ltd. for the year 2025-26 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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

b) There are, to the best of our knowledge and belief, no transactions entered into by BF Utilities Ltd. during the year 2025-26 which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting of BF Utilities Ltd. and that we have evaluated the effectiveness of the internal control systems of BF Utilities Ltd. pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee, with respect to BF Utilities Ltd.:

   i) significant changes in internal control over financial reporting during the year;

   ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and

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

B. S. MITKARI
Wholetime Director &
CEO & CFO
DIN: 03632549

Pune
September 30, 2026

ANNEXURE C

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members
BF Utilities Limited

We have examined the compliance of conditions of Corporate Governance by BF Utilities Limited ('the Company'), for the year ended March 31, 2026, as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

Management's Responsibility

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

Qualified Opinion

Based on our examination as above and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2026 except:

The compliance of Regulation 17(1)(a) (b) and(c) of Listing Regulations w.r.t appointment of at least one women director, minimum number of Independent Directors requirement and inadequate Board composition of six directors respectively, during the period from August 15, 2025 to March 16, 2026 consequent upon the resignation of a Woman Independent Director from the Board. However, it is noted that the Company has since rectified the said non-compliance with effect from March 17, 2026, upon the appointment of a suitable Woman Independent Director.

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

Restriction on Use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirements of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100 515W
UDIN: 26121007ZJRKYF1062

Anagha M Nanivadekar
Partner
Membership Number: 121 007

Pune, September 30, 2026

DIRECTORS' REPORT

FOR THE YEAR ENDED 31st March, 2026

To,

The Members,

Your Directors have pleasure in presenting their Twenty Sixth Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended March 31, 2026.

1. FINANCIAL PERFORMANCE

(Rs. in Million)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2026	Year ended March 31, 2025	**Year ended March 31, 2026**	Year ended March 31, 2025
Total Income	**333.44**	416.82	**9,924.77**	8,616.96
Total Expenditure	**267.17**	201.78	**4,952.24**	4,008.50
Profit / (Loss)for the year before taxation	**66.27**	215.03	**4,972.53**	4,608.47
Provision for tax (including Deferred Tax)	**35.02**	55.20	**1,571.29**	1,230.00
Profit / (Loss) for the year after taxation	**22.35**	159.86	**3,401.24**	3,378.47
Items of other comprehensive income (net of Tax)	**0.58**	0.16	**(3.95)**	(7.49)
Total	**22.93**	160.02	**3,397.29**	3,370.97
Balance of profit / (Loss) from previous year	**1,454.57**	1,294.55	**9,369.78**	6,141.71
Adjustments in other equity	**-**	-	**125.65**	(142.92)
Balance available for appropriation	**1,477.50**	1,454.57	**12,892.72**	9,369.78
Appropriations	**-**	-	**-**	-
Surplus retained in statement of profit and loss	**1,477.50**	1,454.57	**12,892.72**	9,369.78

2. SHARE CAPITAL

The paid-up Equity Share Capital as on March 31, 2026 stood at Rs.188.34 Million. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2026, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

3. DIVIDEND & RESERVES

Your Directors do not recommend any dividend on the equity shares for the year ended March 31, 2026. Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

4. MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry structure and developments and outlook:

International Scenario:

In FY 2025-26, Globally, the industry reached massive milestones. Total capacity exceeded 1,346 GW with 169 GW of new installations in 2025 alone - a 35% increase from the previous year. The global wind sector generated close to 3,000 TWh, accounting for over 11% of worldwide electricity demand. Europe added 19.1 GW of new wind capacity, bringing their total to 304 GW. China dominated this expansion, installing 130 GW, while India stood out as the second-largest market for new wind capacity globally.

Domestic Scenario:

India achieved its highest-ever annual wind capacity addition of 6.05 GW, marking a 46% increase over FY 2024-25. With this surge, cumulative installed capacity crossed 56 GW, positioning India as the 4th largest wind market globally.

b. Opportunities/Threats/Risks/Concerns in the Wind Energy Sector

- Supply Chain Constraints: Global supply chain disruptions have impacted the availability and cost of wind turbine components, especially from dominant producers like China.
- Permitting and Regulatory Hurdles: Slow and complex permitting processes delay project deployments, significantly hindering growth in the wind sector.
- Technological Limitations: Existing wind turbine technologies face limitations in efficiency, especially in lower wind speed regions.
- Market and Financial Challenges: The wind sector often experiences financial instability due to fluctuating policy support, market volatility, and competitive pricing pressures.
- Interconnection and Grid Integration Issues: Integrating large-scale wind power into the existing grid poses technical challenges due to the variability and location-specific nature of wind energy.
- Although the wind energy sector faces challenges, it also presents significant opportunities for growth and contributes substantially to the global transition towards a more sustainable energy future.

c. Company's Performance:

21 Million units were generated in FY 2025-26 which is 0.09% more than last financial year.

The Company ensures maximum capacity utilization by reducing machine downtimes. Preventive and regular maintenance of turbines is done to ensure machine availability. The Company is putting maximum efforts to reduce operating costs.

d. Segment-wise or product-wise performance: It is given in the Segment Report section of Annual accounts.

e. Key Financial Ratios

Details of changes in key financial ratios including significant changes i.e. change of 25% or more as compared to the immediately previous financial year along with detailed explanations:

Particulars	FY 2025-26	FY 2024-25	Explanation for significant change
Debtors Turnover	NA	NA	NA
Inventory Turnover	NA	NA	NA
Interest Coverage Ratio	NA	NA	NA
Current Ratio	3.38%	1.65%	NA
Debt Equity Ratio	-	0.06%	NA
Operating Profit Margin (%)	20.57%	13.59%	NA
Net profit Margin (%)	6.70 %	8.35%	NA

Details of any change in Return on Net Worth as compared to the immediately previous financial year:

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Return on Net Worth (%)	1.34%	9.73%	28.15%	35.35%

Return on net worth is computed as net profit by average net worth. The details for change, if any, in return on net worth are explained in relevant sections above.

5. COMPANY PERFORMANCE

During the Financial Year under review, on a standalone basis, your Company earned total income of Rs. 333.43 Mln. (previous year's Rs. 416.82 Mln.). The net profit / (Loss) after tax is Rs 22.35 Mln. (previous year's Rs. 159.83 Mln).

During the Financial Year under review, on a consolidated basis, your Company earned total income of Rs. 9,924.77 Mln. (previous year's Rs. 8,616.96 Mln.). The net profit / (Loss) after tax is Rs. 3,401.24 Mlns. (previous year's Rs. 3,378.47 Mlns).

6. BUSINESS OVERVIEW AND OPERATIONS OF THE COMPANY

The working conditions for wind mill continue to be difficult. Despite such problems, the Company was able to generate Rs. 21.13 Million (Net) Units of power. The Company is making all efforts to maximize power generation and reduce costs.

7. FINANCE AND CREDIT RATING

During the year under review, the liquidity and cash positions were comfortable and were monitored with reinforced focus and utmost importance was given to ensure the safety and liquidity of surplus cash. Your Company has not done any Credit Rating.

8. HUMAN RESOURCES

As on March 31, 2026, the Company has 7 employees. The relations with Company's employees are cordial.

9. CONCERNS AND THREATS

- The Company operates in a highly regulated environment. Any change in Government Policies will adversely affect the operations of the Company.
- The Company depends on the service provider for operations and maintenance of Wind Turbines. Certain litigations against the earlier service providers are pending before the judicial / quasi-judicial authorities. Unfavorable outcome of these litigations will adversely affect our operations.
- The Company has only one customer for sale of power.

10. PROSPECTS FOR THE CURRENT YEAR

The Company is taking all efforts to improve wind power generation, reduce cost and improve realization.

11. BUSINESS RESPONSIBILITY AND SUSTANABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report initiatives taken from an environmental, social and governance perspective in the prescribed format. The same is also available on the Company's website at https://www.bfutilities.com/annual-report.html

12. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency and accuracy in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. The internal audit is conducted by a Chartered Accountant in practice. The Audit Committee of the Board reviews the Internal Audit process and the adequacy and effectiveness of internal audit and controls periodically.

13. SAFETY, HEALTH AND ENVIRONMENT

The Company ensures safety of all its employees working at different places. Necessary safety gadgets are provided to the employees requiring the same.

14. CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

15. SUBSIDIARY COMPANIES, JOINT VENTURES & ASSOCIATES

The Company has four subsidiary companies as on March 31, 2026. The Company does not have any Joint Venture or Associate as on March 31, 2026.

There has been no material change in the business of subsidiaries except as disclosed elsewhere in the Annual Report and accounts of Subsidiaries.

The Company's Policy on determining material subsidiaries, as approved by the Board, is uploaded on the Company's website at

https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20on%20Material%20Subsidiary.pdf

According to this policy, there are three material subsidiaries of the Company viz. Nandi Infrastructure Corridor Enterprise Limited, Nandi Economic Corridor Enterprises Ltd and Nandi Highway Developers Limited.

A report on the financial position of each of the Subsidiaries as per the Act is provided in **Form No. AOC-1** attached hereto as "**Annexure III**" and also given in the Financial Statements.

16. PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

In terms of Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at secretarial@bfulilities.com.

The information required pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, has been provided in **Annexure 'IV'**

17. NUMBER OF MEETINGS OF THE BOARD

During the year under review, 10 (ten) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report which forms a part of this Integrated Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134 (3) and (5) of the Companies Act, 2013, in respect of Directors' Responsibility Statement, your Directors' to the best of their knowledge and ability state that:

a) in the preparation of the Annual Financial Statements for the year ended 31st March 2026, the applicable accounting standards have been followed along with the proper explanation relating to material departures;

b) accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Annual Financial Statements have been prepared on a going concern basis;

e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

f) proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

19. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Rule (6) of The Companies (Appointment and Qualifications) Rules, 2014 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also confirmed that they have complied with the Code of Independent Directors prescribed in Schedule IV of The Companies Act, 2013.

The Company has laid down a Code for the Board of Directors and Senior Management of the Company. The said Code is available on the website of the Company viz. https://bfutilities.com/code-of-conduct.html

All the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct.

20. COMPANY'S POLICY ON DIRECTORS' AND KMP'S APPOINTMENT AND REMUNERATION

Director's appointment and remuneration is done as per the policy for selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) and their remuneration. The Nomination & Remuneration Policy is available on Company's website: https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination_Renumeration_Policy.pdf

21. ACCOUNTS AND AUDIT

a. Statutory Auditors and Audit Report

The members of the Company appointed M/s. G. D. Apte & Co. Chartered Accountant (Firm Registration No.100515W), as the Statutory Auditors of the Company at the 21st AGM to hold such office for a period of 5 (Five) years i.e. upto the conclusion of the 26th AGM. The Audit report of M/s. G. D. Apte & Co. on the Financial Statements of the Company for the Financial Year 2025-26 is a part of the Annual Report.

Further, the Audit Committee and Board of Directors in their meetings held on September 30, 2026 have recommended the appointment of Kirtane & Pandit LLP ,Chartered Accountant Firm Registration No. 105215W/W100057), as the Statutory Auditors of the Company for conducting the Statutory Audit of the Company for a term of 5 (five) consecutive years effective from FY 2026-27 to FY 2030-31 i.e. from conclusion of the ensuing 26th AGM till conclusion of the 31st AGM of the Company, at a remuneration to be decided by the Board of Directors from time to time, to the members for their approval.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI Listing Regulations, M/s. SVD & Associates, Company Secretaries, Pune (Firm Unique Code P2013MH031900 and Peer Review No.6357/2025) were appointed as Secretarial auditors of the Company for a term of 5 (five) consecutive years commencing from FY 2025-26 to FY2029-30, subject to approval of members at the ensuing AGM.

The Secretarial Auditors have confirmed that they are not disqualified to continue as Auditors and are eligible to hold office as Auditors of your Company for FY 2026-27.

The Report of the Secretarial Audit is annexed herewith as **Annexure 'V'** to this Report. The Secretarial Audit Reports of material subsidiaries viz. Nandi Infrastructure Corridor Enterprise Limited, Nandi Economic Corridor Enterprises Ltd. and Nandi Highway Developers Limited are enclosed in **Annexure 'VI'**

c. Cost Auditor

The maintenance of Cost records and Cost Audit as prescribed under the provisions of Section 148(1) of the Act are not applicable to the Company.

d. Consolidated Accounts

The Consolidated Accounts for the year ended 31st March, 2026 are enclosed. Further, a statement containing the salient features of the financial statements of subsidiaries in the prescribed Form AOC-1 is appended as Annexure to Note No. 38 which forms part of this Report.

The Company will make the said financial statements and related detailed information available upon the request by any Member of the Company. These financial statements will also be kept open for inspection at the Registered Office of the Company. Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and the financial statements of subsidiaries are available on the website of the Company at https://bfutilities.com/financial-results.html & https://bfutilities.com/annual-report.html

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations''). The Policy, as approved by the Board, is uploaded on the Company's website at https://bfutilities.com/pdf/Policies%20and%20Terms/Policy%20on%20Material%20Subsidiary.pdf

e. Reporting of Fraud by auditors

During the year under review, the Statutory Auditors and Secretarial Auditors of the Company have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act.

22. EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDITORS' REPORTS

a) M/s. G. D. Apte & Co., Statutory Auditors have given qualified and adverse opinion in their Standalone and Consolidated Audit Reports respectively. The Statutory Auditors' opinions and Board's explanation to the opinion thereto are summarized as under:

Statutory Auditors' adverse opinion on Financial Statements	Boards' explanation
A) Financial Audit - Standalone Financial Statements Basis of qualified opinion i. As described in the accompanying Standalone financial statements, One of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Ltd., (NECE), a step down subsidiary of the Company and the transferee Soinfra Enterprises Private Limited ('Claimants") have filed a notice of arbitration before the	One of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Ltd., (NECE), a step-down subsidiary of the Company and the transferee Soinfra Enterprises Private Limited ("Claimants") have filed a notice of arbitration before the Singapore International Arbitration Centre ("SIAC"), based on Clause 24.2 (Arbitration Clause) of the SHA against Sponsors and Promoters (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of arbitration on 27th March 2025. In this notice of

Statutory Auditors' adverse opinion on Consolidated Financial Statements	Boards' explanation
Singapore International Arbitration Centre ('SIAC"), based on Clause 24.2 (Arbitration Clause) of the SHA against Sponsors and Promoters (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of arbitration on 27th March 2025. In this notice of arbitration, the Company has been named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter, and the Claimants have submitted their statement of claim on 26th September 2025 claiming 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 for an amount equal to investment of Rs. 500 Crore along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of INR 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest @ 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on several counts and that they have strong defenses and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence to the statement of claim on 24th December 2025.In our view, the impact of above claims on the Company if awarded by arbitral tribunal could be material and pervasive. Since the matter is disputed, it cannot be ascertained whether any provision for the aforesaid claim is required to be recognized in the Standalone Financial Statements for the year ended March 31, 2026.	arbitration, the Company has been named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter, and the Claimants have submitted their statement of claim on 26th September 2025 claiming 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 for an amount equal to investment of Rs. 500 Crore along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of INR 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest @ 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on several counts and that they have strong defences and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence to the statement of claim on 24 December, 2025.
ii. The toll operations of one of the Material Subsidiaries viz. Nandi Highway Developers Limited (NHDL) have been successfully concluded w.e.f. September 07, 2024, due to end of term of Concession agreement dated February 05, 1998 and Supplementary agreement dated June 21, 2024 between NHDL, Government of India	The toll operations of one of our Material Subsidiaries viz. Nandi Highway Developers Limited (NHDL) have successfully concluded w.e.f. September 07, 2024, due to end of term of Concession agreement dated February 05, 1998 and Supplementary agreement dated June 21, 2024 between NHDL, Government of India and Government of Karnataka. Considering the positive net-

Statutory Auditors' adverse opinion on Consolidated Financial Statements	Boards' explanation
and Government of Karnataka. Considering the positive net worth of NHDL, the management of NHDL is of the view that the assets in the said subsidiary be considered good. However, since there is no operating revenue in NHDL after completion of tenure of Toll Operations, we are unable to ascertain whether any provision for impairment as per 'IND AS 36 Impairment of Assets' is required to be recognised in the Standalone Financial Results in respect of Company's investments in equity shares of NHDL amounting to Rs. 26.07 crores.	worth of NHDL, the investment in NHDL is considered as good, not warranting any provisioning or impairment in the Company's books.
iii. The interest free advance of Rs. 37 Crores given by the Company to its step-down subsidiary viz. Nandi Economic Corridor Enterprises Ltd (NECE), for acquisition of land parcels is outstanding for more than fourteen years. In view of substantial delay in identification and allotment of the land parcels, we are unable to ascertain the nature and present status of utilisation of the advance by NECE. Further, the Company has not recognised provision for impairment in its financial statements in accordance with Ind AS 36, 'Impairment of Assets.'	The Company has given advance of Rs. 3,700 Lakhs to NECE, a step-down subsidiary, towards acquisition of land parcels, which NECE Confirms on quarterly basis during the Audit / Limited Review of Financial Statements / Results. The Company is of the opinion that the advance is good and recoverable and needs no provision for impairment.
B) Consolidated Financial Statements	
Basis of adverse opinions	
1. As described in the note 39 to the accompanying consolidated financial statements, the Step-down subsidiary viz. Nandi Economic Corridor Enterprises Limited (NECE), had recorded equity of INR 3,113.00 million in earlier years which includes securities premium of INR 2,772.54 million against original subscription amount of INR 4,999.85 million paid by AIRRO (Mauritius) Holdings V ('the Investor/ AIRRO"). NECE has continued to classify all equity shares, including such subscription, as equity instruments basis re-evaluation performed by the Management of NECE during financial year 2023-24. However, in our opinion and based on the adverse opinion on the standalone financial statements of NECE for financial year 2025-26 expressed by their statutory auditors, basis the buyback option contained in the Shareholders Agreement, the buyback obligation should have been classified and measured as liability in accordance with the principles enunciated under the Indian Accounting Standard (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rule, 2015. Had the buy-back obligation been classified as liability and measured according to applicable accounting standards, there would have been a material and pervasive impact on total equity and non-current liabilities as at April 1, 2024, March 31, 2025 and March 31, 2026 and profit for the years ended March 31, 2025 and March 31, 2026 along with consequential effects thereof on the Standalone Financial Statements of NECE and on the accompanying Consolidated Financial Statements, which we are unable to	During the year ended 31 March 2011, NECE had issued Compulsory Convertible Preference Shares ("CCPS") to one of the shareholders (i.e. the Investor) amounting to Rs. 49,998.53 lakhs. These CCPS were recorded as a financial liability on First-time Adoption of Indian Accounting Standards i.e. the Ind AS (i.e. Ind AS 101) transition date being 1 April 2016 at Rs. 31,130.00 lakhs with the difference of Rs. 18,868.53 lakhs recorded as adjustment to retained earnings of NECE. These CCPS were later converted into 3,40,45,692 (Three Crore, forty lakh, forty five thousand six hundred ninety two) equity shares during the year ended 31 March 2017 and consequently, Rs. 3,404.57 lakhs were recorded as equity share capital and Rs. 27,725.43 lakhs were recorded as securities premium by NECE. During the FY 23-24, the management of NECE had re-evaluated the provisions of the shareholders' agreement dated 24th December, 2010 between NECE, the Promoters, the Sponsors and the Investor ("SHA"). Under the SHA, the Investor has several Exit Options, with Buy Back being one such option. NECE, in FY 2023-24 concluded that with respect to the buy-back option under the SHA, NECE had not recognized any financial liability as the Investor had not exercised the Buy Back option which could trigger only upon issuance of a valid Buy Back notice containing a clear intention to exercise the buy- back along with prescribed details including, amongst other things, the number of securities offered for Buy-Back following the due procedure outlined under the SHA and applicable laws. Therefore, the management of NECE continues to believe that none of the equity shares issued by NECE needed to be classified as a financial liability. Between June 2024- August 2024, the Investor notified the sale of its shareholding of 3,40,00,000 equity shares, to Soinfra

Statutory Auditors' adverse opinion on Consolidated Financial Statements	Boards' explanation
quantify due to absence of valuation of aforesaid financial liability as at the respective reporting period ends.	Enterprises Private Limited.
2. As stated in Note 40 to the accompanying consolidated financial statements, one of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Limited (NECE), a step-down subsidiary of the Company and Soinfra Enterprise Private Limited ('Claimants") have filed a notice of arbitration before Singapore International Arbitration Centre ('SIAC"), based on Clause 24.2 (Arbitration Clause) of the Shareholders Agreement (SHA) against Sponsors and Promotors (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of Arbitration on March 27, 2025. In this notice of arbitration, the Company has named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter and the Claimants have submitted their statement of claim on September 26, 2025, claiming 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 for an amount equal to investment of Rs. 500 Crores along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of Rs 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest at the rate of 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on several counts and that they have strong defences and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence (SOD) to the statement of claim on 24th December 2025. Discovery and document production took place between 21st January 2026 and 8th April 2026. The Claimants filed their reply to the SOD on 13th May 2026	One of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Ltd., (NECE), a step-down subsidiary of the Company and the transferee Soinfra Enterprises Private Limited ("Claimants") have filed a notice of arbitration before the Singapore International Arbitration Centre ("SIAC"), based on Clause 24.2 (Arbitration Clause) of the SHA against Sponsors and Promoters (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of arbitration on 27th March 2025. In this notice of arbitration, the Company has been named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter, and the Claimants have submitted their statement of claim on 26th September 2025 claiming 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 for an amount equal to investment of Rs. 500 Crore along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of INR 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest @ 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on several counts and that they have strong defences and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence (SoD) to the statement of claim on 24 December, 2025. Discovery and document production took place between 21st January 2026 and 8th April 2026. The Claimants filed their reply to the SOD on 13th May 2026 and in response thereto, Company and other respondents filed their rejoinder in the matter on 17th July, 2026. The matter continues to proceed before the Tribunal in accordance with its procedural directions.

Statutory Auditors' adverse opinion on Consolidated Financial Statements	Boards' explanation
and in response thereto, Company and other respondents filed their rejoinder in the matter on 17th July, 2026. The matter continues to proceed before the Tribunal in accordance with its procedural directions.In our opinion, the impact of above claims on the Group if awarded by arbitral tribunal could be material and pervasive. Since the matter is disputed, it cannot be ascertained whether any provision for the aforesaid claim is required to be recognized in the consolidated financial statements for the year ended March 31, 2026.	
3. As stated in note 42 to the accompanying consolidated financial statements, the interest free advance of Rs. 370 million given by the Holding Company to its step-down subsidiary viz. Nandi Economic Corridor Enterprises Ltd (NECE), for acquisition of land parcels is outstanding for more than fifteen years. The aforesaid advance in the books of Holding Company and the liability in the books of NECE is eliminated in the consolidated financial statements. However, in view of substantial delay in identification and allotment of the land parcels, we are unable to ascertain the nature and present status of utilisation of the advance by NECE and the consequential impact on the consolidated financial statements.	The Company has given Rs 3,700 Lakhs to NECE, a step-down subsidiary, as Advance towards acquisition of land parcels, which NECE Confirms on quarterly basis during the Audit / Limited Review of Financial Statements / Results. The Company is of the opinion that the advance is good and recoverable. The aforesaid advance is eliminated in the group financial results.
4. As stated in note 41 to the accompanying consolidated financial statements, the toll operations of one of the Material Subsidiaries viz. Nandi Highway Developers Limited (NHDL) have been successfully concluded w.e.f. September 07, 2024, due to end of term of Concession agreement dated February 05, 1998, and Supplementary agreement dated June 21, 2024, between NHDL, Government of India and Government of Karnataka. Considering the positive net worth of NHDL, the management of NHDL is of the view that the assets in the said subsidiary be considered good. However, considering the non-renewal of the toll contract and no alternative business plans by the management, there is a material uncertainty that may cast a significant doubt on the ability of NHDL to continue as a going concern and therefore NHDL may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact. Despite significant uncertainty as described above, these financial statements have been prepared on going concern basis of accounting. We are unable to ascertain whether any provision for impairment and expected credit losses is required to be recognized in the consolidated financial statements as per 'IND As 36 Impairment of Assets' and 'IND As 109 Financial Instruments'.	The toll operations of one of the Material Subsidiaries viz. Nandi Highway Developers Limited (NHDL) have been successfully concluded w.e.f. September 07, 2024, due to end of term of Concession agreement dated February 05, 1998 and Supplementary agreement dated June 21, 2024 between NHDL, Government of India and Government of Karnataka. Considering the positive net worth of NHDL the management of NHDL is of the view that the assets in the said subsidiary be considered as good, not warranting any provisioning or impairment in the Company's books. The management of NHDL is also of the view that NHDL's Financial Statements be prepared on going concern basis of accounting.
5. We were unable to obtain sufficient appropriate audit evidence regarding the audit procedures performed by the auditors of three subsidiaries	The audited financial statements of the above subsidiaries are available on record. The management has requested the component auditors to respond to the

Statutory Auditors' adverse opinion on Consolidated Financial Statements	Boards' explanation
viz. Nandi Highway Developers Limited (NHDL), Nandi Infrastructure Corridor Enterprise Limited (NICE) and Nandi Economic Corridor Enterprises Limited (NECE) in accordance with SA 600, 'Using the Work of Another Auditor' issued by ICAI, whose financial statements reflect total assets of Rs. 28,237 million as at March 31, 2026, total revenues of Rs. 9,710 million, profit after tax of Rs. 3,484 million, total comprehensive income of Rs. 3,480 million for year ended March 31, 2026, and cash inflows of Rs. 169 million for the year ended March 31, 2026, included in the consolidated financial statements, as the other auditors have not responded to certain group audit communication requirements. Further, we were unable to carry out alternate audit procedures and accordingly, we were unable to determine whether any adjustments might have been necessary to the financial statements of the said subsidiaries and consequently, to the consolidated financial statements.	group audit communication requirements promptly.

b) M/s. SVD & Associates, Practicing Company Secretary, in their Secretarial Audit Report have made certain qualifications. The auditor's qualifications and Board's explanation thereto are summarized as under:

Secretarial Auditors' Qualifications	Boards' explanation
1. There has been delay in submission of consolidated financial results under Regulation 33 of the SEBI LODR for the quarter and year ended March 31, 2025, quarter ended June 30, 2025, September 30, 2025 and December 31, 2025. Consequently, the Company received notices from the Recognized Stock Exchanges i.e BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) levying fine of INR 11,74,100/- (inclusive of GST) each, which listed entity has paid to BSE and NSE in full. Additionally, the listed entity has paid a fine of INR. 22,65,600/- (inclusive of GST) each to BSE and NSE by voluntarily calculating the fine amount for period of delay upto February 28, 2026 to avoid any further action, as per Standard Operating Procedure mentioned under SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/015 dated November 11, 2024 and HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 (Master Circular) as applicable during the relevant review period. Further, consolidated financial statements for quarter and year ended March 31, 2026 which was due to be filed after closure of Financial Year, were not filed within due date.	The delay in compliance with Regulation 33 of SEBI LODR was caused due to delay in submission of audited/ unaudited, yearly/ quarterly financial results to the listed entity by its subsidiaries i.e Nandi Infrastructure Corridor Enterprises Ltd., Nandi Economic Corridor Enterprises Ltd. and Nandi Highway Developers Limited. On receipt of the results of subsidiaries, the listed entity had subsequently filed the consolidated results for quarter ended March 31, 2025, June 30, 2025, September 30, 2025 and December 31, 2025 on October 31, 2025, December 16, 2025, February 23, 2026 and February 28, 2026 respectively.
2. The Demat account of the Promoter/ Director of the listed entity was suspended for debits from April 08, 2025 to April 16, 2025 and July 25, 2025 up to March 17, 2026 by the concerned depository on direction of the recognized Stock Exchanges due to non-compliances under Regulation 33 of SEBI (LODR), 2015.	The delay in compliance with Regulation 33 of SEBI LODR was caused due to delay in submission of audited/ unaudited, yearly/ quarterly financial results to the listed entity by its subsidiaries i.e Nandi Infrastructure Corridor Enterprises Ltd., Nandi Economic Corridor Enterprises Ltd. and Nandi Highway Developers Limited. On receipt of the results of subsidiaries, the listed entity had subsequently filed the consolidated results for quarter ended March 31, 2025, June 30, 2025, September 30, 2025 and December 31, 2025 on October 31, 2025, December 16, 2025, February 23, 2026 and February 28, 2026 respectively.

Secretarial Auditors' Qualifications	Boards' explanation
3. The scrip of the listed entity was shifted to "Z" category by BSE and NSE for the period commenced on October 27, 2025 till April 21, 2026.	The delay in compliance with Regulation 33 of SEBI LODR was caused due to delay in submission of audited/ unaudited, yearly/ quarterly financial results to the listed entity by its subsidiaries i.e Nandi Infrastructure Corridor Enterprises Ltd., Nandi Economic Corridor Enterprises Ltd. and Nandi Highway Developers Limited. On receipt of the results of subsidiaries, the listed entity had subsequently filed the consolidated results for quarter ended March 31, 2025, June 30, 2025, September 30, 2025 and December 31, 2025 on October 31, 2025, December 16, 2025, February 23, 2026 and February 28, 2026 respectively.
4. Show cause notice dated May 16, 2024 received from SEBI regarding non-obtaining of prior approval of audit committee and of shareholders for material Related Party Transactions ('RPT') and disclosure thereof to the stock exchange for earlier years. The listed entity had filed settlement application under Settlement Regulations on May 29, 2024. In respect of such Settlement Application No. 7873/2024, settlement amount of INR. 36,28,050/- was paid to SEBI by the listed entity on February 12, 2026, pursuant to which, an order was received from SEBI on February 23, 2026.	The observation mentioned by Secretarial Auditor is self-explanatory.
5. During the period from August 15, 2025 till March 16, 2026, the composition of the Board of Directors of the Company, in terms of Regulation 17 (1) of SEBI LODR, was temporarily imbalanced due to the resignation of an Independent Woman Director. The recognized Stock Exchanges viz. BSE & NSE, each, levied fine of INR. 7,13,900/- (inclusive of GST) which was duly remitted by the Company within the prescribed time.	The Company was in search of the suitable person for the said position and had complied with the said requirement, by appointing Mrs. M. R. Vartak as Independent Woman Director on March 17, 2026.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the year, the Company has not made any investments, other than the Current Investments. The closing balances of investments which would be covered under Section 186 of the Companies Act, 2013, are disclosed in the Schedule of Non-Current Investments in the Financial Statements. The details of loans and guarantees, if any, are disclosed in the financial statement of 2025-26.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Particulars are being provided in Form AOC - 2 in **Annexure 'VII'**. Related Party Disclosures as per AS -18 have been provided in to Note No.29 to the Standalone Financial Statements.

The Company has formulated a Policy on Related Party Transactions which is available on the Company's website at https://bfutilities.com/pdf/Policies%20and%20Terms/Related%20Party%20Transaction%20Policy.pdf. All related party transactions entered into during FY 2025-26 were on arm's length basis and in the ordinary course of business.

All transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. A statement giving details of all related party transactions entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. The related party transactions entered into pursuant to the omnibus approval so granted are also reviewed by the internal audit team on a half-yearly basis.

The details of the transactions with related parties are also provided in the accompanying Financial Statements.

25. STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis above

26. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report, except as disclosed in the Financial Statements for the year ended March 31, 2026 and elsewhere in this report.

Further, following are the changes in Directorships/KMP after March 31, 2026:

- Mrs. M.R. Vartak (DIN: 11613408) was appointed as an Additional, Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026 and later appointed as Non-Executive, Independent Director of the Company pursuant to shareholders approval via Postal ballot on May 06, 2026.
- Mr. Shrikrishna K. Adivarekar, (DIN 06928271), an Independent Director of the Company, successfully completed second term of office on May 29, 2026 and ceased to be the Director of the Company with effect from close of business hours on May 29, 2026 i.e from May 30, 2026.
- Mr. Ajay Charuchandra Kirtane (DIN: 02711040) was appointed as an Additional, Non-Executive, Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) consecutive years with effect from September 07, 2026 to September 06, 2031, in the Board meeting held on September 07, 2026, subject to approval of the Shareholders of the Company by way of postal ballot on October 17, 2026.

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

Conservation of Energy and Technology Absorption

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 annexed herewith as **Annexure 'VIII'** to this report.

28. DIVIDEND DISTRIBUTION POLICY :

In term of Regulations 43A of SEBI Listing Regulations, the Board of Directors of the Company has adopted a Dividend Distribution Policy which can be accessed on the website of the Company:

https://bfutilities.com/pdf/Policies%20and%20Terms/Dividend%20Distribution%20Policy.pdf

29. RISK MANAGEMENT POLICY

Risk Management at BF Utilities Ltd. forms an integral part of Management focus.

The Risk Management Committee (RMC) oversees the risk management process in the Company. The RMC is chaired by an Independent Director and the Chairperson of the Audit Committee is also a member of the RMC.

Some of the risks identified are set out in the Management Discussion and Analysis and this report which forms part of this Integrated Annual Report.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Risk Management Policy is available on Company's website:

https://www.bfutilities.com/pdf/Policies%20and%20Terms/Risk%20Management%20Policy%2001042019.pdf

30. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility ('CSR') activities of the Company are governed through the Corporate Social Responsibility Policy ('CSR Policy') approved by the Board. The CSR Policy guides in designing CSR activities for improving quality of life of society and conserving the environment and biodiversity in a sustainable manner. The CSR Committee of the Board oversees the implementation of CSR Projects in line with the Company's CSR Policy. The CSR Policy is available on Company's website https://bfutilities.com/pdf/Policies%20and%20Terms/Corporate%20Social%20Responsibility%20Policy.pdf

The Annual Report on CSR activities for FY 2025-26 is enclosed as '**Annexure I**' to this Report.

31. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The details in prescribed format of 'Form AOC-1' are given in **Annexure 'III'** and at the relevant places in the Financial Statements

32. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business during the Financial Year under review.

33. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Directors/KMP appointed or resigned during the year

Name of Director/KMP	Designation	Term of appointment
Mr. B. S. Mitkari	Whole-time Director, CEO & CFO	He was reappointed as a Whole-time Director ("WTD") and Chief Executive Officer (CEO) of the Company for a further period of 23 months with effect from April 1, 2025 upto February 28, 2027 pursuant to shareholders approval via Postal ballot on June 05, 2025.
Mr. B. S. Mitkari	Company Secretary and Compliance Officer	Resigned as Compliance Officer w.e.f October 31, 2024 and Company Secretary w.e.f April 01, 2025 respectively.
Ms. P. S. Rai	Company Secretary and Compliance Officer	Appointed as Compliance Officer and Company Secretary w.e.f November 01, 2024 and April 01, 2025 respectively.
Mr. B. N. Kalyani	Non-Executive, Non-Independent Director	Resigned from the post of Non-Executive, Non-Independent Director and Chairperson of the Company due to other business exigencies w.e.f close of business hours on May 29, 2025. There was no material reason for the resignation.
Mr. A. B. Kalyani	Non-Executive, Non-Independent Director	Designated as the Chairperson of the Company w.e.f May 30, 2025
Mr. M.U. Takale	Non- Executive, Non-Independent Director	Appointed as an Additional, Non- Executive, Non-Independent Director of the Company w.e.f May 29, 2025 and later appointed as Non- Executive, Non-Independent Director of the Company pursuant to shareholders approval via Postal ballot on August 02, 2025
Ms. A.A. Sathe	Non-Executive, Independent Director	Resigned from the position of Non-Executive, Independent Director of the Company w.e.f close of business hours on August 14, 2025 due to the fact that she was elevated as Additional Judge of the Hon'ble Bombay High court by way of notification No. K-13014/06/ 2021-US-I dated 13th August, 2025 issued by Government of India, Ministry of Law & Justice, Department of Justice (Appointments Division). There was no material reason for the resignation.
Mrs. M.R. Vartak	Non-Executive, Independent Director	Appointed as an Additional, Non- Executive, Independent Woman Director of the Company w.e.f March 17, 2026 and later appointed as Non- Executive, Independent Director of the Company pursuant to shareholders approval via Postal ballot on May 06, 2026.

Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of technology, strategy, finance, engineering and Law, etc. and that they hold highest standards of integrity.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

Details of Familiarisation Programme for the Independent Directors are provided separately in the Corporate Governance Report which forms a part of this Integrated Annual Report.

During the Financial Year 2025-26, two separate meetings, exclusively of the Independent Directors was held on September 08, 2025 and February 13, 2026

Key Managerial Personnel ('KMP')

In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the KMP of the Company as on date:

- Mr. B. S. Mitkari - CEO / CFO
- Ms. Pragati S. Rai- Company Secretary & Compliance Officer

Employees designated as Key Managerial Personnel (KMP) during the year

No new employee was designated as KMP during the year.

Procedure for Nomination and Appointment of Directors.

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-š-vis the required competencies and meeting the potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position including expert knowledge expected is communicated to the appointee.

The list of core skills, expertise and competencies of the Board of Directors as are required in the context of the businesses and sectors applicable to the Company are identified by the Board and are available with the Board. The Company has also mapped each of the skills, expertise and competencies against the names of the Board Members possessing the same. The same is disclosed in the Corporate Governance Report forming part of this Integrated Annual Report.

Criteria for determining Qualifications, Positive Attributes and Independence of a Director

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and the SEBI Listing Regulations. The relevant information has been given in '**Annexure II**' which forms part of this Report. The Policy on Nomination & Remuneration Policy is available on the website of the Company

https://bfutilities.com/pdf/Policies%20and%20Terms/Nomination_Renumeration_Policy.pdf

Board Evaluation

The Board has carried out the annual evaluation of its own performance and that of its Committees and individual Directors for the year pursuant to the provisions of the Act and the SEBI Listing Regulations.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board included aspects such as Board composition

and structure, effectiveness of Board processes, contribution in the long-term strategic planning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members. The criteria for performance evaluation are broadly based on the Guidance Note issued by SEBI on Board Evaluation which included aspects such as structure and composition of Committees, effectiveness of Committee Meetings, etc.

The Chairman of the Board had one-on-one meetings with each Independent Director and the Chairman of the NRC had one-on-one meetings with each Executive and Non-Executive, Non-Independent Directors.

In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole including the Chairman of the Board. The NRC reviewed the performance of the Board, its Committees and of the Individual Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors and the NRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

The Company follows a practice of addressing each of the observations and suggestions by drawing up an action plan and monitoring its implementation through the Action Taken Report which is reviewed by the Board of Directors from time to time.

34. Directors proposed to be appointed and re-appointed at the ensuing Annual General Meeting

1) Mr. B.S. Mitkari (DIN: 03632549), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief resumes and other details relating to Directors who are proposed to be appointed / re-appointed, as required to be disclosed under 'Regulations 2015', form part of the Notes setting out material facts annexed to the Notice of the Annual General Meeting.

35. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

There were no new companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year

36. DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE COMPANIES ACT, 2013

The Company has not accepted Public Deposits under chapter V of The Companies Act, 2013.

37. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has neither received nor is aware of any such order from Regulators, Courts or Tribunals during the financial year.

The ongoing Arbitration proceedings at Singapore International Arbitration Centre ("SIAC") between the Company and others is duly explained elsewhere in the Annual report.

There are no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 as at the end of the financial year, nor has the Company done any one time settlement with any Bank or Financial Institutions.

38. DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

The Company is not required to comply with the provisions of Section 148 (1) of the Companies Act, 2013 with respect to maintenance of cost records.

39. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has suitable internal control system comprising of proper checks and balances, policies and procedures. This includes code of conduct, whistle blower policy, MIS and internal audit mechanism.

The Audit Committee along with Management review the internal audit and internal controls on a regular basis. The internal audit is conducted by an Independent Chartered Accountant.

The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the internal audit team and statutory auditors to ascertain, their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed. However, the Company recognizes that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals.

40. COMPOSITION OF BOARD AND AUDIT COMMITTEE

The composition of the Board and Audit Committee has been mentioned in the Corporate Governance Report forming part of this Report.

41. COMPOSITION OF CSR COMMITTEE

The CSR Committee comprises 3 Members out of which 1 is Independent Director. During the year under review, 1 meeting of the CSR Committee was held, details of which are provided in the Corporate Governance Report. The CSR Policy is available on the website of the Company at https://bfutilities.com/pdf/Policies%20and%20Terms/Corporate%20Social%20Responsibility%20Policy.pdf.

During the year under review, there were no instances when the recommendations of the CSR Committee were not accepted by the Board.

Since the Company is not satisfying any of the conditions of Section 135 (1) of the Companies Act, 2013, there is no CSR obligation on the Company for the FY 2025-26.

42. WHISTLEBLOWER POLICY AND VIGIL MECHANISM

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The aforesaid policy has also been uploaded on the Company's website https://bfutilities.com/pdf/Policies%20and%20Terms/Whisle%20Blower%20Policy.pdf

43. CASH FLOW

A Cash Flow Statement for the year ended 31st March 2026 is attached to the Balance Sheet.

44. CORPORATE GOVERNANCE

A report on the Corporate Governance, along with the certificate of compliance from the Auditors, forms part of the Annual Report. The Chief Executive Officer & the Chief Financial Officer of the Company have certified to the Board on financial statements and other matters in accordance with the Regulation 17 (8) of the Listing Regulations pertaining to CEO/CFO certification for the financial year ended March 31, 2026.

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

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace.

The Company does not require to constitute the Internal Complaints Committee under the POSH Act as the number of women employees are less than the required count. However, there are no complaints received during the year as mentioned in Board's Report.

46. DISCLOSURE UNDER THE MATERNITY BENEFIT ACT, 1961

Your Company affirms its full compliance with the Maternity Benefit Act, 1961. During the year, there were no reported cases of employees availing maternity leave benefits.

47. SECRETARIAL STANDARDS

During the year under review, the Company has complied with Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, to the extent applicable.

48. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2026 is available on the Company's website at https://bfutilities.com/annual-return.html and the Annual Return for the financial year ending March 31, 2026 will be available on website once the filing with MCA is completed.

49. ACKNOWLEDGMENT:

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the shareholders, employees and bankers, during the year under the report.

For and on behalf of the Board of Directors
For BF Utilities Limited

	M. U. Takale	**B.S. Mitkari**
	Director	**Whole-time Director**
Pune	DIN: 01291287	DIN:03632549
September 30, 2026		

Annexures to Director's Report:

Annexure No	Particulars
I	Annual Report on CSR Activities
II	Criteria for Determining Qualifications, Positive Attributes and Independence of Directors
III	AOC-1
IV	Ratio of Remuneration pursuant to section 197(12) of the Companies act, 2013, read with rule 5 of the companies (appointment and remuneration of managerial personnel) rules, 2014
V	Secretarial Audit Report (MR-3) of Company
VI	Secretarial Audit Reports (MR-3) of Nandi Infrastructure Corridor Enterprise Limited, Nandi Economic Corridor Enterprises Ltd. and Nandi Highway Developers Limited
VII	AOC-2
VIII	Conservation of energy, technology absorption, foreign exchange earnings and outgo

ANNEXURE I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended]

1. Brief outline on CSR Policy of the Company:

BF Utilities Limited ('the Company') is committed to upholding the highest standards of Corporate Social Responsibility ('CSR'). The Company has identified training and education and hygiene as thrust areas for CSR activities.

The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website at

https://bfutilities.com/pdf/Policies%20and%20Terms/Corporate%20Social%20Responsibility%20Policy.pdf

2. Composition of CSR Committee as on March 31, 2026:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. J. K. Hemade (Chairman)	Independent Director	1	1
2	*Mr. B. N. Kalyani.	Non-Executive Non-Independent Director	0	0
3	Mr. A. B. Kalyani	Non-Executive Non-Independent Director	1	1
4	#Mr. M. U. Takale	Non-Executive, Non-Independent Director	1	1

** Resigned from the post of Non-Executive, Non-Independent Director and Chairperson of the Company due to other business exigencies w.e.f close of business hours on May 29, 2025*

 # Appointed as a Non- Executive, Non-Independent Director of the Company w.e.f May 29, 2025

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

a) https://bfutilities.com/board-committees.html;

b) https://bfutilities.com/pdf/Policies%20and%20Terms/Corporate%20Social%20Responsibility%20Policy.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the Company as per Section 135(5): Nil

(b) Two percent of average net profit of the Company as per Section 135(5): Company is not meeting the threshold as mentioned in Section 135(1) of the Act.

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: NIL

(d) Amount required to be set-off for the financial year, if any: N.A.

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] : NIL as the Company occurred loss .

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Nil

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : Nil

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Nil	-	-	-	-	-

(f) **Excess amount for set-off, if any:**

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

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

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY-2024-25	Nil	NA	Nil	Nil	NA	Nil	NA
2	FY-2023-24	Nil	NA	Nil	Nil	NA	Nil	NA
3	FY-2022-23	Nil	NA	Nil	Nil	NA	Nil	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year : **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): **Not Applicable**

For and on behalf of the Board of Directors
For BF Utilities Limited

J. K. Hemade
Chairman CSR Committee
DIN: 10331350

M. U. Takale
Director
DIN:01291287

Pune
September 30, 2026

ANNEXURE II

Criteria for Determining Qualifications, Positive Attributes and Independence of Directors

1. Definition of Independence

1. A director will be considered as an 'Independent Director' ('ID') if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. The definition of Independent Director is as provided in the Act and Listing Regulations.
3. Ex-employees of a Kalyani Group company may be considered as independent only if he/she has or had no pecuniary relationship with the Company (due to employment/receipt of monthly pension by way of Special Retirement Benefits/holding consultant or advisor positions) during the three immediately preceding financial years or during the current financial year.

2. Qualifications of Directors

1. Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
2. It is expected that boards have an appropriate blend of functional and industry expertise.
3. While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ('NRC') consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
4. IDs ideally should be thought/practice leaders in their respective functions/domains.

3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

1. Act in accordance with the articles of the company.
2. Act in good faith in order to promote the objects of the company for the benefit of its members as a whole and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
3. Exercise duties with due and reasonable care, skill and diligence and exercise independent judgement.
4. Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
5. Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
6. Not assign his office.

On behalf of the Board of Directors

	M. U. Takale	**B.S. Mitkari**
Pune	**Director**	**Whole-time Director**
September 30, 2026	DIN: 01291287	DIN:03632549

ANNEXURE III

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

Part "A" : Subsidiaries

(Rs. in Lakhs)

Name of the Subsidiary	:	**Nandi Infrastructure Corridor Enterprise Limited**
The Date since when subsidiary was acquired	:	March 01, 2001
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	:	April 01, 2025 to March 31, 2026
Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	INR
Share Capital	:	10,409.37
Reserves & Surplus	:	(881.20)
Total Assets	:	14,832.08
Total Liabilities	:	5,303.91
Investments	:	11,335.63
Turnover	:	-
Profit/ Loss before Taxation	:	(176.75)
Provision for taxation	:	(06.16)
Profit/Loss after Taxation	:	(170.59)
Proposed Dividend	:	-
% of shareholding	:	74.52%

(Rs. in Lakhs)

Name of the Subsidiary	:	**Nandi Economic Corridor Enterprises Limited**
The Date since when subsidiary was acquired	:	March 01, 2001
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	:	April 01, 2025 to March 31, 2026
Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	INR
Share Capital	:	20,904.67
Reserves & Surplus	:	86,695.85
Total Assets	:	2,40,855.38
Total Liabilities	:	1,33,253.31
Investments	:	13,603.25
Turnover	:	92,912.06
Profit before Taxation	:	50,539.69
Provision for taxation	:	15,290.8
Profit after Taxation	:	35,203.55
Proposed Dividend	:	-
% of shareholding	:	42.16%

(Rs. in Lakhs)

Name of the Subsidiary	:	**Nandi Highway Developers Limited**
The Date since when subsidiary was acquired	:	March 01, 2001
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	:	April 01, 2025 to March 31, 2026
Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	INR
Share Capital	:	3,750.00
Reserves & Surplus	:	22,766.02
Total Assets	:	26,680.98
Total Liabilities	:	164.96
Investments	:	10,350.70
Turnover	:	-
Profit / (Loss) before Taxation	:	(159.79)
Provision for taxation	:	75.79
Profit / (Loss) after Taxation	:	(235.58)
Proposed Dividend	:	-
Dividend Paid	:	1,500
% of shareholding	:	69.53%

(Rs. in Lakhs)

Name of the Subsidiary	:	**BFUL Resources Private Limited**
The Date since when subsidiary was acquired	:	March 16, 2016
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	:	April 01, 2025 to March 31, 2026
Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	INR
Share Capital	:	1.02
Reserves & Surplus	:	64.27
Total Assets	:	67.48
Total Liabilities	:	2.19
Investments	:	-
Turnover	:	7.98
Profit before Taxation	:	8.55
Provision for taxation	:	2.25
Profit after Taxation	:	6.29
Proposed Dividend	:	-
% of shareholding	:	100%

For further details refer Note No. 38 to the Consolidated Financial Statements

ANNEXURE IV

INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name of Director/Key Managerial Personnel	Ratio to median remuneration/ sitting fees	% increase in remuneration over previous year
Non-Executive Directors		
Mr. B. N. Kalyani	Nil	NA
Mr. A. B. Kalyani	Nil	NA
Ms. A. A. Sathe	Nil	NA
Mr. S. K. Adivarekar	Nil	NA
Mr. J. K. Hemade	Nil	
Ms. M. R. Vartak	Nil	
Mr. A. C. Kirtane	Nil	NA
Key Managerial Personnel		
Mr. B. S. Mitkari - Whole time Director	1:1	25%
Ms. Pragati S Rai - Company Secretary	1:05	14.54%

A. Percentage increase in the median remuneration of employees in FY 2025-26: 10%

B. Number of permanent employees on the rolls of the Company as on March 31, 2026: Seven

C. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration :

Particulars	% change in remuneration
Average increase in salary of employees (other than managerial personnel)	10%
Average increase in remuneration of managerial personnel	16%

D. Affirmation:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

Mr. B.S. Mitkari was not in receipt of any remuneration or commission from holding and/or subsidiary companies.

E. Statement showing the names of the top ten employees in terms of remuneration drawn and the names of every employee who -

(i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore Two Lakhs Rupees;

Mr. B. S. Mitkari - As per the information given in the Corporate Governance Report.

(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakhs Fifty Thousand Rupees per month; - Not applicable

(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company. - Not applicable

The details as per rule 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided to members upon request.

On behalf of the Board of Directors

M. U. Takale
Director
DIN: 01291287

B.S. Mitkari
Whole-time Director
DIN:03632549

Pune
September 30, 2026

ANNEXURE V

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]
And
[Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To,

The Members,
BF Utilities Limited,
Mundhwa, Pune Cantonment,
Pune 411 036

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BF Utilities Limited** bearing **CIN: L40108PN2000PLC015323** (hereinafter called **the "Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

i. The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment, wherever applicable;

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

   a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR) **(not applicable during the audit period);**

   b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI SAST);

   c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable during the audit period);**

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEB) **(not applicable during the audit period);**

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(not applicable during the audit period);**

   f. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   g. The Securities and Exchange Board of India (Depositories and Participants Regulations), 2018;

   h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

   i. The Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (Settlement Regulations);

   j. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2021 **(not applicable to the Company during the audit period).**

vi. **We further report that,**

The management has identified and confirmed the compliance of the following act as specifically applicable to the Company:

a) Electricity Act, 2003.

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

i. Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by 'The Institute of Company Secretaries of India'; and

ii. The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as SEBI LODR).

During the year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above except the following:

1. *There has been delay in submission of consolidated financial results under Regulation 33 of the SEBI LODR for the quarter and year ended March 31, 2025, quarter ended June 30, 2025, September 30, 2025 and December 31, 2025. Consequently, the Company received notices from the Recognized Stock Exchanges i.e BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) levying fine of INR 11,74,100/- (inclusive of GST) each, which listed entity has paid to BSE and NSE in full. Additionally, the listed entity has paid a fine of INR. 22,65,600/- (inclusive of GST) each to BSE and NSE by voluntarily calculating the fine amount for period of delay upto February 28, 2026 to avoid any further action, as per Standard Operating Procedure mentioned under SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/015 dated November 11, 2024 and HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 (Master Circular) as applicable during the relevant review period. Further, consolidated financial statements for quarter and year ended March 31, 2026 which was due to be filed after closure of Financial Year, were not filed within due date.*

2. *The Demat account of the Promoter/ Director of the listed entity was suspended for debits from April 08, 2025 to April 16, 2025 and July 25, 2025 up to March 17, 2026 by the concerned depository on direction of the recognized Stock Exchanges due to non-compliances under Regulation 33 of SEBI (LODR), 2015.*

3. *The scrip of the listed entity was shifted to "Z" category by BSE and NSE for the period commenced on October 27, 2025 till April 21, 2026.*

4. *Show cause notice dated May 16, 2024 received from SEBI regarding non-obtaining of prior approval of audit committee and of shareholders for material Related Party Transactions ('RPT') and disclosure thereof to the stock exchange for earlier years. The listed entity had filed settlement application under Settlement Regulations on May 29, 2024. In respect of such Settlement Application No. 7873/2024, settlement amount of INR. 36,28,050/- was paid to SEBI by the listed entity on February 12, 2026, pursuant to which, an order was received from SEBI on February 23, 2026.*

5. *During the period from August 15, 2025 till March 16, 2026, the composition of the Board of Directors of the Company, in terms of Regulation 17 (1) of SEBI LODR, was temporarily imbalanced due to the resignation of an Independent Woman Director. The recognized Stock Exchanges viz. BSE & NSE, each, levied fine of INR. 7,13,900/- (inclusive of GST) which was duly remitted by the Company within the prescribed time.*

We further report that,

Subject to our observation in 5 herein above, the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board or Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of shorter notice, the meeting is convened with necessary quorum and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. The decision taken by way of circular resolution, by Board was with requisite majority and there are no dissenting views mentioned by the members of the Board of Directors.

We further report that,

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that,

During the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. One of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Ltd., (NECE), a step-down subsidiary of the Company and the transferee Soinfra Enterprises Private Limited ("Claimants") have filed a notice of arbitration before the Singapore International Arbitration Centre ("SIAC"), based on Clause 24.2 (Arbitration Clause) of the SHA against Sponsors and Promoters (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of arbitration on 27th March 2025. In this notice of arbitration, the Company has been named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter, and the Claimants have submitted their statement of claim on 26th September 2025 claiming 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 for an amount equal to investment of Rs. 500 Crore along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of INR 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest @ 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on several counts and that they have strong defences and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence (SoD) to the statement of claim on 24 December, 2025. Discovery and document production took place between 21st January 2026 and 8th April 2026. The Claimants filed their reply to the SOD on 13th May 2026 and in response thereto, Company and other respondents filed their rejoinder in the matter on 17th July, 2026. The matter continues to proceed before the Tribunal in accordance with its procedural directions. The Board discussed and noted that the impact shall depend upon the outcome of the Arbitration proceedings in future.

2. The Company vide Postal Ballot notice dated May 05, 2025, passed the Special Resolution with respect to re-appointment of Mr. B S. Mitkari (DIN: 03632549) as a Whole-Time Director of the Company.

FOR SVD & ASSOCIATES
Company Secretaries

Sheetal S Joshi
Partner
FCS No.: 10480
C P No.:11635
Unique Code of the Firm: P2013MH031900
Peer Review No: 6357/2025
UDIN: F010480H001663615

Place: Pune
Date: September 30, 2026

Note:

This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,

The Members,
BF Utilities Limited,
Mundhwa, Pune Cantonment,
Pune 411 036

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards CSAS-1 to CSAS-4 (CSAS) issued by the Institute of Company Secretaries of India (ICSI). These Standards require that the Auditor comply with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
3. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.
4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

Methodology

5. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. We have relied on the documents and evidence provided physically and through electronic mode.
7. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
9. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

FOR SVD & ASSOCIATES
Company Secretaries

Sheetal S Joshi
Partner
FCS No.: 10480
C P No.:11635
Unique Code of the Firm: P2013MH031900
Peer Review No: 6357/2025
UDIN: F010480H001663615

Place: Pune
Date: September 30, 2026

ANNEXURE VI

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;

(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:

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
Company Secretary in Practice
FCS No.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

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

Place: Bengaluru
Date: 05-09-2026

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 Economic Corridor Enterprises Limited
(CIN: U85110KA2000PLC026939)
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 Economic Corridor Enterprises Limited *(hereinafter called **"the Company"**)*. 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;

(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'):

a. 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)**;

b. 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)**;

c. 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)**;

d. 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)**;

e. 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)**;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **- (Not applicable to the Company as the Company is an Unlisted Public Company)**;

g. 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

h. 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:

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 - **(Not applicable to the Company as the Company is an Unlisted Public Company).**

I have not examined compliance by the Company relating to the applicable financial laws, such as direct, indirect tax laws and Cost Accounts, 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 by 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, as the case may be.

There are adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

During the reporting period, the Company applied for an extension of time for holding its Annual General Meeting ("AGM"), which was approved by the Registrar of Companies ("RoC") for a period of three months, extending the time for holding the AGM up to 31st December 2025. Accordingly, the 25th AGM of the Company was held on 11th November 2025.

It is observed that the Cost Auditor for the financial year 2025-26 has been appointed at the meeting held on 29th September 2025, which is beyond 180 days from the commencement of the financial year as required under Section 148 of the Companies Act, 2013.

Mr. Venkata Krishna Mogalapalli (DIN: 06822431) completed his second consecutive term as an Independent Director on 30th September 2025. The Board took note of his cessation, and the requisite statutory filings were duly completed. Accordingly, the NRC, ACM and CSR committees were reconstituted.

Mr. Ashok Kumar Kheny (DIN: 00248397) was proposed to be appointed as Managing Director by the Board of Directors at its meeting held on 29th July 2025 subject to approval of the shareholders at their Annual General Meeting. However, it was not approved with requisite majority at the 25th Annual General Meeting and ceased to be the Managing Director with effect from 27th November 2025.

The office of the Managing Director is vacant with effect from 27th November 2025.

Pursuant to the provisions of Section 203(4) of the Companies Act, 2013:

If the office of any whole-time Key Managerial Personnel is vacated, the resulting vacancy shall be filled-up by the Board within a period of six months from the date of such vacancy.

During the reporting period, the office of the Managing Director remained vacant.

However, as on reporting date, Board of Directors at their meeting held on 25th August 2026, recommended appointment of Mr. Ashok Kumar Kheny as the Managing Director of the Company for a period of one year commencing from 25th August 2026, subject to approval of members of the company.

I further report that, during the audit period, the Company has not undertaken any activity having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

Hari Babu Thota
Company Secretary in Practice
FCS No.12204; CP No.15090
Peer Review Cert.No.:2210/2022
UDIN No. F012204H001383585

Place: Bengaluru
Date: 05-10-2026

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.

ANNEXURE - 1

To
Nandi Economic 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 is conducted the affairs of the Company.

Hari Babu Thota
Company Secretary in Practice
FCS No.12204; CP No.15090
Peer Review Cert.No.:2210/2022
UDIN No. F012204H001383585

Place: Bengaluru
Date: 05-10-2026

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 Highway Developers Limited
(CIN: U85110KA1996PLC019621)
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 Highway Developers Limited (hereinafter referred as "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the 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;

(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:

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 audit period were carried out in compliance with the provisions of the Act and requisite re-constructions of Board Committees have been noted.

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
Company Secretary in Practice
FCS No.12204; CP No.15090
Peer Review Cert.No.:2210/2022
UDIN No: F012204H001581761

Place: Bengaluru
Date: 23-09-2026

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

ANNEXURE

To
Nandi Highway Developers 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 is conducted the affairs of the Company.

Hari Babu Thota
Company Secretary in Practice
FCS No.12204; CP No.15090
Peer Review Cert.No.:2210/2022
UDIN No: F012204H001581761

Place: Bengaluru
Date: 23-09-2026

ANNEXURE VII

Form No. AOC-2

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

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

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

a.	Name(s) of the related party and nature of relationship	Nil
b.	Nature of contracts/arrangements/transactions	Nil
c.	Duration of the contracts/arrangements/transactions	Nil
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e.	Justification for entering into such contracts or arrangements or transactions	Nil
f.	Date(s) of approval by the Board	Nil
g.	Amount paid as advances, if any	Nil
h.	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	Nil

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

For BF Utilities Limited

M. U. Takale
Director
DIN: 01291287

B.S. Mitkari
Whole-time Director
DIN:03632549

Pune
September 30, 2026

ANNEXURE VIII

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the year ended 31st March, 2026.

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

A. Conservation of Energy and Technology Absorption

i) Steps taken for Conservation of Energy:

The operations of the Company do not consume much energy

ii) Steps taken for utilizing alternate source of energy;

The Company is in the business of generating wind energy.

iii) The Capital Investment on energy conservation equipment:

Nil during the year under reference.

B. Technology Absorption:

i) Efforts made towards technology absorption: N.A.

ii) The benefits derived like product improvement, cost reduction, product development, import substitution: N.A.

iii) In case imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

Details of Technology imported (product)	Year of Import	Has technology been fully absorbed	If not fully absorbed, areas where absorption has not taken place and the reasons thereof
NIL	NIL	NIL	NIL

iv) Expenditure on Research and Development: NIL.

C. Foreign Exchange Earning and Outgo:

(a) Activities relating to Exports, initiatives taken to increase exports, development of new export markets for products and services and export plans: N.A.

(b) Total foreign exchange earnings and outgo for the financial year is as follows:

i) Total Foreign Exchange earning : NIL

ii) Total Foreign Exchange outgo : Rs. 437.06 Lakh

ANNEXURE -X

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L40108PN2000PLC015323
2	Name of the Listed Entity	BF UTILITIES LIMITED
3	Year of incorporation	15-09-2000
4	Registered office address	MUNDHWA PUNE 411036
5	Corporate address	MUNDHWA PUNE 411036
6	E-mail	secretarial@bfutilities.com
7	Telephone	7719004777
8	Website	www.bfutilities.com
9	Financial year for which reporting is being done	April 01, 2025 to March 31, 2026
10	Name of the Stock Exchange(s) where shares are listed	BSE LTD. AND NATIONAL STOCK EXCHANGE OF INDIA LTD.
11	Paid-up Capital (In Rs)	Rs. 188,338,140/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. B. S. MITKARI Company Secretary; Ms. Pragati S. Rai Compliance Officer Contact : 7719004777 Email : Secretarial@bfutilities.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Power generation	Wind power generation	100.00%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Wind Power	27160000	95.00%
2	Renewable Energy Certificate	490700	5.00%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	1	1	2
International	0	0	0

19 Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	1
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity? 0.00%

C. A brief on types of customers

BF Utilities Limited serves B2B customer namely Bharat Forge Ltd. for meeting their energy requirements for the plants located in state of Maharashtra.

IV. Employees

20 Details as at the end of Financial Year

A. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1	Permanent (D)	7	4	57.14%	3	42.86%
2	Other than permanent (E)	0	0	0.00%	0	0.00%
3	**Total employees(D + E)**	7	4	57.14%	3	42.86%
	WORKERS					
4	Permanent (F)	0	0	0.00%	0	0.00%
5	Other than permanent (G)	0	0	0.00%	0	0.00%
6	**Total workers (F + G)**	0	0	0.00%	0	0.00%

B. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	0	0	0.00%	0	0.00%
2	Other than Permanent (E)	0	0	0.00%	0	0.00%
3	Total differently abled employees (D + E)	0	0	0.00%	0	0.00%
	DIFFERENTLY ABLED WORKERS					
4	Permanent (F)	0	0	0.00%	0	0.00%
5	Other than Permanent (G)	0	0	0.00%	0	0.00%
6	Total differently abled workers (F + G)	0	0	0.00%	0	0.00%

21 Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel	2	1	50.00%

22 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	Turnover rate in current FY (2025-26)				Turnover rate in previous FY (2024-25)				Turnover rate in the year prior to the previous FY (2023-24)			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	20.00%	0.00%	0.00%	20.00%	20.00%	0.00%	0.00%	20.00%	0.00%	0.00%	0.00%	0.00%
Permanent Workers	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

Holding, Subsidiary and Associate Companies (including joint ventures)				
S. No.	Name of the holding / subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Nandi Infrastructure Corridor Enterprise Ltd.	Subsidiary	74.52%	No
2	Nandi Economic Corridor Enterprises Ltd.	Subsidiary	42.16%	No
3	Nandi Highway Developers Ltd.	Subsidiary	69.53%	No
4	BFUL Resources Pvt. Ltd. .	Subsidiary	100.00%	No

VI. CSR Details

24	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	No
	(ii)	Turnover (in Rs.)	Rs. 33,34,24,767/-
	(iii)	Net worth (in Rs.)	Rs. 1,66,57,72,502/-

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY (2025-26)			PY (2024-25)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NO	0	0	Nil	0	0	Nil
Investors (other than shareholders)	NO	0	0	Nil	0	0	Nil
Shareholders	YES*	5	0	Nil	4	0	Nil
Employees and workers	YES#	0	0	Nil	0	0	Nil
Customers	NO	0	0	Nil	0	0	Nil
Value Chain Partners	NO	0	0	Nil	0	0	Nil
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

* http://www.bfutilities.com/investors-grievance.php

http://www.bfutilities.com/pdf/Policies%20and%20Terms/Whisle%20Blower%20Policy.pdf

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Green energy	O	Company is in Wind Energy business	NA	Positive
2	Climate Strategy	O	Transition to renewables is an opportunity for BF Utilities to add value to society by providing Clean and Green Power and achieving its climate target		Positive
3	change in Government Policies	R	The Company operates in a highly regulated environment	Flexibility to adopt Change	Negative
4	Customer Base	R	Company is in Wind Energy business	Need to increase customer base	Negative
5	New Business Opportunities	O	Opportunity to expand the customer base through new business services		Positive
6	Digitalisation and Cyber security	R	Access to sensitive data by miscreants and loss of data integrity	Strong information security architecture and rigour of implementation with access points exercised	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	No	Yes	No	No	No	No	Yes	No
b. Has the policy been approved by the Board? (Yes/No)	Yes	No	Yes	No	No	No	No	Yes	No
c. Web Link of the Policies, if available	http://www.bfutilities.com/pdf/Policies%20and%20Terms/Code%20of%20Conduct%20BFUL%2029052025.pdf	-	http://www.bfutilities.com/pdf/Policies%20and%20Terms/Corporate%20Social%20Responsibility%20Policy.pdf	-	-	-	-	http://www.bfutilities.com/pdf/Policies%20and%20Terms/Corporate%20Social%20Responsibility%20Policy.pdf	-
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	No	Yes	No	No	No	No	Yes	No
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	No	No	No	No	No	No	No	No	No
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Our organisation acknowledges the significance of establishing targets to assess advancement towards achieving all the principles of the National Guidelines on Responsible Business Conduct (NGRBC). Considering that we are in our initial year of ESG adoption, we intend to specify our objectives and targets in the upcoming reporting period. We recognise the need to align our ESG								

	efforts with our business goals, and we are committed to implementing a comprehensive and effective ESG strategy that ensures sustainability and creates long-term value for all our stakeholders. We are dedicated to enhancing our ESG practices and performance and look forward to sharing our progress in the future
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We are committed to providing comprehensive performance updates in the forthcoming years. As we navigate through the future, we intend to diligently communicate our achievements, financial results and strategic advancements.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Dear Stakeholders, I am pleased to present the BRSR report for BF Utilities Limited (BFUTILITIE), a Company engaged in the generation of electricity through wind mills. Corporate governance is of utmost importance to us and we are dedicated to achieving transparency and governance goals. We adhere to established policies and frameworks that guide ethical decision-making in all our engagements. Considering that we are in our initial year of ESG adoption, we intend to specify our objectives and targets in the upcoming reporting period. We recognise the need to align our ESG efforts with our business goals, and we are committed to implementing a comprehensive and effective ESG strategy that ensures sustainability and creates long-term value for all our stakeholders. We are dedicated to enhancing our ESG practices and performance and look forward to sharing our progress in the future. Thank you for your continued support and partnership. Sincerely, Mr. Amit Kalyani Director DIN : 00089430 BF Utilities Limited
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Amit Kalyani, Director is responsible for the implementation and oversight of Business Responsibility Policy.
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No).	Yes
If yes, provide details.	The Company has a well-established internal governance structure to ensure implementation of various policies. We review the implementation of policies through our internal audit, Risk management process, monitoring of KPI's in-line with established policies

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually / Half yearly / Quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes. The Performance is reviewed by Board or any other committee authorized by the Board.									Annually								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	There have been no instances of rectification of non-compliances.									Annually								

11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		No	No	No	No	No	No	No	No	No
	If yes, provide name of the agency.	Not Applicable								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	No	Yes	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Yes	No	No	No	No	No	No	No	No
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
It is planned to be done in the next financial year (Yes/No)	Yes	No	No	No	No	Yes	Yes	No	No
Any other reason (please specify)	The Company is already in compliance with ethical standards by adopting code of conduct for Senior management and KMP and Board	This clause is not applicable considering nature of business.	-	This clause is not applicable considering nature of business.	This clause is not applicable considering nature of business.	This clause is not applicable considering nature of business.	This clause is not applicable considering nature of business.	-	The Company is always responsive to its customer needs.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Awareness programme for all Independent directors informing them about their roles, rights and responsibilities	50.00%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel	4	Inhouse programmes viz. Insider Trading Awareness,Related Party Transactions, Development of Management Strategy and Board Effectiveness Master class	50.00%
Employees other than BOD and KMPs	0	NA	0.00%
Workers	0	NA	0.00

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

Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and as disclosed on the entity's website:

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Regulation 33 of SEBI LODR	1. National Stock Exchange of India Limited 2. BSE Limited	Rs. 22,65,600 Rs. 22,65,600	The listed entity had not filed the Standalone & Consolidated financial results for the quarter and year ended March 31, 2025 , quarter ended June 30, 2025, September 30, 2025 and December 31, 2025 within the prescribed period as per Regulation 33 of SEBI LODR	No
	Regulation 17 of SEBI LODR	1. National Stock Exchange of India Limited 2. BSE Limited	Rs. 2,71,400/- Rs. 2,71,400/-	The listed entity delayed in complying with the provisions of Regulation 17(1) of SEBI LODR for quarter ending December 31, 2025.	No
Settlement	Regulation 23 of SEBI LODR	SEBI	Rs. 36,28,050/-	The listed entity had filed settlement application under Settlement Regulations on May 29, 2024. In respect of such Settlement Application No. 7873/2024 order was received from SEBI on February 23, 2026. A Settlement amount was paid to SEBI by the listed entity on February 12, 2026.	NA
Compounding Fee	NA	NA	NA	NA	NA

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
No appeal or revision is preferred by the Company against the monetary actions and has duly paid amount of requisite penalty amount.	

