

MKPS & ASSOCIATES LLP

(Formerly DASS MAULIK MAHENDRA K. AGRAWAL & CO.)

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

**To the Members of
M/s KNR Somwarpet Infra Projects Private Limited**

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **KNR Somwarpet Infra Projects Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025 and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 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 Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (but does not include the standalone Ind AS financial statements and our auditor's report thereon)

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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



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Management's Responsibilities for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Responsibilities for the Audit of the Standalone Ind AS 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 it 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 adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.



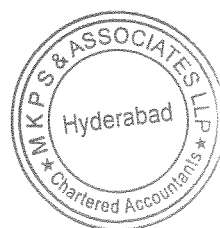
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors 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 Ind AS Financial Statement

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 except those disclosed in financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. (a) The management has represented that, to the best of 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, 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 such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 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. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Further the audit trail has been preserved by the company.
3. 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 Company has not paid any remuneration to its directors during the year.

For M K P S & Associates LLP
Chartered Accountants
(Firm's Registration No. 302014E/W101061)

Vikash Modi



Vikash Modi
Partner
Membership No. 216468
UDIN: 25216468BMIRCW9179
Date:20-05-2025
Place: Hyderabad

Annexure 'A' to the Independent Auditor's Report of KNR SOMWARPET INFRA PROJECTS PRIVATE LIMITED for the Year ended as on 31st March 2025.

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-

- i) (a) The company does not have any Property, plant and equipment as on the date of the Balance Sheet. Hence, the reporting requirements under sub-clause (a) to sub-clause (d) of clause (i) of paragraph 3 of the order are not applicable.

(e) According to the information and explanations provided to us and on the basis of our examination of the records of the company, we report that no proceedings have been initiated during the year or are pending against the company as at March 31,2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a) As the Company is engaged in the business of Infrastructure development, operation and its maintenance and there is no inventory in hand at any point of time, hence the reporting requirements under sub-clause (a) of clause (ii) of paragraph 3 of the order are 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 assets and hence the reporting requirements under sub-clause (b) of clause (ii) of paragraph 3 of the order are not applicable.
- iii) The company has not made any investments in, nor provided any guarantee or security nor granted any loans or advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the reporting requirements under clause (a) to (f) of paragraph 3(iii) of the order are not applicable.
- iv) The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Hence, the reporting requirements under clause (iv) of paragraph 3 of the order are not applicable.
- v) The company has not accepted any deposits during the period under audit. Consequently, the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder are not applicable to the company.
- vi) In our opinion and according to the information and explanations given to us, the company is prima-facie maintaining the cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013.
- vii) (a) According to the information and explanations given to us and based on our examination of the books of the company, the company is generally regular in depositing undisputed applicable statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, and any other material statutory dues to the appropriate authorities except labour cess. As on 31st March, 2025, there are no undisputed statutory dues payable for a period exceeding more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in clause (a) above which have not been deposited on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us, there are no transactions relating to previously unrecorded income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



- ix) (a) According to the information and explanations given to us and as per the books of accounts and records examined by us, in our opinion, the company has not defaulted in the repayment of loans or other borrowings or the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and as represented to us by the management, the company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations provided to us and based on our examination of the books of accounts and other records, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the company, in our opinion, no funds raised on short term basis have been prima-facie being used for long term purposes during the year.
- (e) The company does not have any subsidiary, joint venture or associate and hence the reporting requirements under sub-clause (e) of clause (ix) of paragraph 3 of the order are not applicable.
- (f) The company does not have any subsidiary, joint venture or associate and hence the reporting requirements under sub-clause (f) of clause (ix) of paragraph 3 of the order are not applicable.
- x) (a) According to the information and explanations provided to us and based on our examination of the books of accounts and other records, we report that the company has not raised any moneys raised by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the reporting requirements under sub-clause (a) of clause (x) of paragraph 3 of the order are not applicable.
- (b) According to the information and explanations provided to us and based on our examination of the books of accounts and other records, we report that the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi) (a) Based on the audit procedures performed by us for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and till the date of this report.
- (c) According to the information and explanations provided to us, no whistle blower complaints have been received during the year and upto the date of this report.
- xii) The company is not a Nidhi Company and hence the reporting requirements under clause (xii) of paragraph 3 of the order are not applicable.
- xiii) According to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv) a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.



- b) We have considered the internal audit reports for the year under audit, issued to the company, in determining the nature, timing and extent of audit procedures.
- xv) According to the information and explanations provided to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with them and hence the provisions of section 192 of the Act are not applicable to the company.
- xvi) a) In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45 – IA of the Reserve Bank of India, 1934. Hence, the reporting requirements under sub-clause (a), (b) and (c) of clause (xvi) of paragraph 3 of the order are not applicable.
- b) According to the information and explanation given to us by the management, in our opinion, there is no Core Investment Company as part of the Group. Hence, the reporting requirements under sub-clause (d) of clause (xvi) of paragraph 3 of the order are not applicable.
- xvii) The company has not incurred cash loss during the year ended March 31, 2025 & March 31, 2024.
- xviii) There has been no resignation of statutory auditors during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of 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 the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) (a) The company has incurred the CSR expenditure during the year for activities as specified in Schedule VII to the Companies Act 2013 complying with Section 135 of the Companies Act, 2013. There is no unspent amount which is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- According to the information and explanations given to us, there was no unspent amount in respect of ongoing projects which is required to be transferred to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act. Accordingly, clause 3(xx)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable.
- (b)

For M K P S & Associates LLP
Chartered Accountants
(Firm's Registration No. 302014E/W101061)

Vikash Modi
Vikash Modi
Partner
Membership No. 216468
UDIN: 25216468BMIRCW9179
Date: 20-05-2025
Place: Hyderabad



ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)

Report on the Internal Financial Controls 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 **KNR Somwarpet Infra Projects Private Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and



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

Inherent Limitations of Internal Financial Controls with reference to financial statements

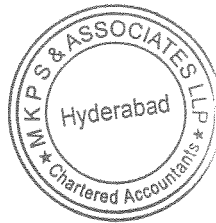
Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements 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.

