INDEPENDENT AUDITORS' REPORT

To the Members of Nandi Highway Developers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Nandi Highway Developers Limited**, (the "Company"), which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred as "financial statements").

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

Basis for Opinion

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

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

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India.

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

   c) The financial statements dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 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, in our opinion and to the best of our information and according to the explanations given to us;

i) The company does not have any pending litigations which would impact its financial position;

ii) The company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;

iii) There were no amounts which were required to be transferred to the investor's education and protection fund by the company as at 31 March 2026;

iv) a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 and to the best of our knowledge and belief, other than as disclosed in the notes to the accounts, 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, and

c) Based on the audit procedures performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v) The company has declared and paid interim dividend during the year ended 31 March 2026 in compliance with section 123 of the Companies Act, 2013.

vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. 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.

2. 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 "Annexure B", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

for B Hiremath and Associates
Chartered Accountants
Firm's Registration No: 026305S

Basaveshwara Hiremath

(Basaveshwara Hiremath)
Proprietor
Membership No: 269729

Place: Bangalore
Date: 17/06/2026
UDIN: 26269729MNBDAN6834

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Nandi Highway Developers Limited of even date)

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

We have audited the internal financial controls with reference to Financial Statements of **Nandi Highway Developers Limited**, as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI 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 Financial Statements. 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 Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 audit opinion on the Company's internal financial controls with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to Financial Statements 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 ICAI.

for B Hiremath and Associates
Chartered Accountants
Firm's Registration No: 026305S

Basaveshwara Hiremath

(Basaveshwara Hiremath)
Proprietor
Membership No: 269729

B HIREMATH & ASSOCIATES FRN: 026305S Chartered Accountants

Place: Bangalore
Date: 17/06/2026
UDIN: 26269729MNBDAN6834

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Nandi Highway Developers Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. **In respect of Property, Plant and Equipment and Intangible assets:**

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

The Company has maintained proper records showing full particulars of intangible assets.

b) According to the information and explanations given to us, the Property, Plant and Equipment have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

c) Based on our examination of the property tax receipts and registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued its Property, Plant and Equipment and Intangible Assets during the year.

e) According to the information and explanations given by the management, no proceedings has been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

ii. **In respect of Inventories:**

a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

b) The Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assetsand hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. During the year, the Company has not provided any loans or advances in the nature of loans, stood guarantee, provided security, or made any investments in, companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

iv. According to information and explanations given to us and on the basis of our examination of records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under sections 185 and 186 of the Companies Act, 2013 ('the Act"). In respect of the investments made by the Company, in our opinion the provision of section 186 of the Act has been complied with.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company as the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the activities carried on by the Company.

vii. **In respect of statutory dues:**

a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Income Tax, Sales Tax, Value Added Tax, Cess and any other material statutory dues. Further, there were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31st March 2026 for a period of more than six months.

b) There are no dues of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax or Goods and Services Tax that have not been deposited with the appropriate authorities on account of any dispute.

viii. We have been informed by the Company, there were no transactions which were not recorded in the books of account have been surrendered or disclosed as income of the Company during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. **In respect of Repayment of loans and other borrowings:**

(a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) Based on the information and explanations made available to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) Based on the information and explanations made available to us and based on our examination of the books of the Company, no funds were raised on short term basis which have been utilized for long term purposes.

(e) On overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates or joint ventures.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. **In respect of public offers and allotment of Shares:**

(a) The Company has not raised any money by way of initial public offer or further public offer.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Therefore, the provisions of sub clause (a) & (b) of clause (x) of paragraph 3 of the Order are not applicable.

xi. **In respect of Fraud:**

a) No fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

b) There are no reports filed under sub-section (12) of section 143 of the Companies Act, in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, as amended, with the Central Government during the year.

c) Based on the information and explanations made available to us, there were no whistle- blower complaints received during the year by the Company.

Therefore, the provisions of sub clause (a) to (c) of clause (xi) of paragraph 3 of the Order are not applicable

xii. In our opinion, the Company is not a Nidhi Company. Hence, reporting under sub clause (a) to (c) of clause (xii) of Paragraph 3 of CARO 2020 is not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013.

xv. The Company has not entered in to any non-cash transactions with its directors or persons connected with them. Accordingly, reporting under clause (xv) of paragraph 3 of the Order is not required.

xvi. The Company is not a Non-Banking Finance Company; and is not required to register under section 45-IA of Reserve Bank of India Act, 1934. Therefore, the reporting of sub clause (a) to (d) of clause (xvi) of paragraph 3 of Order are not applicable.

xvii. The Company has incurred any cash losses of ₹ 100.66 lakhs in the financial year. However, no cash loss was incurred in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. 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 and 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 indicating 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. In our opinion, no material uncertainty exists as on the date of the audit report that the Company is 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.