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

- The Company does not have anti-corruption or anti-bribery policy.

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY (2025-26)		PY (2024-25)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

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

The Company is making all the efforts to not repeat the violation resulting in fines.

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

	FY 2025-26	FY 2024-25
Number of days of accounts payables	**0**	0

9. Open-ness of business

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	**0**	0
	b. Number of trading houses where purchases are made from	**0**	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	**0**	0
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	**0**	0
	b. Number of dealers / distributors to whom sales are made	**0**	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	**0**	0

Parameter	Metrics	FY 2025-26	FY 2024-25
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	**0**	0
	b. Sales (Sales to related parties / Total Sales)	**95.91%**	95.17%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	**97.97%**	100%
	d. Investments (Investments in related parties / Total Investments made)	**99.15%**	99.20%

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

Essential Indicators

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

	FY (2025-26)	PY (2024-25)	Details of improvements in environmental and social impacts
R&D	**0.00%**	0.00%	NA
Capex	**0.00%**	0.00%	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?	No
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste (d) other waste	Not applicable considering nature of business
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.	NA

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

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	4	4	100.00%	4	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	3	3	100.00%	3	100.00%	3	100.00%	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	7	0	100.00%	7	100.00%	3	100.00%	0	0.00%	0	0.00%
Other than permanent employees											
Male	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Other than permanent workers											
Male	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%

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

	FY 2025-26	FY 24-25
Cost incurred on wellbeing measures as a % of total revenue of the Company (Staff welfare plus Insurance other)	0.27%	0.16%

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

Benefits	FY (2025-26)			PY (2024-25)		
	No.of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00%	0.00%	Yes	100.00%	0.00%	Yes
Gratuity	100.00%	0.00%	NA	100.00%	0.00%	Yes
ESI	0.00%	0.00%	NA	0.00%	0.00%	NA
*Others - Superannuation	28.00%	0.00%	Yes	28.00%	0.00%	Yes

3. Accessibility of workplaces

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

- Not Applicable as the Company does not have any differently abled employees. Further, the company will make necessary arrangements as specified under Rights of Persons with Disabilities Act, 2016 as and when the Company hires any such differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy. - Not Applicable

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

- Not Applicable

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable as there are no such cases.			
Female				
Other				
Total				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?

If yes, give details of the mechanism in brief.	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	No	NA
Other than Permanent Workers	No	NA
Permanent Employees	Yes	The grievances can be reported to Directors
Other than Permanent Employees	No	NA

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

Not Applicable

Category	FY (2025-26)			PY (2024-25)		
	Total employees/ workers in respective category (A)	No.of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category,who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	'Not Applicable' as there are no such associations or organizations.					
Male						
Female						
Other						
Total Permanent Workers						
Male						
Female						
Other						

8. Details of training given to employees and workers:

Category	FY (2025-26)					PY (2024-25)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	4	4	100.00%	4	100.00%	4	4	100.00%	4	100.00%
Female	3	3	100.00%	3	100.00%	3	3	100.00%	3	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	7	7	100.00%	7	100.00%	7	7	100.00%	7	100.00%
Workers										
Male	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%

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

Category	FY (2025-26)			PY (2024-25)		
	Total (A)	No. (B)	% (B/ A)	Total (D)	No. (E)	% (E / D)
Employees						
Male	4	4	100.00%	4	4	100.00%
Female	3	3	100.00%	3	3	100.00%
Other	0	0	0.00%	0	0	0.00%
Total	7	7	100.00%	7	7	100.00%
Workers						
Male	0	0	0.00%	0	0	0.00%
Female	0	0	0.00%	0	0	0.00%
Other	0	0	0.00%	0	0	0.00%
Total	0	0	0.00%	0	0	0.00%

10. Health and safety management system:

a.	Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).	Yes
	If yes, the coverage such system?	The Company acknowledges that there are no occupational health and safety hazzards associated with its business opeations. However, the well-being of its employees remain a top priority. We ensure the availability of first aid kit at our location. We conduct annual health check ups of our employees.
b.	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	In light of our business operations, hazard identification is not applicable.
c.	Whether you have processes for workers to report the work related hazards and to remove themselves from such risks?	No
d.	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?	No

11. Details of safety related incidents, in the following format: No such case

Safety Incident/Number	Category	FY (2025-26)	PY (2024-25)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees Workers	'Not Applicable' as there are no incidents.	
Total recordable work-related injuries	Employees Workers		
No. of fatalities	Employees Workers		
High consequence work related injury or ill-health (excluding fatalities)	Employees Workers		

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

The Company ensures the availability of first aid kit at our location. We conduct annual health check ups of our employees.

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

	FY (2025-26)			PY (2024-25)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Not Applicable as the Company is not subject to any such inspection.
Working Conditions	

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

- Not Applicable

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

Essential Indicators

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

We place great emphasis on stakeholder identification Our stakeholder identification process remains a continuous undertaking, enabling us to remain informed, engaged, and responsive to the ever-evolving needs of our stakeholders.

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

Sr	Stakeholder Group	Whether identified as vulnerable & Marginalized Group (Yes / no)	Channels of Communication (Email, SMS, News Paper, Pamphlets, Advertisements, Community Meetings, Notice Board, Website), Other	Frequency of Management	Purpose and Scope of engagement including key topics and concerns raised during such engagement
1	Employees	No	Performance Reviews and Appraisals, Senior Leadership communication meetings, Conferences Briefings, One-on-one interactions	Annually and Periodically	● To maintain a caring and empowering work environment. ● Personal development and growth ● Employee feedback and grievance resolution ● Information about important updates regarding the Company. This helps the employees expand their knowledge in the industry. Getting employee feedback and resolving their issues.
2	Shareholders	No	● Quarterly and annual financial results ● Annual reports, sustainability report ● Annual general meeting ● Corporate website	Annually, Quarterly, Periodically asapplicable	● Effective and transparent, communication of business performance ● Sound Corporate Governance mechanism ● Addressing investors' concerns / queries ● Investors prefer to invest in organizations that are socially and environmentally responsible.
3	Investors	No	● Quarterly and annual financial results ● Annual reports, sustainability report ● Annual general meeting ● Corporate website	Annually, Quarterly, Periodically as applicable	Investors prefer to invest in organizations that are socially and environmentally responsible.
4	Customers	No	E-mail	At required frequency	To share updates of the Company
6	Government and Regulators	No	E-mail	At required frequency	To update on various compliances and to seek approvals

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

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

Category	FY (2025-26)			PY (2024-25)		
	Total (A)	No.of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	7	7	100.00%	7	7	100.00%
Other than permanent	0	0	0.00%	0	0	0.00%
Total Employees	7	7	100.00%	7	7	100.00%
Workers						
Permanent	0	0	0.00%	0	0	0.00%
Other than permanent	0	0	0.00%	0	0	0.00%
Total Workers	0	0	0.00%	0	0	0.00%

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

Category	FY (2025-26)					PY (2024-25)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	7	0	0.00%	7	100.00%	7	0	0.00%	7	100.00%
Male	4	0	0.00%	4	100.00%	4	0	0.00%	4	100.00%
Female	3	0	0.00%	3	100.00%	3	0	0.00%	3	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other than Permanent										
Male	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Workers										
Permanent	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Male	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other than Permanent										
Male	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%

- All the employees are paid wages above the minimum wage limit

3. Details of remuneration/salary/wages:

a. Median remuneration / wages (During FY 2025-26)

	Male		Female		Other	
	Number	Median remuneration/ salary/ wages of respective category (Amount in Mln)	Number	Median remuneration/ salary/ wages of respective category (Amount in Mln)	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	0.54	1	0.03	0	0
Key Managerial Personnel	1	18.10	1	0.89	0	0
Employees other than BoD and KMP	3	0.88	2	0.80	0	0
Workers	0	0	0	0	0	0

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	7.35%	9.56%

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

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

The employees can directly share their feedback, ideas and grievances with HR. HR will revert with relevant solutions.

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

	FY (2025-26)			PY (2024-25)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

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

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	NA	NA
Complaints on POSH upheld	NA	NA

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

The Company has internal complaint committee under Section 4 (1) of Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

9. Do human rights requirements form part of your business agreements and contracts? No

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0.00%
Forced/involuntary labour	0.00%
Sexual harassment	0.00%
Discrimination at workplace	0.00%
Wages	0.00%
Others - please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above : Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

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

   The electricity consumption is 'Negligible' and the figures of the same cannot be procured as the rent paid by the Company covers the cost of electricity.

Parameter	FY (2025-26)	PY (2025-26)	
From renewable sources			
Total electricity consumption (A)	Nil	Nil	
Total fuel consumption (B)	Nil	Nil	
Energy consumption through other sources (C)	Nil	Nil	
Total energy consumption(A+B+C)	Nil	Nil	
From non-renewable sources			
Total electricity consumption (D)	Nil	Nil	
Total fuel consumption (E)	Nil	Nil	
Energy consumption through other sources (F)	Nil	Nil	
Total energy consumed from non-renewable sources (D+E+F)	Nil	Nil	
Total energy consumed (A+B+C+D+E+F)	Nil	Nil	
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Nil	Nil	
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Nil	Nil	
Energy intensity in terms of physical output	Nil	Nil	
Energy intensity (optional) - the relevant metric may be selected by the entity	Nil	Nil	
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?			No
If yes, name of the external agency.			Not Applicable

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? : No

   If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. : NA

3. **Provide details of the following disclosures related to water, in the following format:**
The water consumption is 'Negligible'

Parameter	FY (2025-26)	PY (2024-25)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	Nil	Nil
Total volume of water consumption(in kilolitres)	Nil	Nil
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	Nil	Nil
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	Nil	Nil
Water intensity in terms of physical output	Nil	Nil
Water intensity (optional) - the relevant metric may be selected by the entity	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?
No
If yes, name of the external agency. NA

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(ii) To Groundwater	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	**NA**	**NA**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

5. Has the entity implemented a mechanism for Zero Liquid Discharge? No

If yes, provide details of its coverage and implementation. NA

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

The Company's operations do not result in any of the abovementioned air emissions.

Parameter	Please specify unit	FY (2025-26)	PY (2024-25)
NOx	NA	Nil	Nil
SOx	NA	Nil	Nil
Particulate matter (PM)	NA	Nil	Nil
Persistent organic pollutants (POP)	NA	Nil	Nil
Volatile organic compounds (VOC)	NA	Nil	Nil
Hazardous air pollutants (HAP)	NA	Nil	Nil
Others - please specify	NA		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)			No
If yes, name of the external agency.			NA

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

Parameter	Unit	FY (2025-26)	PY (2024-25)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	NA	Nil	Nil
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	NA	Nil	Nil
Total Scope 1 and Scope 2 emissions per rupee ofturnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	NA	Nil	Nil
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted or Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	NA	Nil	Nil
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	Nil	Nil
Total Scope 1 and Scope 2 emission intensity (optional)- the relevant metric may beselected by the entity	NA	Nil	Nil
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)			No
If yes, name of the external agency.			NA

8. Does the entity have any project related to reducing Green House Gas emission? No

If Yes, then provide details. NA

9. Provide details related to waste management by the entity, in the following format: No such case

Parameter	FY (2025-26)	PY (2024-25)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Nil	Nil
E-waste (B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Nil	Nil
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	Nil
Total (A+B + C + D + E + F + G + H)	Nil	Nil
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	Nil	Nil
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	Nil	Nil
Waste intensity in terms of physical output	Nil	Nil
Waste intensity (optional) - the relevant metric may be selected by the entity	Nil	Nil
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	Nil	Nil
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
Total	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) No

If yes, name of the external agency. NA

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

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

Sr. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)If no, the reasons thereof and corrective action taken, if any
Not Applicable			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Weblink
Not applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, the Company is 100% compliant with the applicable environmental law/ regulations/ guidelines in India				

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

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/International)
1	Nil	NA

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

Name of the Authority	Brief of the Case	Corrective action taken
Not Applicable		

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators:

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Weblink
As per applicable laws, SIA is not applicable for any of the projects undertaken by the Company					

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

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
No such project undertaken					

3.

Describe the mechanisms to receive and redress grievances of the community.	Step 1: Beneficiaries grievances are usually addressed by our implementing partner at their level.
	Step 2 : If unresolved they may contact CSR committee or visit our location.

4.

Percentage of input material (inputs to total inputs by value) sourced from suppliers:	FY (2025-26)	PY (2024-25)
Directly sourced from MSMEs/ small producers	0	0
Directly from within India	0	0

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

Location	FY 2025-26	FY 2024-25
Rural	NA	NA
Semi Urban	NA	NA
Urban	NA	NA
Metropolitan	NA	NA

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

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

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has only one consumer belonging to same group of companies. As a result, Company and the Consumer are in direct communication and there is no need to establish a separate mechanism to receive and respond to consumer complaints and feedback.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Turnover of products and/ services as a percentage of turnover from all products/service that carry information about	As a percentage to total turnover
Environmental and social parameters relevant to the product	0.00%
Safe and responsible usage	0.00%
Recycling and/or safe disposal	0.00%

3.

Number of consumer complaints in respect of the following	FY (2025-26)		Remark	PY (2024-25)		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

4.

Details of instances of product recalls on account of safety issues	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls		

5.

Does the entity have a framework/ policy on cyber security and risks related to data privacy?	Yes

If available, provide a web-link of the policy

http://www.bfutilities.com/pdf/Policies%20and%20Terms/BFUL%20Risk%20Management%20Policy%202025.pdf

6.

Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.	The Company has taken corrective action after making payment of penalty amount. We ensure to reply to the regulators for any information as required by regulators.

7.

Provide the following information relating to data breaches:	
a. Number of instances of data breaches	a. Nil
b. Percentage of data breaches involving personally identifiable information of customers	b. NA
c. Impact, if any, of the data breaches	c. NA

INDEPENDENT AUDITORS' REPORT

To
The Members of
BF Utilities Limited,
Pune.

Report on the Audit of the Standalone Financial Statements

1. Qualified Opinion

We have audited the accompanying standalone financial statements of BF Utilities Limited ("the Company") which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including other comprehensive income), statement of Changes in Equity and statement of Cash Flows for the year then ended and notes to the financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred as 'the Standalone Financial Statements')

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

2. Basis for Qualified Opinion

i. One of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Ltd., (NECE), a step down subsidiary of the Company and the transferee Soinfra Enterprises Private Limited ("Claimants") have filed a notice of arbitration before the Singapore International Arbitration Centre ("SIAC"), based on Clause 24.2 (Arbitration Clause) of the SHA against Sponsors and Promoters (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of arbitration on 27th March 2025. In this notice of arbitration, the Company has been named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter, and the Claimants have submitted their statement of claim on 26th September 2025 claiming 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 for an amount equal to investment of Rs. 500 Crore along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of INR 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest @ 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on several counts and that they have strong defenses and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence to the statement of claim on 24th December 2025.

In our view, the impact of above claims on the Company if awarded by arbitral tribunal could be material and pervasive. Since the matter is disputed, it cannot be ascertained whether any provision for the aforesaid claim is required to be recognized in the Standalone Financial Statements for the year ended March 31, 2026.

ii. The toll operations of one of the Material Subsidiaries viz. Nandi Highway Developers Limited (NHDL) have been successfully concluded w.e.f. September 07, 2024, due to end of term of Concession agreement dated February 05, 1998 and Supplementary agreement dated June 21, 2024 between NHDL, Government of India and Government of Karnataka. Considering the positive net worth of NHDL, the management of NHDL is of the view that the assets in the said subsidiary be considered good. However, since there is no operating revenue in NHDL after completion of tenure of Toll Operations, we are unable to ascertain whether any provision for impairment as per 'IND AS 36 Impairment of Assets' is required to be recognised in the Standalone Financial Results in respect of Company's investments in equity shares of NHDL amounting to Rs. 26.07 crores.

iii. The interest free advance of Rs. 37 Crores given by the Company to its step-down subsidiary viz. Nandi Economic Corridor Enterprises Ltd (NECE), for acquisition of land parcels is outstanding for more than fourteen years. In view of substantial delay in identification and allotment of the land parcels, we are unable to ascertain the nature and present status of utilisation of the advance by NECE. Further, the Company has not recognised provision for impairment in its financial statements in accordance with Ind AS 36, 'Impairment of Assets.'

Our audit report on standalone financial statements for the year ended March 31, 2025 included a qualified opinion in respect of this matter.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

3. Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone Financial Statements:

a. Management review of certain litigations by and against the Company does not warrant recognition of any provision in the books of account as at March 31, 2026. The company shall continue the review in future and if required carry out the necessary accounting adjustments.

b. Nandi Infrastructure Corridor Enterprises Ltd. (NICE), Nandi Economic Corridor Enterprises Ltd. (NECE) and Nandi Highway Developers Limited (NHDL) which are the subsidiaries of the Company, have not yet submitted the audited financial statements for the year ended March 31, 2026. The Company will publish the consolidated financial statements for the year ended March 31, 2026, once the financial statements of all the above-mentioned subsidiaries are made available to the Company.

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

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the financial year ended March 31, 2026. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Corporate Governance and Director's Report but does not include the Standalone Financial Statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above 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.

Upon reading of the other information made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

6. Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act read with companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of

the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the Standalone 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.

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

7. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with the reference to the Standalone Financial Statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

8. Report on Other Legal and Regulatory Requirements

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

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

   (a) Except for the possible effects of the matters described in the 'Basis for Qualified opinion' section of our report, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the standalone financial statements

   (b) Except for the possible effects of the matters described in the 'Basis for Qualified opinion' section of our report, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) Except for the possible effects of the matters described in the 'Basis for Qualified opinion' section of our report, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended.

   (e) On the basis of the written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. Our report expresses an qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

   (g) As per the information and explanations given to us and on the basis of examination of the books of account of the company, we report that, the managerial remuneration has been paid and provided in accordance with the provisions of Section 197 and Schedule V of the Act.

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

      i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its standalone financial statements- Refer Note 24 & Note 38 to the financial statements.

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

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

         b. The management has represented, that, to the best of it's knowledge and belief, other, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding

Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

vi. According to the information and explanations given to us and based on our examination which included appropriate test checks, we report that the company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
UDIN: 26121007QCHUTV4475

Anagha M. Nanivadekar
Partner
Membership Number: 121 007

Place: Pune
Date: May 28, 2026

ANNEXURE "1" TO THE INDEPENDENT AUDITORS' REPORT

Annexure 1 referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company for the year ended March 31, 2026 of BF Utilities Limited

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE).

(B) According to the information and explanations given to us and based on the examination of the records of the Company, the Company does not have any intangible assets as at March 31, 2026 and as such reporting under clause i(a)(B) of the Order is not applicable to the Company.

(b) The Company has carried out physical verification of significant items of its property, plant and equipment during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, based on the records examined by us and based on the examination of registered documents provided to us, we report that, the title deeds comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, subject to dispute of title in respect of land admeasuring 64.75 hectares situated at Bhoposhi, District Satara which is under litigation.

(d) Based on the audit procedures conducted by us and according to the information and explanations given to us, we report that, the Company has not revalued its Property, plant and equipment during the year.

(e) Based on the audit procedures conducted by us and according to the information and explanations given to us, we report that 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.

ii. (a) The Company has carried out physical verification of inventories in the nature of spare parts during the year and no materials discrepancies in excess of 10% or more were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable.

(b) Based on the audit procedures conducted by us and according to the information and explanations given to us, we report that the Company has not been sanctioned any working capital limits from banks or financial institutions at any point of time during the year. As such, reporting under paragraph 3 (ii)(b) of the Order is not applicable to the Company.

iii. Based on the audit procedures conducted by us and according to the information and explanations provided to us, during the year the Company has not made any investments in or has not provided any guarantee or security or has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. As such, reporting under paragraph 3 (iii) (a) to (f) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provision of Section 185 of the Act. The provision of section 186 of the Act, except sub-section 1 are not applicable to the Company being Company providing infrastructural facilities as specified in Schedule VI to the Act. We further report that the provision of sub-section 1 of section 186 are complied with.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made there under apply. According to the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi. The maintenance of cost records is not applicable to the company pursuant to the provisions of sub-section (1) of section 148 of the companies Act, 2013.

vii. a. The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods & Service Taxes.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income tax, employee state insurance, duty of customs, goods

and services taxes, cess and other material statutory dues as applicable with appropriate authorities. According to information and explanations given to us and on the basis of examination of the books of account and the records of the Company, we report that there were no undisputed statutory dues as at the last day of the financial year which were outstanding for a period of more than six months from the date, they became payable.

b. According to the information and explanations given to us and on the basis of examination of books of account and records of the Company, we report that there are no dues in respect of provident fund, income tax, employees state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services Tax, cess and other material statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of examination of books of account and records of the Company, we report that there are no transactions, which were not recorded in the books of account but have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a. The Company has not defaulted in repayment of unsecured, interest free inter corporate loans repayable on demand. The Company has not taken any loans from banks or financial institutions.

b. According to the information and explanations given to us and on the basis of examination of books of account and records of the Company, we report that the Company has not been declared to be a wilful defaulter by any lender.

c. According to the information and explanations given to us and on the basis of examination of books of account and records, the Company has not availed term loans during the year. As such, reporting under clause 3(ix)(c) shall not be applicable.

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

e. According to the information and explanations given to us and on the basis of examination of books of account and records, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f. Based on the audit procedures conducted by us and according to the information and explanations provided to us we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. As such reporting under clause 3(ix)(f) of the Order is not applicable.

x. a. During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). As such, reporting under clause 3(x)(a) is not applicable.

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

xi. a. Based on the procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c. According to the information and explanation given to us, we report that, no whistle- blower complaints were received during the year by the Company.

xii. The Company is not a Nidhi Company within the meaning of Section 406 of the Act. As such, reporting under clause 3 (xii) (a) to (c) is not applicable.

xiii. Based on the audit procedures performed and as per the information and explanations given to us, we report that the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details as required by the applicable Indian Accounting Standards have been disclosed in the Standalone Financial Statements.

xiv. a. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

b. The internal audit reports of the company have been considered by us during the course of the audit.

xv. Based upon the audit procedures performed by us and according to the information and explanations given to us, we report that the Company has not entered into any non-cash transactions of the nature as described in Section 192 of the Act.

xvi. a. The Company is not required to be registered under the section 45-IA of the Reserve Bank of India Act,1934 (2 of 1934). Accordingly, the provision of clause (xvi (a)) of the Order is not applicable to the Company.

b. The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

c. The Company would not be classified as a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d. According to the information and explanation given to us, the group has two Core Investment Companies as defined in Core Investment Companies (Reserve Bank) Directions, 2016.

xvii. On the basis of examination of books of account and records of the Company and overall examination of the Standalone Financial Statements, we report that the Company has not incurred cash losses in the financial year 2025-26 and in the immediately preceding financial year 2024-25.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3 (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion and according to the information and explanation provided to us and based on the audit procedures carried out by us, we report that the Company is not required to incur expenditure on Corporate Social Responsibility (CSR) under section 135 of the Act, since the Company does not satisfy any criteria of applicability of CSR provision as specified under Section 135 of the Act. Accordingly reporting under clause 3(xx) of the Order is not applicable to the Company.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
UDIN: 26121007QCHUTV4475

Anagha M. Nanivadekar
Partner
Membership Number: 121 007

Place: Pune
Date: May 28, 2026

ANNEXURE "2" TO THE INDEPENDENT AUDITORS' REPORT

Annexure-2 referred to in paragraph 8(2)(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date on the Internal Financial Controls with reference to Standalone Financial statement under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of BF Utilities Limited

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting with reference to Standalone Financial Statements.

A Company's internal financial control over financial reporting with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to Standalone Financial Statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to Standalone Financial Statements

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

Qualified Opinion

According to information and explanations given to us and based on audit procedures performed by us, the following material weakness has been identified in the design and operating effectiveness of the Company's IFCoFR as at March 31, 2026 in:

(a) Internal controls for review of recoverability and utilisation of the advance given to its step-down subsidiary viz. Nandi Economic Corridor Enterprises Ltd (NECE) for acquisition of land parcels amounting to Rs 3,700 lacs, which were not designed and operating effectively and

(b) Internal controls for review of provision for impairment loss on such advance as per requirements of Ind AS 36, 'Impairment of Assets,' which were not designed and operating effectively.

Absence of aforesaid assessment in accordance with the accounting principal generally accepted in India could potentially result in a material misstatement in the carrying value of the advance and consequently, could also impact the financial statements.

The matters described above were considered in determining the nature, timing, and extent of audit procedures applied in our audit of the standalone financial statements for the year ended March 31, 2026, and this report affects our report dated May 28, 2026, which expresses a qualified opinion on standalone financial statements.

A material weakness is a deficiency, or a combination of deficiencies, in ICoFR, such that there is a reasonable possibility that a material misstatement of the Company's financial statement will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness as described above, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial control 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 G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
UDIN: 26121007QCHUTV4475

Anagha M. Nanivadekar
Partner
Membership Number: 121 007

Place: Pune
Date: May 28, 2026

Balance Sheet as at 31st March, 2026

		Note No.	As at 31st March, 2026 Million Rs.	As at 31st March, 2025 Million Rs.
	ASSETS			
I	**Non-current assets**			
	(a) Property, plant and equipment	2	**18.91**	25.24
	(b) Right to use asset	2	**0.72**	-
	(c) Financial assets			
	(i) Investments	3	**1,109.57**	1,108.78
	(ii) Other financial assets	4	**13.38**	178.52
	(d) Deferred tax assets (Net)	5	**22.64**	19.25
	(e) Income tax assets (net)		**-**	-
	(f) Other non current assets	6	**370.00**	370.00
			1,535.22	1,701.79
II	**Current assets**			
	(a) Inventories	7	**0.37**	0.42
	(b) Financial assets			
	(i) Investments	3	**1.41**	1.63
	(ii) Trade receivables	8	**-**	-
	(iii) Cash and cash equivalents	9	**2.30**	4.67
	(iv) Bank balances other than (iii) above	9	**433.46**	345.11
	(v) Other financial assets	4	**37.59**	26.27
	(c) Other current assets	6	**9.32**	5.14
			484.45	383.24
	Total assets		**2,019.67**	2,085.03
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	10	**188.34**	188.34
	(b) Other equity	11	**1,477.50**	1,454.57
	Total equity		**1,665.84**	1,642.91
I	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Other financial liabilities	13	**210.10**	210.10
	(ii) Lease Liability	13.a	**0.35**	-
	(b) Provisions	16	**0.18**	0.42
	Total Non-current liabilities		**210.63**	210.52
II	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	12	**-**	105.00
	(ii) Lease Liability	13.a	**0.36**	-
	(iii) Trade payables	15		
	Total outstanding dues of Micro enterprises and small enterprises		**1.17**	1.02
	Total outstanding dues of Creditors other than Micro enterprises and small enterprises		**30.63**	31.73
	(iv) Other financial liabilities	13	**1.32**	1.81
	(b) Income tax liabilities (net)		**13.97**	4.67
	(c) Other current liabilities	14	**0.98**	0.64
	(d) Provisions	16	**94.77**	86.73
	Total current liabilities		**143.20**	231.60
	Total liabilities		**353.83**	442.12
	Total equity and liabilities		**2,019.67**	2,085.03
	Summary of significant accounting policies	1		

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

As per our report of even date
For G.D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
CIN : L40108PN2000PLC015323

Anagha M Nanivadekar
Partner
Membership No.: 121007

B. S. MITKARI
Whole-Time Director,
CEO & CFO
DIN : 03632549

M. U. Takale
Director
DIN : 01291287

Ms. Pragati S Rai
Company Secretary
Membership No.: A66887

Pune, 28 May, 2026

Pune, 28 May, 2026

Statement of Profit and loss for the year ended 31st March 2026

		Note No.	Year ended 31st March, 2026 Million Rs.	Year ended 31st March, 2025 Million Rs.
	Income			
I.	Revenue from operations	17	**188.61**	185.84
II.	Other income	18	**144.83**	230.99
III.	**Total income (I + II)**		**333.44**	416.83
IV.	**Expenses**			
	Changes in inventories	19	**0.05**	0.09
	Employee benefits expense	20	**26.30**	23.32
	Finance costs	21	**0.00**	-
	Depreciation and amortization expenses	2	**6.39**	6.84
	Other expenses	22	**234.43**	171.52
	Total expenses (IV)		**267.17**	201.77
V.	**Profit / (Loss) before exceptional items and tax(III-IV)**		**66.27**	215.06
VI.	Exceptional items- Income / (Expenditure) (Refer note no. 42)		**(8.90)**	-
VII.	**Profit / (Loss) before tax (V + VI)**		**57.37**	215.06
VIII.	Tax expense :			
	(a) Current tax			
	- pertaining to profit for the year		**38.50**	56.00
	- MAT Credit utilised in relation to earlier years		**-**	-
	Tax for the year		**38.50**	56.00
	(b) (Excess) / Short provision of earlier years		**-**	(0.49)
	(c) Deferred tax		**(3.48)**	(0.31)
	Total Tax expense		**35.02**	55.20
IX.	**Profit / (Loss) for the year (VII-VIII)**		**22.35**	159.86
X.	**Other Comprehensive Income**			
	(a) Items that will not be reclassified to Profit or Loss :			
	Gain/ (Loss) on Remeasurement of the defined benefit plans		**0.12**	(1.37)
	Gain/ (Loss) on fair valuation of financial instruments		**0.57**	1.01
			0.69	(0.36)
	Income Tax on above		**0.11**	(0.52)
			0.58	0.16
	(b) Items that will be reclassified to Profit or Loss		**-**	-
	Total Other comprehensive Income/ (loss)		**0.58**	0.16
XI.	**Total comprehensive income for the year (IX + X)**		**22.93**	160.02
XII.	**Earnings / (Loss) per share:**			
	(Face value per equity share Rs.5)			
	Basic & Diluted	23	**0.59**	4.24
	Summary of significant accounting policies	1		

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

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For G.D. Apte & Co.
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For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
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Pune, 28 May, 2026

Pune, 28 May, 2026

Statement of Changes in Equity (SOCIE) for the year ended 31st March, 2026

A) Equity Share Capital **Million Rs.**

Particulars	As at 31 March, 2026	As at 31 March, 2025
Balance as at the beginning of the year	**188.34**	188.34
Changes in equity share capital due to prior period errors	**-**	-
Restated balance at the beginning of the year	**188.34**	188.34
Changes in equity share capital during the year	**-**	-
Balance as at the end of the year	**188.34**	188.34

B) Other equity **Million Rs.**

Particulars	Surplus/ (Deficit) in Statement of Profit & Loss	Equity instruments through Other Comprehensive Income	Total
Balance as at 1 April, 2024	**1,288.68**	**5.87**	**1,294.55**
Changes in accounting policy or prior period errors	**-**	**-**	**-**
Restated balance as at 1 April, 2024	**1,288.68**	**5.87**	**1,294.55**
Profit/(Loss) for the year	159.86	-	159.86
Remeasurement of Defined Benefit plan (net of Tax)	(0.84)	-	(0.84)
Measurement of Investments at FVTOCI (net of Tax)	-	1.00	1.00
Accumulated gain transferred to Retained Earnings on disposal of an Investment in equity shares measured at FVTOCI	-	-	-
Total comprehensive income/ (loss) for the Year	**159.02**	**1.00**	**160.02**
Balance as at 31 March, 2025	**1,447.70**	**6.87**	**1,454.57**
Balance as at 1 April, 2025	**1,447.70**	**6.87**	**1,454.57**
Changes in accounting policy or prior period errors	**-**	**-**	**-**
Restated balance as at 1 April, 2025	**1,447.70**	**6.87**	**1,454.57**
Profit/(Loss) for the year	22.35	-	22.35
Remeasurement of Defined Benefit plan (net of Tax)	0.09	-	0.09
Measurement of Investments at FVTOCI (net of Tax)	-	0.49	0.49
Total comprehensive income/ (loss) for the Year	**22.44**	**0.49**	**22.93**
Balance as at 31 March, 2026	**1,470.14**	**7.36**	**1,477.50**

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

As per our report of even date
For G.D. Apte & Co.
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Pune, 28 May, 2026

Cash Flow Statement For The Year Ended 31st March, 2026

		Year ended 31st March, 2026 Million Rs.	Year ended 31th March, 2025 Million Rs.
Cash Flow from Operating Activities			
Profit / (Loss) before tax		**57.37**	215.06
Adjustment for:			
Depreciation and amortization expense		**6.39**	6.84
Finance cost		**0.00**	-
Interest income on security deposit			
Provision no longer required written back		**-**	(5.00)
Interest income		**(40.48)**	(38.11)
Dividend received		**(104.31)**	(187.72)
Profit on sale of Property, plant and equipments		**-**	-
Operating Profit / (Loss) before working capital changes		**(81.03)**	(8.93)
Movements in working capital:			
(Increase) / Decrease in Inventories		**0.05**	0.09
(Increase) / Decrease in Trade receivables		**-**	-
(Increase) / Decrease in Other financial assets		**(6.95)**	(173.66)
(Increase) / Decrease in Other current assets		**(4.18)**	(0.64)
Increase / (Decrease) in Trade payables		**(0.95)**	2.23
Increase / (Decrease) in Other financial liabilities		**(0.49)**	0.07
Increase / (Decrease) in Other liabilities		**0.34**	(1.06)
Increase / (Decrease) in provisions		**7.92**	(0.07)
Operating Profit / (Loss) after working capital changes		**(85.29)**	(181.97)
Direct taxes (paid) / Refund		**(29.20)**	(54.80)
Net cash generated from / (Used in) Operating Activities	**(A)**	**(114.49)**	(236.77)
Cash Flow from Investing Activities			
Payment towards purchase of Property, plant and equipments		**(0.03)**	(0.59)
Net Proceeds from sale of Property, plant and equipments		**-**	-
Maturity proceeds of/(investments in) fixed deposits with banks		**76.87**	31.99
Interest received on Fixed deposits with Banks		**36.00**	30.40
Dividend received		**104.31**	187.72
Net cash generated from / (used in) Investing Activities	**(B)**	**217.15**	249.52
Cash Flow from Financing Activities			
Repayment of Borrowings		**(105.00)**	(25.00)
Payment of lease liability		**(0.03)**	-
Net cash generated from / (used in) Financing Activities	**(C)**	**(105.03)**	(25.00)
Net Increase / (Decrease) in cash and cash equivalents	**(A+B+C)**	**(2.37)**	(12.25)
Cash and cash equivalents at the beginning of the year		**4.67**	16.92
Cash and cash equivalents at the end of the year		**2.30**	4.67

Notes:

1. The above Cash Flow Statement has been prepared under the indirect method set out in Indian Accounting Standard (IND AS) -7, 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015.
2. Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investment and financing activities.
3. All figures in brackets indicate cash outflow.