For M K P S & Associates LLP
Chartered Accountants
(Firm's Registration No. 302014E/W101061)

Vikash Modi



Vikash Modi
Partner
Membership No. 216468
UDIN: 25216468BMIRCW9179
Date: 20-05-2025
Place: Hyderabad

KNR Somwarpet Infra Project Private Limited
Balance Sheet as at March 31, 2025

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
I Assets			
1) Non-current assets			
a) Financial Assets	3	39,413.60	28,695.49
i) Financial Asset Receivable	4	3,594.96	2,560.51
b) Other non-current assets		43,008.56	31,256.00
2) Current assets			
a) Financial Assets			
i) Investments	5	1,156.25	1,102.60
ii) Trade Receivable	6	652.70	189.02
iii) Cash and cash equivalents	7	687.48	2,172.86
iv) Bank Balances, other than (iii) above	8	3,950.00	-
v) Other Financial Asset	9	1,692.08	1,272.06
b) Other Current assets	10	4,376.31	942.15
		12,514.82	5,678.69
Total Assets		55,523.38	36,934.69
II Equity and Liabilities			
Equity			
a) Equity Share capital	11	3,052.50	3,052.50
b) Instruments entirely equity in nature	11.4	9,272.89	8,189.00
c) Other equity	12	16,693.44	11,813.71
Total Equity		29,018.83	23,055.21
Liabilities			
1) Non - current liabilities			
a) Financial liabilities			
i) Borrowings	13	17,565.23	10,258.03
b) Provisions	14	3,308.74	915.55
		20,873.97	11,173.58
2) Current liabilities			
a) Financial liabilities			
i) Borrowings	13	3,348.30	996.00
ii) Trade Payables	15	993.39	313.75
iii) Other financial liabilities	16	850.22	426.41
b) Other current liabilities	17	438.67	969.74
Total Current Liabilities		5,630.58	2,705.90
Total Liabilities		26,504.55	13,879.48
Total Equity and Liabilities		55,523.38	36,934.69

Significant Accounting Policies

1 & 2

See accompanying notes forming part of the financial statements
As per our report of even date attached

For M K P S & Associates LLP

For and on behalf of the Board

Chartered Accountants
FRN: 302014E/W101061

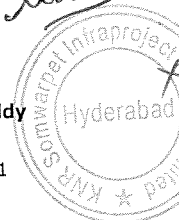
Vikash Modi



Vikash Modi
Partner
M. No: 216468
UDIN: 25216468BMIRCW9179

K. Jalandhar Reddy

K. Jalandhar Reddy
Director
DIN No: 00434911



K. Yashoda

K. Yashoda
Director
DIN: 05157487

Deepak Kumar

Deepak Kumar
(CEO)

A. Srinivas Reddy

A. Srinivas Reddy
(Chief Financial Officer)

Sai Kumar Agarwal

Sai Kumar Agarwal
(Company Secretary)

Place : Hyderabad
Date : 20-05-2025

KNR Somwarpet Infra Project Private Limited

Statement of Profit And Loss for the year ended March 31, 2025

(Rs. in Lakhs)

PARTICULARS		Note No.	Year ended March 31, 2025	Year ended March 31, 2024
			Audited	Audited
I	Revenue from Operations	18	28,920.25	20,306.94
II	Other income	19	189.16	26.28
III	Total Income (I + II)		29,109.41	20,333.22
IV	Expenses			
	Construction Expenses	20	18,289.32	11,887.06
	Operation and Maintenance	21	3,921.00	1,796.62
	Employee benefits expenses	22	3.00	2.25
	Finance costs	23	1,388.24	676.73
	Other expenses	24	628.12	1,166.03
	Total expenses (IV)		24,229.68	15,528.69
V	Profit before exceptional items and tax (III - IV)		4,879.73	4,804.53
VI	Exceptional items		-	-
VII	Profit/(Loss) before tax (V - VI)		4,879.73	4,804.53
VIII	Tax expense			
	1) Current tax		-	-
	2) Adjustment of tax relating to earlier periods		-	-
	3) Deferred tax		-	-
	Total Tax Expenses (VIII)		-	-
IX	Profit (Loss) for the period (VII-VIII)		4,879.73	4,804.53
X	Other Comprehensive Income			
	Actuarial gains and losses		-	-
	Total Comprehensive Income for the period (IX+X)		4,879.73	4,804.53
XI	(Comprising Profit(Loss) and Other Comprehensive Income for the period)			
XII	Earnings per equity share			
	1) Basic	30	1,598.60	1,573.96
	2) Diluted		1,598.60	1,573.96

Corporate information and Significant accounting policies

1 & 2

See accompanying notes forming part of the financial statements
As per our report of even date attached