xx. In respect to Corporate Social Responsibility (CSR) expenditure:

According to the information and explanations given to us, the Company fulfilled the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and there is no unspent amount during the year under review.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

for B Hiremath and Associates
Chartered Accountants
Firm's Registration No: 026305S

Basaveshwara Hiremath

(Basaveshwara Hiremath)
Proprietor
Membership No: 269729

FRN: 026305S

Place: Bangalore
Date: 17/06/2026
UDIN: 26269729MNBDAN6834

Nandi Highway Developers Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ Lakhs, unless otherwise specified)

1 Company overview and significant accounting policies

1.1 Company overview

Nandi Highway Developers Limited ("NHDL" or "the Company") is an unlisted public company incorporated on January 19, 1996. The Company had undertaken a contract of Development, Operation and Maintenance of infrastructure facility involving work of construction of bypass road of 30 kms connecting the twin cities of Hubli and Dharwad in North Karnataka, located right in the middle of the Pune-Bangalore stretch (835 kms) of the NH4, in the state of Karnataka beginning at Km 403/800 on NH4 and rejoining NH4 in Karnataka at Km 433/800. This contract came to end on 06th September 2024.

1.2 Significant accounting policies

a. Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as per Companies (Indian Accounting Standards) Rules 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. The financial statements up to and for the year ended 31 March 2026 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2026 were authorized and approved for issue by the Board of Directors on 17th June 2026.

b. Overall considerations

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

c. Basis of preparation of financial statements

The Company has discontinued its business operations during the financial year ended 31 March 2025. However, the financial statements have been prepared on a going concern basis as the management expects to continue the corporate existence of the Company and believes that the Company has adequate resources to meet its obligations as they fall due. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or the amounts and classification of liabilities that may be necessary if the Company were unable to continue as a going concern.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

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

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

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

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

d. Functional and presentation currency

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

e. Use of estimates

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

f. Recent accounting pronouncements

Information on new standards, amendments and interpretations is provided below:

Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

f. Recent accounting pronouncements (Cont'd.)

Ind AS 116 Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

• Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

• Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

• Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

• An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expediments are available under the both methods.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

g. Current versus non-current classification

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

(i) An asset is classified as current when it is:
- Expected to be realized or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

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

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

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

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

The operating cycle is the time between the acquisition of asset for processing and their realisation in cash and cash equivalents. The company has identified twelve month as its operating cycle.

h. Foreign currency transactions

(a) Initial recognition

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

(b) Conversion

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

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

i. Revenue recognition

Toll collections

Income from toll collections is recognised on the basis of actual collection.

Interest income

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

Dividend income

Dividend income is recognised, when right to collection is established.(If applicable)

j. Impairment of non-financial assets

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

j. Impairment of non-financial assets (Cont'd.)

In assessing value the estimated future cash flows are discounted to their present value using pre tax discount rate that reflects current market rate assessments of the time value of the money and the risk specific to the assets. In determining fair value less cost of disposals, recent market transaction 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 price for publicly traded companies or other available fair value indicators.

k. Property, plant and equipment (PPE)

Recognition and initial measurement

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

Subsequent measurement

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

Depreciation and useful lives

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

Buildings	60/24 years
Office equipments	5 years
Furniture & fixtures	10 years
Computers	6/3 years
Vehicles	10/8 years

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

De-recognition

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

l. Intangible assets

Recognition and initial measurement

Toll road assets, created under Build, Operate and Transfer ("BOT") model is considered as intangible asset since the asset will be transferred to GoK at the end of the concession period. The company has considered a period of 26 years (2 years of construction period and 24 years concession period) from the initial financial closure achieved in the year 2000.

Amortisation

The amortisation is based on a proportionate of actual toll revenues earned during the period over the projected toll revenues estimated for the balance concession period.

m. Borrowing cost

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

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

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

n. Cash and cash equivalents

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

o. Leases

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.

If there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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.

p. Employee benefits

Defined contribution plan

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are charged to the statement of profit and loss or inventorised as a part of project under development, as the case may be. The Company's contributions towards provident fund and employee state insurance scheme are deposited with the Regional Provident Fund Commissioner under a defined contribution plan, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 respectively.

Defined benefit plan

The Company has funded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for defined benefit plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries who use the projected unit credit method to calculate the defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the year in which such gain or loss arise.

Other short-term benefits

Short-term employee benefits comprising employee costs including performance incentive and compensated absences are recognized in the statement of profit and loss on the basis of the amount paid or payable for the period during which services are rendered by the employee.

q. Tax expense

Income taxes

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

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

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

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

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

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

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

r. Earnings per share

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

s. Provisions

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

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

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

t. Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted, except for financial asses classified as fair value through profit and loss.