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

As per our report of even date
For G.D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

Anagha M Nanivadekar
Partner
Membership No.: 121007

Pune, 28 May, 2026

For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
CIN : L40108PN2000PLC015323

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Ms. Pragati S Rai
Company Secretary
Membership No.: A66887

Pune, 28 May, 2026

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

Corporate Information:

BF Utilities Ltd. ("the Company" or "BFUL") is a public company domiciled in India and incorporated on 15 September, 2000 under the provisions of the Companies Act, 1956 ("the Act"). The Company's shares are listed on National stock exchange of India and BSE Limited. The Company is engaged in the generation of electricity through wind mills. The Company's CIN is L40108PN2000PLC015323. The registered office of the Company is located at BF Utilities Limited, Mundhwa, Pune Cantonment, PUNE 411 036, Maharashtra, India.

The standalone financial statements of the Company for the year ended March 31st, 2026 were authorized for issue by the Board of Directors on 28 May, 2026.

1. Material accounting policies :

a. Basis of preparation

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Standalone Financial Statements have been prepared on an accrual basis and under historical cost convention, except Defined Benefit Plan - Plan assets and certain financial Assets & Liabilities which are measured at fair value (refer accounting policy regarding financial instruments). The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous year except for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under the Companies Act, 2013.

b. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

c. Critical estimates and judgements

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

Impairment of financial assets

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

Fair Value of Financial Instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The

inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value refer note 1(h).

Defined Benefit Plans

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about defined benefit plans obligations are given in note 31.

Provisions

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Estimate of current and deferred tax

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows.

The complexity of the Company's structure makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the Company and it is often dependent on the efficiency of the legal processes in the relevant taxing jurisdictions in which the Company operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result, there can be substantial differences between the tax charge in the statement of profit and loss and tax payments.

d. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

e. Functional and presentation currency

The Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (Rs.) rounded off to nearest million (unless otherwise stated), which is the Company's functional and presentation currency.

f. Foreign currencies

Transactions and translations

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

g. Investment in subsidiaries

The Company has accounted for its investment in subsidiaries at cost less accumulated impairment, if any.

h. Fair value measurement

The Company measures financial instruments at fair value on initial recognition.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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

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

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

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

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. Please refer to Note No 30

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

i. Property, plant and equipment (PPE)

Recognition and measurement

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). Internally manufactured property, plant and equipment are capitalised at cost, including GST, wherever applicable. All significant costs relating to the acquisition and installation of property, plant and equipment are capitalised. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on Straight Line Method ('SLM') except in respect of Furniture & Fixtures and Vehicles is computed on Written Down Value ('WDV') method based on useful lives estimated by the management.

The management estimates the useful lives for the assets as follows:

Assets	Useful lives
Building	60 Years
Plant & Machinery (Windmills) *	25 Years
Electrical Installation	10 Years
Testing Meters	5 Years
Furniture & Fixtures	10 Years
Tools and equipments	10 Years
Computers and mobile phones	3 Years
Office Equipments	5 Years
Vehicles	8 Years

Useful lives of the above assets are as prescribed under Part C of Schedule II of the Companies Act, 2013.

*The Company, based on technical assessments made by technical experts and management estimates

depreciates certain items of plant and machinery over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

PPE costing Rs. 5,000 or less are fully depreciated in the year of acquisition.

De-recognition / Disposal

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

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

j. Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset, as provided by another Ind-AS.

De-recognition / Disposal

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the net carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred.

Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Such capitalized expenditure is reflected as intangible asset under development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

k. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the amount of transaction price excluding payment of taxes and duties collected on behalf of the government. The transaction price of goods sold and services rendered is net of variable consideration on account of various discount and schemes offered by the Company.

Any amount of income accrued but not billed to customers in respect of any contracts is recorded as a contract asset. Such contract assets are transferred to trade receivables on actual billing to customers.

Company has received consideration or an amount of consideration is due from the customer. Such contract liabilities are recognised as revenue when the Company performs under the contract.

Revenue from sales of electricity is recognized when all the significant risks and rewards of ownership have been passed to the buyer, usually on the basis of electricity wheeled into MSEB grid and jointly certified. In case of sale of electricity, revenue is recognised based on the transaction price.

Income from Certified Emission Reduction (CERs) units and Renewable Energy Certificates (RECs) is recognised in the period of its actual sales and is measured at its transaction price.

Claims / Insurance Claim etc. are accounted for when no significant uncertainties are attached to their eventual receipt

Interest income

Interest on fixed deposits with banks, bonds, etc., is recognised on a time proportion basis taking into account the amount outstanding and rate applicable. In case of significant uncertainty of receiving interest, the same is not recognised though accrued and is recognised only when received. Interest income from debt instruments is recognised using Effective Interest Rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

Interest income is included in other income in the statement of profit and loss.

Profit / Loss of the sale / redemption of investments is dealt with at the time of actual sale / redemption.

Dividend income

Dividend income from investments is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend. Dividend income is included in other income in the statement of profit and loss.

l. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

m. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

n. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.

o. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate

of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are reduced from lease liability and finance cost on lease liability recognised as an expense in the statement of profit and loss, over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the same is in line with inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

p. Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other cost incurred in bringing the inventories of their present location and condition.

Stores and spares and loose tools are valued at lower of cost or net realisable value. However, materials and other items held for operation and maintenance of fixed assets are not written down below cost.

Costs are determined on unsold Certified Emission Reduction (CER) and Renewable Energy Certificate (REC) and are considered as Inventory and valued on the basis of costs which are directly allocated to it. The cost is assigned to inventories on First in First Out (FIFO) basis. These CERs and RECs are valued at lower of cost or net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

q. Impairment of non-financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cashflow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Intangible assets under development are tested for impairment annually. Impairment losses including impairment on inventories are recognised in the statement of profit and loss.

For the assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount

of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

r. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value (unless the effect of time value of money is material) and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets, if any, are disclosed in the notes to accounts.

s. Post-employment and other employee benefits

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully cover the same under cash accumulation policy of the Life Insurance Corporation of India. The employee's gratuity is a defined benefit funded plan.

The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet as asset/liability with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

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

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Superannuation

Superannuation is a defined contribution plan covering eligible employees. The contribution to the superannuation fund managed by the insurer is equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contribution to this scheme is charged to the statement of profit and loss on an accrual basis. There are no other contributions payable other than contribution payable to the respective fund.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional

amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date.

Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave encashment liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

t. Financial instruments

The Company has elected to apply following exceptions/exemptions prospectively at the time of transition.

- Classification and measurement of financial assets have been done based on facts and circumstances existed on transition date.
- Elected to continue carrying value of equity instruments in subsidiaries, associates and jointly controlled entities as deemed cost on transition date.
- De-recognition of financial assets and financial liabilities have been applied prospectively.
- Applied the requirements of relating to accounting for difference between fair value of financial asset or financial liability from its transaction price of Ind-AS 109 prospectively.

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at 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 FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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 scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the Company may make an irrevocable election to present in other comprehensive income 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

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

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS11 and Ind-AS 18

d) Loan commitments which are not measured as at FVTPL

e) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

- The balance sheet presentation for various financial instruments is described below:Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:

  ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI:

  Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 12.

Derecognition

A financial liability is derecognised 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 recognised 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

u. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

v. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferral or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Group are segregated.

w. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

x. Dividend to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

y. Segment reporting

Ind AS 108 'Operating Segments' requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the Managing Director, being Chief Operating Decision Maker (CODM) to assess performance and allocate resource. The standard also required Management to make judgments with respect to recognition of segments.

z. Earnings per share

The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

aa. Recent Accounting Pronouncements

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

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 01, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1) Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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

3) Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026 :

2 Property, plant and equipment

(Million Rs.)

Particulars	Land	Building	Plant & Machinery	Electrical Installations	Tools & Equipments	Furniture & Fixtures	Computers and peripherals	Office Equipments	Vehicles	Total	Right to use assets
Gross Block											
at 1 April, 2024	15.20	13.11	1,144.69	3.95	0.09	0.08	0.70	0.30	1.53	1,179.65	-
Additions	-	-	-	0.18	-	-	0.26	0.15	-	0.59	-
Disposal	-	-	-	-	-	-	-	0.12	-	0.12	-
at 31 March, 2025	15.20	13.11	1,144.69	4.13	0.09	0.08	0.96	0.33	1.53	1,180.12	-
Additions	-	-	-	-	-	-	0.00	0.03	-	0.03	0.75
Disposal	-	-	-	-	-	-	-	-	-	-	-
at 31 March, 2026	**15.20**	**13.11**	**1,144.69**	**4.13**	**0.09**	**0.08**	**0.96**	**0.36**	**1.53**	**1,180.15**	**0.75**
Depreciation & Amortisation											
at 1 April, 2024	-	12.18	1,129.58	3.95	0.08	0.08	0.53	0.22	1.53	1,148.16	-
Charge for the year	-	0.03	6.59	0.00	0.01	-	0.15	0.06	-	6.84	-
Disposal	-	-	-	-	-	-	-	0.12	-	0.12	-
at 31 March, 2025	-	12.20	1,136.17	3.95	0.09	0.08	0.69	0.16	1.53	1,154.88	-
Charge for the year	-	0.03	6.04	0.06	-	0.00	0.15	0.07	-	6.36	0.03
Disposal	-	-	-	-	-	-	-	-	-	-	-
at 31 March, 2026	**-**	**12.23**	**1,142.21**	**4.01**	**0.09**	**0.08**	**0.84**	**0.23**	**1.53**	**1,161.24**	**0.03**
at 31 March, 2026	**15.20**	**0.88**	**2.48**	**0.12**	**(0.00)**	**-**	**0.12**	**0.12**	**-**	**18.91**	**0.72**
at 31 March, 2025	15.20	0.91	8.52	0.18	-	-	0.27	0.17	-	25.24	-

Note: Refer Material accounting policies referred to in note no. 1

All the title deeds of immovable properties are held in the name of the Company, subject to correction in the Revenue records of one of the land parcel admeasuring 64 H and 75 R situated at Boposhi, District Satara, which is under litigation. Further, the title deeds are not held jointly with others.

No proceedings have been initiated or pending against the Company for holding Benami Property under the Benami transactions (Prohibition) Act 1988 (45 of 1988) and the Rules made thereunder.

No fixed assets have been revalued during the year.

Amount less than Rs. 5000/- are presented as 0.00.

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

3 Investments

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Non Current Investments		
Equity instruments (unquoted)		
Investment in Subsidiaries		
At cost		
Investment in wholly owned subsidiary		
10,200 (31 March 2025 : 10,200) Equity shares of Rs. 10 each fully paid up in BFUL Resources Pvt. Ltd.	**65.17**	65.17
Total	**65.17**	65.17
Investment in other subsidiaries		
77,569,111 (31 March, 2025 : 77,569,111) Equity shares of Rs. 10/- each fully paid up in Nandi Infrastructure Corridor Enterprises Ltd. (Extent of holding 74.52% (31 March, 2025 - 74.52%))	**775.69**	775.69
26,071,902 (31 March, 2025 : 26,071,902) Equity shares of Rs. 10/- each fully paid up in Nandi Highway Developers Ltd. (Extent of holding 69.53% (31 March, 2025 - 69.53%))	**260.72**	260.72
Total	**1,036.41**	1,036.41
Total Investment in Subsidiaries	**1,101.58**	1,101.58
Investment in other companies		
Investments designated at fair value through Other Comprehensive Income		
25,000(31 March, 2025 : 25,000) Equity shares of Rs. 10/- each fully paid up in SKH Metals Ltd.	**7.99**	7.20
Total Investment in other companies	**7.99**	7.20
Total Non Current Investments	**1,109.57**	1,108.78
Current Investments		
Investments designated at fair value through Other Comprehensive Income		
Equity Instruments (Quoted)		
300 (31 March, 2025: 300) equity shares of Rs. 10/-each fully paid up in Metalyst Forging Ltd.# @	**0.00**	0.00
1,600 (31 March, 2025 : 800) equity shares of Rs. 10/-each fully paid up in MM Forging Ltd.	**0.60**	0.54
100 (31 March, 2025 : 100) equity shares of Rs. 10/-each fully paid up in EL Forge Ltd. @	**0.00**	0.00
420 (31 March, 2025 : 420) equity shares of Rs. 2/- each fully paid up in Finolex Industries Ltd.	**0.06**	0.08
140 (31 March, 2025 : 140) equity shares of Rs. 1/-each fully paid up in Hindalco Industries Ltd.	**0.12**	0.10
560 equity Shares of Rs. 2/- each (31 March, 2025 : 112 equity shares of Rs. 10/- each) fully paid up in Coforge Ltd.	**0.63**	0.91
Total current investments	**1.41**	1.63
Total investments	**1,110.98**	1,110.41

Investments are in the process of being transferred in the name of the Company.

@ Amount less than Rs. 5,000/- are shown as 0.00

Details of quoted/ unquoted instruments :

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
(a) Aggregate amount of quoted investments and market value thereof;		
Carrying value	**1.41**	1.63
Market value	**1.41**	1.63
(b) Aggregate amount of unquoted investments		
Carrying value	**1,109.57**	1,108.78
(c) Aggregate amount of impairment in value of investments	-	-

4 Other financial assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Non-current (at amortised costs)		
Security Deposits	**1.20**	1.12
Bank deposits with more than 12 months maturity	**12.18**	177.40
Total non current financial assets	**13.38**	178.52
Current (at amortised costs)		
Energy credit receivable	**7.27**	5.95
Interest receivable	**24.79**	20.32
Other	**5.53**	-
Total current financial assets	**37.59**	26.27
Total	**50.97**	204.79

5 Deferred tax assets / liabilities (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
I Deferred tax assets :		
On account of timing difference		
a) Disallowances under Income Tax Act, 1961	**21.50**	21.50
b) Provision for employee benefits (Compensated absences)	**0.52**	0.16
c) Provision for employee benefits (Gratuity)	**1.96**	0.35
d) Lease liability	**0.18**	-
e) Present value of security deposit	**-**	-
	24.16	22.01
II Deferred tax liabilities :		
On account of timing difference		
a) Depreciation	**0.26**	1.74
b) Financial instruments	**1.08**	1.02
c) Right to use assets	**0.18**	-
	1.52	2.76
Deferred tax asset (Net) (I - II)	**22.64**	19.25

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

6 Other assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Non-current		
(Unsecured, considered good)		
Loans and advances to related parties (Refer note no. 29)		
Advances for purchase of land to Nandi Economic Corridor Enterprises Ltd. (NECE) *	**370.00**	370.00
Total other non current assets	**370.00**	370.00
Current		
Balances with statutory / government authorities	**0.01**	0.04
Gratuity plan asset	**-**	-
Prepaid expenses	**1.66**	3.28
Other advances	**7.65**	1.82
Total other current assets	**9.32**	5.14
Total	**379.32**	375.14

* NECE has acquired land parcels with clear title to be allotted to BFUL as per mutual arrangements, as confirmed by NECE.

7 Inventories

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Stock of renewable energy certificates (RECs) (Refer note below)	**0.26**	0.28
Stock of consumables, stores and spares	**0.11**	0.14
Total	**0.37**	0.42

Note: Quantitative details of Stock

Sr. no.	Description	Units	Units
1	No. of RECs held as inventory	**18,531**	18,962
2	No. of consumables, stores and spares	**17**	18

8 Trade receivables

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Unsecured, considered good	**-**	-
Total	**-**	-

There are no debts due by the Director or other officer of the Company or any of them either severally or jointly with any other person or debts due by firm including limited liability partnerships (LLP), Private company respectively in which any director or other officer is a partner or a director or a member.

For trade receivables outstanding, following is the ageing schedule:

As at 31 March 2026 **Million Rs.**

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade Receivable - Considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(iii) undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables -Considered good	-	-	-	-	-	-
(v) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

For trade receivables outstanding, following is the ageing schedule:

As at 31 March 2025 **Million Rs.**

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade Receivable - Considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(iii) undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables -Considered good	-	-	-	-	-	-
(v) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

9 Cash & bank balances :

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
i) Cash & cash equivalents		
Cash on hand	**0.02**	0.02
Balances with banks - in current accounts	**2.28**	4.65
Fixed deposits with banks (having original maturity less than three months)	**-**	-
Total cash & cash equivalents	**2.30**	4.67
ii) Bank balances other than cash and cash equivalents.		
Balance with banks		
Fixed deposits (original maturity more than three months but less than twelve months)	**433.46**	345.11
Total other bank balances	**433.46**	345.11
Total	**435.76**	349.78

10 Equity Share capital :

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Authorised		
60,000,000 (31 March, 2025 : 60,000,000) Equity shares of Rs. 5/- each	300.00	300.00
Issued, subscribed & fully paid up		
37,667,628 (31 March, 2025 : 37,667,628) Equity shares of Rs. 5/- each	188.34	188.34
Total	188.34	188.34

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 March, 2026		As at 31 March, 2025	
	No. of shares	Million Rs.	No. of shares	Million Rs.
At the beginning of the year	37,667,628	188.34	37,667,628	188.34
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	37,667,628	188.34	37,667,628	188.34
Issued /(reduction) if any during the year	-	-	-	-
Outstanding at the end of the year	37,667,628	188.34	37,667,628	188.34

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend, as and when proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except in case of interim dividend.

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

(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

The Company being ultimate holding company, there are no shares held by any other holding, ultimate holding company and their subsidiaries/associates.

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding reporting date.

(e) Disclosure of Shareholding of Promoters :

(i) Details of share holding of Promoters as at 31 March, 2026:

Sr. No.	Promoter Name	No. of Equity Shares	% of total Equity Shares	% Change during the year
1	Babasaheb Neelkanth Kalyani	7,212	0.02	-
2	Gaurishankar Neelkanth Kalyani	63,779	0.17	-
3	Ashok Kumar Kheny	472	0.00	-

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

Sr. No.	Promoter Name	No. of Equity Shares	% of total Equity Shares	% Change during the year
4	Sunita Babasaheb kalyani	4,000	0.01	-
5	Rohini Gaurishankar Kalyani	2,000	0.01	-
6	Dr. Meera Kheny	700	0.00	-
7	Sugandha Jai Hiremath	-	0.00	-
8	Amit Babasaheb Kalyani	-	0.00	-
9	Deeksha Amit Kalyani	-	0.00	-
10	Ajinkya Investment and Trading Company	66,48,886	17.65	-
11	Kalyani Investment Company Limited	61,95,046	16.45	-
12	KSL Holdings Pvt. Limited	43,53,472	11.56	-
13	PIH Finvest Company Limited	14,24,885	3.78	-
14	BF Investment Limited	11,87,903	3.15	-
15	Jannhavi Investment Private Limited	4,58,514	1.22	-
16	Sundaram Trading and Investment Pvt. Ltd.	2,39,373	0.64	-
17	Rajgad Trading Company Pvt. Ltd.	1,51,674	0.40	-
18	Kalyani Consultants Pvt. Ltd.	1,49,500	0.40	-
19	Dandakaranya Investment And Trading Pvt. Ltd.	93,700	0.25	-
20	Campanula Investment & Finance Pvt. Ltd.	56,189	0.15	-
21	Cornflower Investment & Finance Pvt. Ltd.	39,600	0.11	-
22	Hastinapur Investment & Trading Pvt. Ltd.	4,567	0.01	-
23	Dronacharya Investment & Trading Pvt. Ltd.	3,143	0.01	-
24	Kalyani Exports & Investment Pvt. Ltd.	1,45,250	0.39	-
25	Aboli Investment Pvt. Ltd.	1,36,900	0.36	-
26	Babasaheb Kalyani Family Trust	-	0.00	-
		2,13,66,765	56.72	-

(ii) Details of share holding of Promoters as at 31 March, 2025:

Sr. No.	Promoter Name	No. of Equity Shares	% of total Equity Shares	% Change during the year
1	Babasaheb Neelkanth Kalyani	7,212	0.02	-
2	Gaurishankar Neelkanth Kalyani	63,779	0.17	-
3	Ashok Kumar Kheny	472	0.00	-
4	Sunita Babasaheb kalyani	4,000	0.01	-
5	Rohini Gaurishankar Kalyani	2,000	0.01	-
6	Dr. Meera Kheny	700	0.00	-
7	Sugandha Jai Hiremath	-	0.00	-
8	Amit Babasaheb Kalyani	-	0.00	-
9	Deeksha Amit Kalyani	-	0.00	-
10	Ajinkya Investment and Trading Company	66,48,886	17.65	-
11	Kalyani Investment Company Limited	61,95,046	16.45	-
12	KSL Holdings Pvt. Limited	43,53,472	11.56	-
13	PIH Finvest Company Limited	14,24,885	3.78	-

Sr. No.	Promoter Name	No. of Equity Shares	% of total Equity Shares	% Change during the year
14	BF Investment Limited	11,87,903	3.15	-
15	Jannhavi Investment Private Limited	4,58,514	1.22	-
16	Sundaram Trading and Investment Pvt. Ltd.	2,39,373	0.64	-
17	Rajgad Trading Company Pvt. Ltd.	1,51,674	0.40	-
18	Kalyani Consultants Pvt. Ltd.	1,49,500	0.40	-
19	Dandakaranya Investment And Trading Pvt. Ltd.	93,700	0.25	-
20	Campanula Investment & Finance Pvt. Ltd.	56,189	0.15	-
21	Cornflower Investment & Finance Pvt. Ltd.	39,600	0.11	-
22	Hastinapur Investment & Trading Pvt. Ltd.	4,567	0.01	-
23	Dronacharya Investment & Trading Pvt. Ltd.	3,143	0.01	-
24	Kalyani Exports & Investment Pvt. Ltd.	1,45,250	0.39	-
25	Aboli Investment Pvt. Ltd.	1,36,900	0.36	-
26	Babasaheb Kalyani Family Trust	-	0.00	-
		2,13,66,765	56.72	-

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

Name of the shareholder*	Equity shares			
	As at 31 March, 2026		As at 31 March, 2025	
	No. of shares held	% of holding	No. of shares held	% of holding
Ajinkya Investment & Trading Company	66,48,886	17.65	66,48,886	17.65
Kalyani Investment Company Ltd.	61,95,046	16.45	61,95,046	16.45
KSL Holdings Pvt. Ltd.	43,53,472	11.56	43,53,472	11.56

* The shareholding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members.

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

11 Other equity

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Equity instruments through Other Comprehensive Income		
Balance as at the beginning of the year	**6.87**	5.87
Measurement of investments at FVTOCI (net of tax)	**0.49**	1.00
Less : Accumulated gain transferred to Retained Earnings on disposal of an Investment in equity shares measured at FVTOCI	**-**	-
Balance as at the end of the year	**7.36**	6.87
Surplus/ (Deficit) in Statement of profit & loss :		
Balance as at the beginning of the year	**1,447.70**	1,288.68
Add: Profit/ (Loss) for the year	**22.35**	159.86
Add: Remeasurement of defined benefit plan (net of tax)	**0.09**	(0.84)
Add : Accumulated gain transferred to Retained Earnings on disposal of an Investment in equity shares measured at FVTOCI	**-**	-
Net Surplus in Statement of Profit and Loss	**1,470.14**	1,447.70
	1,477.50	1,454.57

Equity instruments through Other Comprehensive Income

This reserve represents cumulative gains / (Loss) arising on fair valuation of equity instruments measured through Other Comprehensive income.

Surplus/ (Deficit) in Statement of Profit & Loss :

This reserves comprises of undistributed profit after taxes.

12 Borrowings

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Current borrowings		
Loan from others *	**-**	105.00
	-	105.00

* Represent interest free unsecured loans repayable on demand.
(includes loan from related party, Refer Note No. 29)

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

13 Other financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Other Non current financial liabilities		
Security deposit *	**200.00**	200.00
Creditors for capital purchases	**10.10**	10.10
	210.10	210.10
Other Current financial liabilities		
Expenses and other payables	**1.32**	1.81
	1.32	1.81
	211.42	211.91

* Interest free security deposit received from related party (Refer note no. 29)

13.a Lease Liability

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Movement in lease liabilities		
Opening balance	**-**	-
Additions	**0.74**	-
Disposals	**-**	-
Accretion of interest	**0.00**	-
Payments	**(0.03)**	-
Closing balance	**0.71**	-
Non current	**0.35**	-
Current	**0.36**	-

14 Other liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Other current liabilities		
Statutory dues	**0.98**	0.64
	0.98	0.64

15 Trade payables

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Dues to micro and small enterprises	**1.17**	1.02
Dues to other than micro & small enterprises	**30.63**	31.73
	31.80	32.75

For trade payables outstanding, following is the ageing schedule:

As at 31 March 2026 **Million Rs.**

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1- 2 years	2 -3 years	More than 3 years	
(i) MSME	1.13	0.04	-	-	-	1.17
(ii) Others	12.59	4.36	0.58	-	-	17.53
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	13.10	13.10
						31.80

For trade payables outstanding, following is the ageing schedule:

As at 31 March 2025 **Million Rs.**

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1- 2 years	2 -3 years	More than 3 years	
(i) MSME	0.97	0.05	-	-	-	1.02
(ii) Others	11.73	6.90	-	-	-	18.63
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	13.10	13.10
						32.75

16 Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Non-current provisions		
Compensated absences	**0.18**	0.42
	0.18	0.42
Current provisions		
Provision for employee benefits :		
Compensated absences	**1.87**	0.20
Gratuity	**7.78**	1.41
Other provisions :		
Electricity duty	**85.12**	85.12
	94.77	86.73
	94.95	87.15

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

17 Revenue from operations

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Wind power generated (Refer note no. 26)	180.88	176.88
Sale of Renewable energy certificate units (RECs)	7.64	8.96
Other sale	0.09	-
Total	188.61	185.84

18 Other income

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Interest on deposits with Bank	40.48	38.11
Dividend received from Subsidiary company	104.29	187.72
Dividend received from others	0.02	0.02
Interest income on security deposit	0.00	-
Provision no longer required, written back	-	5.00
Miscellaneous income	0.04	0.14
Total	144.83	230.99

19 Changes in inventories

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Opening stock of renewable energy certificates (RECs), stores and spares	0.42	0.51
Closing stock of renewable energy certificates (RECs), stores and spares	0.37	0.42
(Increase) / decrease in inventory: Total	0.05	0.09

20 Employee benefits expense

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Salaries, allowances etc.	24.09	21.41
Contribution to provident & other funds	1.23	1.01
Gratuity	0.52	0.50
Staff welfare expense	0.46	0.40
Total	26.30	23.32

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

21 Finance costs

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Finance cost on Lease liability @	0.00	-
Bank charges	-	-
Total	0.00	-

@ Amount less than Rs. 5,000/- are shown as 0.00

22 Other expenses

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Operating expenses		
Operations, maintenance & CDM expenses-wind mills	23.03	22.99
Open Access - Transmission charges	24.33	20.41
Open Access - Wheeling charges	14.83	12.76
Cross subsidy	42.39	38.05
Open Access - Other charges	13.76	32.91
Electricity duty	18.95	19.31
Other operating expenses	3.96	5.10
Rent expense	0.80	0.80
Insurance charges	1.63	1.33
(A)	143.68	153.66
Administrative expenses		
Insurance charges - others	0.45	0.27
Rates & taxes	13.87	1.62
Repairs & maintenance (others)	0.06	0.07
Director's sitting fees, etc.	0.57	0.53
Professional & consultancy expenses	4.87	4.82
Professional & consultancy expenses, others	55.03	-
Payment to auditors :		
Audit fees	1.30	1.30
Tax audit fees	-	0.12
Other services	0.05	-
	1.35	1.42
Listing and custodial charges	1.39	1.31
Fine and Penalties	8.70	4.21
Miscellaneous expenses	4.46	3.61
(B)	90.75	17.86
Total (A)+ (B)	234.43	171.52

23 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the Net profit attributable to the equity shareholders of the Company by the Weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by adjusting the Weighted average number of equity shares outstanding, for effects of all dilutive potential ordinary shares.

The following reflects income and share data used in the basic and dilutive EPS calculations:

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
(A) Net profit / (Loss) attributable to equity shareholders	**22.35**	159.86
(B) Total number of equity shares	**3,76,67,628**	3,76,67,628
(C) Weighted average number of equity shares	**3,76,67,628**	3,76,67,628
Basic earnings per share of face value of Rs. 5/- each (A)/(B) (in Rs.)	**0.59**	4.24
Diluted earnings per share of face value of Rs. 5/- each (A)/(B) (in Rs.)	**0.59**	4.24

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

24. Contingent Liability and Commitments

Particulars of Contingent liabilities	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Contingent Liabilities not provided for in respect of		
a) Claims against the Company not acknowledged as debt	**184.65**	184.65
b) Others @	**0.00**	0.00

@ Amount less than Rs. 5,000/- are shown as 0.00

Commitments

Particulars of Commitments	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-

25. Amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

The disclosure pursuant to the said Act is as under:

(In Rs. Million)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total outstanding to MSME suppliers	**1.17**	1.02
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest due & payable to suppliers under MSMED act for the payments already made	-	-
Interest due on principle amount remaining unpaid as on year end date	-	-
Interest accrued & remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

26. Revenue from contracts with customers

a. Revenue Streams

The Company generates revenue primarily from Sale of wind power.

(in Rs. Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers:		
- Revenue from sale of wind power	**180.88**	176.88
- Revenue from sale of REC	**7.64**	8.96
Total	**188.52**	185.84

b. Disaggregation of Revenue

The entire revenue from contracts with customers is recognised at point in time and pertains to one line of business i.e. wind power generation.

c. The movement in contract assets during the year is as follows :

Particulars	For the year ended 31/03/2026	For the year ended 31/03/2025
Balance at the beginning of the year	**5.95**	9.70
Add : Energy credit receivable (Ref. Note 4)	**72.56**	59.25
Less : Invoiced during the period	**71.24**	63.00
Balance at the end of the year	**7.27**	5.95

27. Provisions

The disclosure required by Ind AS 37- "Provisions, Contingent Liabilities and Contingent Assets" prescribed by Rules, as amended are as follows.

(In Rs. Million)

Class of provision: Electricity Duty	Carrying amount as at beginning of the year	Charge during the year	Amount paid during the year	Carrying amount as at the end of the year
As at March 31, 2026	**85.12**	**-**	**-**	**85.12**
As at March 31, 2025	85.12	-	-	85.12

Nature of provision

In terms of various notifications/ circulars issued by Government of Maharashtra, electricity duty is payable in respect of wind power sold to third parties.

28. Un hedged foreign currency exposure

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Trade Receivables	**-**	-
Trade Payables	**-**	-

29. Related party disclosures

Related parties, as defined under Clause 9 of Ind AS 24 "Related Party Disclosures", have been identified on the basis of representation made by the Key Management Persons and taken on record by the Board of Directors. Disclosures of transactions with Related Parties are as under:

Name of the related parties and related party relationship

Subsidiaries	Nandi Infrastructure Corridor Enterprise Ltd. (NICE) Nandi Highway Developers Ltd. (NHDL) BFUL Resources Pvt. Ltd. (BFRPL)
Companies under same management control	Nandi Economic Corridor Enterprises Ltd. (NECE) (Subsidiary of NICE) Jayapatri Investments Pvt. Ltd. (JIPL)

Related parties with whom transactions have taken place during the year

Enterprises under common control	Bharat Forge Ltd. BF Investment Limited Kalyani Strategic Management Services Ltd. (KSMS)
Directors	Mr. B N Kalyani (up to 29th May, 2025) Mr. A B Kalyani Mr S K Adivarekar Ms. A A Sathe (Up to 14th August, 2025) Mr. J K Hemade Mr. M U Takale (w.e.f. 29th May, 2025) Ms. M R Vartak (w.e.f 17th March, 2026)
Key management personnel	Mr. B S Mitkari (CEO & CFO) (CS up to 31 March, 2025) Ms. Pragati S Rai (Company Secretary) (w.e.f.1st April, 2025)

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

Related party transactions

Sr No	Nature of transaction	Name of the Related Party	**Year ended March 31, 2026**	Year ended March 31, 2025
			Million Rs.	Million Rs.
I	**Income**			
A	Sales, Energy credit receivable	Bharat Forge Ltd.	**180.88**	176.88
B	Employee deputation cost (including taxes)	BF Investment Ltd.	**-**	0.55
C	Dividend Received	NHDL	**104.29**	187.72
D	Share in expenses (including taxes)	JIPL	**9.82**	-
II	**Expenditure**			
A	Reimbursement of expenses	Bharat Forge Ltd.	**115.29**	126.96
B	Rent and others	BFUL Resources Pvt. Ltd.	**0.83**	0.80
C	Remuneration paid to Key Managerial Personnel		**19.00**	16.22
D	Directors' sitting fees, etc.	Mr. B.N Kalyani	**0.01**	0.12
		Mr. A.B. Kalyani	**0.12**	0.11
		Ms. A.A. Sathe	**0.03**	0.12
		Mr.S.K.Adivarekar	**0.14**	0.08
		Mr. J K Hemade	**0.15**	0.10
		Mr. M.U.Takale	**0.12**	-
		Ms. M.R.Vartak	**-**	-
E	Branding Fees	KSMS	**0.59**	0.68
III	**Others**			
A	Loan / ICD Taken / (Repaid)	BF Investment Ltd.	**(105.00)**	(25.00)

Balance outstanding as at the year ended

Sr No	Nature of transaction	Name of the Related Party	**March 31, 2026 Receivable / (Payable)**	March 31, 2025 Receivable / (Payable)
			Million Rs.	Million Rs
1	Trade payable	BFUL Resources Pvt. Ltd.	**(1.30)**	(0.61)
2	Other receivable	Jaypatri Investment Pvt. Ltd	**5.53**	-
3	Loan / Inter Corporate Deposits	BF Investment Ltd.		
		- Balance outstanding	**-**	(105.00)
		- Maximum amount outstanding during the year	**(105.00)**	(130.00)
4	Security deposit	Bharat Forge Ltd.	**(200.00)**	(200.00)
5	Branding fees- deposit	KSMS	**0.20**	0.20
6	Advances for purchase of land	NECE	**370.00**	370.00
7	Investments	NICE	**775.69**	775.69
		NHDL	**260.72**	260.72
		BFUL Resources Pvt. Ltd.	**65.17**	65.17
8	RemunerationPayable to Key Managerial Personnel		**-**	-
9	Branding fees Payable	KSMS	**(0.54)**	(0.54)

30. Financial Instruments

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 issue new shares or sell assets to reduce debt. The capital structure of the Company consists of debt and total equity of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The Company is not subject to any externally imposed capital requirements.