For M K P S & Associates LLP

Chartered Accountants
FRN: 302014E/W101061

V. Vikash Modi

Vikash Modi
Partner
M. No: 216468
UDIN: 25216468BMIRCW9179



For and on behalf of the Board

K. Jalandhar Reddy

K. Jalandhar Reddy
Director
DIN No: 00434911

K. Yashoda

K. Yashoda
Director
DIN: 05157487

Deepak Kumar

Deepak Kumar
(CEO)

A. Srinivas Reddy

A. Srinivas Reddy
(Chief Financial Officer)

Sai Kumar Agarwal

Sai Kumar Agarwal
(Company Secretary)

Place : Hyderabad
Date : 20-05-2025

KNR Somwarpet Infra Project Private Limited

Cashflow Statement for the Year ended March 31,2025

(Rs. in Lakhs)

PARTICULARS	Year ended March 31, 2025	Year ended March 31, 2024
A) Cash flow from Operating activities		
Net Profit before Tax	4,879.73	4,804.53
Adjustments for		
Construction Expenses	(14,376.50)	(9,364.34)
Construction Income	14,376.50	9,364.34
Finance Income	(6,524.13)	(6,495.32)
Interest Expenses on Mob Adv	-	15.87
Interest on Term Loans	1,263.95	659.13
O&M Income	(1,601.46)	(951.58)
M&M Income	(2,505.34)	(972.98)
O&M Expense	426.68	310.59
M&M Expense	2,393.19	915.55
Unamortised processing fee	15.74	1.73
Unrealised Gain on FV of Mutual Funds	(3.48)	(2.60)
Profit on Sale of Mutual Funds	(108.22)	-
Modification Loss on FA	-	664.37
Interest Income on FD	(48.92)	-
Operating profit before working capital changes	(1,812.24)	(1,050.71)
(Increase)/Decrease in Trade and Other Receivables	(5,353.93)	669.92
Increase/(Decrease) in Trade Payables and Other Liabilities	2,819.22	(10,470.26)
(Increase)/Decrease in Financial Asset Receivables	(2,907.06)	2,572.53
Cash generated from operations	(7,254.01)	(8,278.52)
Taxes paid	1.61	(205.45)
Net cash used in operating activities	(7,252.40)	(8,483.97)
B) Cash flow from Investing activities		
Investments of Mutual Funds	58.05	(1,100.00)
Investments in Fixed Deposits	(3,901.08)	-
Net cash used in investing activities	(3,843.03)	(1,100.00)
C) Cash flow from Financing activities		
Long Term Funds Borrowed	21,841.23	11,984.30
Repayment of Long term borrowings	(12,197.48)	(732.00)
Proceeds from USL- Sub Debt	1,083.89	1,135.00
Interest Paid	(1,117.59)	(659.13)
Net cash from financing activities	9,610.05	11,728.17
Net change in Cash and Cash Equivalents (A+B+C)	(1,485.38)	2,144.20
Cash and Cash Equivalents as at (Opening Balance)	2,172.86	28.66
Cash and Cash Equivalents as at (Closing Balance)	687.48	2,172.86

Notes:

1 Components of Cash & Cash Equivalents		
Cash in Hand	-	-
Bank Balance - Current Account and Deposits	687.48	2,172.86
	687.48	2,172.86

2 The Cash flow statement is prepared in accordance with the Indirect Method stated in Ind AS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.

See accompanying notes forming part of the financial statements

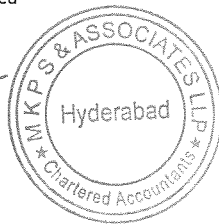
As per our report of even date attached

For M K P S & Associates LLP

Chartered Accountants

FRN: 302014E/W101061

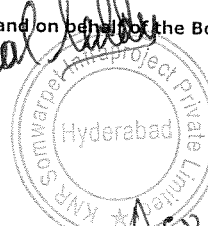
Vikash Modi
Partner
M. No: 216468
UDIN: 25216468BMIRCW9179



For and on behalf of the Board of Directors

K.Jalandhar Reddy
Director
DIN No: 00434911

Deepak Kumar
(CEO)



A.Srinivas Reddy
(Chief Financial Officer)

K.Yashoda
Director
DIN: 05157487

Sai kumar Agarwal
(Company Secretary)

Place: Hyderabad
Date : 20.05.2025

KNR Somwarpet Infra Project Private Limited
Statement of Changes in Equity for the Year Ended March 31, 2025

A - Equity Share Capital

Particulars	No. of Shares	(Rs. in Lakhs)
		Amount in Rs. Lakhs
As at April 01, 2023		
Changes in Equity Share Capital due to prior period errors	3,05,250	3,052.50
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the year	-	-
As at March 31, 2024	3,05,250	3,052.50
As at April 01, 2024		
Changes in Equity Share Capital due to prior period errors	3,05,250	3,052.50
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the year	-	-
As at March 31, 2025	3,05,250	3,052.50

B - Instrument entirely equity in Nature

Particulars	(Rs. in Lakhs)
	Loan from Promotor Company
At 1 April, 2023	
Addition during the year	7,054.00
Less: Adjustment/Deletion	1,135.00
At 31 March, 2024	-
At 1 April, 2024	8,189.00
Addition during the year	8,189.00
Less: Adjustment/Deletion	1,083.89
At March 31, 2025	9,272.89

C - Other Equity

Particulars	(Rs. in Lakhs)		
	Retained Earning	Other Comprehensive Income	Total
Balance as at 1st, April, 2023			
Total Comprehensive Income for the Year	7,009.18	-	7,009.18
Balance as at March 31, 2024	4,804.53	-	4,804.53
Balance as at 1st, April, 2024	11,813.71	-	11,813.71
Total Comprehensive Income for the Year	11,813.71	-	11,813.71
Balance as at March 31, 2025	4,879.73	-	4,879.73
	16,693.44	-	16,693.44