Subsequent measurement

Debt Instruments

Debt instruments at amortized cost

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

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

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

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

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

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

Equity investments

All equity investments in the scope of Ind AS 109,' Financial Instruments', are measured at fair value.

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

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

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

De-recognition of financial assets

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

Financial liabilities

Initial recognition

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

Subsequent measurement

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

Impairment of financial assets

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

u. Impairment of non-financial assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

u. Impairment of non-financial assets (Cont'd.)

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

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

1.3 Significant estimates in applying accounting policies

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

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

c. 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.

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

1.4 Critical judgements in applying accounting policies

a. Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

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

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

d. Service Concession Arrangements (SCA)- The evaluation of applicability of SCA requires the Management to assess whether the Company 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.

Nandi Highway Developers Limited
Balance Sheet as at 31st March 2026
(All amounts in ₹ Lakhs, unless otherwise specified)

	Note	31st March 2026	31st March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	2	1,044.79	1,132.27
Right - of - Use assets		-	-
Intangible assets	3	0.03	0.04
Financial assets			
Investments	4	10,350.70	10,144.89
Loans		-	-
Other financial assets	5 A	-	-
Deferred tax assets (net)	6	-	-
Other non-current assets	7 A	14,044.01	13,981.03
Total non-current assets		**25,439.53**	**25,258.22**
Current assets			
Financial assets			
Cash and cash equivalents	8	41.28	79.50
Other financial assets	5 B	1,030.80	2,773.68
Other current assets	7 B	169.37	182.47
Total current assets		**1,241.44**	**3,035.64**
Total assets		**26,680.98**	**28,293.86**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	3,750.00	3,750.00
Other equity	10	22,766.02	24,432.89
Total equity		**26,516.02**	**28,182.89**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities		-	-
Provisions		-	-
Other non-current liabilities	11 A	71.34	76.64
Deferred tax Liabilities (net)	6	87.48	11.69
Total non-current liabilities		**158.82**	**88.33**
Current liabilities			
Financial liabilities			
Borrowings & Other financial liabilities		-	-
Trade Payables			
i) Dues to micro enterprises and small enterprises		-	-
ii) Dues to creditors other than micro enterprises and small enterprises		-	-
Other current liabilities	11 B	6.14	22.64
Total current liabilities		**6.14**	**22.64**
Total equity and liabilities		**26,680.98**	**28,293.86**

The accompanying notes form an integral part of the financial statements

As per report of even date

For B. Hiremath and Associates
Chartered Accountants
Firm's Registration No. : 0026305S

FRN: 026305S

Basaveshwara Hiremath
Proprietor
Membership No. : 0269729
Bengaluru
Date: 17-06-2026

For and on behalf of the Board of Directors of
Nandi Highway Developers Limited

Shivkumar Kheny
Director
DIN: 01487360
Bengaluru
Date: 17-06-2026

Shashank Subramanyam
Director
DIN: 11657080
Bengaluru
Date: 17-06-2026

Ranjitha T Bhat
Chief financial Officer
& Company Secretary
Bengaluru
Date: 17-06-2026

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

Particulars	Note	31st March 2026	31st March 2025
Revenue			
Revenue from operations	12	-	5,100.08
Other income	13	208.69	332.38
Total revenue		**208.69**	**5,432.46**
Expenses			
Employee benefit expenses	14	104.96	765.40
Finance costs	15	-	0.62
Depreciation and amortization expense	2&3	59.13	176.42
Other expenses	16	204.39	1,351.71
Total expenses		**368.48**	**2,294.15**
Profit before tax		**(159.79)**	**3,138.31**
Tax expense	17		
Current tax		-	548.33
Deferred tax		75.79	286.35
Profit for the period		**(235.58)**	**2,303.64**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Re-measurement of gains/(losses) on defined benefit plans		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
		-	-
Total comprehensive income for the year		**(235.58)**	**2,303.64**
Earnings per equity share (Nominal value ₹ 10 per equity shar	18		
Basic		(0.63)	6.14
Diluted		(0.63)	6.14

The accompanying notes form an integral part of the financial statements

As per report of even date

For B. Hiremath and Associates
Chartered Accountants
Firm's Registration No. : 0026305S

Basaveshwara Hiremath
Proprietor
Membership No. : 0269729
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Chief financial Officer
& Company Secretary
Bengaluru
Date: 17-06-2026

Nandi Highway Developers Limited
Statement of changes in equity as at 31 March 2026
(All amounts in ₹ Lakhs, unless otherwise specified)

A. Equity share capital

	Amount
Balance as at 31 March 2024	**3,750.00**
Changes in equity share capital during the year	-
Balance as at 31 March 2025	**3,750.00**
Changes in equity share capital during the year	-
Balance as at 31 March 2026	**3,750.00**