Refer note 34 for information on ratios.

Fair Value Measurement

Set out below is a comparison, by class, of the carrying amounts and the fair value of the Company's financial instruments as at 31 March 2026

Million Rs.

Particulars	At Cost	Amortised cost	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets					
Investments	1,101.58	-	9.40	1,110.98	1,110.98
Trade receivables	-	-	-	-	-
Cash and cash equivalents - Bank balance	-	2.30	-	2.30	2.30
Bank Balance other than above	-	433.46	-	433.46	433.46
Other financial assets	-	50.97	-	50.97	50.97
Total	**1,101.58**	**486.73**	**9.40**	**1,597.71**	**1,597.71**
Financial Liabilities					
Borrowings	-	-	-	-	-
Trade Payables	-	31.80	-	31.80	31.80
Other financial liabilities	-	211.42	-	211.42	211.42
Total	**-**	**243.22**	**-**	**243.22**	**243.22**

Set out below is a comparison, by class, of the carrying amounts and the fair value of the Company's financial instruments as on 31 March 2025

Million Rs.

Particulars	At Cost	Amortised cost	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets					
Investments	1,101.58	-	8.83	1,110.41	1,110.41
Trade receivables	-	-	-	-	-
Cash and cash equivalents - Bank balance	-	4.67	-	4.67	4.67
Bank Balance other than above	-	345.11	-	345.11	345.11
Other financial assets	-	204.79	-	204.79	204.79
Total	**1,101.58**	**554.57**	**8.83**	**1664.98**	**1,664.98**
Financial Liabilities					
Borrowings	-	105.00	-	105.00	105.00
Trade Payables	-	32.75	-	32.75	32.75
Other financial liabilities	-	211.91	-	211.91	211.91
Total	**-**	**349.66**	**-**	**349.66**	**349.66**

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities 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. The following methods and assumptions were used to estimate the fair values:

1. The fair values of quoted instruments are based on price quotations at the reporting date.
2. The Company has performed fair valuation of material investment in unquoted equity shares, other than in subsidiary company, which has been classified as Investment carried at Fair Value through Other comprehensive Income.

Financial risk management framework:

The Company is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Outstanding customer receivables are regularly monitored. The Company maintains its cash and cash equivalents and deposits with banks having good reputation and high-quality credit ratings.

The Company has only one customer i.e. Bharat Forge Ltd. To mitigate the credit risk, the Company has taken security deposit of Rs. 200 Million (Rs 200 Million as on March 31, 2025) which covers the sales made by Company to it over next year(s).

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, liquid cash and bank balance by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below provides details regarding the contractual maturities of significant financial liabilities:

(Million Rs.)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Less than 1 Year	More than 1 Year	Less than 1 Year	More than 1 Year
Borrowings	-	-	105.00	-
Trade payables	18.12	13.68	19.65	13.10
Other financial liabilities	1.32	210.10	1.81	210.10

Fair Value Measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Ind AS 113 - Fair Value Measurement.

An explanation of each level is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the asset or liability.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

(Million Rs.)

Quantitative disclosure fair value measurement hierarchy for assets	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant un-observable Inputs (Level 3)
Financial assets at FVTOCI			
Equity Instruments (Quoted)			
March 31, 2026	1.41	-	-
March 31, 2025	1.63	-	-
Equity Instruments (Un-Quoted)			
March 31, 2026	-	7.99	-
March 31, 2025	-	7.20	-

31. Gratuity and other post-employment benefit plans

Gratuity plan

Funded scheme

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972 and the Scheme framed by the Company. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years but not more than fifteen years of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. Every employee who has completed fifteen years of service gets a gratuity on departure at one month's salary (last drawn) for each completed year of service, subject to maximum for 20 months' salary as per the Scheme of the Company. The scheme is funded with insurance companies in the form of a qualifying insurance policy.

Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long-term obligations to make future benefit payments.

1) Liability risks

a) Asset-liability mismatch risk

Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

b) Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c) Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) Asset risks

All plan assets are maintained in a trust fund managed by a public sector insurer viz. LIC of India and other insurance companies. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this

option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also, interest rate and inflation risk are taken care of.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2026 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

The principal assumptions used in determining gratuity for the Company's plan is shown below:

Particulars	As at March 31, 2026	As at March 31, 2025
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	6.70%	6.60%
Rate of increase in compensation levels	7.50%	7.50%
Expected rate of return on plan assets	6.60%	7.20%
Expected average remaining working lives (in years)	3.43	3.93
Withdrawal rate (based on grade and age of employees)		
Age upto 30 years	10%	10%
Age 31 - 40 years	10%	10%
Age 41 - 50 years	10%	10%
Age above 50 years	10%	10%

Changes in the present value of the defined benefit obligation recognised in balance sheet are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
Present value of obligation as at the beginning of the period	6.58	4.63
Interest expense	0.44	0.33
Past Service Cost	7.64	-
Current service cost	0.47	0.28
Benefits (paid)	-	-
Remeasurements on obligation [Actuarial (Gain) / Loss]	0.16	1.34
Closing defined benefit obligation	15.29	6.58

Changes in the fair value of plan assets recognised in the balance sheet are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
Opening fair value of plan assets	5.17	5.06
Adjustments to opening fund	-	(0.25)
Interest Income	0.39	0.37
Contributions	1.67	0.02
Benefits paid	-	-
Remeasurements	-	-
Return on plan assets, excluding amount recognized inInterest Income - Gain / (Loss)	0.28	(0.03)
Closing fair value of plan assets	7.51	5.17
Actual return on plan assets	0.68	0.34

Net Interest (Income/Expense)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Million Rs.	Million Rs.
Interest (Income) / Expense - Obligation	0.43	0.33
Interest (Income) / Expense - Plan assets	(0.39)	(0.36)
Net Interest (Income) / Expense for the period	0.04	(0.03)

Remeasurement for the year [Actuarial (Gain)/loss]

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Million Rs.	Million Rs.
Experience (Gain) / Loss on plan liabilities	0.18	1.49
Demographic (Gain) / Loss on plan liabilities	-	(0.23)
Financial (Gain) / Loss on plan liabilities	(0.02)	0.08
Experience (Gain) / Loss on plan assets	(0.32)	0.02
Financial (Gain) / Loss on plan assets	0.04	0.01

Amount recognised in Statement of Other Comprehensive Income (OCI)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Million Rs.	Million Rs.
Opening amount recognised in OCI outside profit and loss account	(0.14)	(1.51)
Remeasurement for the year-Obligation (Gain)/Loss	0.16	1.34
Remeasurement for the year-Plan assets (Gain)/Loss	(0.28)	0.03
Total Remeasurement cost/(credit) for the period recognised in OCI	(0.12)	1.37
Closing amount recognised in OCI outside profit and loss account	(0.26)	(0.14)

The amounts to be recognised in the Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
Present value of obligation as at the end of the period	15.29	6.58
Fair value of plan assets as at the end of the period	7.51	5.16
Surplus/ (Deficit)	(7.78)	(1.41)
Current liability	7.78	1.41
Non-current liability	7.51	5.16
Net asset / (liability) to be recognised in balance sheet	(7.78)	(1.41)

Expense recognised in the statement of profit and loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Million Rs.	Million Rs.
Current service cost	0.47	0.28
Past Service cost	7.64	-
Net Interest (Income) / Expense	0.04	(0.03)
Adjustments to opening plan asset	-	0.25
Net periodic benefit cost recognised in the statement of profit and loss	8.15	0.25

Reconciliation of net asset/ (liability) recognised:

Particulars	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
Net asset / (liability) recognised at the beginning of the period	(1.41)	0.43
Adjustments to opening fund	-	(0.25)
Company contributions	1.67	0.02
Amount recognised outside profit & loss for the period	0.12	(1.37)
Expense recognised at the end of period	(8.15)	(0.24)
Net asset / (liability) recognised at the end of the period	(7.78)	(1.41)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Funds managed by insurer	100 %	100 %

Sensitivity analysis

A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis points

Discount Rate	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
5.70% (FY 25-26)/5.60% (FY 24-25)	15.47	6.72
7.70% (FY 25-26) /7.60% (FY 24-25)	15.13	6.45

B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis points

Salary Increment Rate	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
6.50%	15.25	6.50
8.50%	15.34	6.66

C) Impact of change in withdrawal rate when base assumption is decreased/increased by 100 basis points

Withdrawal Rate	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
9.00%	15.28	6.59
11.00%	15.30	6.57

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following are the expected benefit payments to the defined benefit plan in future years:

Particulars	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
Within one year	14.03	1.58
After one year but not more than five years	1.27	5.51
After five years but not more than ten years	0.08	0.07

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal and interest rate) is 4.40 years.

Provident Fund

In accordance with the law, all employees of the Company are entitled to receive benefits under the provident fund. Till the Financial Year 2016-17, the Company operated defined benefit plan. Under the defined benefit plan, the Company contributes to the " BFUL Employees Provident Fund Trust. ". The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

From the Financial Year 2017-18 onwards the Company operated defined contribution plan. Under the defined contribution plan, provident fund is contributed to the government administered provident fund. The Company has no obligation, other than the contribution payable to the provident fund.

32. Income Taxes

A reconciliation of the Income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarised below.

(i) Amounts recognised in profit or loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Million Rs.	Million Rs.
Current tax		
Current year	35.02	55.69
Earlier year	-	(0.49)
Total Income tax (income)/ expenses	35.02	55.20

(ii) Income Tax in Other Comprehensive income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Million Rs.	Million Rs.
Deferred tax related to Item recognised in OCI		
Re-measurement Gain /(Loss) on defined benefit obligations plan	0.03	0.53
Net Gain / (Loss) on equity instruments at FVTOCI	0.08	(0.01)
Total Income Tax charged to Other Comprehensive Income	0.11	(0.52)

(iii) Effective Tax Reconciliation

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Million Rs.	Million Rs.
Accounting profit/(loss) before tax from operations	57.37	215.06
Enacted tax rate in India	25.17%	25.17%
Computed tax expense at enacted tax rate	14.44	54.13
Effect of non-deductible expenses	20.58	1.56
Effect of MAT Credit availed	-	-
Short / (Excess) provision of earlier years	-	(0.49)
Tax expense reported in statement of profit and loss	35.02	55.20

Tax rate applicable for current FY is 25.17% as Company has opted to pay tax under Section 115 BAA of Income Tax Act, 1961.

33. Corporate Social Responsibility (CSR)

The Company has formed Corporate Social Responsibility (CSR) Committee and has also adopted a CSR Policy in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has not met any of the thresholds prescribed under section 135 of the Companies Act, 2013 for the financial year 2023-24 and 2024-25. As such, provisions of Section 135 shall not be applicable for immediately subsequent financial years 2024-25 and 2025-26, respectively.

(Million Rs)

Sr. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1.	Gross amount required to be spent by the Company during the year	Nil	Nil
2.	Amount approved by the board to be spent during the year	Nil	Nil
3.	Amount spent during the year on:		
	1) Construction/Acquisition of any asset	-	-
	2) On purchase other than (i) above	-	-
4.	The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
5.	The total of previous years' shortfall amounts	-	-
6.	The reason for above shortfalls	-	-
7.	The nature of CSR activities undertaken by the Company.	Refer annexure of Directors Report	Refer annexure of Directors Report
8.	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	-	-

Notes forming part of Standalone Financial Statements for the Year ended 31st March, 2026 :

34. Ratios **(Million Rs)**

Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Variation in %
Current Ratio(in times)	Current Assets	Current Liabilities	**3.38**	1.65	**105**
Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	**-**	0.06	**-100**
Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt services	**0.27**	6.47	**-96**
Return on Equity (in %)	Net profit after taxes	Average Shareholder's Equity	**1.35**	10.23	**-87**
Trade Receivables turnover ratio(in times)	Net Credit sales	Average Accounts Receivables	**-**	-	**-**
Net Capital Turnover Ratio(in times)	Net Sales	Working Capital	**0.77**	1.18	**-35**
Net Profit Ratio (in %)	Net Profit	Net Sales	**11.85**	86.01	**-86**
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed	**4.96**	12.45	**-60**
Return on Investment in equity shares (in %)	Income generated from Investments in Subsidiary	Average funds invested	**9.47**	17.04	**-44**
Return on Investment in equity shares (in %)	Income generated from Investments	Average funds invested	**1.76**	1.66	**6**
Return on investment in Fixed deposits with Banks (in %)	Income generated from Fixed deposits	Average funds invested	**7.29**	7.58	**-4**

Note on Variation:

1. Current Ratio -: Increase in trade receivables and Bank FDs
2. Debt-Equity Ratio -: Repayment of debt
3. Debt Service Coverage Ratio -: Increase in repayment of borrowing and reduction in net operating income.
4. Return on Equity Ratio -: Decrease in net profit after tax due to decrease in dividend income and increase in other expenditure.
5. Net capital turnover ratio -: Increase in in working capital due to increase in current assets.
6. Net profit ratio -: Decrease in net profit due to decrease in dividend income and increase in other expenditure.
7. Return on Capital employed -: Decrease in earnings before interest and taxes due to decrease in dividend income and increase in other expenditure.
8. Return on Investment in equity shares -: Decrease in dividend income during the year.

35. Relationship with Struck off companies:

The Company did not enter into any transaction with Companies struck off from ROC records for the period ended 31 March 2026 and 31 March 2025.

36. a. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds have been received by the company to or in any other person(s) or entity(ies) including foreign entities (funding parties) with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

37. Based on opinion of the legal advisors and independent review by the management of the Company of certain litigations by and against the Company, the management does not warrant recognition of any provision in the books of account as at 31st March, 2026. The Company, will continue to review the position as regards these litigations in future and if advised, carry out the necessary accounting adjustments.

38. One of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Ltd., (NECE), a step-down subsidiary of the Company and the transferee Soinfra Enterprises Private Limited ("Claimants") have filed a notice of arbitration before the Singapore International Arbitration Centre ("SIAC"), based on Clause 24.2 (Arbitration Clause) of the SHA against Sponsors and Promoters (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of arbitration on 27th March 2025. In this notice of arbitration, the Company has been named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter, and the Claimants have submitted their statement of claim on 26th September 2025 claiming 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 for an amount equal to investment of Rs. 500 Crore along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of INR 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest @ 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on several counts and that they have strong defences and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence to the statement of claim on 24 December, 2025.

39. The Company has advanced amounts aggregating to Rs. 370 million to Nandi Economic Corridor Enterprises Limited (NECE), Subsidiary Company, for acquisition of land parcels, which remain outstanding at the balance sheet date. These have been considered as good and recoverable in these financial statements by the Management of the Company based on the balance confirmation received from NECE.

40. The toll operations of one of our Material Subsidiaries viz. Nandi Highway Developers Limited (NHDL) have successfully concluded w.e.f. September 07, 2024, due to end of term of Concession agreement dated February 05, 1998 and Supplementary agreement dated June 21, 2024 between NHDL, Government of India and Government of Karnataka. Considering the positive net-worth of NHDL, the investment in NHDL is considered as good, not warranting any provisioning or impairment in the Company's books.

41. Nandi Infrastructure Corridor Enterprises Ltd. (NICE), Nandi Economic Corridor Enterprises Ltd. (NECE) and Nandi Highway Developers Ltd. (NHDL) which are the subsidiaries of the Company, have not yet submitted the audited financial statements for the year ended 31 March, 2026, to the Company.

The Company will prepare consolidated financial statements, once the audited accounts of all the above-mentioned subsidiaries are made available to the Company.

42. The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes viz. Code on wages 2019, Codes on Social Security 2020, Industrial Relation Code 2020, and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). These Codes have been made effective from November 21, 2025. The corresponding draft rules under these codes have been issued by the Government.

Incremental impact on gratuity of Rs. 7.64 million and on long-term compensated absences of Rs. 1.26 million due to change in definition of wages under the New Labour Codes is disclosed under exceptional items in the financial statement for the year ended March 31, 2026. The Government of India has by a notification on May 8, 2026, notified the final rules under the New Labour Codes. Since the new labour codes and related rules are evolving and subject to further clarifications and implementation guidelines, the Company will continue to evaluate the implications thereof and the appropriate accounting impacts, if any, shall be accounted for as and when the same becomes reasonably measurable and ascertainable.

43. Previous year's figures have been regrouped wherever necessary.

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

As per our report of even date
For G.D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

Anagha M Nanivadekar
Partner
Membership No.: 121007

Pune, 28 May, 2026

For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
CIN : L40108PN2000PLC015323

B. S. MITKARI
Whole-Time Director,
CEO & CFO
DIN : 03632549

M. U. Takale
Director
DIN : 01291287

Ms. Pragati S Rai
Company Secretary
Membership No.: A66887

Pune, 28 May, 2026

INDEPENDENT AUDITOR'S REPORT

To,

The Members of BF Utilities Limited

Report on the Audit of the Consolidated Financial Statements

Adverse Opinion

We have audited the accompanying Consolidated Financial Statements of BF Utilities Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2026, the consolidated Statement of Profit and Loss (including other comprehensive loss), the consolidated statement of Changes in Equity and the consolidated statement of Cash Flows for the year then ended and notes to the consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of matters discussed in the Basis for Adverse Opinion section of our report, the aforesaid consolidated financial statements do not give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and do not give a true and fair view in conformity with Indian Accounting Standards (IND AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, its consolidated profit, consolidated other comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Adverse Opinion

i. As described in the notes to the accompanying consolidated financial statements, the Step-down subsidiary viz. Nandi Economic Corridor Enterprises Limited (NECE), had recorded equity of INR 3,113.00 million in earlier years which includes securities premium of INR 2,772.54 million against original subscription amount of INR 4,999.85 million paid by AIRRO (Mauritius) Holdings V ("the Investor/ AIRRO"). NECE has continued to classify all equity shares, including such subscription, as equity instruments basis re-evaluation performed by the Management of NECE during financial year 2023-24. However, in our opinion and based on the adverse opinion on the standalone financial statements of NECE for financial year 2025-26 expressed by their statutory auditors, basis the buyback option contained in the Shareholders Agreement, the buyback obligation should have been classified and measured as liability in accordance with the principles enunciated under the Indian Accounting Standard (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rule, 2015. Had the buy-back obligation been classified as liability and measured according to applicable accounting standards, there would have been a material and pervasive impact on total equity and non-current liabilities as at April 1, 2024, March 31, 2025 and March 31, 2026 and profit for the years ended March 31, 2025 and March 31, 2026 along with consequential effects thereof on the Standalone Financial Statements of NECE and on the accompanying Consolidated Financial Statements, which we are unable to quantify due to absence of valuation of aforesaid financial liability as at the respective reporting period ends.

   Our audit report on the consolidated financial statements of the Group for the year ended March 31, 2025 also included an adverse opinion in respect of this matter.

ii. As stated in notes to the accompanying consolidated financial statements, one of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Limited (NECE), a step-down subsidiary of the Company and Soinfra Enterprise Private Limited ('Claimants") have filed a notice of arbitration before Singapore International Arbitration Centre ("SIAC"), based on Clause 24.2 (Arbitration Clause) of the Shareholders Agreement (SHA) against Sponsors and Promotors (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of Arbitration on March 27, 2025. In this notice of arbitration, the Company has named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter and the Claimants have submitted their statement of claim on September 26, 2025, claiming 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 for an amount equal to investment of Rs. 500 Crores along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of Rs 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest at the rate of 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on

several counts and that they have strong defences and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence (SOD) to the statement of claim on 24th December 2025. Discovery and document production took place between 21st January 2026 and 8th April 2026. The Claimants filed their reply to the SOD on 13th May 2026 and in response thereto, Company and other respondents filed their rejoinder in the matter on 17th July, 2026. The matter continues to proceed before the Tribunal in accordance with its procedural directions.

In our opinion, the impact of above claims on the Group if awarded by arbitral tribunal could be material and pervasive. Since the matter is disputed, it cannot be ascertained whether any provision for the aforesaid claim is required to be recognized in the consolidated financial statements for the year ended March 31, 2026.

Our audit report on the standalone financial statements of the Holding Company for the year ended March 31, 2026 also included a qualified opinion in respect of this matter and our audit report on the consolidated financial statements of the Group for the year ended March 31, 2025, included an adverse opinion in respect of this matter.

iii. As stated in notes to the accompanying consolidated financial statements, the interest free advance of Rs. 370 million given by the Holding Company to its step-down subsidiary viz. Nandi Economic Corridor Enterprises Ltd (NECE), for acquisition of land parcels is outstanding for more than fifteen years. The aforesaid advance in the books of Holding Company and the liability in the books of NECE is eliminated in the consolidated financial statements. However, in view of substantial delay in identification and allotment of the land parcels, we are unable to ascertain the nature and present status of utilisation of the advance by NECE and the consequential impact on the consolidated financial statements.

Our audit report on the standalone financial statements of the Holding Company for the year ended March 31, 2026 also included a qualified opinion in respect of this matter and our audit report on the consolidated financial statements of the Group for the year ended March 31, 2025, included an adverse opinion in respect of this matter.

iv. As stated in notes to the accompanying consolidated financial statements, the toll operations of one of the Material Subsidiaries viz. Nandi Highway Developers Limited (NHDL) have been successfully concluded w.e.f. September 07, 2024, due to end of term of Concession agreement dated February 05, 1998, and Supplementary agreement dated June 21, 2024, between NHDL, Government of India and Government of Karnataka. Considering the positive net worth of NHDL, the management of NHDL is of the view that the assets in the said subsidiary be considered good. However, considering the non-renewal of the toll contract and no alternative business plans by the management, there is a material uncertainty that may cast a significant doubt on the ability of NHDL to continue as a going concern and therefore NHDL may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact. Despite significant uncertainty as described above, these financial statements have been prepared on going concern basis of accounting. We are unable to ascertain whether any provision for impairment and expected credit losses is required to be recognized in the consolidated financial statements as per 'IND As 36 Impairment of Assets' and 'IND As 109 Financial Instruments'.

Our audit report on the standalone financial statements of the Holding Company for the year ended March 31, 2026 also included a qualified opinion in respect of this matter and our audit report on the consolidated financial statements of the Group for the year ended March 31, 2025, included an adverse opinion in respect of this matter.

v. We were unable to obtain sufficient appropriate audit evidence regarding the audit procedures performed by the auditors of three subsidiaries viz. Nandi Highway Developers Limited (NHDL), Nandi Infrastructure Corridor Enterprise Limited (NICE) and Nandi Economic Corridor Enterprises Limited (NECE) in accordance with SA 600, 'Using the Work of Another Auditor' issued by ICAI, whose financial statements reflect total assets of Rs. 28,237 million as at March 31, 2026, total revenues of Rs. 9,710 million, profit after tax of Rs. 3,484 million, total comprehensive income of Rs. 3,480 million for year ended March 31, 2026, and cash inflows of Rs. 169 million for the year ended March 31, 2026, included in the consolidated financial statements, as the other auditors have not responded to certain group audit communication requirements. Further, we were unable to carry out alternate audit procedures and accordingly, we were unable to determine whether any adjustments might have been necessary to the financial statements of the said subsidiaries and consequently, to the consolidated financial statements.

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Responsibilities of Auditor for the Audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the ICAI) together with the ethical requirements that are relevant to our audit of the consolidated Financial Statements under the provisions of the Act and the Rules 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, and the audit evidence obtained by other auditors in terms of their reports referred to in other matters section below is sufficient and appropriate to provide a basis for our adverse opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to the following matter included in the Notes to the Consolidated Financial Statements:

i. As disclosed in the Notes to the Consolidated Financial Statements, there is a vacancy in the office of the Managing Director (MD) of the Company's step-down subsidiary, viz. Nandi Economic Corridor Enterprises Limited (NECE), due to failure to receive approval for re-appointment from the shareholders in the Annual General Meeting, resulting in non-compliance with the requirements of Section 203 of the Companies Act, 2013. The appointment of the MD of NECE is a reserved matter under the Shareholders Agreement dated December 24, 2010, and requires approval from the shareholders by way of special resolution. The Management of the step-down subsidiary is in the process of appointing the MD in accordance with the applicable provisions of the Companies Act, 2013 and the provisions of the shareholders' agreement dated December 24, 2010, including obtaining requisite approval from Shareholders of NECE in due course. Management of NECE has evaluated that the non-compliance does not have a material impact on the financial statements or operations of NECE.

ii. Management review of certain litigations by and against the Group does not warrant recognition of any provision in the books of account as at March 31, 2026. The Group shall continue the review in future and if required carry out the necessary accounting adjustments.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that in our professional judgment and based on the consideration of the reports of the other auditors on standalone financial statements and the other financial information of the subsidiaries, which were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We did not audit the financial statements of the subsidiaries, as at and for the year ended on March 31, 2026, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our identification and reporting of the Key Audit Matters, in so far as it relates to these subsidiaries, is based solely on the reports of the other auditors.

We report that except for the matters described in the Basis of Adverse Opinion section, there are no other Key Audit Matters in our audit of Consolidated Financial Statements.

Information other than the Consolidated Financial Statements and Auditors' report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Report of the Board of Directors and the report on Corporate Governance but does not include the Consolidated Financial Statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this report.

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

Upon reading of the other information made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, the consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance

of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Responsibilities of Auditor for the Audit of the Consolidated Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026,

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

Other Matter

We did not audit the financial statements of subsidiaries whose financial statements, before consolidation adjustments, reflect Group's share of total assets of Rs. 28,244 million as at March 31, 2026, Group's share of total revenue of Rs. 9,711 million, Group's share of total net profit after tax of Rs. 3,485 million and, Group's share of total comprehensive income of Rs. 3,480 million for the year ended March 31, 2026, and cash inflow of Rs. 169 million for the year ended as on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management. Our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

We were however unable to obtain additional information and responses from the component auditors of three subsidiaries regarding certain matters communicated under group audit procedures, as described in the Basis for Adverse Opinion paragraph above.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matter' paragraph we report to the extent applicable that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements except for the possible effects of the matter described in the Basis for Adverse Opinion section above and non- availability of responses on group review questionnaires from the statutory auditors of three subsidiaries viz. NHDL, NICE and NECE.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of the other auditors except for the possible effects of the matters described in the Basis for Adverse opinion section.

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d. Except for the possible effects of the matters described in the Basis of Adverse opinion section, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

    e. The matters described in Basis for Adverse opinion section, in our opinion may have an adverse effect on the functioning of the group.

    f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, none of the director of the Group companies is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

    g. The Adverse remark relating to maintenance of accounts and other matters connected therewith are as stated in the Basis of Adverse opinion section.

    h. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its Subsidiaries and the operating effectiveness of such controls, refer our separate Report in "Annexure 1" wherein we have expressed an Adverse opinion.

    i. As per the information and explanations given to us and on the basis of examination of books of account of Holding Company, and the reports of the auditors of the subsidiaries, we report that the managerial remuneration has been paid in accordance with the provisions of section 197 and Schedule V of the Act.

    j. 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 and based on the consideration of the reports of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'other matter' paragraph:

i. Except for the effects of the matters described in the Basis of Adverse opinion section, the Group has disclosed the impact of pending litigations as at March 31, 2026, on its consolidated financial position in its consolidated financial statements. Refer notes the consolidated financial statements;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2026.

iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended March 31, 2026.

iv. (a) The management has represented that to the best of its knowledge or belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group 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, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that to the best of its knowledge or belief, no funds have been received by the Group from any other person(s) or entity(ies) including foreign entities (funding parties) with the understanding, whether recorded in writing or otherwise, that the Group shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures considered reasonable and appropriate in the circumstances carried out by us, nothing has come to our notice that has caused us to believe that the representation under clause (iv)(a) & (iv)(b) contain any material misstatements.

v. The interim dividend declared and paid by the Subsidiary viz. NHDL during the year is in accordance with section 123 of the Act. The Holding company and other subsidiaries have not declared or paid any dividend during the year.

vi. According to information and explanations given to us and based on our examination which included appropriate test checks and on the basis of the audit reports issued by other auditors, we report that the Holding company and its subsidiaries have used accounting software for maintaining its books of account which has the feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the respective software. Further, no instances of tampering of the audit trail feature were observed during the course of audit. The audit trail has been preserved by the Holding company and its subsidiaries as per the statutory requirements for the record retention.

vii. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ 'CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and by other auditors of the subsidiaries included in the consolidated financial statements of the Group, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except in case of Holding Company viz. BF Utilities Limited where we have drawn attention to reported disclosure in clause number 3(i)(c), reporting under clause 3(vii)(b) for Nandi Infrastructure Corridor Enterprise Limited (NICE) and Nandi Economic Corridor Enterprises Limited (NECE) and reporting under clause 3(xvii) for Nandi Highway Developers Limited (NHDL).

For G. D. Apte & Co.
Chartered Accountants
Firm's Registration Number: 100515W
UDIN: 26121007TXJQJT9152

Anagha M Nanivadekar
Partner
Membership Number: 121 007

Pune, September 30, 2026

ANNEXURE "1" TO THE INDEPENDENT AUDITORS' REPORT

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of BF Utilities Limited.

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

In conjunction with our audit of the Consolidated Financial Statements of BF Utilities Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("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 its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to consolidated financial statements of the Holding company and its subsidiaries based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated Ind AS financial statements and both 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 internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their report referred to in 'Other Matter' paragraph below, in respect of Holding company and its subsidiaries respectively, is sufficient and appropriate to provide a basis for our adverse audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls over financial reporting with reference to Consolidated Financial Statements

A Company's internal financial control over financial reporting with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to Consolidated Financial Statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls over financial reporting with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the

internal financial controls over financial reporting with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Adverse Opinion

According to the information and explanations received by us and based on the audit reports issued by the statutory auditors of subsidiary companies, the following material weaknesses have been identified as at March 31, 2026:

i. The step-down subsidiary viz. Nandi Economic Corridor Enterprises Limited (NECE) did not have appropriate, internal control system over classification and measurement of financial instruments in accordance with Ind AS, which has resulted in a material and pervasive impact on the standalone financial statements of NECE and on the accompanying Consolidated Financial Statements, as stated in the Basis for Adverse Opinion section of our report.

ii. Internal controls for assessing recoverability and utilization of the advance given by Holding Company to its step-down subsidiary viz. Nandi Economic Corridor Enterprises Ltd (NECE) for acquisition of land parcels amounting to Rs 370 million, which were not designed and operating effectively.

iii. Internal control for assessment and application of going concern basis of accounting in preparation of financial statements in respect of one of the subsidiaries viz Nandi Highway Developers Limited (NHDL).

iv. Internal controls for review of provision for impairment loss on as per requirements of IND AS 36, 'Impairment of Assets', which were not designed and operating effectively.

A material weakness is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the effects of the material weakness described above on the achievement of the objective of the control criteria, Group has not maintained adequate and effective internal financial controls with reference to its Consolidated Financial Statements as at March 31, 2026, based on the internal control over financial reporting criteria established by Group, considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. We are unable to report on internal financial controls with reference to financial statements and the operating effectiveness of such controls in case of a subsidiary viz. BFUL Resources Pvt Ltd., since such reporting has not been made by the Statutory Auditors of the said subsidiary.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit procedures applied in the audit of Consolidated Financial Statements of the group as at and for the year ended March 31, 2026, and the material weakness as described above has affected our opinion on the Consolidated Financial Statements and we have issued an adverse opinion on such Consolidated Financial Statements of the Holding company.

Other Matter

Our report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to the subsidiaries, is based on the corresponding reports of the auditors of such subsidiaries.