See accompanying notes forming part of the financial statements
As per our report of even date attached

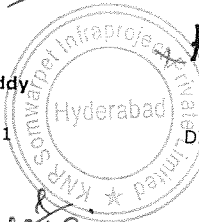
For M K P S & Associates LLP
Chartered Accountants
FRN: 302014E/W101061

For and on behalf of the Board

Vikash Modi
Vikash Modi
Partner
M. No: 216468
UDIN: 25216468BMIRCW9179



K. Jalandhar Reddy
K. Jalandhar Reddy
Director
DIN No: 00434911



K. Yashoda
K. Yashoda
Director
DIN: 05157487

Deepak Kumar
Deepak Kumar
(CEO)

A. Srinivas Reddy
A. Srinivas Reddy
(Chief Financial Officer)

Sai kumar Agarwal
Sai kumar Agarwal
(Company Secretary)

Place: Hyderabad
Date : 20.05.2025

KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

1. Reporting entity

KNR Somwarpet Infra Project Private Limited (the 'Company') is a company domiciled in India, with its registered office situated at KNR House, Phase I, Kavuri hills, Jubilee hills, Hyderabad, Telangana. The Company has been incorporated under the provisions of the Companies Act, 2013 as a Special Purpose Vehicle ("SPV") promoted by KNR Constructions Limited ('KNRCL').

The Company has entered into a Service Concession Arrangement ("SCA") with Karnataka State Highways Improvement Project ("KSHIP") for the two Laning with Paved Shoulder of Magadi to near Somwarpet (Km 51.000 to Km 221.833 of SH 85, excluding the following common sections with Huliudurga bypass km 76.520 to 78.410, common portion with SH 84 between km 88.700 to km 90.380 and common portion with NH 150 A in Nagmangala km 111.960 to km 113.260), 166 km in the State of Karnataka, India on on Hybrid Annuity Basis, And the Company received appointed date on 12th February 2020.

2. Basis of preparation & Significant Accounting Policies

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are detailed below.

B. Functional and presentation currency

These financial statements are presented in Indian Lakhs (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair value

D. Current Assets and Current Liabilities

Current Assets:

An asset shall be classified as current when it satisfies any of the following criteria:

- (a) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) It is held primarily for the purpose of being traded.
- (c) It is expected to be realized within twelve months after the reporting date, or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

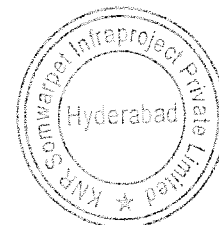
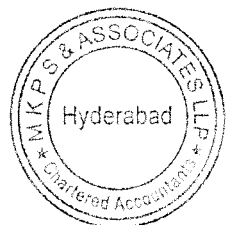
Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the company's normal operating cycle;
- (b) It is held primarily for the purpose of being traded;
- (c) It is due to be settled within twelve months after the reporting date: or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.

E. Use of estimates and judgment



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

The preparation of these financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for resurfacing obligations, fair value measurement etc.

F. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Significant accounting policies

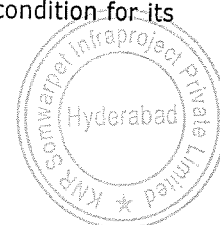
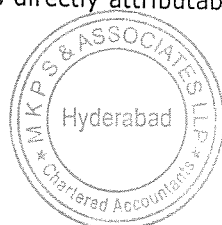
a. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment in the manner and as per the useful life prescribed under Schedule-II to the Act and is generally recognised in the statement of profit and loss. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of). The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

b. Rights under Service Concession Arrangements (Hybrid Annuity Project)

i) Financial Asset under SCA

Where Company has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as "Financial Assets", The Company will recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the AUTHORITY for the construction services and such financial assets are classified as "Receivables against Service Concession Arrangements" (Financial Asset Receivable).

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development under service Concession Arrangements are allocated and recognised and classified as "Financial Assets Receivable".

The Interest during construction and Tax expenses will not be adjusted with the financial asset and GST on expenses is also not form part of financial asset as GST will be recognized as an Input Tax Credit.

The amount due from the Authority including Operation & Maintenance Income is accounted for in accordance with Ind AS 109 as measured at amortised cost and the interest calculated using the effective interest method is recognised in statement of profit and loss. As per the Concession Arrangement, the support during construction period are accounted for as part of the transaction price (Financial Asset) as defined in Ind AS 115.

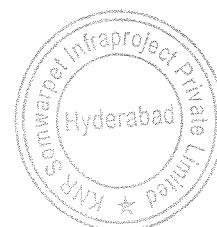
c. Financial instruments

i. Recognition and initial measurement

All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition of financial asset.

ii. Classification and subsequent measurement



Non-Derivative Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities: Classification, subsequent measurement and gains and losses

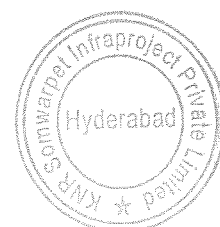
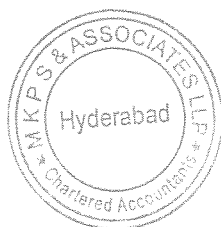
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

iii. De-recognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities



The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Non-derivative financial assets – service concession arrangements