B. Other equity

	Surplus / (deficit) in Statement of Profit and Loss	Dividend	Total
Balance as at 31 March 2024	**34,983.83**	(10,154.58)	**24,829.25**
Add: Additions	-	-	-
Profit for the period	2,303.64	(2,700.00)	**(396.36)**
Capital Reserve	-	-	-
Other comprehensive income	-	-	-
Balance as at 31 March 2025	**37,287.47**	**(12,854.58)**	**24,432.89**
Add: Additions			-
Profit for the period	(235.58)	(1,500.00)	(1,735.58)
Capital Reserve	-	-	-
Other comprehensive income	-	-	-
Balance as at 31 March 2026	**37,051.89**	**(14,354.58)**	**22,697.31**

For B. Hiremath and Associates
Chartered Accountants
Firm's Registration No. : 0026305S

Basaveshwara Hiremath
Proprietor
Membership No. : 0269729
Bengaluru

Date: 17-06-2026

For and on behalf of the Board of Directors of
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Executive Director
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Date: 17-06-2026

Ranjitha T Bhat
Chief financial Officer
& Company Secretary
Bengaluru

Date: 17-06-2026

Nandi Highway Developers Limited
Cash flow statement for the year ended 31st March 2026
(All amounts in ₹ Lakhs, unless otherwise specified)

	31st March 2026	31st March 2025
A. Cash flow from operating activities		
Profit/(loss) before tax	(159.79)	3,138.31
Adjustments to reconcile profit before tax to net cash flows		-
Depreciation	59.13	176.42
Other comprehensive income	-	-
Interest received on fixed deposits	(134.38)	(269.54)
Finance costs	-	0.62
Loss on sale of Assets	0.01	6.13
Add: Notional IND AS Interest Income	68.71	-
		-
Operating profit before working capital changes	**(166.32)**	**3,051.95**
Working capital adjustments:		-
Decrease/(increase) in other non-current assets	(62.98)	353.35
(Increase)/decrease in other financial assets	-	-
(Increase)/decrease in other current assets	1,755.98	957.29
Increase/(decrease) in trade payables	-	(0.44)
Increase/(decrease) in provisions	-	(229.59)
Increase/(decrease) in other current liabilities	53.98	(307.70)
Cash Generated from operations	**1,580.65**	**3,824.86**
Net income taxes paid / refund (net)	(75.79)	(834.67)
Net cash flow from operating activities (A)	**1,504.86**	**2,990.18**
		-
B. Cash flow from investing activities		-
Capital expenditure on fixed assets	28.35	(271.24)
Interest received on fixed deposits	134.38	269.54
Capital expenditure on fixed assets (including changes in capital advances)	(205.81)	(427.43)
Investment In Equity Shares/Preference Shares/Debentures		-
Net cash flow from investing activities (B)	**(43.08)**	**(429.13)**
		-
C. Cash flow from financing activities		-
Proceeds from/(Repayment of) long term borrowings	-	-
Finance costs	-	(0.62)
Dividend paid	(1,500.00)	(2,700.00)
Net Cash flow from financing activities (C)	**(1,500.00)**	**(2,700.62)**
		-
Net decrease in cash & cash equivalents (A+B+C)	(38.22)	(139.56)
Cash and Cash equivalents at beginning of the year	79.50	219.06
Cash and Cash equivalents at the end of the year*	41.28	79.50
* Comprises:		-
(a) Cash on hand	0.19	0.19
(b) Balances with banks:		-
- in current accounts	41.09	79.31
Cash & cash equivalents at the end of the year (as per Note 8)	41.28	79.50

For B. Hiremath and Associates
Chartered Accountants
Firm's Registration No. : 002630S

Basaveshwara Hiremath
Proprietor
Membership No. : 0269729
Bengaluru
Date: 17-06-2026

For and on behalf of the Board of Directors of
Nandi Highway Developers Limited

Shivkumar Kheny
Director
DIN: 01487360
Bengaluru
Date: 17-06-2026

Shashank Subramanyam
Director
DIN: 11657080
Bengaluru
Date: 17-06-2026

Ranjitha T Bhat
Chief financial Officer
& Company Secretary
Bengaluru
Date: 17-06-2026

Nandi Highway Developers Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ Lakhs, unless otherwise specified)