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

For G. D. Apte & Co.
Chartered Accountants
Firm's Registration Number: 100515W
UDIN: 26121007TXJQJT9152

Anagha M Nanivadekar
Partner
Membership Number: 121 007

Pune, September 30, 2026

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2026

		Note No.	As at 31st March, 2026 Million Rs.	As at 31st March, 2025 Million Rs.
	ASSETS			
I	**Non-current assets**			
(a)	Property, plant and equipment	2	**255.09**	268.58
(b)	Capital work in progress	2.1	**98.43**	359.21
(c)	Goodwill	2.3	**63.51**	63.51
(d)	Right of use assets	2.2	**0.72**	-
(e)	Other intangible assets	2.3	**13,079.08**	12,580.58
(f)	Intangible assets - under development	2.4	**93.96**	425.77
(g)	Financial assets			
	(i) Investments	3	**120.80**	120.01
	(ii) Loans	4	**1.02**	1.02
	(iii) Other financial assets	5	**294.15**	197.23
(h)	Income tax assets (net)		**168.10**	53.91
(i)	Deferred tax asset (net)	6	**22.88**	19.60
(j)	Other non current assets	7	**3,716.64**	3,991.13
	Total non current assets		**17,914.38**	18,080.55
II	**Current assets**			
(a)	Inventories	8	**3,002.17**	2,726.19
(b)	Financial assets			
	(i) Investments	3	**1,361.74**	540.22
	(ii) Trade receivables	9	**27.90**	62.25
	(iii) Cash and cash equivalents	10	**751.81**	584.50
	(iv) Bank balances other than (iii) above	10	**3,129.12**	1,537.78
	(v) Loans	4	**244.83**	247.00
	(vi) Other financial assets	5	**248.00**	448.52
(c)	Other current assets	7	**78.49**	61.80
	Total current assets		**8,844.06**	6,208.26
	Total assets		**26,758.44**	24,288.81
	EQUITY AND LIABILITIES			
I	**Equity**			
(a)	Equity share capital	11	**188.34**	188.34
(b)	Other equity	12	**3,328.18**	1,827.19
	Equity attributable to owners of the parent		**3,516.52**	2,015.53
(c)	Non controlling interest		**9,564.54**	7,542.25
	Total equity		**13,081.06**	9,557.78
II	**Non-current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	13	**5,942.86**	7,948.41
	(ia) Lease liability	18 b	**0.35**	-
	(ii) other financial liabilities	15	**459.78**	459.78
(b)	Provisions	18 a	**151.80**	132.87
(c)	Deferred tax liabilities (net)	14	**1,558.43**	1,653.73
(d)	Other non-current liabilities	16	**689.30**	710.13
	Total Non-current liabilities		**8,802.52**	10,904.92
III	**Current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	13	**1,515.27**	1,369.32
	(ia) Lease liability	18 b	**0.36**	-
	(ii) Trade payables	17		
	Total outstanding dues of micro enterprises and small enterprises		**27.55**	4.12
	Total outstanding dues of other than micro enterprises and small enterprises		**387.48**	348.52
	(iii) Other financial liabilities	15	**754.51**	565.84
(b)	Income tax liabilities (net)		**189.11**	4.76
(c)	Other current liabilities	16	**1,870.48**	1,400.99
(d)	Provisions	18 a	**130.10**	132.56
	Total current liabilities		**4,874.86**	3,826.11
	Total liabilities		**13,677.38**	14,731.03
	Total equity and liabilities		**26,758.44**	24,288.81
Summary of material accounting policies		1		

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

As per our report of even date
For G.D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
CIN : L40108PN2000PLC015323

Anagha M Nanivadekar
Partner
Membership No.: 121007

B. S. MITKARI
Whole-Time Director,
CEO & CFO
DIN : 03632549

M. U. Takale
Director
DIN : 01291287

Ms. Pragati S Rai
Company Secretary
Membership No.: A66887

Pune, 30 September, 2026

Pune, 30 September, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

		Note No.	Year ended 31st March, 2026 Million Rs.	Year ended 31st March, 2025 Million Rs.
	Income			
I.	Revenue from operations	19	**9,479.81**	8,368.40
II.	Other income	20	**444.96**	248.57
III.	**Total revenue (I + II)**		**9,924.77**	8,616.97
IV.	**Expenses**			
	Changes in inventories	21 a.	**0.05**	0.10
	Cost of sale of land and land development	21 b.	**-**	-
	Employee benefits expense	22	**749.55**	759.71
	Finance costs	23	**794.29**	1,130.72
	Depreciation, amortization and impairment expenses	2 - 2.3	**970.68**	703.07
	Other expenses	24	**2,428.77**	1,414.90
	Total expenses (IV)		**4,943.34**	4,008.50
V.	**Profit / (Loss) before tax and exceptional items (III-IV)**		**4,981.43**	4,608.47
VI.	Exceptional items		**(8.90)**	-
VII.	**Profit / (Loss) before tax (V + VI)**		**4,972.53**	4,608.47
VIII.	Tax expense :			
	(a) Current tax			
	- pertaining to profit for the year		**1,553.92**	561.53
	(b) (Excess) / Short provision of earlier years		**175.00**	(0.38)
	(c) Deferred tax		**(157.63)**	668.85
	Total Tax expense		**1,571.29**	1,230.00
IX.	**Profit / (Loss) for the year (VII-VIII)**		**3,401.24**	3,378.47
X	**Other Comprehensive Income for the year**			
	(a) Items that will not be reclassified to Profit or Loss :			
	Gain / (Loss) on remeasurement of the defined benefit plans		**(5.94)**	(11.60)
	Gain / (Loss) on fair valuation of financial instruments		**0.57**	1.01
			(5.37)	(10.59)
	- Income Tax on above		**(1.42)**	(3.09)
			(3.95)	(7.50)
	(b) Items that will be reclassified to Profit or Loss		**-**	-
			(3.95)	(7.50)
XI	**Total Comprehensive income for the year net of tax (IX + X)**		**3,397.29**	3,370.97
XII	**Of the total comprehensive income above, Profit for the year attributable to :**			
	Owners of the parent		**1,373.97**	1,464.99
	Non-controlling interests		**2,027.27**	1,913.48
			3,401.24	3,378.47
XIII	**Of the total comprehensive income above, Other comprehensive Income attributable to :**			
	Owners of the parent		**(1.33)**	(3.07)
	Non-controlling interests		**(2.62)**	(4.43)
			(3.95)	(7.50)
XIV	**Total Comprehensive income for the year Attributable to :**			
	Owners of the parent		**1,372.64**	1,461.92
	Non-controlling interests		**2,024.65**	1,909.05
			3,397.29	3,370.97
XV	**Earnings per share:**			
	Basic & Diluted Rs.	25	**36.48**	38.89
Summary of material accounting policies		1		

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

As per our report of even date
For G.D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
CIN : L40108PN2000PLC015323

Anagha M Nanivadekar
Partner
Membership No.: 121007

Pune, 30 September, 2026

B. S. MITKARI
Whole-Time Director,
CEO & CFO
DIN : 03632549

M. U. Takale
Director
DIN : 01291287

Pune, 30 September, 2026

Ms. Pragati S Rai
Company Secretary
Membership No.: A66887

Consolidated Statement of Changes in Equity (SOCIE) for the year ended 31st March, 2026

A) Equity Share Capital

Particulars	Million Rs. As at 31 March, 2026	Million Rs. As at 31 March, 2025
Balance as at the beginning of the year	**188.34**	188.34
Changes in equity share capital due to prior period errors	**-**	-
Restated balance as at the beginning of the year	**188.34**	188.34
Changes in equity share capital during the year	**-**	-
Balance as at the end of the year	**188.34**	188.34

B) Other equity

(Million Rs.)

Particulars	Reserves and Surplus					Equity Instruments through other Comprehensive Income	Total Before Non Controlling Interest (NCI)	Non Controlling Interest (NCI)	Total Other Equity
	Securities Premium	Reserve Fund U/s 45 IC(1) of the RBI Act, 1934	Measurement of below market rate financial liability at fair value	General Reserve	Surplus / (Deficit) in Statement of Profit & Loss				
Balance as at 01/04/2024	**1,864.84**	**4.06**	**1,932.32**	**0.07**	**(3,442.10)**	**6.08**	**365.27**	**5,715.48**	**6,080.75**
Changes in Accounting Policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as on 01/04/2024	**1,864.84**	**4.06**	**1,932.32**	**0.07**	**(3,442.10)**	**6.08**	**365.27**	**5,715.48**	**6,080.75**
Profit / (Loss) for the year	-	-	-	-	1,464.99	-	1,464.99	1,913.48	3,378.47
Remeasurement of Defined Benefit Plan (net of tax)	-	-	-	-	(4.07)	-	(4.07)	(4.43)	(8.50)
Remeasurement of financial liability	-	-	-	-	-	-	-	-	-
Measurement of investment at FVTOCI (net of tax)	-	-	-	-	-	1.00	1.00	-	1.00
Transferred to reserves	-	(4.06)	-	-	4.06	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	(82.28)	(82.28)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**-**	**1,464.98**	**1.00**	**1,461.92**	**1,826.77**	**3,288.69**
Balance as at 31/03/2025	**1,864.84**	**-**	**1,932.32**	**0.07**	**(1,977.12)**	**7.08**	**1,827.19**	**7,542.25**	**9,369.44**
changes in Accounting Policy or prior period errors	**-**	**-**	**-**	**-**	**-**	**-**	-	**-**	-
Restated Balance as on 01/04/2025	**1,864.84**	**-**	**1,932.32**	**0.07**	**(1,977.12)**	**7.08**	**1,827.19**	**7,542.25**	**9,369.44**
Impact due to changes in NCI consequent to acquisition of shares in NECE by NHDL	-	-	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	-	1,373.97	-	1,373.97	2,027.27	3,401.24
Remeasurement of Defined Benefit Plan (net of tax)	-	-	-	-	(1.82)	-	(1.82)	(2.62)	(4.44)
Remeasurement of financial liability	-	-	188.75	-	(60.40)	-	128.35	43.36	171.71
Measurement of investment at FVTOCI (net of tax)	-	-	-	-	-	0.49	0.49	-	0.49
Transferred to reserves		-			-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	(45.71)	(45.71)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**188.75**	**-**	**1,311.75**	**0.49**	**1,500.99**	**2,022.29**	**3,523.29**
Balance as at 31/03/2026	**1,864.84**	**-**	**2,121.07**	**0.07**	**(665.37)**	**7.57**	**3,328.18**	**9,564.54**	**12,892.72**

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

As per our report attached
For G.D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

Anagha M Nanivadekar
Partner
Membership No.: 121007

Pune, 30 September, 2026

For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
CIN : L40108PN2000PLC015323

B. S. MITKARI
Whole-Time Director,
CEO & CFO
DIN : 03632549

M. U. Takale
Director
DIN : 01291287

Pune, 30 September, 2026

Ms. Pragati S Rai
Company Secretary
Membership No.: A66887

Consolidated Cash Flow Statement For The Year Ended 31st March, 2026

		31st March, 2026 Million Rs.	31th March, 2025 Million Rs.
Cash flow from operating activities			
Profit / (Loss) before tax		**4,972.53**	4,608.47
Adjustment for:			
Depreciation, Amortisation and impairment expense		**970.68**	703.07
Finance cost		**794.30**	1,130.73
Finance cost on lease liability		**0.00**	-
Loss/ (Profit) on sale of assets		**0.18**	(0.32)
Interest income on bank deposits		**(47.16)**	(58.28)
Interest income from other financials assets		**(153.00)**	(92.50)
Dividend income		**(0.02)**	(0.03)
Writeback of advances		**(134.44)**	-
Provision no longer required written back		**-**	(5.94)
Lease liability written back		**-**	(4.05)
Provsion for doubtful advances		**596.64**	-
Net (Gain) / Loss on fair valuation of investment in mutual funds		**(66.84)**	(43.21)
Operating profit / (Loss) before working capital changes		**6,932.87**	6,237.94
Movements in Working Capital:			
(Increase) / Decrease in Inventories		**(275.96)**	(277.46)
(Increase) / Decrease in Right of use asset		**(0.72)**	-
(Increase) / Decrease in Trade receivables		**34.35**	(25.62)
(Increase) / Decrease in Other financial assets		**202.72**	(414.88)
(Increase) / Decrease in Loans - current		**2.17**	(2.35)
(Increase) / Decrease in Other Non-current assets		**274.48**	582.13
(Increase) / Decrease in Other current assets		**(16.69)**	20.78
Increase / (Decrease) in provisions		**22.41**	(22.15)
Increase / (Decrease) in Other liabilities		**448.65**	(19.76)
Increase / (Decrease) in Trade payables		**62.39**	(23.34)
Increase / (Decrease) in Other financial liabilities		**188.67**	(184.63)
Operating Profit / (Loss) after working capital changes		**7,875.34**	5,870.66
Direct taxes (Paid) / Refund		**(1,504.32)**	(472.05)
Net Cash generated from / (used in) operating activities	**(A)**	**6,371.02**	5,398.61
Cash Flow from investing activities			
Payment towards purchase of property, plant and equipments and intangible assets (net)		**(1,124.07)**	(327.71)
(Purchase) / Sale of mutual funds & shares (net)		**(889.71)**	3.59
Interest received		**42.71**	146.15
Dividend received		**0.02**	0.03
(investment in) / Maturity Proceeds of Fixed deposit with banks		**(1,686.02)**	(269.96)
Net Cash generated from / (used in) investing activities	**(B)**	**(3,657.07)**	(447.90)
Cash flow from financing activities			
Proceeds from / (Repayment of) borrowings (net)		**(1,706.61)**	(3,698.69)
Interest paid		**(794.29)**	(1,079.52)
Payment of lease liabilities		**(0.03)**	(8.07)
Dividend paid to shareholders representing non-controlling interest		**(45.71)**	(82.28)
Net Cash generated from / (Used in) financing activities	**(C)**	**(2,546.64)**	(4,868.56)
Net Increase/ (Decrease) in cash and cash equivalents(A+B+C)		**167.31**	82.15
Cash and cash equivalents at the beginning of the year		**584.50**	502.35
Cash and cash equivalents at the end of the year		**751.81**	584.50

Notes:

1. The above Cash Flow Statement has been prepared under the indirect method set out in Indian Accounting Standard (IND AS) -7 , 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standard) Rules, 2015.
2. Direct Taxes paid are treated as arising from operatinig activities and are not bifurcated between investment and financing activities.
3. All figures in brackets indicate cash outflow.
4. Refer note 13 and note 18 b for movement in Borrowings and Lease liability respectively.

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

As per our report of even date
For G.D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

Anagha M Nanivadekar
Partner
Membership No.: 121007

Pune, 30 September, 2026

For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
CIN : L40108PN2000PLC015323

B. S. MITKARI
Whole-Time Director,
CEO & CFO
DIN : 03632549

M. U. Takale
Director
DIN : 01291287

Ms. Pragati S Rai
Company Secretary
Membership No.: A66887

Pune, 30 September, 2026

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

Corporate Information:

The Consolidated Financial Statements comprise of BF Utilities Ltd. ("the Parent Company") and its subsidiaries (collectively, the Group). The Parent Company is a public company domiciled in India and incorporated on 15 September, 2000 under the provisions of the Companies Act,1956 ("the Act"). The registered office of the Parent Company is located at Mundhwa, Pune Cantonment, Pune - 411036, Maharashtra.

The equity shares of the parent Company are listed on two recognised stock exchanges in India i.e. Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Group is engaged in the business of generation of electricity through wind mills and Infrastructure activities. The Company's CIN is L40108PN2000PLC015323.

The Consolidated Financial Statements for the year ended 31 March 2026 were authorized for issue by the Board of Directors on 30 September, 2026.

1. Material accounting policies:

a. Statement of compliance

The Consolidated Financial Statements of the Group 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 provisions of the Act.

b. Basis of Preparation

These Consolidated Financial Statements ('CFS') of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

The Consolidated Financial Statements have been prepared on an accrual basis and under historical cost convention, except Defined benefit Plan - Plan assets and certain financial Assets & Liabilities which are measured at fair value (refer accounting policy regarding financial instruments). The accounting policies are consistently applied by the group during the year and are consistent with those used in previous year except for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under the Companies Act, 2013.

c. Basis of Consolidation

The Consolidated Financial Statements of the Group have been prepared in accordance with the Indian Accounting standards ('Ind AS') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the 2013 Act') and the relevant provisions of the 1956 Act / 2013 Act, including rules thereunder as applicable and guidelines issued by Securities and Exchange Board of India ('SEBI'). The accounting policies adopted in the preparation of the Consolidated Financial Statements are consistent. All assets and liabilities have been classified as Current or Non-current as per the respective Company's normal operating cycle and other criteria set out in Schedule III to the 2013 Act.

The Consolidated Financial Statements comprise the financial statements of the Parent Company and its subsidiaries as at 31 March, 2026 Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when

the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of subsidiaries have been drawn for the year ended 31 March, 2026.

Consolidation procedure:

The Consolidated Financial Statements of the Company and its subsidiaries ("the Group") for the year ended 31 March, 2026 are prepared in accordance with generally accepted accounting principles applicable in India, and the Indian Accounting Standard 110 (Ind AS 110) on 'Consolidated Financial Statements', notified by Companies (Accounting Standards) Rules, 2015, ("Indian Accounting Standards") by and to the extent possible in the same format as that adopted by the Parent Company for its separate financial statements.

The Parent Company consolidates entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the parent company, its subsidiaries as disclosed below.

The financial statements of the Company and its subsidiary companies have been combined by adding together the like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries after eliminating intra group balances and intra group transactions except where cost cannot be recovered. The unrealized profits or losses resulting from the intra group transactions and balances have been eliminated.

The excess of the cost to the Company of its investment in a subsidiary and the Company's portion of equity of subsidiary on the date at which investment in the subsidiary is made, is described as goodwill and recognized separately as an asset in the Consolidated Financial Statements.

The excess of the Company's portion of equity of the subsidiary over the cost of investment in the subsidiary is treated as capital reserve in the Consolidated Financial Statements.

Goodwill arising on consolidation is not amortized. It is tested for impairment on a periodic basis and written off if found impaired.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, are made in the Consolidated Financial Statements.

The Consolidated Financial Statements are presented in the same manner as the Company's separate financial statements.

The subsidiary companies considered in Consolidated Financial Statements are as follows:

Name of the subsidiary and Country of Incorporation	Ownership Percentage as at	
	March 31, 2026	March 31, 2025
Nandi Infrastructure Corridor Enterprise Ltd. (NICE) - India	74.52 %	74.52 %
Nandi Highway Developers Ltd.(NHDL) - India	69.53 %	69.53 %
Nandi Economic Corridor Enterprises Ltd. *(NECE) - India	42.16 %	42.16 %
BFUL Resources Pvt. Ltd.- India	100.00 %	100.00 %

*Step-down subsidiary

Statutory group information is provided in Annexure A

d. Significant accounting judgements, estimates and assumptions

The preparation of the group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

e. Critical Estimates and Judgements

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.

Impairment of non-financial assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate evaluation model is used.

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.

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.

Impairment of financial assets

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

Service Concession Arrangements (SCA)

The evaluation of applicability of SCA requires the Management to assess whether the group has right to operate the asset/infrastructure or has ownership of the asset. The Management among other factors considers who regulates the prices and controls residual interest in the asset for determining application of guidance relating to SCA.

Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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.

Provisions

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Estimate of current and deferred tax

The group's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the group's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows.

The complexity of the group's structure makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the group and it is often dependent on the efficiency of the legal processes in the relevant taxing jurisdictions in which the group operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result, there can be substantial differences between the tax charge in the statement of profit and loss and tax payments.

f. Functional and presentation currency:

The items included in the Consolidated Financial Statements of the Company are measured using the currency of primary economic environment in which the Group operates ("the functional currency").

The Consolidated Financial Statements are presented in Indian rupees (Rs.) rounded off to nearest million (unless otherwise stated), which is the Group's functional and presentation currency.

g. Property, Plant and Equipment

Recognition and Measurement

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). Internally manufactured property, plant and equipment are capitalised at cost, including non-cenvatable excise duty (blocked ITC credit under GST), wherever applicable. All significant costs relating to the acquisition and installation of property, plant and equipment are capitalised. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components, other than Furniture & Fixtures and Vehicles is computed on straight line method (in case for the Company for Furniture & Fixtures and Vehicles on written down value method) based on useful lives, determined based on internal technical evaluation as follows:

Assets	Useful lives
Building	24 to 60 Years
Plant & Machinery *	10 to 25 Years
Electrical Installation	10 Years
Computers and mobile phones	3 to 6 Years
Testing Meters	5 Years

Assets	Useful lives
Furniture & Fixtures	10 Years
Tools and Equipments	10 Years
Towers	13 Years
Office Equipments	5 Years
Vehicles	8 to 10 Years

Useful lives of the above assets are as per prescribed under Part C of Schedule II of the Companies Act, 2013.

*The Group, based on technical assessments made by technical experts and management estimates, depreciates certain items of plant and machinery over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

De-recognition / Disposal

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

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

h. Intangible assets

Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Toll road assets, created under Build, Own, Operate and Transfer ("BOOT") model is considered as intangible asset since the asset will be transferred to Government of Karnataka (GoK) at the end of the concession period. The cost of such intangible asset comprises of land acquisition cost, direct and indirect expense incurred on procurement / construction of roads, bridges, culverts, including toll plazas, other equipment and utilities used in or in connection with operation of toll road including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), borrowing cost if capitalization criteria are met and any directly attributable expenditure for making the asset ready for its intended use and net of any trade discounts and rebates.

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset, as provided by another Ind-AS.

The summary of amortization policy applied to the group's intangible assets is as below:

Type of Asset	Life (years)
Computer software	3

- Solely for purposes of amortisation of the Rights to Operate Toll Roads, the group has considered a period of 26 to 40 years from the initial financial closure.
- The amortisation is provided on the systematic basis over the above-mentioned period.

De-recognition / Disposal

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the net carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred.

Development expenditures on an individual project are recognised as an intangible asset when the group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Such capitalized expenditure is reflected as intangible under development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

i. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months (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) as its operating cycle.

j. Financial Instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

Subsequent measurement

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

- Financial instruments at amortized cost
- Financial instruments at fair value through other comprehensive income (FVTOCI)
- Financial instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments at amortised cost

A 'financial instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial instruments at FVTOCI

A 'Financial instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial instrument at FVTPL

FVTPL is a residual category for financial instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial 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 scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI

to statement of profit and loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

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

Derecognition

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

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

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

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

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

b) Financial assets that are financial instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 109

d) Loan commitments which are not measured as at FVTPL

e) Financial guarantee contracts which are not measured as at FVTPL

The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

  As a practical expedient, the group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

  ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

- The balance sheet presentation for various financial instruments is described below:Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:

  ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

Financial instruments measured at FVTOCI:

Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised 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 recognised 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k. Fair value measurement

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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

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

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

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

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the group's external valuers, which valuation techniques and inputs to use for each case.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

I. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income. Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

m. Borrowing costs

Borrowing cost includes interest, amortization 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. Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.

n. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance leases

Assets acquired on lease which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the assets, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the company with expected inflationary costs.

Group as a lessee

A lessee is required to recognise assets and liabilities for all leases and to recognise depreciation of leased assets separately from interest on lease liabilities in the Statement of Profit and Loss. The Group uses the practical expedient to apply the requirements of this standard to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio do not differ materially from applying the requirement to the individual leases within that portfolio.

However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Group considers that lease to be no longer enforceable.

Also, according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Group applies both recognition exemptions.

The lease payments associated with those leases are generally recognised as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

Right-of-use assets:

Right-of-use assets, which are included under Property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Group also applies the practical expedient that the payments for non-lease components are generally recognised as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right of- use asset is depreciated to the end of the lease term.

Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Lease modification

For a lease modification that is not accounted for as a separate lease, the group accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

Group as a lessor

Leases in which the group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the same is in line with inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

o. 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. Cost of inventories have been computed to include all cost of purchases, cost of conversion and other cost incurred in bringing the inventories at their present location and condition.

Stores and spares and loose tools are valued at lower of cost or net realisable value. However, materials and other items held for operation and maintenance of fixed assets are not written down below cost.

Costs are determined on unsold Certified Emission Reduction (CER) and Renewable Energy Certificate (REC) are considered as Inventory and valued on the basis of costs which are directly allocated to it. The cost is assigned to inventories on First in First Out (FIFO) basis. This CERs and RECs are valued at lower of cost or net realisable value.Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

p. Impairment of non-financial assets

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

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

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cashflow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Intangible assets under development are tested for impairment annually. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

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

q. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the group's cash management.

r. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

s. Provisions

A provision is recognized when the group has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value (unless the effect of time value of money is material) and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets, if any, are disclosed in the notes to accounts.

t. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the amount of transaction price excluding payment of taxes and duties collected on behalf of the government. The transaction price of goods sold and services rendered is net of variable consideration on account of various discount and schemes offered by the Company.

Any amount of income accrued but not billed to customers in respect of any contracts is recorded as a contract asset. Such contract assets are transferred to trade receivables on actual billing to customers.

Company has received consideration or an amount of consideration is due from the customer. Such contract liabilities are recognised as revenue when the Company performs under the contract.

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.

Toll collections - Income from toll collections is recognised on the basis of actual collection as and when vehicle crosses toll plaza.

Construction revenue and construction expenses - Construction revenue from contracts covered under service concession agreements are recognised in line with the Appendix C to Ind AS 115 - Revenue from Contracts with Customers.

Under Appendix C to Ind AS 115 - Revenue from Contracts with Customers, 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.

Revenue from sales of electricity is recognized when all the significant risks and rewards of ownership have been passed to the buyer, usually on the basis of electricity wheeled into MSEB grid and jointly certified. In case of sale of electricity, revenue is recognised based on the transaction price.

Income from Certified Emission Reduction (CERs) units and Renewable Energy Certificates (RECs) is recognised in the period of its actual sales.

Claims / Insurance Claim etc. are accounted for when no significant uncertainties are attached to their eventual receipt.

Interest income

Interest on fixed deposits with banks, bonds, etc., is recognised on a time proportion basis taking into account the amount outstanding and rate applicable. In case of significant uncertainty of receiving interest, the same is not recognised though accrued and is recognised only when received. Interest income from debt instruments is recognised using Effective Interest Rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

Interest income is included in other income in the statement of profit and loss.

Profit / Loss of the sale / redemption of investments is dealt with at the time of actual sale / redemption.

Dividend income

Dividend income from investments is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend. Dividend income is included in other income in the statement of profit and loss.

u. Foreign currencies

Transactions and Translations

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the group's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

v. Post-employment and other employee benefits

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Provident fund

Provident fund is a defined contribution plan covering eligible employees. The group and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The group has no obligation, other than the contribution payable to the provident fund.

Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully cover the same under cash accumulation policy of the Life Insurance Corporation of India. The employee's gratuity is a defined benefit funded plan.

The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet as asset/liability with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

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

- The date of the plan amendment or curtailment, and
- The date that the group recognises related restructuring costs

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

- Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- Net interest expense or income

Superannuation

Superannuation is a defined contribution plan covering eligible employees. The contribution to the superannuation fund managed by the insurer is equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contribution to this scheme is charged to the statement of profit and loss on an accrual basis. There are no other contributions payable other than contribution payable to the respective fund.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The group presents the entire leave encashment liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the group has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

w. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The group does not recognize a contingent liability but discloses its existence in the financial statements.

x. Dividend to equity holders of the Company

The group recognises a liability to make cash or non-cash distributions to equity holders of the group when the distribution is authorised and the distribution is no longer at the discretion of the group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

y. Segment reporting

Ind AS 108 "Operating Segments" requires Management to determine the reportable segments for the purpose of disclosure in Consolidated Financial Statements based on internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resource. The standard also requires Management to make judgements with respect to recognition of segments.

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/ fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/ expenses/ assets/ liabilities".

z. Earnings per share

The Group reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects 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.

aa. Recent Accounting Pronouncements

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

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 01, 2025. The group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1) Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its consolidated financial statements.

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

3) Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. The group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its consolidated financial statements.

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

2 Property, Plant, Equipment (PPE) :

(Million Rs.)

Particulars	Land	Building	Plant & Machinery	Electrical Installation	Tools & Equipments	Furniture & Fixtures	Towers	Computers, peripherals & Office Equipments	Vehicles	Total
Gross Block										
as at 1 April, 2024	33.97	183.42	1,232.18	41.16	3.57	39.64	5.08	28.61	55.00	1,622.61
Additions	-	33.71	0.32	0.18	-	0.64	-	10.32	27.16	72.33
Deletions	-	19.59	81.00	-	-	36.15	-	9.82	22.50	169.06
as at 31 March, 2025	33.97	197.54	1,151.50	41.34	3.57	4.13	5.08	29.11	59.66	1,525.88
Additions	-	-	0.82	0.06	0.60	0.64	-	10.61	6.99	19.72
Deletions	-	-	0.90	-	-	-	0.91	3.39	15.02	20.22
as at 31 March, 2026	**33.97**	**197.54**	**1,151.42**	**41.40**	**4.17**	**4.77**	**4.17**	**36.33**	**51.63**	**1,525.38**
Depreciation										
as at 1 April, 2024	-	53.84	1,210.61	35.30	2.54	36.73	3.28	10.74	30.89	1,383.93
Charge for the year	-	8.91	9.71	3.27	0.10	1.53	0.27	7.81	5.86	37.46
Deletions	-	19.59	81.00	-	-	36.15	-	9.45	17.90	164.09
as at 31 March, 2025	-	43.16	1,139.32	38.57	2.64	2.11	3.55	9.10	18.85	1,257.30
Charge for the year	-	7.76	6.69	0.11	0.11	0.27	0.18	8.79	5.70	29.61
Deletions	-	-	0.80	-	-	-	0.87	3.08	11.88	16.63
as at 31 March, 2026	**-**	**50.92**	**1,145.21**	**38.68**	**2.75**	**2.38**	**2.86**	**14.81**	**12.67**	**1,270.29**
Net Block										
as at 31 March, 2025	33.97	154.38	12.18	2.77	0.92	2.01	1.53	20.01	40.81	268.58
as at 31 March, 2026	**33.97**	**146.62**	**6.21**	**2.72**	**1.42**	**2.39**	**1.31**	**21.52**	**38.96**	**255.09**

Note: Refer material accounting policies in note no. 1

No proceedings have been initiated or pending against the Parent Company and its subsidiaries, respectively, for holding Benami Property under the Benami transactions (Prohibition) Act 1988 (45 of 1988) and the Rules made thereunder.

All the title deeds of immovable properties are held in the name of the Parent Company, subject to correction in the Revenue records of one of the land parcel admeasuring 65 H and 75 R situated at Boposhi, District Satara, which is under litigation. Further, the title deeds are not held jointly with others.

No fixed assets have been revalued during the year.

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

2.1 Capital work-in-Progress

Million Rs.

	31 March, 2026	31 March, 2025
Capital work-in-Progress	**359.21**	359.21
Less : Impairment during the year *	**(260.78)**	-
	98.43	359.21

* Impairment losses in respect of CWIP of Step down Subsidiary NECE are recognised in the statement of profit and loss under Depreciation, amortisation and impairment expenses.

Ageing Schedule for Capital work in progress as at 31 March 2026 is as follows

	Amount of CWIP for period of				
	< 1 Year	1 - 2 years	2 - 3 years	> 3 years	Total
Projects in Progress	-	-	-	98.43	98.43

These include projects in progress pertaining to Step down subsidiary- Nandi Economic Corridor Enterprises Ltd (NECE Ltd), relating to land acquisition & allotment etc., which are on hold due to litigations (Refer note no. 26 (i))

Ageing Schedule for Capital work in progress as at 31 March 2025 is as follows

	Amount of CWIP for period of				
	< 1 Year	1 - 2 years	2 - 3 years	> 3 years	Total
Projects in Progress	-	-	-	359.21	359.21

These include projects in progress pertaining to Step down subsidiary- Nandi Economic Corridor Enterprises Ltd (NECE Ltd), relating to land acquisition & allotment etc., which are on hold due to litigations (Refer note no. 26 (i))

2.2 Right of use assets

Particulars	Million Rs.
Gross Block	
Balance as at 1 April 2024	48.40
Additions	-
Disposals	48.40
Balance as at 31 March, 2025	**-**
Additions	0.75
Disposals	-
Balance as at 31 March, 2026	0.75
Amortisation	
Balance as at 1 April 2024	40.33
Amortisation for the year	8.07
Disposals	48.40
Balance as at 31 March, 2025	-
Amortisation for the year	0.03
Disposals	-
Balance as at 31 March, 2026	0.03
Balance as at 31 March, 2025	-
Balance as at 31 March, 2026	**0.72**

2.3 Other Intangible Assets

(Million Rs.)

Particulars	Goodwill	Other Intangible Assets		
		Rights to Operate Toll Roads	Software	Total
Gross Block				
as at 1 April 2024	63.51	17,036.40	0.23	17,036.63
Additions	-	17.26	-	17.26
Deduction	-	-	-	-
as at 31 March 2025	63.51	17,053.66	0.23	17,053.89
Additions	-	1,178.77	-	1,178.77
Deduction	-	-	-	-
as at 31 March 2026	**63.51**	**18,232.43**	**0.23**	**18,232.66**
Amortisation				
upto 1 April 2024	-	3,807.55	0.22	3,807.77
Amortisation for the year	-	665.54	-	665.54
Deductions	-	-	-	-
upto 31 March 2025	-	4,473.09	0.22	4,473.31
Amortisation for the year	-	680.27	-	680.27
Deductions	-	-	-	-
upto 31 March 2026	**-**	**5,153.36**	**0.22**	**5,153.58**
Net block				
as at 31 March 2025	63.51	12,580.57	0.01	12,580.58
as at 31 March 2026	**63.51**	**13,079.07**	**0.01**	**13,079.08**

Details of intangible assets whose title deed is not in the name of NECE

Description	Gross Carrying value	Title deed in the name of	Whether titledeed holder is a Promoter, Director, etc	Property held since which date	Reason for not being held in the name of company
Rights to Operate Toll Roads	102.64	KIADB	No	2008	Delay in transfer of title deeds

2.4 Intangible assets under Development

Million Rs.

	31 March, 2026	31 March, 2025
Intangible assets under development	**93.96**	425.77
	93.96	425.77

Intangibles assets under development - Ageing Schedule as at 31 March, 2026

	Amount of intangibles under development for period of				
	< 1 Year *	1 - 2 years	2 - 3 years	> 3 years	Total
Projects in Progress	93.96	-	-	-	93.96

* These include projects in progress pertaining to Step down subsidiary- NECE Ltd, relating to land acquisition & allotment etc., which are on hold due to litigations(Refer note no. 26 (i))

Intangibles assets under development - Ageing Schedule as at 31 March, 2025

	Amount of intangibles under development for period of				
	< 1 Year	1 - 2 years	2 - 3 years	> 3 years *	Total
Projects in Progress	340.76	-	-	85.01	425.77

* These include projects in progress pertaining to Step down subsidiary- NECE Ltd, relating to land acquisition & allotment etc., which are on hold due to litigations(Refer note no. 26 (i))

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

3 Investments

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Non Current Investment		
Investment in other companies (Unquoted)		
Investment designated at fair value through other comprehensive income		
25,000(31 March, 2025 : 25,000) Equity shares of Rs. 10/- each fully paid up in SKH Metals Ltd.	**7.99**	7.20
6,251 (31 March, 2025 : 6,251) Equity shares of Rs. 10/- each fully paid up in Nandi Engineering Limited	**0.06**	0.06
Investments in other securities (Unquoted)		
At Cost		
98,50,000 (31 March, 2025 : 98,50,000) 5% Non cumulative redeemable preference shares fully paid up in AKK Entertainment Ltd.	**98.53**	98.53
14,20,000 (31 March, 2025 : 14,20,000) preference shares fully paid up in Ashok Kheny Infrastructure Ltd.	**14.21**	14.21
Investment in Government Security/ Trust		
- National Savings Certificates	**0.01**	0.01
- Indira Vikas Patra @	**0.00**	0.00
Total Non Current Investments	**120.80**	120.01
Current Investments		
Investment designated at fair value through Profit and Loss		
Investments in Mutual funds (Unquoted)		
Bandhan Banking PSU Fund - 6,472,094.94 Units (31 March, 2025 - 6,472,094.94 Units)	**169.84**	160.44
ABSL Money Manager Fund- 635,080.181 Units (31 March, 2025- 468,062.58 Units)	**249.06**	172.09
SBI Saving Fund- 13,333,021.730 Units (31 March, 2025 -2,543,907.95 Units)	**620.07**	110.92
HSBC Liquid Fund- Nil Units (31 March, 2025- 2,095.66 Units)	**-**	5.42
Axis Money Market Fund- 88,920.211 Units (31 March, 2025- 35,133.02 Units)	**134.46**	49.74
Sundaram Liquid Fund- Nil Units (31 March, 2025- 2,364.44 Units)	**-**	5.41
Tata Money Market fund- 23,890.468 Units (31 March, 2025- 7,259.41 Units)	**120.39**	34.23
Sundaram Money Market Fund- 1,335,760.089 Units (31 March, 2025- Nil Units)	**21.09**	-
UTI Money Manager Fund-13,802.156 Units (31 March, 2025- Nil Units)	**45.08**	-
	1,359.99	538.25

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Investment in Equity Shares		
Equity Instruments (Unquoted)		
100 (31 March 2025 : 100) equity shares of SVC Co-operative Bank Ltd.	**0.01**	0.01
2,500 (31 March 2025 : 2,500) equity shares of Saraswat Co-operative Bank Ltd.	**0.03**	0.03
30,050 (31 March 2025 : 30,050) equity shares of NKGSB Co-op Bank Ltd.	**0.30**	0.30
	0.34	0.34
Investments designated at fair value through Other Comprehensive Income		
Equity Instruments (Quoted)		
300 (31 March, 2025 : 300) equity shares of Rs. 10/-each fully paid up in Metalyst Forging Ltd.# @	**0.00**	0.00
1600 (31 March, 2025: 800) equity shares of Rs. 10/-each fully paid up in MM Forging Ltd.	**0.60**	0.54
100 (31 March, 2025: 100) equity shares of Rs. 10/-each fully paid up in EL Forge Ltd.@	**0.00**	0.00
420 (31 March, 2025: 420) equity shares of Rs. 10/-each fully paid up in Finolex Industries Ltd.	**0.06**	0.08
140 (31 March, 2025: 140) equity shares of Rs. 10/-each fully paid up in Hindalco Industries Ltd.	**0.12**	0.10
560 equity shares of Rs. 2/- each (31 March, 2025: 112 equity shares of Rs. 10/-each) fully paid up in Coforge Ltd.	**0.63**	0.91
	1.41	1.63
Total current investments	**1,361.74**	540.22
Total Investments	**1,482.54**	660.23

Investments are in the process of being transferred in the name of the Company.