The Company recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition and classified as financial asset receivables. Subsequent to initial recognition, such financial assets are measured at amortized cost.

d. Impairment

i. Impairment of financial instruments

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

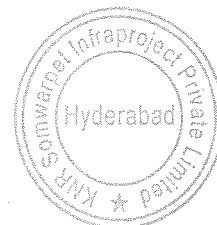
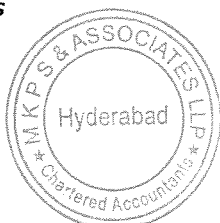
Presentation of allowance for expected credit losses in the Balance Sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

e. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in Balance Sheet.

f. Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

g. Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

h. Revenue recognition

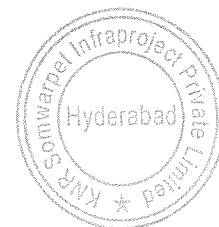
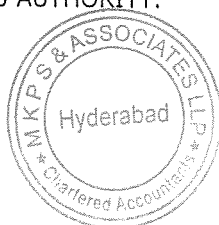
The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" with the date of initial application being April 1, 2018. Ind AS 115, revenue from contracts with customers, is mandatory for reporting period beginning on or after April 1, 2018 replaced existing revenue recognition requirements i.e. Ind AS 18 Revenue Recognition and Ind AS 11 Construction Contracts. There were no significant adjustments required to the retained earnings as on April 1, 2018.

Accordingly, the policy for Revenue is amended as under:

To recognize revenue, the Company applies the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price
- (4) Allocate the transaction price to the performance obligation in the contract, and
- (5) Recognize revenue when a performance obligation is satisfied.

The Company recognize revenue when the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to AUTHORITY.



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

Under the terms of contractual arrangements, the Company acts as a service provider. The Company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. The Company shall recognise and measure revenue for the services it performs. The nature of the consideration determines its subsequent accounting treatment i.e. as Financial Assets. The Company will recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the AUTHORITY for the construction services.

The Financial Asset due from the AUTHORITY is accounted and measured at amortised cost. The interest calculated using the effective interest method is recognised in the statement of profit and loss. As per the Concession Arrangement, concession support received are accounted for as part of the transaction price (i.e. Financial Asset).

i. Other Income

Interest income is accrued at applicable interest rate on time proportion basis.

Dividend income is accounted when the right to receive the same is established.

Other items of income are accounted for as and when the right to receive arises.

i. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset or to the amortised cost of the liability.

j. Income tax

Income tax comprises of current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. Current tax

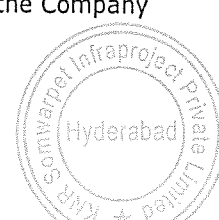
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company



recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax Authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

iii. Minimum Alternate Tax (MAT)

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

k. Borrowing cost

Borrowing costs are interest and other cost incurred in connection with the borrowing of funds. Borrowing costs other than processing fee directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use will be capitalised as part of the cost of that asset. Processing fee will be Amortised over a period of tenure on effective interest rate method, Other borrowing costs during operation period will be recognised as an expense in the period in which they are incurred.

l. Segment reporting

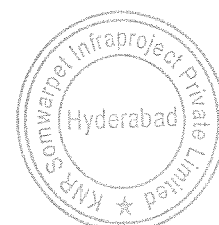
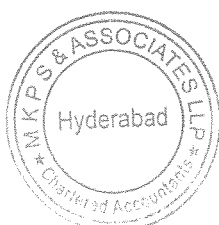
The Board of Directors assess the financial performance of the Company and make strategic decisions and has been identified as being the Chief Operating Decision Maker (CODM). Based on the internal reporting provided to the CODM, the Company has only one reportable segment i.e. the BOT road project and hence no separate disclosures are required under Ind AS 108.

m. Earnings per share

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



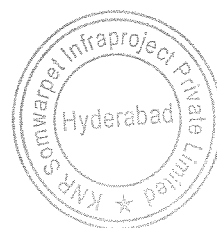
n. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets have to be recognized in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually, and no such benefits were found for the current financial year.

o. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

3 Financial Asset Receivable

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2025	March 31, 2024
Non Current		
Financial Asset Receivable	39,413.60	28,695.49
Total	39,413.60	28,695.49

4 Other Non current Assets

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2025	March 31, 2024
GST Receivable	2,817.93	1,781.87
TDS Receivable	777.03	778.64
Total	3,594.96	2,560.51

5 Investments

Particulars	No. of Units	(Rs. in Lakhs)	
		As at	As at
		March 31, 2025	March 31, 2024
Current			
Investments in Mutual Funds			
Bandhan Bond Fund - Short term Plan (Regular)	24,58,154.00	1,156.25	1,102.60
Total		1,156.25	1,102.60

6 Trade Receivables

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2025	March 31, 2024
Current		
Bills Receivable -KSHIP	652.70	189.02
Total	652.70	189.02

7 Cash and Cash Equivalents

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2025	March 31, 2024
Balances with banks:		
In current accounts	687.48	2,172.86
Total	687.48	2,172.86

8 - Other Bank Balances

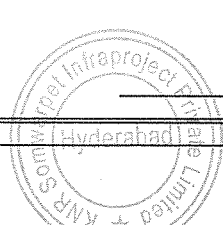
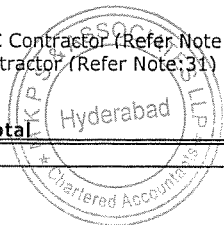
Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2025	March 31, 2024
Other Bank Balances (Deposits with original maturity of more than three months but less than twelve months)	3,950.00	-
Total	3,950.00	-