2 Property, plant and equipment

	Land	Buildings	Plant and machinery	Vehicles	Office equipments	Furniture & fixtures	Total
Gross block							
As at 31 March 2024	85.07	979.23	809.97	240.39	93.50	361.46	**2,569.61**
Additions	-	303.76	-	-	3.44	-	**307.20**
Disposals	-	(195.93)	(809.97)	(123.99)	(93.50)	(361.46)	**(1,584.85)**
As at 31 March 2025	**85.07**	**1,087.05**	**-**	**116.39**	**3.44**	**-**	**1,291.96**
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	(89.02)	-	-	(89.02)
As at 31st March 2026	**85.07**	**1,087.05**	**-**	**27.37**	**3.44**	**-**	**1,202.94**
							-
Accumulated depreciation							-
Upto 31 March 2024	-	217.71	784.48	130.82	86.65	348.22	**1,567.87**
Charge for the year	-	60.36	25.49	28.70	6.24	13.24	**134.03**
Adjustments for disposals	-	(195.93)	(809.97)	(82.98)	(91.87)	(361.46)	**(1,542.22)**
Upto 31 March 2025	**-**	**82.14**	**-**	**76.54**	**1.02**	**-**	**159.69**
Charge for the year	-	48.06	-	9.85	1.21	-	**59.12**
Adjustments for disposals	-	-	-	(60.66)	-	-	**(60.66)**
As at 31st March 2026	**-**	**130.19**	**-**	**25.73**	**2.22**	**-**	**158.15**
							-
Net block							-
As at 31 March 2025	85.07	1,004.92	-	39.86	2.43	-	**1,132.27**
As at 31 March 2026	**85.07**	**956.86**	**-**	**1.64**	**1.22**	**-**	**1,044.79**

Nandi Highway Developers Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ Lakhs, unless otherwise specified)

3 Intangible assets	Roads	Software	Total
As at 31 March 2024	9,672.96	2.24	**9,675.20**
Additions	-	-	-
Disposals	(9,672.96)	(1.57)	(9,674.53)
31st March 2025	-	**0.67**	**0.67**
Additions	-	-	-
Disposals	-	-	-
31st March 2026	-	**0.67**	**0.67**
Accumulated amortization			
Upto 31 March 2024	9,631.21	2.11	9,633.32
Charge for the year	41.75	0.64	42.39
Disposals/adjustments	(9,672.96)	(2.11)	(9,675.07)
Upto 31 March 2025	-	**0.63**	**0.63**
Charge for the year	-	0.01	**0.01**
Disposals/adjustments	-	-	-
Upto 31 March 2026	-	**0.64**	**0.64**
Net block			
As at 31 March 2025	-	**0.04**	**0.04**
As at 31 March 2026	-	**0.03**	**0.03**

4 Investments

	31st March 2026	31st March 2025
Non- current investments (unquoted)		
Nandi Economic Coridor Enterprise Ltd. (No of Equity Shares 52,50,000)	8,100.00	8,100.00
National Savings Certificates (NSC)	0.06	0.06
Preference Shares in AKK Entertainment Ltd (No of Shares 98,50,000 & PY 70,00,000)	985.29	985.29
Preference Shares in Ashok Kheny Infrastructure Ltd (No of Shares 14,20,000)	142.14	142.14
Nandi Economic Coridor Enterprise Ltd. OFCD'S (No of OFCD'S 14,00,000)	838.65	838.65
NECE OFCD Interest Accrued	284.56	78.75
	10,350.70	**10,144.89**

5

	31st March 2026	31st March 2025
A Non-current		
Fixed deposits with banks (Maturity period is more than 12 months) *	-	-
	-	-
B Current assets		
(Unsecured, considered good unless otherwise stated)		
Interest receivable on fixed deposits	21.43	46.01
Fixed deposits with banks	1,009.37	2,727.67
	1,030.80	**2,773.68**

6 Deferred tax assets / (Liabilities) (Net)

	31st March 2026	31st March 2025
A Non-current		
Deferred tax assets / (Liabilities) (Net)	(87.48)	(11.69)
	(87.48)	**(11.69)**

7 Other assets

	31st March 2026	31st March 2025
A Non-current		
(Unsecured, considered good unless otherwise stated)		
Advance income tax [net of provision]	89.98	29.45
Advance to suppliers/service providers	-	-
- Considered good	-	-
Advances towards land acquisition	(6.38)	(8.91)
Security deposits	13,958.05	13,958.05
	2.36	2.44
	14,044.01	**13,981.03**
B Current		
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	-	-
Other Current Assets	(5.31)	6.97
Other Advances	174.67	175.50
	169.37	**182.47**

8 Cash and cash equivalents

	31st March 2026	31st March 2025
Cash on hand	0.19	0.19
Balances with banks	-	-
- in current accounts	41.09	79.31
	41.28	**79.50**

9 Equity share capital

	31st March 2026		31st March 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity share of ₹ 10/- each	3,80,00,000	3,800.00	3,80,00,000	3,800.00
	3,80,00,000	**3,800.00**	**3,80,00,000**	**3,800.00**
Issued, subscribed and fully paid-up				
Equity share of ₹ 10/- each	3,75,00,006	3,750.00	3,75,00,006	3,750.00
	3,75,00,006	**3,750.00**	**3,75,00,006**	**3,750.00**