@ amount less than Rs. 5,000/- are shown as 0.00

Details of quoted/ unquoted instruments :

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
(a) Aggregate amount of quoted investments and market value thereof;		
Carrying value	**1.41**	1.63
Market value	**1.41**	1.63
(b) Aggregate amount of unquoted investments		
Carrying value	**1481.13**	658.57
(c) Aggregate amount of impaired in value of investments	**-**	-

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

4 Loans - Non-Current (at amortised cost)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Loans to related parties		
- considered good - Unsecured	1.02	1.02
- Loans which have significant increase in credit risk	629.89	629.89
Less: Loss allowance	(629.89)	(629.89)
	1.02	1.02
Total loans- non current	1.02	1.02
Loans - Current (at amortised cost)		
Considered good - Unsecured		
Loans and advances to Employees	0.43	2.60
Loan to Related Parties (repayable on demand)*	244.40	244.40
Total loans- current	244.83	247.00
Total loans	245.85	248.02

No outstanding loans or advances which are in the nature of loans have been granted by the Company to promoters,directors,Key Managerial Personnels (as defined under the Companies Act,2013),either severally or jointly with any other person.

* Refer note no. 30

5 Other financial assets (Considered good unless otherwise stated)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Non-current		
(At amortised costs)		
Security Deposits	17.23	17.44
Bank Deposits with more than twelve months maturity	274.41	179.72
Interest accrued on fixed deposit	2.51	0.07
Total non current financial assets	294.15	197.23
Current		
(At amortised costs)		
Energy credit receivable	7.27	5.95
Interest receivable	27.02	25.01
other	5.53	-
Receivable from aggregator (refer note no. 44)	439.19	475.35
Less : Loss allowance	(231.01)	(57.80)
	208.18	417.56
Total current financial assets	248.00	448.52
Total	542.15	645.75

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

6 Deferred tax Assets (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
I Deferred tax assets :		
a) Disallowance under Income Tax Act, 1961	**21.50**	21.50
b) Provision for employee benefits (Compensated absences)	**0.52**	0.15
c) Provision for employee benefits (Gratuity)	**1.96**	0.36
d) Lease Libility	**0.18**	-
e) Present value of security deposit	**0.00**	-
f) MAT Credit Entitlement	**0.24**	0.33
	24.40	22.34
II Deferred tax liabilities :		
a) Depreciation	**0.26**	1.74
b) Financial Instruments	**1.08**	1.00
c) Right to use assets	**0.18**	-
	1.52	2.74
Deferred tax Asset (Net) (I - II)	**22.88**	19.60

7 Other Assets

Particulars		As at 31st March, 2026	As at 31st March, 2025
		Million Rs.	Million Rs.
Non-current			
Capital advances	**(a)**	**137.86**	137.86
Advances towards land acquisition and projects			
Considered Good		**3,565.02**	3,823.13
Considered Doubtful		**433.93**	10.50
Sub-Total		**3,998.95**	3,833.63
(-) Allowance on doubtful advances (refer note 44)		**(433.93)**	(10.50)
Total	**(b)**	**3,565.02**	3,823.13
Capital Advances to Related Parties			
Considered Good		**-**	-
Considered Doubtful		**532.62**	532.62
Sub-Total		**532.62**	532.62
(-) Allowance on doubtful advances		**(532.62)**	(532.62)
Total	**(c)**	**-**	-
Advance to Suppliers/ Service Providers			
Considered Good		**13.76**	30.14
Considered Doubtful		**72.24**	72.24
Sub-Total		**86.00**	102.38
(-) Allowance on doubtful advances		**(72.24)**	(72.24)
Total	**(d)**	**13.76**	30.14
Total other non current assets (a to d)		**3,716.64**	3,991.13
Current			
Prepaid expenses		**30.29**	39.36
Duties and taxes receivable		**0.01**	0.04
Advances to suppliers/ service providers			
- considered good		**23.60**	2.33
- considered doubtful		**-**	-
		23.60	2.33
(-) Allowance on doubtful advances		**-**	-
		23.60	2.33
Other Current Asset		**(0.53)**	0.70
Other advances		**25.12**	19.37
Total other current assets		**78.49**	61.80
Total		**3,795.13**	4,052.93

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

8 Inventories

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Stock of renewable energy certificates (RECs) (Refer note below)	**0.26**	0.28
Stock of consumables, stores and spares	**0.11**	0.14
Land & related development costs	**3,001.80**	2,725.77
Total	**3,002.17**	2,726.19

Note: Quantitative details of Stock

Sr. no.	Description	Units	Units
1	No. of RECs held as inventory	**18,531**	18,962
2	No. of consumables, stores and spares	**17**	18

9 Trade receivables *

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Secured, considered good	-	-
Unsecured, considered good**	-	2.45
Trade Receivable - which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	-	2.45
Less : Provision for doubtful receivables	-	-
	-	2.45
Others		
Unsecured, considered good**	**27.90**	59.80
Total	**27.90**	62.25

* Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero. Subsequently, the group applies life time expected credit loss model for measurement of trade receivables.

** There are no debts due by the Directors or other officer of the Group or any of them either severally or jointly, with any other person or debts due by firm including limited liability partnerships (LLP), private company respectively in which any director or other officer is a partner or a director or a member.

Ageing schedule of Trade Receivables as at 31 March, 2026 is as follows **Million Rs.**

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable - Considered good	26.24	0.31	0.03	-	1.32	27.90
(ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables -Considered good	-	-	-	-	-	-
(v) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Ageing schedule of Trade Receivables as at 31 March, 2025 is as follows **Million Rs.**

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable - Considered good	59.72	0.08	-	1.41	1.04	62.25
(ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables -Considered good	-	-	-	-	-	-
(v) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

10 Cash & bank balances :

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
i) Cash & cash equivalents		
Cash on hand	**9.36**	11.81
Balances with banks - in current accounts	**11.77**	26.33
Fixed Deposits with banks having original maturity less than three months	**730.68**	546.36
	751.81	584.50
ii) Bank Balances other than cash and cash equivalents		
Fixed Deposits with Banks having original maturity more than three months but less than twelve months	**3,129.12**	1,537.78
Total	**3,880.93**	2,122.28

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

11 Equity Share capital :

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Authorised		
60,000,000 (31 March, 2025 : 60,000,000) Equity shares of Rs. 5/- each	**300.00**	300.00
Issued, subscribed & fully paid up		
37,667,628 (31 March, 2025 : 37,667,628) Equity shares of Rs. 5/- each	**188.34**	188.34
Total	**188.34**	188.34

11(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 March, 2026		As at 31 March, 2025	
	No. of shares	Million Rs.	No. of shares	Million Rs.
At the beginning of the year	**37,667,628**	**188.34**	37,667,628	188.34
Changes in Equity Share Capital due to prior Period errors	-	-	-	-
Restated balance at the beginning of the year	**37,667,628**	**188.34**	37,667,628	188.34
Issued /(reduction) if any during the year	**-**	**-**	-	-
Outstanding at the end of the year	**37,667,628**	**188.34**	37,667,628	188.34

11(b) Terms / rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian Rupees. The dividend, as and when proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except in case of interim dividend.

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

11(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding reporting date.

11(d) Disclosure of Shareholding of Promoters :

(i) Details of share holding of Promoters as at 31 March, 2026:

Sr. No.	Promoter Name	No. of Equity Shares	% of total Equity Shares	% Change during the year
1	Babasaheb Neelkanth Kalyani	7,212	0.02	-
2	Gaurishankar Neelkanth Kalyani	63,779	0.17	-
3	Ashok Kumar Kheny	472	0.00	-
4	Sunita Babasaheb Kalyani	4,000	0.01	-
5	Rohini Gaurishankar Kalyani	2,000	0.01	-
6	Dr. Meera Kheny	700	0.00	-
7	Sugandha Jai Hiremath	-	0.00	-
8	Amit Babasaheb Kalyani	-	0.00	-
9	Deeksha Amit Kalyani	-	0.00	-
10	Ajinkya Investment and Trading Company	66,48,886	17.65	-
11	Kalyani Investment Company Limited	61,95,046	16.45	-
12	KSL Holding Pvt. Limited	43,53,472	11.56	-
13	PIH Finvest Company Limited	14,24,885	3.78	-
14	BF Investment Limited	11,87,903	3.15	-
15	Jannhavi Investment Private Limited	4,58,514	1.22	-
16	Sundaram Trading and Investment Pvt. Ltd.	2,39,373	0.64	-
17	Rajgad Trading Company Pvt. Ltd.	1,51,674	0.40	-
18	Kalyani Consultants Pvt. Ltd.	1,49,500	0.40	-
19	Dandakaranya Investment And Trading Pvt. Ltd.	93,700	0.25	-
20	Campanula Investment & Finance Pvt. Ltd.	56,189	0.15	-

Sr. No.	Promoter Name	No. of Equity Shares	% of total Equity Shares	% Change during the year
21	Cornflower Investment & Finance Pvt. Ltd.	39,600	0.11	-
22	Hastinapur Investment & Trading Pvt. Ltd.	4,567	0.01	-
23	Dronacharya Investment & Trading Pvt. Ltd.	3,143	0.01	-
24	Kalyani Exports & Investment Pvt. Ltd.	1,45,250	0.39	-
25	Aboli Investment Pvt. Ltd.	1,36,900	0.36	-
26	Babasaheb Kalyani Family Trust	-	0.00	-
		2,13,66,765	56.72	-

(ii) Details of share holding of Promoters as at 31 March, 2025:

Sr. No.	Promoter Name	No. of Equity Shares	% of total Equity Shares	% Change during the year
1	Babasaheb Neelkanth Kalyani	7,212	0.02	-
2	Gaurishankar Neelkanth Kalyani	63,779	0.17	-
3	Ashok Kumar Kheny	472	0.00	-
4	Sunita Babasaheb Kalyani	4,000	0.01	-
5	Rohini Gaurishankar Kalyani	2,000	0.01	-
6	Dr. Meera Kheny	700	0.00	-
7	Sugandha Jai Hiremath	-	0.00	-
8	Amit Babasaheb Kalyani	-	0.00	-
9	Deeksha Amit Kalyani	-	0.00	-
10	Ajinkya Investment and Trading Company	66,48,886	17.65	-
11	Kalyani Investment Company Limited	61,95,046	16.45	-
12	KSL Holding Pvt. Limited	43,53,472	11.56	-
13	PIH Finvest Company Limited	14,24,885	3.78	-
14	BF Investment Limited	11,87,903	3.15	-
15	Jannhavi Investment Private Limited	4,58,514	1.22	-
16	Sundaram Trading and Investment Pvt. Ltd.	2,39,373	0.64	-
17	Rajgad Trading Company Pvt. Ltd.	1,51,674	0.40	-
18	Kalyani Consultants Pvt. Ltd.	1,49,500	0.40	-
19	Dandakaranya Investment And Trading Pvt. Ltd.	93,700	0.25	-
20	Campanula Investment & Finance Pvt. Ltd.	56,189	0.15	-
21	Cornflower Investment & Finance Pvt. Ltd.	39,600	0.11	-
22	Hastinapur Investment & Trading Pvt. Ltd.	4,567	0.01	-
23	Dronacharya Investment & Trading Pvt. Ltd.	3,143	0.01	-
24	Kalyani Exports & Investment Pvt. Ltd.	1,45,250	0.39	-
25	Aboli Investment Pvt. Ltd.	1,36,900	0.36	-
26	Babasaheb Kalyani Family Trust	-	0.00	-
		2,13,66,765	56.71	-

11(e) Details of shareholder holding more than 5% shares in the Company

Name of the shareholder*	Equity shares			
	As at 31 March, 2026		As at 31 March, 2025	
	No. of shares held	% of holding	No. of shares held	% of holding
Ajinkya Investment & Trading Company	**66,48,886**	**17.65**	66,48,886	17.65
Kalyani Investment Company Ltd.	**61,95,046**	**16.45**	61,95,046	16.45
KSL Holdings Pvt. Ltd.	**43,53,472**	**11.56**	43,53,472	11.56

* The shareholding information is based on legal ownership of shares and has been extracted from the records of the Parent Company including register of shareholders / members.

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

12 Other equity

Particulars		As at 31st March, 2026	As at 31st March, 2025
		Million Rs.	Million Rs.
Equity Instruments through Other Comprehensive Income			
Balance as at the beginning of the year		**7.08**	6.08
Add: Measurement of Investments at FVTOCI (net of tax)		**0.49**	1.00
Balance as at the end of the year	(a)	**7.57**	7.08
Surplus/ (Deficit) in statement of profit & loss :			
Balance as at the beginning of the year		**(1,977.12)**	(3,442.10)
Add / (less): Net profit / (net loss) for the year		**1,373.97**	1,464.99
Add / (less): Remeasurement of defined benefit plan (net of tax)		**(1.82)**	(4.07)
Remeasurement of financial liability		**(60.40)**	-
Add: Reserve Fund U/s 45 IC(1) of the RBI Act, 1934		**-**	4.06
Balance as at the end of the year	(b)	**(665.37)**	(1,977.12)
Securities Premium	(c)	**1,864.84**	1,864.84
Reserve Fund U/s 45 IC(1) of the RBI Act, 1934	(f)	**-**	-
General Reserve	(e)	**0.07**	0.07
Measurement of below market rate financial liability at fair value			
Balance as at the beginning of the year		**1,932.32**	1,932.32
Add : Remeasurement of Financial liability		**188.75**	-
Balance as at the end of the year	(d)	**2,121.07**	1,932.32
Total (a to f)		**3,328.18**	1,827.19

a) Equity Instruments through Other Comprehensive Income :

- This reserve represents cumulative gains/ (loss) arising on fair valuation of equity instruments measured through other comprehensive income.

b) Surplus/ (Deficit) in Statement of Profit & Loss:

- This reserve comprises of undistributed profit/ loss after tax

c) Securities Premium:

- Securities premium account represents excess of the issue price of equity shares over their face value.

d) Measurement of below market rate financial liability at fair value

- Measurement of below market rate financial liability represents imputed gain on financial instruments which carry interest rate lower than market rate.

e) General Reserve

- General reserve is created by setting aside amount from the Retained Earnings of the group for general purposes which is freely available for distribution.

f) Reserve Fund U/s 45 IC(1) of the RBI Act, 1934

- Statutory Reserve was created pursuant to the provision of section 45-IC of Reserve Bank of India Act,1934, by subsidiary, Nandi Infrastructure Corridor Enterprise Ltd. (NICE Ltd.) During FY 2024-25, Statutory Reserve has been transferred to Surplus/ Deficit in Statement of Profit and Loss considering that NICE ltd., is no longer a Core Investment Company (CIC).

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

13 Borrowings (at amortised cost)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Non-current borrowings		
Secured Loans		
(For step down subsidiary- Nandi Economic Corridor Enterprises Ltd.)		
Term Loan from Banks		
Term loan from Financial Institutions		
Term loans from banks and others (together referred to as Senior Lenders): During the financial year 2014-15, on the request from NECE, the Senior Lenders of the long term loans have refinanced the respective loans provided to NECE. Post refinancing, the total term loans taken by NECE has been split into 4 Facilities as given below:		
Facility 1 - Repayable in 50 unequal quarterly instalments from June 2017 to September 2029.	**3,672.48**	4,858.41
Facility 2 - Repayable in one single payment on September 2029.	**649.48**	836.33
Facility 3 - Repayable in 38 unequal instalments from June 2022 to September 2031.	**584.00**	801.27
Facility 4 - Repayable in 38 unequal instalments from June 2022 to September 2031.	**1,246.67**	1,322.60
Security: Term loan from banks and from others is secured by a first charge: -		
- on mortgage of land, buildings and all fixed Assets both present and future, of NECE.		
- on all movable properties of NECE.		
- on all the right, title, interest, benefit, claims and demands, whatsoever of NECE in respect of project documents, including all guarantees and bonds received by NECE.		
- on all rights, title, interest, benefits, claims and demands in respect of the project accounts and all bank and other accounts of NECE.		
- The term loan is also secured by pledge of shares held by NICE in NECE.		
- As additional comfort security to lenders of Facility 3 and Facility 4, a First ranking pari passu pledge over 1.15% of the Shares of NECE held by Jaypatri Investments Private Limited has also been created.		
(a) Total secured borrowings	**6,152.63**	7,818.61
Unsecured Loans		
(For step down subsidiary- Nandi Economic Corridor Enterprises Ltd.)		
7% Cumulative Redeemable Preference shares of Rs.10/- each	**606.13**	548.53
These are not redeemable until the entire "Senior Loan"(i.e. the aggregate amount of rupee term loans from banks and financial institutions) is paid in full with all interest, premium and other sums as may be payable in respect thereof and a full, unconditional and complete discharge is given by the senior lenders.		

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
(For Subsidiary- Nandi Infrastructure Corridor Enterprise Ltd.)		
7% Cumulative Redeemable Preference shares of Rs.10/- each	**207.67**	430.50
NICE issued 7% Cumulative Redeemable Preference Shares (CRPS) to M/ s Nandi Engineering Limited on 27th March 2010 for the initial period of 7 years. The Board of Directors of NICE have approved the modification of terms of issue of CRPS by extending the tenure upto 25th March 2025 and subsequently upto 25th March 2040 with a total tenure being 30 years in view of long term nature of road infrastructure project undertaken by NICE through its subsidiary company. The Hon'ble National Company Law Tribunal on 30th July 2025, considering the recommendation of the Registrar of the Companies and considering the consent given by the holder of preference shares, extended the date of maturity by a further period of 15 years upto 25th March 2040.		
Interest free loan from related parties (unsecured)@	**491.70**	415.09
(b) Total Unsecured borrowings	**1,305.50**	1,394.12
Total Borrowings (a + b)	**7,458.13**	9,212.73
Amount considered in "Current maturities of long term borrowings"	**(1,515.27)**	(1,264.32)
Total Non current Borrowings	**5,942.86**	7,948.41
Current borrowings		
Loan from others *	**-**	105.00
Current maturities of long term borrowings	**1,515.27**	1,264.32
Total current Borrowings	**1,515.27**	1,369.32

@ Interest free unsecured loans from related parties is repayable once the funds position of NECE & NICE permits the same.

* Represent interest free unsecured loans repayable on demand.

(Includes loan from related parties, Refer note no 30).

Disclosure with respect to Repayment of Term Loan from Banks Year ended 31 March, 2026

Rs. in Million

Year of Repayment	Rate of Interest	Facility 1	Facility 2	Facility 3	Facility 4	Total
FY 2026-27	Interest on term loans availed by NECE Ltd are linked to respective bank base rates. (7.80% to9.20% For FY 2025-26)	1,366.27	1.46	183.09	116.34	1,667.16
FY 2027-28		1,212.30	-	177.75	123.75	1,513.80
FY 2028-29		1,217.99	-	223.16	330.00	1,771.15
FY 2029-30		-	648.02	-	363.00	1,011.02
FY 2030-31		-	-	-	297.00	297.00
FY 2031-32		-	-	-	16.58	16.58
Less : Prepaid Refinancing fees		(124.08)	-	-	-	(124.08)
	Total	**3,672.48**	**649.48**	**584.00**	**1,246.67**	**6,152.63**

Year ended 31 March, 2025

Rs. in Million

Year of Repayment	Rate of Interest	Facility 1	Facility 2	Facility 3	Facility 4	Total
FY 2025-26	Interest on term loans availed by NECE Ltd are linked to respective bank base rates. (8.94% to 9.35% For FY 2024-25)	1,221.35	186.85	217.27	75.93	1,701.40
FY 2026-27		1,366.27	1.46	183.09	116.34	1,667.16
FY 2027-28		1,212.30	-	177.75	123.75	1,513.80
FY 2028-29		1,217.99	-	223.16	330.00	1,771.15
FY 2029-30		-	648.02	-	363.00	1,011.02
FY 2030-31		-	-	-	297.00	297.00
FY 2031-32		-	-	-	16.58	16.58
Less : Prepaid Refinancing fees		(159.50)	-	-	-	(159.50)
	Total	**4,858.41**	**836.33**	**801.27**	**1,322.60**	**7,818.61**

Movement in Borrowings

Particulars	Opening Balance	Addition/(Payment) during the year (net)	Non-cash Movement	Closing Balance
FY 25-26	9,317.73	(1,824.18)	(35.42)	7,458.13
FY 24-25	12,965.23	(3,612.08)	(35.42)	9,317.73

14 Deferred tax liabilities (net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
I Deferred tax liabilities :		
a) Depreciation	**1,474.18**	1,448.29
b) Fair value of financial liabilities	**46.44**	46.46
c) Fair value of Financial assets	**4.16**	1.17
d) Fair value of investments in mutual funds	**1.62**	-
e) Financial liabilities carried at amortised cost.	**249.62**	226.98
	1,776.02	1,722.90
II Deferred tax assets :		
a) Employee benefit expenses	**25.70**	20.91
b) Fair value of investments in mutual funds	**-**	6.54
c) Provision for constructive obligation	**27.18**	27.18
d) Provision for doubtful receivable	**164.71**	14.54
	217.59	69.17
Deferred tax Liabilities (Net) (I - II)	**1,558.43**	1,653.73

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

15 Other financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Other Non current financial liabilities		
(At amortised cost)		
Interest accrued on borrowings but not due	**249.68**	249.68
Security deposit *	**200.00**	200.00
Creditors for capital purchases	**10.10**	10.10
Total other non current financial liabilities	**459.78**	459.78
Other Current financial liabilities		
(At amortised cost)		
Advances received towards sale of land and joint development agreements	**527.37**	527.37
Security Deposits	**29.42**	18.50
Retention Money	**12.41**	17.56
Provision for compensation payable	**183.26**	-
Expenses and Other payables	**2.05**	2.41
Total other current financial liabilities	**754.51**	565.84
Total other financial liabilities	**1,214.29**	1,025.62

* Interest free security deposit received from Related Party (Refer note no. 30)

16 Other liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Other Non current liabilities		
Advances received towards sale of land and joint development agreements	**278.25**	278.25
Other advances payable	**3.33**	3.86
Deferred revenue	**407.72**	428.02
Total - other non current liabilities	**689.30**	710.13
Other current liabilities		
Advances received towards sale of land and joint development agreements	**102.00**	102.00
Land acquisition related accruals	**1,647.55**	1,211.01
Creditors for capital purchases	**0.93**	0.93
Employee related dues	**78.50**	61.64
Deferred Revenue	**3.68**	2.90
Statutory dues payable	**33.12**	22.51
Others	**4.70**	-
Total - other current liabilities	**1,870.48**	1,400.99
Total Other liabilities	**2,559.78**	2,111.12

17 Trade payables

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Dues to micro & small enterprises	**27.55**	4.12
Dues to other than micro & small enterprises	**387.48**	348.52
Total Trade payable	**415.03**	352.64

Note :

The group has disclosed amount payable to suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006". This information regarding micro and small enterprises has been determined to the extent such parties have been identified, on the basis of information available with the group.

Ageing for Trade payables outstanding as at 31 March, 2026, is as follows

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.13	26.42	-	-	-	27.55
(ii) Others	12.58	69.19	5.74	0.37	286.50	374.38
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	13.10	13.10
						415.03

Ageing for Trade payables outstanding as at 31 March, 2025, is as follows

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.96	3.15	-	-	-	4.11
(ii) Others	11.73	62.02	11.14	0.82	249.72	335.43
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	13.10	13.10
						352.64

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

18 a Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Non-current Provisions		
Provision for employee benefits :		
Gratuity	**43.63**	24.46
Compensated absences	**0.18**	0.42
Other provisions :		
Constructive obligation *	**107.99**	107.99
Total Provision Non-Current	**151.80**	132.87
Provisions - Current		
Provision for employee benefits :		
Compensated absences	**37.20**	46.03
Gratuity	**7.78**	1.41
Other provisions :		
Electricity duty (Refer note no. 28)	**85.12**	85.12
Others	**-**	-
Total Provision Current	**130.10**	132.56
Total Provision Current & Non-Current	**281.90**	265.43

* In respect of NECE- the obligations to maintain and restore the toll road is a contractual obligation, hence the provision is recognised and measured at the best estimate of the expenditure that would be required to settle the present obligation at the balance sheet date.

18 b Lease Liability

Particulars	As at 31st March, 2026	As at 31st March, 2025
	Million Rs.	Million Rs.
Movement in Lease Liabilities		
Opening Balance	**-**	12.11
Additions	**0.74**	-
Disposals	**-**	-
Accretion of Interest	**0.00**	**-**
Payments	**(0.03)**	(12.11)
closing Balance	**0.71**	**-**
Non Current	**0.35**	-
Current	**0.36**	-

Movement in Lease liability

Particulars	Opening Balance	Addition/(Payment) during the year (net)	Non-cash Movement	Closing Balance
FY 25-26	-	0.71	0.00	0.71
FY 24-25	12.11	(12.11)	-	-

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

19 Revenue from operations*

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Wind power generated	180.88	176.88
Sale from Renewable energy certificate units (REC)	7.64	8.96
Revenue from Toll Operations	8,703.50	7,859.77
Construction Revenue	587.71	311.17
Other operating income	0.08	11.62
Total	9,479.81	8,368.40

* For details refer note no. 27.

20 Other income

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Dividend income	0.02	0.03
Interest on Deposits with banks	47.16	58.28
Interest from other financial assets	153.00	92.50
Provision no longer required, written back	0.17	5.94
Lease Liability written back	-	4.05
Interest income on security deposit	0.00	-
Net gain on sale of mutual funds measured at fair value through profit or loss (unrealised)	66.84	43.21
Net Gain/ (Loss) on disposal of property, plant and equipment	-	0.93
Parking fees	-	1.51
Rent Income	42.22	41.04
Write back of advances	134.44	-
Miscellaneous income	1.11	1.08
Total	444.96	248.57

21 a. Changes in inventories

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
(Increase) / decrease in inventory:		
Opening stock of Renewable energy certificates (RECs), stores and spares	0.41	0.51
Closing stock of Renewable energy certificates (RECs), stores and spares	0.36	0.41
Total	0.05	0.10

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

21 b. Cost of Sale of Land & Land Development

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Opening stock	2,725.79	2,448.23
Add: Cost of purchase of land and land development cost incurred	276.01	277.56
	3,001.80	2,725.79
Less: Closing stock	(3,001.80)	(2,725.79)
Total	-	-

22 Employee benefit expense

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Salaries, allowances etc.	614.85	658.00
Contribution to provident & other funds	51.74	39.31
Gratuity	35.87	14.08
Staff welfare expense	47.09	48.32
Total	749.55	759.71

23 Finance costs

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Interest on loans	723.88	1,034.78
Interest on shortfall of advance tax & GST @	0.00	0.00
Interest on lease liabilities @	0.00	-
Other Borrowing Costs	70.41	95.94
Total	794.29	1,130.72

@ amount less than Rs. 5,000/- are shown as 0.00.

Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2026 :

24 Other expenses

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Operating expenses		
Operations, maintenance & CDM expenses	**23.03**	22.99
Rent Expenses	**10.07**	8.00
Road Repairs and Maintenance	**395.09**	358.97
Design and engineering	**24.86**	23.20
Construction expense	**587.71**	311.17
Insurance Charges	**1.63**	1.33
Electricity duty	**18.95**	19.31
Electricity charges	**2.76**	2.97
Cross Subsidy	**42.39**	38.05
Open Access - Wheeling charges	**14.83**	12.76
Open Access - Transmission charges	**24.33**	20.41
Open Access - Other charges	**13.76**	32.91
Telephone & Communication	**2.25**	2.16
Other operating expenses	**3.96**	5.10
(A)	**1,165.62**	859.33
Administrative expenses		
Insurance charges - others	**12.53**	10.08
Rates & taxes	**17.53**	3.74
Repairs & maintenance		
- Machinery	**7.62**	10.04
- Building	**1.14**	1.81
- others	**33.12**	33.85
Director's sitting fees	**0.57**	0.53
Professional & consultancy expenses	**280.94**	209.20
Professional & consultancy expenses, others	**55.03**	-
Corporate social responsibility expenses	**61.94**	36.59
Payment to auditors, including taxes	**12.37**	6.68
Loss on sale of property, plant & equipment	**-**	0.61
Loss on sale of financial assets	**0.18**	-
Travel & Conveyance	**56.80**	51.44
Security Charges	**66.35**	65.50
Printing and stationery	**4.57**	4.42
Listing and Custodial charges	**1.39**	1.31
Advertisement and business promotion	**14.38**	8.19
Fines and penalties	**8.70**	4.21
Provision for doubtful advances (refer note no. 44)	**596.64**	65.97
Miscellaneous expenses	**31.35**	41.40
(B)	**1,263.15**	555.57
Total (A)+ (B)	**2,428.77**	1,414.90

25 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the Net profit attributable to the owners of the Parent Company by the Weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by adjusting the Weighted average number of equity shares outstanding, for effects of all dilutive potential ordinary shares.

The following reflects income and share data used in the basic and dilutive EPS calculations:

Particulars	**Year ended 31st March, 2026**	Year ended 31st March, 2025
Numerator for basic and diluted EPS		
Net profit / (Loss) attributable to owners of the Parent Company (in Million Rs.)	**1,373.97**	1,464.99
Total number of equity shares	**3,76,67,628**	3,76,67,628
Weighted average number of equity shares	**3,76,67,628**	3,76,67,628
Basic earnings per share of face value of Rs. 5/- each (in Rs.)	**36.48**	38.89
Diluted earnings per share of face value of Rs. 5/- each (in Rs.)	**36.48**	38.89

26. Contingent Liabilities and commitments

	Particulars	As at 31st March, 2026	As at 31st March, 2025
		Million Rs.	Million Rs.
1	Claims against the Group not acknowledge as debt (Refer Note ii)	**500.02**	500.02
2	Estimated Amounts of Contracts remaining to be executed on capital account and not provided for (net of advances)		
	i. In respect of NECE Ltd (Step down subsidiary)	**231.89**	76.32
3	Income Tax Liability (Refer note (iii))	**230.51**	164.27
4	Goods and Service Tax	**7.54**	-
5	7% dividend on Cumulative Preference Shares issued to Nandi Engineering Ltd.*	**235.20**	220.50

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

As regards NECE Ltd -

(i) The step- down subsidiary of the Holding Company, NECE Ltd has been subject to litigations and allegations from time to time regarding irregularities in the Project. As at the Balance sheet date, there are various cases pending against NECE Ltd. challenging the execution of the BMICP (the 'Project') which can be categorised under the following broad heads: a) Land acquisition and allotment related b) Litigation against layout approvals c) Enhanced compensation. NECE periodically reviews all significant legal matters in consultation with its internal legal function and external legal counsels on a regular basis. Such assessment includes an evaluation of the facts and circumstances of each case, the applicable legal framework, judicial precedents, developments during the year and the likelihood of any potential outflow of economic resources.

Based on the legal opinions obtained by NECE, the current status of the proceedings and NECE's prior years' experience from the outcome of similar matters adjudicated in prior years, management of NECE believes that the pending litigations are not expected to affect the NECE's rights under the Project agreements or materially impact the execution of the Project. Accordingly, management of NECE has concluded that no provision is required in respect of these matters as at the reporting date and that any resultant liability, if any, is not expected to have a material effect on the NECE's financial position, results of operations or cash flows.

The Management of NECE will continue to monitor the progress of these matters and reassess the accounting implications as and when further developments arise.

Other Matters related to Project:

Apart from the land-related matters discussed above, certain other legal proceedings relating to the Project are pending before various courts and forums. Based on its assessment of the facts and circumstances of these cases and the advice received from legal counsels, Management of NECE does not expect the outcome of these proceedings to have a material adverse effect on the NECE's operations or financial position.

(ii) NECE Ltd. has received claims from certain suppliers for payment of statutory dues aggregating to Rs. 260.00 Million (31 March 2025: Rs. 260.00 Million) as at 31 March 2026.NECE Ltd has paid the dues relating to suppliers except Nandi Engineering Ltd. (NEL). NECE Ltd believes that NEL is an affiliate of NECE Ltd., hence NEL is entitled to exemption that were granted to the Project.

(iii) NECE has received income tax demand orders aggregating to Rs. 230.51 Million pertaining to Assessment Years 2017-18, 2021-22 and 2024-25 in respect of certain deductions claimed in the income tax returns, unexplained cash deposits during the demonetisation period (for AY 2017-18) and other assessment-related matters. NECE has filed appeals and rectification applications, wherever applicable, before the appropriate authorities. Based on the facts and circumstances of the cases, management of NECE believes that it has adequate grounds to support its tax positions and expects a favourable outcome. Accordingly, no material adverse impact on the NECE's financial position, results of operations or cash flows is expected.