9 Other Financial Asset

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2025	March 31, 2024
Current		
Retention Deposits & Withheld		
Withhold - KSHIP	1,137.46	730.75
Codal Deposit - Railway Dept (SWR)	303.62	303.62
Other financial asset	237.69	237.69
Interest Receivable	13.31	-
Total	1,692.08	1,272.06

10 Other Current Assets

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2025	March 31, 2024
Prepaid Expenses	53.65	82.63
COS advance to EPC Contractor (Refer Note:31)	250.22	859.52
Advance to EPC Contractor (Refer Note:31)	4,060.69	-
Salary Advance	11.75	-
Total	4,376.31	942.15



KNR Somwarpet Infra Project Private Limited

Notes to the financial statements for the year ended March 31, 2025

11 Equity Capital

PARTICULARS	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
EQUITY SHARE CAPITAL		
Authorised Share capital 3,05,300 Equity Shares of Rs. 1,000/- each	3,053.00	3,053.00
Issued, subscribed & fully paid share capital 3,05,250(3,05,250) Equity Shares of Rs. 1,000/- each	3,052.50	3,052.50
Total	3,052.50	3,052.50

Terms/ Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.1000/-per share. Each holder of equity shares is entitled to one vote per share. The Company has not declared any dividend in the current financial year.

During the year ended March 31, 2025 no dividend is declared by Board of Directors

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders

11.1 The reconciliation of the number of shares outstanding at the beginning

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
Number of Equity Shares at the beginning	3,05,250	3,052.50	3,05,250	3,052.50
Add:- Number of Shares Issued	-	-	-	-
Less: Number of Shares Bought Back	-	-	-	-
Number of Equity Shares at the end of the year	3,05,250	3,052.50	3,05,250	3,052.50

11.2 The details of shareholder holding more than 5% shares in the Company:

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% held	No. of Shares	% held
KNR Constructions Limited & its nominees	3,05,250	100%	3,05,250	100%
	3,05,250	100%	3,05,250	100%

11.3 The shareholding pattern of promoters as at March 31, 2025 and March 31, 2024 is set out below:

Name of the shareholder	As at March 31, 2025		
	No. of Shares	% Of Total Shares	% Change during the year
KNR Constructions Limited & its nominees	3,05,250	100%	0%
	3,05,250	100%	0%

Name of the shareholder	As at March 31, 2024		
	No. of Shares	% Of Total Shares	% Change during the year
KNR Constructions Limited & its nominees	3,05,250	100%	0%
	3,05,250	100%	0%

11.4 Instrument entirely equity in Nature

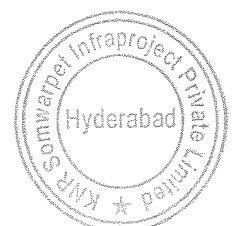
PARTICULARS	As at March 31, 2025	As at March 31, 2024
	Loan from Promotor Companies	9,272.89
Balance at the end of the period	9,272.89	8,189.00

11.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the balance sheet date:

No shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting periods.

12 Other Equity

PARTICULARS	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Surplus in the statement of profit and loss		
Balance at the beginning of the period	11,813.71	7,009.18
Add: (Loss)/ Profit for the period	4,879.73	4,804.53
Balance at the end of the period	16,693.44	11,813.71



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

13 Borrowings

PARTICULARS	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
NON - CURRENT		
Secured Loans		
From Banks		
Term Loans	17,565.23	10,258.03
CURRENT		
Secured Loans		
From Banks		
Term Loans	3,348.30	996.00
Total Borrowings	20,913.53	11,254.03

Terms of Security :

- a) A first charge on all the Borrower's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles and all other movable assets, both present and future save and except the Project Assets;
- b) A first charge over all accounts of the Borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with Escrow Agreement and the Supplementary Escrow Agreement, or any of the other Project Documents.
- c) A first charge on all the borrower Current assets and receivables, revenues of including but not limited to Book Debts, operating cashflows, termination payments, commissions, revenues of whatsoever nature
- d) A first charge on all intangibles assets including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the Project Assets.
- e) A pledge of 51% of the paid up share capital of the Borrower held by the Promoter in the Borrower till the Final Settlement Date.
- f) Non disposal undertaking on balance 49% of the stake.

Repayment Terms :

As on 31.03.2025 the company has outstanding term loan of Rs.20,913.53 Lakhs from Yes Bank limited at 3M T-bill rate plus 2.14% . which is repayable in 9 semi annual instalments from 31st March 2025

14 Provisions

PARTICULARS	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Provision for Periodic Maintenance (Refer Note: 36)	3,308.74	915.55
Total	3,308.74	915.55

15 Trade Payables

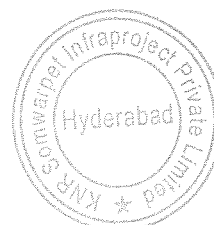
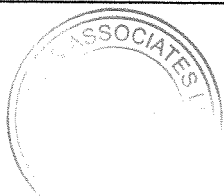
PARTICULARS	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Amount Payable to Related Parties		
KNR Constructions Limited (Refer Note:31)	993.39	313.75
Total	993.39	313.75

Note:15.1: Ageing of Trade Payables

(Rs. in Lakhs)

March 31 ,2025

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
Undisputed Dues-MSME	-	-	-	-	-
Undisputed Dues-Other than MSME	993.39	-	-	-	993.39
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