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

	31st March 2026		31st March 2025	
	No. of shares	Amount	No. of Shares	Rs.
Equity share of ₹ 10/- each				
Opening balance	3,75,00,006	3,750.00	3,75,00,006	3,750.00
Issued during year pursuant to the conversion of CCPS	-	-	-	-
Closing balance	**3,75,00,006**	**3,750.00**	**3,75,00,006**	**3,750.00**

(b) Terms/ Rights attached to equity share holders:

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

(c) a) Details of shares held by each shareholder holding more than 5% of shares:

	31st March 2026		31st March 2025	
	No. of shares	%	No. of Shares	%
Equity share of ₹ 10/- each				
1. BF Utilities Limited- Holding Company	2,60,71,902	69.53%	2,60,71,902	69.53%
2. Jaypatri Investment Pvt Ltd	75,02,901	20.01%	75,02,901	20.01%
3. Shivkumar Kheny	18,75,805	5.00%	18,75,805	5.00%
b) Details of shares held by Promoters				
1. BF Utilities Limited- Holding Company	2,60,71,902	69.53%	2,60,71,902	69.53%
2. Jaypatri Investment Pvt Ltd	75,02,901	20.01%	75,02,901	20.01%
3. Shivkumar Kheny	18,75,805	5.00%	18,75,805	5.00%
4. Sundaram Trading & Investment Pvt Ltd.	11,62,531	3.10%	11,62,531	3.10%
5. Janjira Trading Company Pvt Ltd.	8,86,719	2.36%	8,86,719	2.36%
6. Siddarth Khey	30	0.00%	30	0.00%
7. Sarojini Kheny	1	0.00%	1	0.00%
8. Ashok Kheny	1	0.00%	1	0.00%
c) Details of shares held by Public				
1. Balaji Naidu N	29	0.00%	29	0.00%
2 Kshirsagar Satish Ramesh	29	0.00%	29	0.00%
3. Ganesh Khaladkar	29	0.00%	29	0.00%
4. Rudra goud Avula	29	0.00%	29	0.00%

(d) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the year of five years immediately preceding the reporting date

The company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2025.

10 Other equity

	31st March 2026	31st March 2025
Opeing Balance	24,432.89	24,829.25
Profit for the period	(235.58)	2,303.64
Interim Dividend	(1,500.00)	(2,700.00)
IND AS Interest Adjustment FY 2023-24 & 2024-25 on O	68.71	-
Comprehensive income/(expenditure)		
	22,766.02	**24,432.89**

11 Other liabilities

	31st March 2026	31st March 2025
A Non-current		
Other long term liabilities	71.34	76.64
	71.34	**76.64**
B Current		
Statutory dues	6.14	22.64
	6.14	**22.64**

12 Revenue from operations

	31st March 2026	31st March 2025
Revenue from toll collections	-	5,100.08
	-	5,100.08

13 Other income

	31st March 2026	31st March 2025
Interest income	134.38	269.54
IND AS Notional Interest on OFCD	74.10	-
Parking fees	-	15.13
Miscellaneous income	0.21	47.46
Lease Rent for Advertisement on Hoarding	-	0.25
	208.69	332.38

14 Employee benefits expense

	31st March 2026	31st March 2025
Salaries and wages	96.47	839.43
Contribution to provident and other funds/ (Reversal of Provisions Expenses)	8.49	(82.06)
Staff welfare expenses	-	8.03
	104.96	765.40

15 Finance costs

	31st March 2026	31st March 2025
Bank charges	-	0.62
	-	0.62

16 Other expenses

	31st March 2026	31st March 2025
Toll road operation expense	7.76	700.80
Office maintenance & administration expenses	30.04	205.31
Travelling expenses	1.72	9.81
Professional fees	25.18	290.03
Payment to auditors for Statutory audit	1.70	5.00
Miscellaneous expenses	138.00	134.62
Loss on Sale of Assets	0.01	6.13
	204.39	1,351.71

17 Tax expense

	31-Mar-26	31-Mar-25
A Tax expense comprises of:		
Current tax	-	548.33
Deferred tax	75.79	286.35
Income tax expense reported in the statement of profit and loss	**75.79**	**834.67**
B Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 29.12% (31 March 2024: 29.12%) and the reported tax expense in profit or loss are as follows:		
Book profits before tax from continuing operations	(159.79)	3,138.31
Book profits before income tax	**(159.79)**	**3,138.31**
Effective tax rate in India	**29.12%**	**29.12%**
Expected tax expenses charged/(credited)	(46.53)	913.88
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Effect of non-deductible expenses	122.32	(79.20)
Income tax expense	**75.79**	**834.67**
C Recognised deferred tax assets and liabilities		
Deferred tax asset arising on account of :		
Expenses allowable on payment basis	-	-
Gratuity	-	-
Leave encashment	-	-
Bonus	0.00	0.00
Less: Deferred tax liability arising on account of :	-	-
Depreciation	(46.48)	(12.27)
Impact of financial assets and liabilities carried at amortized cost	-	-
Others	-	-
	(46.48)	**(12.27)**