27. Revenue from Contracts with Customers

a. Revenue Stream & Disaggregation of Revenue

(Rs. In Millions)

Particulars	Timing of revenue recognition	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers			
- Sale of wind power & REC	At a point in time	**188.52**	185.84
- Toll road operations		**8,703.50**	7,859.77
- Construction & other revenue	Over a period of time	**587.71**	322.79

b. The movement in contract assets during the year is as follows:

(Rs. In Millions)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Balance at the beginning of the year	5.95	9.70
Add: Energy credit receivable	72.56	59.25
Less: Invoiced during the period	71.24	63.00
Balance at the end of the year	7.27	5.95

28. Provisions

The disclosure required by Ind AS 37- "Provisions, Contingent Liabilities and Contingent Assets" prescribed by Rules, as amended for the Parent Company is as follows.

(In Rs. Million)

Class of provision: Electricity Duty	Carrying amount as at beginning of the year	Charge during the year	Amount paid during the year	Carrying amount as at the end of the year
As at March 31, 2026	**85.12**	**-**	**-**	**85.12**
As at March 31, 2025	85.12	-	-	85.12

Nature of provision

In terms of various notifications/ circulars issued by Government of Maharashtra, electricity duty is payable in respect of wind power sold to third parties.

29. Un-hedged foreign currency exposure

In respect of the Company:

Particulars	As at March 31, 2026	As at March 31, 2025
	Million Rs.	Million Rs.
Trade receivables	-	-
Trade payables	-	-

30. Related Party disclosures

(i) Names of the related parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives	Nandi Engineering Ltd. (NEL) Jaypatri Investments Pvt. Ltd. AKK Developers Pvt. Ltd. (AKKDPL) AKK Entertainment Ltd. (AKKEL) Ashok Kheny Production Pvt Ltd. (AKPPL) Ashok Kheny Infrastructure Ltd. (AKIL) SAB Engineering Inc., USA (SEI) Karanja Project Management Consultancy LLP Bonick Developers Pvt. Ltd. (BDPL) Ashok Kheny Motors Pvt. Ltd. (AKMPL) India International Infrastructure Engineers Ltd (IIIE) Nandi Infrastructure Capital Company Ltd. (NICCL)
Enterprises under common control	Bharat Forge Ltd. (BFL) BF Investment Ltd. (BFIL) Kalyani Strategic Management Services Pvt Ltd. (KSMS)
Key Managerial Personnel (KMP)	Mr. B.S. Mitkari (CEO & CFO of Parent Company) CS upto 31 March 2025. Mr. Ashok Kheny, Managing Director of Subsidiaries Mr. Shivkumar Kheny, Managing Director of Subsidiary Mr. N Bala Krishna, CFO & CS of Subsidiary Mr. Ashoka Kumar Shetty, CFO of Subsidiaries Mr. N. Balaji Naidu, CS of Subsidiaries Ms. Pragati S Rai (CS of Parent Company) (w.e.f. 1st April 2025) Ms. Ranjitha Thimmappa Bhat (CS of Subsidiary) (w.e.f June 25, 2025)

(ii) Related party transactions

(Amount in Million)

	Nature of transaction	Year	Entp. under common control	Key Management Personnel (KMP)	Enterprise Over which KMP have Significant Influence
I	Income				
A	Sales	2025-26	180.88	-	-
		2024-25	176.88	-	-
B	Employee deputation cost received (including GST)	2025-26	-	-	-
		2024-25	0.55	-	-
C	Share in expenses	2025-26	9.82	-	-
		2024-25	-	-	-
II	Expenses				
A	Reimbursement of expenses	2025-26	115.29	-	-
		2024-25	126.96	-	-
B	Interest on Preference Shares	2025-26	-	-	17.15
		2024-25	-	-	51.21
C	Rent	2025-26	-	-	2.63
		2024-25	-	-	2.39
D	Professional fees and others	2025-26	-	-	23.33
		2024-25	-	-	21.24
E	Directors' fees, etc.	2025-26	-	0.99	-
		2024-25	-	6.89	-
F	Remuneration paid to KMP	2025-26	-	101.86	-
		2024-25	-	145.87	-
G	Branding fees	2025-26	0.59	-	-
		2024-25	0.68	-	-

(Amount in Million)

	Nature of transaction	Year	Entp. under common control	Key Management Personnel (KMP)	Enterprise Over which KMP have Significant Influence
III	Others				
A	Loan/ICD Taken / (Repaid)	2025-26	(105.00)	-	(1.71)
		2024-25	(25.00)	-	-
B	Investment in Preference Shares	2025-26	-	-	-
		2024-25	-	-	42.74

(iii) Balances outstanding as at the year end

Receivable/ (Payable) (Amount in Million)

Sr No	Nature of transaction	For the year ended	Enterprises under common control	Key Management Personnel (KMP)	Enterprise Over which KMP have Significant Influence
1	Loans outstanding and interest accrued but not due	31 March, 2026	(741.38)	-	-
		31 March, 2025	(769.77)		-
2	Other receivable	31 March, 2026	-	-	05.53
		31 March, 2025	-	-	
3	Security deposit receivable/(payable) net	31 March, 2026	(199.80)	-	-
		31 March, 2025	(199.80)	-	-
4	Advance given (Net of provision of Rs.532.62 Million)	31 March, 2026	-	-	-
		31 March, 2025	-	-	-
5	Loans given	31 March, 2026	-	-	245.42
		31 March, 2025	-	-	245.42
6	Advance to suppliers	31 March, 2026	-	-	3.41
		31 March, 2025	-	-	4.31
7	Loans given (Net of provision Rs. 629.89 Million)	31 March, 2026	-	-	-
		31 March, 2025	-	-	-
8	Remuneration payable to KMP	31 March, 2026	-	-	-
		31 March, 2025	-	-	-
9	Cumulative Redeemable Preference shares	31 March, 2026	-	-	(207.67)
		31 March, 2025	-	-	(430.50)
10	Non-Cumulative Redeemable Preference Shares	31 March, 2026	-	-	112.74
		31 March, 2025	-	-	112.74
11	Branding fees payable	31 March, 2026	0.54	-	-
		31 March, 2025	0.54	-	-

31. Financial Instruments

Capital Management:

The group'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 group may issue new shares or sell assets to reduce debt.

The capital structure of the group consists of debt and total equity of the group.

The group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and short-term borrowings. The group's policy is aimed at combination of short-term and long-term borrowings. The group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the group.

Total debt includes all long and short-term debts as disclosed in **note 13** to the financial statements.

Fair Value Measurement

Set out below is a comparison, by class, of the carrying amounts and the fair value of the company's consolidated financial instruments as at 31 March 2026

(In Rs. Million)

Particulars	At Cost	Amortised cost	Financial assets/ liabilities at fair value through Profit & Loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets						
Investments	112.75	-	1,360.33	9.46	1,482.54	1,482.54
Trade receivables	-	27.90	-	-	27.90	27.90
Cash and cash equivalents - Bank balance	-	751.81	-	-	751.81	751.81
Bank Balance other than above	-	3,129.12	-	-	3,129.12	3,129.12
Loans	-	245.85	-	-	245.85	245.85
Other financial assets	-	542.15	-	-	542.15	542.15
Total	**112.75**	**4,696.83**	**1,360.33**	**9.46**	**6,179.37**	**6,179.37**
Financial Liabilities						
Borrowings	-	7,458.13	-	-	7,458.13	7,458.13
Trade Payables	-	415.03	-	-	415.03	415.03
Lease Liability	-	0.71	-	-	0.71	0.71
Other financial liabilities	-	1,214.29	-	-	1,214.29	1,214.29
Total	**-**	**9,088.16**	**-**	**-**	**9,088.16**	**9,088.16**

Set out below is a comparison, by class, of the carrying amounts and the fair value of the company's consolidated financial instruments as on 31 March 2025

(In Rs. Million)

Particulars	At Cost	Amortised cost	Financial assets/ liabilities at fair value through Profit & Loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial Assets						
Investments	112.75	-	538.60	8.88	660.23	660.23
Trade receivables	-	62.25	-	-	62.25	62.25
Cash and cash equivalents - Bank balance	-	584.50	-	-	584.50	584.50
Bank Balance other than above	-	1,537.78	-	-	1,537.78	1,537.78
Loans	-	248.02	-	-	248.02	248.02
Other financial assets	-	645.75		-	645.75	645.75
Total	**112.75**	**3,078.30**	**538.60**	**8.88**	**3,738.53**	**3,738.53**
Financial Liabilities						
Borrowings	-	9,317.73	-	-	9,317.73	9,317.73
Trade Payables	-	352.64	-	-	352.64	352.64
Lease Liability	-	-	-	-	-	-
Other financial liabilities	-	1,025.62	-	-	1025.62	1025.62
Total	-	**10,695.99**	-	-	**10,695.99**	**10,695.99**

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Further the management assessed that the fair value of security deposits and other non-current receivables approximate their carrying amounts largely due to discounting at rates which are an approximation of current lending rates.

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. The following methods and assumptions were used to estimate the fair values:

1. The fair values of quoted instruments are based on price quotations at the reporting date.
2. The group has performed fair valuation of its investment in unquoted ordinary shares which has been classified as Investment carried at Fair Value Through Other Comprehensive Income.

Financial Risk management framework:

The group is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the group.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Outstanding customer receivables are regularly monitored. The Group maintains its cash and cash equivalents and deposits with banks having good reputation and high-quality credit ratings.

The group 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 simplified approach - The group recognises significant income from toll road on the basis of actual collection and hence there are no significant outstanding. Hence, as the group does not have significant credit risk, it does not present the information related to ageing pattern. The group 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 group 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.

Interest rate risk

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.

(Rs. In Million)

Particulars	31 March 2026	31 March 2025
Variable rate borrowings	**6,152.63**	7,818.61
Fixed rate borrowings	**813.80**	979.03
Interest free borrowings	**491.70**	520.09
Total borrowings	**7,458.13**	9,317.73

Particulars	31 March 2026	31 March 2025
Interest rates - increase by 50 basis points (50 bps)	**(34.49)**	(42.47)
Interest rates - decrease by 50 basis points (50 bps)	**34.49**	42.47

Liquidity Risk

Liquidity risk refers to the risk that the group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The group manages liquidity risk by maintaining adequate reserves, liquid cash and bank balance by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below provides details regarding the contractual maturities of significant financial liabilities:

(Rs. In Million)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Less than 1 Year	More than 1 Year	Less than 1 Year	More than 1 Year
Borrowings	1,515.27	5,942.86	1,369.32	7,948.41
Trade payables	401.93	13.10	339.54	13.10
Other financial liabilities	754.51	459.78	565.84	459.78

Fair Value Measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Ind AS 113 - Fair Value Measurement. An explanation of each level is as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the asset or liability.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the group's assets and liabilities.

(Rs. In Million)

Quantitative disclosure fair value measurement hierarchy for assets	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant un-observable Inputs (Level 3)
Financial assets at FVTOCI			
Equity Instruments (Quoted)			
31 March, 2026	1.41	-	-
31 March, 2025	1.63	-	-
Equity Instruments (Unquoted)			
31 March, 2026	-	7.99	-
31 March, 2025	-	7.20	-
Financial assets at FVTPL (Quoted & Unquoted)			
Investments in Bonds & shares & Mutual funds			
31 March, 2026	0.34	1,360.00	-
31 March, 2025	0.34	538.25	-
Financial assets at Cost			
Investments in Bonds & shares			
31 March, 2026	-	-	112.81
31 March, 2025	-	-	112.81

32. Income Taxes

A reconciliation of the Income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarised below.

(i) Amounts recognised in profit or loss

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Current tax	1,553.92	561.53
Deferred Tax	(157.63)	668.85
Earlier year	175.00	(0.38)
Total Income tax (income)/ expenses	1,571.29	1,230.00

(ii) Income Tax in Other Comprehensive income

Particulars	Year ended 31st March, 2026	Year ended 31st March, 202
	Million Rs.	Million Rs.
Deferred tax related to Item recognised in OCI		
Re-measurement Gain /(Loss) on defined benefit obligations plan	(1.49)	(3.10)
Net Gain / (Loss) on equity instruments at FVTOCI	0.08	0.01
Total Income Tax charged to Other Comprehensive Income	(1.42)	(3.09)

(iii) Effective Tax Reconciliation

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
	Million Rs.	Million Rs.
Accounting profit before tax from operations	4,972.53	4,608.48
Enacted tax rate in India	25.17/29.12	25.17/29.12
Computed tax expense for the Group at enacted tax rates	1,277.65	1,216.74
Effect of non-deductible expenses	119.96	(2.23)
Income tax at differential rate	(1.32)	1.69
Short/ (Excess) provision of earlier years	175	(0.38)
Others	-	14.18
Tax expense reported in statement of profit and loss	1,571.29	1,230.00

33. Leases

a. Lessee accounting

Lease liabilities movement:

(In Rs. Million)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Lease liability at the beginning of the year	-	12.11
Add: Addition during the year	0.74	-
Add: Interest on Lease liability	0.00	-
Less: Lease rental payments	(0.03)	(12.11)
Lease Liability at the end of the year	0.71	-

Total Cash outflow for leases:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Operating lease rentals not included in the measurement of the lease liabilities	10.07	8.00

The Group has taken various residential/ commercial premises on cancellable operating leases. As per the terms and conditions mentioned in the respective lease agreements, the same are generally renewed on expiry of the lease period and there is no lock-in period in such operating lease taken by the Group.

34. Segment Reporting

Segment information as required by IND AS 108 "Operating Segments" as prescribed by Rules, as amended is set out in a separate statement annexed thereto.

35. Relationship with Struck off companies:

The Group did not enter into any transaction with Companies struck off from ROC records for the period ended 31 March 2026 and 31 March 2025.

36. Disclosures for investments and transactions through/ as an intermediary:

a. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company and its subsidiary companies 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, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company / subsidiary companies (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds have been received by the company and its subsidiary companies to or in any other person(s) or entity(ies) including foreign entities (funding parties) with the understanding, whether recorded in writing or otherwise, that the company / subsidiary companies 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;

37. Based on opinion of the legal advisors and independent review by the management of the group of certain litigations by and against the group, the management does not warrant recognition of any provision in the books of account as at 31 March, 2026. The group will continue to review the position as regards these litigations in future and if advised, carry out the necessary accounting adjustments

38. Statement containing the salient features of the Financial of Subsidiary companies in terms of Section 129(3) of the Companies Act, 2013, is annexed

39. In respect of Company's step-down subsidiary, Nandi Economic Corridor Enterprises Limited (NECE), the management has reviewed the position for FY 2025-26 and has following matters to reiterate and update.

During the year ended 31 March 2011, NECE had issued Compulsory Convertible Preference Shares ("CCPS") to one of the shareholders (i.e. the Investor) amounting to ₹ 4,999.85 Million. These CCPS were recorded as a financial liability on First-time Adoption of Indian Accounting Standards i.e. the Ind AS (i.e. Ind AS 101) transition date being 1 April 2016 at ₹ 3,113.00 Million with the difference of ₹ 1,886.85 Million recorded as adjustment to retained earnings of NECE. These CCPS were later converted into 3,40,45,692 (Three Crore, forty lakh, forty five thousand six hundred ninety two) equity shares during the year ended 31 March 2017 and consequently, ₹ 340.46 Million were recorded as equity share capital and ₹ 2,772.54 Million were recorded as securities premium by NECE.

During the FY 23-24, the management of NECE had re-evaluated the provisions of the shareholders' agreement dated 24th December, 2010 between NECE, the Promoters, the Sponsors and the Investor ("SHA"). Under the SHA, the Investor has several Exit Options, with Buy Back being one such option. NECE, in FY 2023-24 concluded that with respect to the buy-back option under the SHA, NECE had not recognized any financial liability as the Investor had not exercised the Buy Back option which could trigger only upon issuance of a valid Buy Back notice containing a clear intention to exercise the buy- back along with prescribed details including, amongst other things, the number of securities offered for Buy-Back following the due procedure outlined under the SHA and applicable laws. Therefore, the management of NECE continues to believe that none of the equity shares issued by NECE needed to be classified as a financial liability. Between June 2024- August 2024, the Investor notified the sale of its shareholding of 3,40,00,000 equity shares, to Soinfra Enterprises Private Limited.

40. One of the Investors (i.e. AIRRO Mauritius Holdings V) of Nandi Economic Corridor Enterprises Ltd., (NECE), a step-down subsidiary of the Company and the transferee Soinfra Enterprises Private Limited ("Claimants") have filed a notice of arbitration before the Singapore International Arbitration Centre ("SIAC"), based on Clause 24.2 (Arbitration Clause) of the SHA against Sponsors and Promoters (named in the SHA) and NECE. The Company being one of the Promoters in relation to NECE under the SHA received the said notice of arbitration on 28th March 2025. In this notice of arbitration, the Company has been named as the 4th respondent along with other respondents. The Claimants claim that the promoters and sponsors have allegedly failed to provide an exit. 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 the matter, and the Claimants have submitted their statement of claim on 26th September 2025 claiming 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 for an amount equal to investment of Rs. 500 Crore along with 18% IRR thereon from the date of investment. Further, the Claimants have sought damages in respect of NECE's shares subsequently acquired by AIRRO Mauritius Holdings V for a sum of INR 70.90 Crores 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 a separate agreement, no claim in respect of the same can form subject matter of arbitration under the SHA. The Claimants have also sought pre-award and post-award interest @ 18% p.a. on any monetary amount that may be awarded to the Claimants by the arbitral tribunal. Sponsors and Promoters including the Company have been legally advised that the claim filed by the Claimants lack merits on several counts and that they have strong defences and a good case on merits to contest the Claimants' claim. Company along with other Promoters and Sponsors (named in the SHA) have filed a statement of defence (SoD) to the statement of claim on 24th December, 2025. Discovery and document production took place between 21st January 2026 and 8th April 2026. The Claimants filed their reply to the SOD on 13th May 2026 and in response thereto, Company and other respondents filed their rejoinder in the matter on 17th July, 2026. The matter continues to proceed before the Tribunal in accordance with its procedural directions.

41. The toll operations of one of the Material Subsidiaries viz. Nandi Highway Developers Limited (NHDL) have been successfully concluded w.e.f. September 07, 2024, due to end of term of Concession agreement dated February 05, 1998 and Supplementary agreement dated June 21, 2024 between NHDL, Government of India and Government of Karnataka. Considering the positive net worth of NHDL the management of NHDL is of the view that the assets in the said subsidiary be considered as good, not warranting any provisioning or impairment in the Company's books.

42. The Company has given Rs 370 Million to NECE, a step-down subsidiary, as Advance towards acquisition of land parcels, which NECE Confirms on quarterly basis during the Audit / Limited Review of Financial Statements /

Results. The Company is of the opinion that the advance is good and recoverable. The aforesaid advance is eliminated in the Consolidated Financial Statements.

43. The re-appointment of the Managing Director (MD), of NECE, approved by the Board of Directors of NECE, at its meeting held on 29th July 2025, was not approved by the shareholders of NECE at the subsequent Annual general meeting (AGM) held in November 2025. The appointment of the MD of NECE is a reserved matter under the Shareholders Agreement dated 24th December 2010 and requires approval from the shareholders by way of special resolution.

During the intervening period, NECE has continued to operate in accordance with the business plans approved by the Board of Directors of NECE and, accordingly, the vacancy in the position of Managing Director of NECE has not adversely affected the operations of NECE.

The management of NECE is in process of appointing a Managing Director in accordance with the applicable requirements of the Companies Act, 2013 and the provisions of the Shareholders' Agreement dated 24th December 2010, including the requisite shareholder approvals of NECE, in due course. Based on its assessment, management of NECE does not expect this matter to have a material impact on these financial statements of NECE.

44. Pursuant to notifications issued by the Karnataka Industrial Areas Development Board ("KIADB") under Sections 28(1) and 28(4) of the KIADB Act, notifying the acquisition of land required for the BMIC Project, the Government of Karnataka and the acquisition authorities accorded necessary permission to NECE, as project proponent, to acquire the aforesaid notified lands.

The notified landowners were thereby precluded from mortgaging, selling or otherwise utilising their land to raise funds for meeting their financial and livelihood requirements. On account of the prolonged delay in disbursement of compensation to landowners by KIADB, NECE engaged certain parties to acquire the notified lands, following procedures approved by KIADB. NECE has also acquired certain additional private lands through these parties that are essential for the BMIC Project.

NECE paid advances to such parties for the acquisition of land from erstwhile individual landowners. These parties hold the acquired land parcels in trust for NECE until: (i) in the case of notified lands, such parcels are acquired by KIADB and subsequently transferred to NECE under the related framework agreement; or (ii) in the case of private land parcels, the necessary approvals have been obtained for transfer of such land to NECE in accordance with applicable regulations.

The Management of NECE has carried out a reconciliation and review of the balances outstanding from such parties as at March 31, 2026 comprising of Rs. 381.39 Million (net of a provision of Rs. 57.79 Million) against which NECE has subsequently received an amount of Rs. 208.18 Million from these parties, representing compensation received from KIADB and sale proceeds from land sold by said parties in earlier years, the balance receivable is Rs. 173.20 Million. In addition to the above, advances of Rs. 554.27 Million paid to parties towards acquisition of land remain outstanding, pending transfer of the corresponding land parcels to NECE.

The Management of NECE has identified certain cases that are disputed by the respective parties, in respect of which NECE has initiated, or is in the process of initiating appropriate legal proceedings before the competent courts for recovery of the outstanding amounts and/or enforcement of its rights over the underlying land parcels.

Based on confirmations received, the contractual arrangements in place, ongoing reconciliations, recovery actions initiated, and the expected outcome of legal proceedings initiated or contemplated against defaulting parties, the Management of NECE believes that the outstanding receivables and advances are fully recoverable. However, having regard to the fact that the recovery of advances from the said parties, the balance amount recoverable from the sale of lands by them and the transfer of land to NECE may take a longer period on account of the ongoing legal process, the Management of NECE, as a matter of prudence, has decided to make a provision of Rs. 596.64 Million in the books of NECE for the financial year 2025-26.

45. On 09 January 2026 the High Court of Karnataka passed its order on WP No. 17839 of 2010 which was filed by Smt. Chandrika (consenting landowner) seeking allotment of incentive sites, in relation to the land acquired for the Bangalore Mysore Infrastructure Corridor project. The High Court of Karnataka has dismissed the said petition. However, in the said order the High Court of Karnataka directed the State Government to take a re-look at the project as only 1 km has been constructed for the expressway and take necessary decision for fresh planning by discarding the framework agreement. NECE has filed a Special Leave Petition against the aforesaid order with the Honorable Supreme Court, which is numbered 5680/2026 and was heard on 16th February 2026. The Supreme Court has stayed paragraphs 77 and 78 of the High Court of Karnataka order and will hear the matter again on 06 April, 2026. However, the hearing was not held on 06 April, 2026.

46. The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes viz. Code on wages 2019, Codes on Social Security 2020, Industrial Relation Code 2020, and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). These Codes have been made effective from November 21, 2025. The corresponding rules under these codes have been notified by the Central Government on May 08, 2026. The Company/Group continues to monitor the minimum wage rates from the Central Government as well as other aspects of the New Labour Codes and would provide appropriate accounting effect on the basis of such developments as required.

The Parent Company accounted for incremental impact of Rs. 21.81 million on gratuity and long-term compensated absences during quarter ended December 31, 2025. Consequent to revision in the salary structures, provision of Rs. 12.91 million has been reversed during quarter ended March 31, 2026 and accordingly net additional provision of Rs. 8.90 million has been recognized for FY 2025-26. The aforesaid impacts have been disclosed under exceptional items in the Consolidated Financial Statements.

In respect of NECE, the revised definition of wages has resulted in an increase in gratuity obligation by Rs 18.25 million in respect of services rendered by employees in prior periods. The same has been treated as past service cost and has been recognized as expense under the head "Employee Benefit Expenses" in the statement of profit and loss in accordance with Ind AS 19, Employee Benefits.

47. Previous year's figures have been regrouped or reclassified wherever necessary. The impact of such regrouping / reclassification is not material to the Consolidated Financial Statement.

As per our report attached
For G.D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

Anagha M Nanivadekar
Partner
Membership No.: 121007

Pune, 30 September, 2026

For and on behalf of the Board of Directors of **BF UTILITIES LIMITED**
CIN : L40108PN2000PLC015323

B. S. MITKARI
Whole-Time Director,
CEO & CFO
DIN : 03632549

M. U. Takale
Director
DIN : 01291287

Ms. Pragati S Rai
Company Secretary
Membership No.: A66887

Pune, 30 September, 2026

Annexure referred to Note No. 34 Notes forming part of the Consolidated Financial Statements of BF Utilities Ltd.

Disclosure of Segment information

Segmentwise Revenue, Results, and Capital Employed based on Consolidated Financial Statements for the year ended 31 March, 2026.

(Rs. In Million)

Sr. No.	Particulars	Year ended 31-Mar-26	Year ended 31-Mar-25
1	**Segment Revenue**		
	a. Wind Mills	**229.36**	224.30
	b. Infrastructure	**9,695.40**	8,392.64
	Total	**9,924.76**	8,616.94
	Less : Inter segment revenue	**-**	-
	Net sales / income from operations	**9,924.76**	8,616.94
2	**Segment results**		
	Profit / (Loss) (before tax and interest from each segment)		
	a. Wind Mills	**40.93**	32.22
	b. Infrastructure	**5,745.42**	5,713.12
	Total	**5,786.35**	5,745.34
	Less : i) Interest and Finance Charges	**794.29**	1,130.73
	ii) Other unallocable expenditure net off unallocable income	**10.63**	6.13
	Total Profit / (Loss) before tax and Exceptional Items	**4,981.43**	4,608.48
	Exceptional Item	**8.90**	-
	Total Profit /(Loss) before tax	**4,972.53**	4,608.48
3	**Total Carrying amount of segment assets**		
	a. Wind Mills	**602.47**	674.73
	b. Infrastructure	**26,146.92**	23,606.28
	c. Unallocable	**9.05**	7.80
	Total	**26,758.44**	24,288.81
4	**Total segment liablities**		
	a. Wind Mills	**336.93**	331.16
	b. Infrastructure	**5,866.42**	5,076.42
	c. Unallocable	**15.88**	5.71
	Total	**6,219.23**	5,413.29
5	**Capital employed (Segment Assets - Segment Liabilities)**		
	a. Wind Mills	**265.54**	343.57
	b. Infrastructure	**20,280.49**	18,529.85
	c. Other - Unallocable	**(6.84)**	2.09
	Total	**20,539.19**	18,875.51
6	**Total cost incurred during the year to acquire segment assets that are expected to be used during more than one period**		
	a. Wind Mills	**0.03**	0.59
	b. Infrastructure	**1,198.46**	327.15
	c. Other - Unallocable	**-**	-
	Total	**1,198.49**	327.74
7	**Depreciation and amortisation**		
	a. Wind Mills	**6.39**	6.84
	b. Infrastructure	**964.30**	696.23
	Total	**970.69**	703.07

Annexure to Note No. 38

Form AOC-I

(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.

In Rs. Million

Sr. No	Particulars	Subsidiaries			
		Nandi Infrastructure Corridor Enterprise Limited	Nandi Economic Corridor Enterprises Limited (Step down subsidiary)	Nandi Highway Developers Limited	BFUL Resources Pvt. Ltd.
1	Date Since when subsidiary was acquired	March 01,2001	March 01,2001	March 01,2001	March 16, 2016
2	Reporting Period	Apr 25 to Mar 26	Apr 25 to Mar 26	Apr 25 to Mar 26	Apr 25 to Mar 26
3	Reporting Currency	INR	INR	INR	INR
4	Exchange rate	1.00	1.00	1.00	1.00
5	Share Capital	1,040.94	2,090.47	375.00	0.10
6	Reserves & Surplus	(88.12)	8,669.58	2,276.60	6.43
7	Total Assets	1,483.21	24,085.38	2,668.10	6.75
8	Total Liabilities	530.39	13,325.33	16.50	0.22
9	Details of Investment (except in case of Investments in subsidiries)	0.06	1,360.33	112.75	-
10	Turnover	0.18	9,688.76	20.87	1.04
11	Profit before Taxation	(17.68)	5,053.97	(15.98)	0.86
12	Provision for Taxation	(0.62)	1,529.08	7.58	0.23
13	Profit after Taxation	(17.06)	3,524.89	(23.56)	0.63
14	Proposed Dividend	-	-	-	-
15	Extent of shareholding (in percentage)	74.52%	42.16%	69.53%	100%

Notes

1. Names of subsidiaries which are yet to commence operations : NA / Nil
2. Names of subsidiaries which have been liquidated or sold during the year. : NA / Nil
3. Turnover includes other income

Annexure A
Statutory Group Information

Annexure referred to Note No. 1 (c) notes forming part of the Consolidated Financial Statements of BF Utilities Ltd.

Name of the entity in the group	Net assets (Total assets - total liabilities)		Share in profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Rs. in Million	As a % of consolidated profit or loss	Rs. in Million	As a % of consolidated other Comprehensive income	Rs. in Million	As a % of consolidated total Comprehensive income	Rs. in Million
Holding Company								
BF Utilities Ltd								
As at & for year ended 31 March, 2026	12.73	1,665.77	0.66	22.34	(14.75)	0.58	0.67	22.92
As at & for year ended 31 March, 2025	17.19	1,642.85	4.73	159.83	(2.19)	0.16	4.75	160.00
Subsidiaries (Indian)								
Nandi Infrastructure Corridor Enterprises Ltd. (NICE)								
As at & for year ended 31 March, 2026	7.28	952.82	(0.50)	(17.06)	-	-	(0.50)	(17.06)
As at & for year ended 31 March, 2025	8.27	790.30	(1.34)	(45.33)	-	-	(1.34)	(45.33)
Nandi Highway Developers Ltd.(NHDL)								
As at & for year ended 31 March, 2026	20.27	2,651.60	(0.69)	(23.56)	-	-	(0.69)	(23.56)
As at & for year ended 31 March, 2025	29.49	2,818.29	6.82	230.36	-	-	6.83	230.36
Nandi Economic Corridor Enterprises Ltd. (NECE)								
As at & for year ended 31 March, 2026	82.26	10,760.05	103.64	3,524.89	114.75	(4.53)	103.62	3,520.36
As at & for year ended 31 March, 2025	75.75	7,239.70	95.00	3,209.42	102.19	(7.66)	94.98	3,201.77
BFUL Resources Pvt. Ltd.								
As at & for year ended 31 March, 2026	0.05	6.53	0.02	0.63	-	-	0.02	0.63
As at & for year ended 31 March, 2025	0.06	5.90	0.01	0.48	-	-	0.01	0.48
Non-Controlling Interest in all Subsidiaries								
As at & for year ended 31 March, 2026	73.12	9,564.54	59.60	2,027.27	66.37	(2.62)	59.60	2,024.65
As at & for year ended 31 March, 2025	78.91	7,542.25	56.64	1,913.48	59.11	(4.43)	56.63	1,909.05
Adjustments arising out of consolidation								
As at & for year ended 31 March, 2026	(50.52)	(6,608.83)	(56.49)	(1,921.27)	(66.37)	2.62	(56.48)	(1,918.65)
As at & for year ended 31 March, 2025	(48.16)	(4,602.95)	(51.42)	(1,737.19)	(59.11)	4.44	(51.40)	(1,732.74)
Total (for year ended 31 March 2026)	100.00	**13,081.06**	100.00	**3,401.24**	100.00	**(3.95)**	100.00	**3,397.29**
Total (for year ended 31 March 2025)	100.00	**9,557.78**	100.00	**3,378.47**	100.00	**(7.50)**	100.00	**3,370.97**

Annexure A (Cont.)
Statutory Group Information

Disclosure pursuant to Ind AS 112 "Disclosure of interest in other entities"

Subsidiaries having material non controlling interest.

1 **Summarise statement of Profit and Loss.**

Rs. in Million

Particulars	NICE		NECE		NHDL	
	2025-26	2024-25	**2025-26**	2024-25	**2025-26**	2024-25
Total Income	**0.18**	0.94	**9,688.76**	7,850.45	**20.87**	543.25
Profit / (Loss) after tax	**(17.06)**	(45.33)	**3,524.89**	3,209.42	**(23.56)**	230.36
Other Comprehensive Income	**-**	-	**(4.53)**	(7.66)	**-**	-
Total Comprehensive income	**(17.06)**	(45.33)	**3,520.36**	3,201.76	**(23.56)**	230.36
Effective % of non-controlling interest	**25.48%**	25.48%	**57.84%**	57.84%	**30.47%**	30.47%
Profit / (Loss) allocated to non-controlling interest	**(4.35)**	(11.55)	**2,036.18**	1,851.90	**(7.18)**	70.19
Dividend to Non-controlling interest	**-**	-	**-**	-	**45.71**	82.28

2 **Summarised Balance Sheet**

Rs. in Million

Particulars	NICE		NECE		NHDL	
	2025-26	2024-25	**2025-26**	2024-25	**2025-26**	2024-25
Current Assets (a)	**245.85**	245.51	**8,021.27**	5,305.41	**124.14**	303.56
Current Liabilities (b)	**44.68**	44.58	**4,722.31**	3,582.38	**0.61**	2.26
Net Current Assets (c) = (a)-(b)	**201.17**	200.93	**3,298.96**	1,723.03	**123.53**	301.30
Non - Current Assets (d)	**1,237.36**	1,238.12	**16,064.11**	16,053.48	**2,543.95**	2,525.82
Non - Current Liabilities (e)	**485.71**	648.75	**8,603.02**	10,536.81	**15.88**	8.83
Net Non - Current Assets (f) = (d)-(e)	**751.65**	589.37	**7,461.09**	5,516.67	**2,528.07**	2,516.99
Net Assets (g) = (c) + (f)	**952.82**	790.30	**10,760.05**	7,239.70	**2,651.60**	2,818.29
Accumulated non controlling interest	**231.12**	235.47	**7,989.60**	5,953.42	**1,025.23**	1,032.41

3 **Summarised Statement of Cash Flow**

Rs. in Million

Particulars	NICE		NECE		NHDL	
	2025-26	2024-25	**2025-26**	2024-25	**2025-26**	2024-25
Cash flow from operating activities	**0.41**	0.01	**5,892.30**	5,408.88	**150.49**	299.02
Cash flow from investing activities	**(0.18)**	-	**(3,410.89)**	(540.24)	**(4.31)**	(42.91)
Cash flow from Financing activities	**(0.00)**	(0.00)	**(2,308.93)**	(4,760.43)	**(150.00)**	(270.06)
Net/ increase / (decrease) in cash and cash equivalents	**0.23**	0.01	**172.48**	108.21	**(3.82)**	(13.95)

NOTES

NOTES



KALYANI

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