March 31, 2024

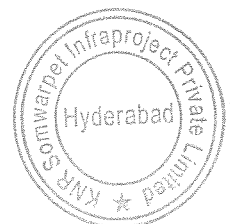
Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
Undisputed Dues-MSME	-	-	-	-	-
Undisputed Dues-Other than MSME	313.75	-	-	-	313.75
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-

16 Other financial liabilities

PARTICULARS	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
CURRENT		
Interest accrued but not due	146.36	-
Amount payable to Related Parties (Refer Note:31)		
KNR Constructions Limited	1.70	-
Withheld KNRCL	617.31	351.27
Outstanding expenses	84.85	75.14
Total current other financial liabilities	850.22	426.41
Total other financial liabilities	850.22	426.41

17 Other Current Liabilities

PARTICULARS	(Rs. in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Mobilisation Advance from Authority-COS	402.47	859.52
Dues to statutory authorities	36.20	110.22
Total	438.67	969.74



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

18-Revenue from operations

PARTICULARS	(Rs. In Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Construction Income	14,376.50	9,364.34
Finance Income	6,524.13	6,495.32
Change of Scope	3,859.08	2,503.87
Utility shifting income	53.74	18.85
M&M Income	2,505.34	972.98
O&M Income	1,601.46	951.58
Total	28,920.25	20,306.94

19-Other Income

PARTICULARS	(Rs. In Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on IT Refund	28.54	23.68
Interest on FD	48.92	-
Unrealised Gain on FV of Mutual Funds	3.48	2.60
Profit on Sale of Mutual Funds	108.22	-
Total	189.16	26.28

20-Construction Expenses

PARTICULARS	(Rs. In Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Construction Expenses	14,376.50	9,364.34
Change of Scope Expenses	3,859.08	2,503.87
Utility shifting Expenses	53.74	18.85
Total	18,289.32	11,887.06

21-Operation and Maintenance

PARTICULARS	(Rs. In Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
M&M Expense	2,393.19	915.55
O&M Expense	1,527.81	881.07
Total	3,921.00	1,796.62

22-Employee benefits expenses

PARTICULARS	(Rs. In Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries	3.00	2.25
Total	3.00	2.25

23-Finance Cost

PARTICULARS	(Rs. In Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on Mobilisation Advance Received	-	15.87
Interest on Term Loans	1,263.95	659.13
Unamortised Processing Fee	15.74	1.73
Other Borrowing Costs	108.55	-
Total	1,388.24	676.73

24-Other Expenses

PARTICULARS	(Rs. In Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
CSR Expenses	69.80	46.82
Consultancy Fee	35.25	15.65
Independent Engineer Fee	296.75	289.09
Audit Fees	3.00	2.80
Insurance	130.85	130.04
Interest on TDS	0.04	0.01
Travelling Expenses	-	0.32
Reimbursement of Expenses	0.16	0.34
Rates and taxes	6.21	0.00
Professional Charges	28.48	0.31
Rating Fee	1.50	1.50
Custody Fee	0.75	-
GST Expenses	27.04	-
Security Trustee Fee	2.68	-
Other Expenses	25.58	14.78
Debit balances Written off	0.03	-
Modification Loss on FA	-	664.37
Total	628.12	1,166.03

24.1 As per Section 135 of Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social

A CSR committee has been formed by the company as per the act. The funds were primarily allocated to the corpus and utilized through out the year on these activities in schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the company during the year Rs. 69.80 Lakhs (P.Y Rs. 46.82 Lakhs)

b) Amount spent during the year on :

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
1. Construction/ acquisition of any assets	-	-	31.26	-
2. On Purposes other than (1) above	69.80	-	15.56	-

NR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

15 Capital management

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other The Company's adjusted net debt to equity ratio at March 31, 2025 was as follows

Particulars	(Rs. in Lakhs)	
	March 31, 2025	March 31, 2024
Debits	20,913.53	11,254.03
Less: cash and cash equivalents	687.48	2,172.86
Adjusted net debt	20,226.04	9,081.17
Total equity	29,018.83	23,055.21
Adjusted equity	29,018.83	23,055.21
Adjusted net debt to adjusted equity ratio	0.70	0.39

6 Financial instruments - Fair values and risk management

1. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

March 31, 2025

	Carrying amount		Fair Value			
	FVTPL	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets						
Financial asset receivable	-	39,413.60	-	-	39,413.60	39,413.60
Cash and cash equivalents	-	687.48	-	-	-	-
Other Financial asset	-	1,692.08	-	-	1,692.08	1,692.08
Trade Receivables	-	652.70	-	-	652.70	652.70
Investments	1,156.25	-	1,156.25	-	-	1,156.25
Bank Balances, other than above	3,950.00	-	3,950.00	-	-	3,950.00
	5,106.25	42,445.86	5,106.25	-	41,758.38	46,864.62
Financial liabilities						
Trade payables	-	993.39	-	-	993.39	993.39
Other financial liabilities	-	850.22	-	-	850.22	850.22
Borrowings	-	20,913.53	-	-	20,913.53	20,913.53
	-	22,757.13	-	-	22,757.13	22,757.13

i) The carrying amount of financial asset and liability is measured at amortized cost are considered to be the same as there fair values due to their short term nature.