18 Earnings/(loss) per share (EPS)

	46,112.00	45,747.00
Weighted average number of shares outstanding during the year	375.00	375.00
Add: Dilutive effect of stock options	-	-
Weighted average number of shares used to compute diluted EPS	**375.00**	**375.00**
Net profit after tax attributable to equity shareholders	(235.58)	2,303.64
Earnings per share		
Basic (₹)	(0.63)	6.14
Diluted (₹)	(0.63)	6.14
Nominal value - Rupees (₹) per equity share	10.00	10.00

Nandi Highway Developers Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ Lakhs, unless otherwise specified)

19 Financial risk management

Financial risk factors

The Company's activities has limited exposure to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

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

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

a. Credit risk

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

Credit risk management

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

The Company enjoys very negligent credit risk, due its revenues are generated through cash or against advance payment. Over the years the Company witnessed 100% realisation of advances given.

b. Liquidity risk

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

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

c. Interest rate risk

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

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

	31 March 2026	31 March 2025
Variable rate borrowing	-	-
Fixed rate borrowing	-	-
Interest free borrowing	-	-
Total borrowings	**-**	**-**

Interest rate risk

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. The Company's borrowings are primarily in fixed rate and interest free borrowings, which do not expose it to significant interest rate risk.

20 Capital Management

The Company's objectives when managing capital are to:

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

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

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

	31 March 2026	31 March 2025
Borrowings	-	-
Less: Cash and cash equivalents	-	-
Net debt	-	-
Total equity	26,516.02	28,182.89
Gearing ratio	-	-

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

21 Financial instruments

Financial instruments by category

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

	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Investments	4	-	-	10,350.70	10,350.70	10,350.70
Cash and cash equivalents including other bank balances	8	-	-	41.28	41.28	41.28
Other financial assets	5 B	-	-	1,030.80	1,030.80	1,030.80
Total financial assets		-	-	**11,422.77**	**11,422.77**	**11,422.77**
Financial liabilities :						
Borrowings *		-	-	-	-	-
Trade payables		-	-	-	-	-
Total financial liabilities		-	-	-	-	-

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

	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Investments	4	-	-	10,144.89	10,144.89	10,144.89
Cash and cash equivalents including other bank balances	8	-	-	79.50	79.50	79.50
Other financial assets	5 B	-	-	2,773.68	2,773.68	2,773.68
Total financial assets		-	-	**12,998.06**	**12,998.06**	**12,998.06**
Financial liabilities :						
Borrowings		-	-	-	-	-
Trade payables		-	-	-	-	-
Total financial liabilities		-	-	-	-	-

Notes to financial instruments

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

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

ii. **Fair value hierarchy**

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

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

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

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

Measurement of fair value of financial instruments

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

22 Events occurring after the reporting date

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

23 Commitments:

Particulars	31 March 2026	31 March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

24 Contingent liabilities:

	31 March 2026	31 March 2025
Claims against the Company not acknowledged as debts	-	-

25 Corporate social responsibility

Corporate Social Responsibility (CSR) Where the company covered under section 135 of the companies act, the following shall be disclosed with regard to CSR activities:-

(a) amount required to be spent by the company during the year	1.36 Crores
(b) amount of expenditure incurred,	1.36 Crores
(c) shortfall at the end of the year,	Nil
(d) total of previous years shortfall,	Not Applicable
(e) reason for shortfall,	Not Applicable
(f) nature of CSR activities,	Rural/Social Development

26 Related party transactions

A. Details of related parties:

Description of relationship	Names of related parties
Holding Company (HC)	M/s BF Utilities Limited
Key Managerial Personnel (KMP)	Mr. Shivkumar Kheny, Executive Director
	Ms. Ranjitha Thimmappa Bhat CFO, CS
Enterprises over which Company has significant influence	M/s Nandi Economic Corridor Enterprise Ltd. (NECE)
	M/s Nandi Infrastructure Corridor Enterprise Ltd. (NICE)
	M/s BF Investment Limited
	Mr. Ashok Kumar Kheny
	M/s Jaypatri Investments Pvt Ltd.
	M/s Karanja Project Management Consultancy LLP

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

Nature of Transaction	HC	KMP	Enterprises over which the Company has significant influence
Interim Dividend Paid			
For the Year 2025-26	1,042.88	75.03	382.09
For the Year 2024-25	1,877.18		822.82
Received/(Paid) towards Goods/Service			
For the Year 2025-26	-	-	70.00
For the Year 2024-25	-	-	70.00
Remuneration to KMP			
For the Year 2025-26	-	96.47	-
For the Year 2024-25	-	386.27	-

C. Details of related party balance outstanding as at 31 March 2026 and 31 March 2025

Nature of Transaction	HC	KMP	Enterprises over which the Company has significant influence
Balance of advances outstanding			
For the Year 2025-26	-	-	2,219.60
For the Year 2024-25	-	-	2,006.37

27 Previous year Figures are Regrouped / Reclassified wherever necessary to correspond with the Current years classification /Disclosure

Nandi Highway Developers Limited
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ Lakhs, unless otherwise specified)

28 Ratio analysis

a) Current Ratio

Particulars	31 March 2026	31 March 2025	Reasons for Variance
Current assets	1,241.44	3,035.64	Current Ratio has been decreased due to decrease in Current Assets and increase in Current Liabilities
Current liabilities	6.14	22.64	
Current ratio	**202.34**	**134.06**	
% change from previous year	**50.93%**		

b) Debt-Equity ratio

Particulars	31 March 2026	31 March 2025	Reasons for Variance
Non-current borrowings	-	-	
Current maturities of long-term borrowings	-	-	
Overdraft/ working capital			
Total debt	-	-	
Total equity	26,516.02	28,182.89	
Debt-equity ratio	**-**	**-**	
% change from previous year	**NA**		NA

c) Debt Service coverage ratio

Particulars	31 March 2026	31 March 2025	Reasons for Variance
Profit before exceptional items and tax	(159.79)	3,138.31	
Add: Depreciation and amortisation expense	59.13	176.42	
Add: Interest on long term loans	-	-	
Add: Interest on lease liabilities	-	-	
Earnings available for debt services	**(100.66)**	**3,314.73**	
Repayments made during the period / year			
Interest paid on long term loans	-	-	
Interest paid on lease liabilities	-	-	
Principal repayment for long term loans	-		
Principal repayment for lease liabilities	-	121.12	
Total interest and principal repayments	**-**	**121.12**	
Debt service coverage ratio	**-**	**27.37**	Liabilities closed in FY 2024-25
% change from previous year	**-100.00%**		

d) Return on equity

Particulars	31 March 2026	31 March 2025	Reasons for Variance
Net Profit after tax	(235.58)	2,303.64	Loss for the current year compared to profit in the previous year
Average Shareholder's Equity	27,349.45	28,381.07	
Return on equity	**-0.86%**	**8.12%**	
% change from previous year	**-110.61%**		

e) Inventory turnover ratio *Not applicable*

f) Trade receivable turnover r *Not applicable*

g) Trade payables turnover ra *Not applicable*

h) Net capital turnover ratio

Particulars	31 March 2026	31 March 2025	Reasons for Variance
Revenue from operations	-	5,100.08	
Current assets	1,241.44	3,035.64	
Current liabilities	6.14	22.64	
Working capital	1,235.31	3,012.99	
Average Working Capital	2,124.15	3,472.77	
Net capital turnover ratio	**0.00%**	**68.09%**	No revenue from operations for the year
% change from previous year	**-100.00%**		

i) Net Profit ratio

Particulars	31 March 2026	31 March 2025	Reasons for Variance
Net Profit after tax	(235.58)	2,303.64	
Revenue from operations	-	5,100.08	
Net Profit ratio	**0.00%**	**45.17%**	No revenue from operations for the year
% change from previous year	**-100.00%**		

j) Return on capital employed

Particulars	31 March 2026	31 March 2025	Reasons for Variance
Net Profit after tax	(235.58)	2,303.64	
Add: Tax expenses/(credit)	75.79	834.67	
Add: Finance costs	-	0.62	
Earnings before interest and tax	**(159.79)**	**3,138.93**	
Equity	27,349.45	28,381.07	
Non Current Liabilities	158.82	88.33	
Capital employed	**27,508.27**	**28,469.40**	Loss for the current year compared to profit in the previous year
Return on capital employed	**-0.58%**	**11.03%**	
% change from previous year	**-105.27%**		

For B. Hiremath and Associates
Chartered Accountants
Firm's Registration No. : 002630S

Basaveshwara Hiremath
Proprietor
Membership No. : 0269729

Bengaluru
Date: 17-06-2026

For and on behalf of the Board of Directors of
Nandi Highway Developers Limited

Shivkumar Kheny
Director
DIN: 01487360

Bengaluru
Date: 17-06-2026

Shashank Subramanyam
Director
DIN: 11657080

Bengaluru
Date: 17-06-2026

Ranjitha T Bhat
Chief financial Officer
& Company Secretary

Bengaluru
Date: 17-06-2026