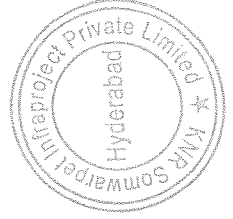
ii) The Carrying value of Rupee term loans are at approximate fair value as the instruments are at prevailing market rate

March 31, 2024

	Carrying amount		Fair Value			
	FVTPL	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets						
Financial asset receivable	-	28,695.49	-	-	28,695.49	28,695.49
Cash and cash equivalents	-	2,172.86	-	-	-	-
Other Financial asset	-	1,272.06	-	-	1,272.06	1,272.06
Trade Receivables	-	189.02	-	-	189.02	189.02
Investments	1,102.60	-	1,102.60	-	-	1,102.60
	1,102.60	32,329.43	1,102.60	-	30,156.57	31,259.17
Financial liabilities						
Trade payables	-	313.75	-	-	313.75	313.75
Other financial liabilities	-	426.41	-	-	426.41	426.41
Borrowings	-	11,254.03	-	-	11,254.03	11,254.03
	-	11,994.19	-	-	11,994.19	11,994.19

i) The carrying amount of financial asset and liability is measured at amortized cost are considered to be the same as there fair values due to their short term nature.

ii) The Carrying value of Rupee term loans are at approximate fair value as the instruments are at prevailing market rate



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

26 Financial instruments - Fair values and risk management

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments in debt securities

The carrying amounts of financial assets represent the maximum credit risk exposure.

Financial Asset Receivable/Trade Receivable

The Company has a financial asset receivable, which will be recovered on the fixed payments from the authority(KSHIP) in the form of annuity throughout the concession period. The Management believes that the credit risk is negligible since its main receivable is from the grantor of the Concession which is Government authority.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

March 31 ,2025

		(Rs. in Lakhs)		
		Contractual Cash flows		
	Carrying Amount	Upto 1 Year	1-3 years	More than 3 year
Non-derivative financial liabilities				
Trade Payables	993.39	993.39	-	-
Other financial liabilities	850.22	850.22	-	-
Borrowings	20,913.53	3,348.30	6,121.41	11,443.82
	22,757.13	5,191.90	6,121.41	11,443.82

March 31 ,2024

		(Rs. in Lakhs)		
		Contractual Cash flows		
	Carrying Amount	Upto 1 Year	1-3 years	More than 3 year
Non-derivative financial liabilities				
Trade Payables	313.75	313.75	-	-
Other financial liabilities	426.41	426.41	-	-
Borrowings	11,254.03	996.00	2,726.77	7,531.26
	11,994.20	1,736.17	2,726.77	7,531.26

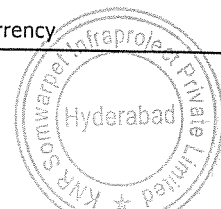
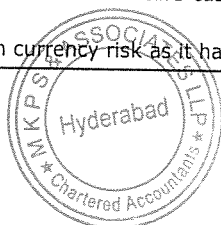
c) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign Currency Risk

Foreign Currency risk is the risk that fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency



KNR Somwarpet Infra Project Private Limited
Notes to the financial statements for the year ended March 31, 2025

Interest rate risk

Interest rate risk is the risk that fair value of future cash flow of a financial instrument will fluctuate because of changes in market interest rates.

The interest risk arises to the company mainly from long term borrowings with variable rates. The Company measures risk through sensitivity analysis.

The Company is exposed to Interest rate risk as it has variable interest rate borrowings.

The company's exposure to interest rate risk due to borrowings is as follows:

(Rs. In lakhs)

Particulars	Note No.	March 31, 2025	March 31, 2024
Borrowings Outstanding	13	20,913.53	11,254.03

Sensitivity analysis

(Rs. In lakhs)

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2024-25	FY 2023-24
Increase or decrease in Interest by 25bp	40.21	14.07

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The company measures risk through sensitivity analysis.

The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company's exposure to price risk due to investments in mutual fund is as follows:

(Rs. In Lakhs)

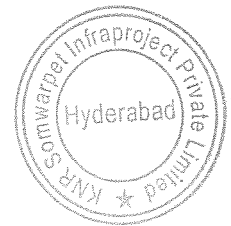
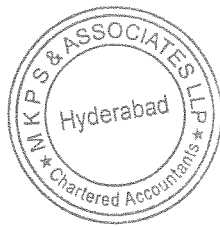
Particulars	Note No.	March 31, 2025	March 31, 2024
Investments in Mutual Funds	5	1,156.25	1,102.60

Sensitivity analysis

(Rs. In Lakhs)

Price Rate Risk Analysis	Impact on profit/ loss after tax	
	March 31, 2025	March 31, 2024
Increase or decrease in NAV by 2%	22.59	11.03

Note : In case of Decease in NAV, Profit will reduce and vice versa



27 Service Concession Arrangement

Description of the Arrangement

The Company has entered into a Service Concession Arrangement("SCA") with Karnataka State Highways Improvement Project ("KSHIP") for the two Laning with Paved Shoulder of Magadi to near Somwarpeth (Km 51.000 to Km 221.833 of SH 85, excluding the following common sections with Huliudurga bypass km 76.520 to 78.410, common portion with SH 84 between km 88.700 to km 90.380 and common portion with NH 150 A in Nagmangala km 111.960 to km 113.260),166 km in the State of Karnataka, India on on Hybrid Annuity Basis, The Company received the appointed date on 12th February, 2020

Significant terms of arrangement

The Concessionaire is obligated to construct the Asset(Road), to meet the obligation the Concessionaire will get the Construction support of 75% of Bid Project Cost (BPC) from the authority and the balance cost need to be funded through Debt and Equity.

The Concession agreement entered between the parties is for a period of 9 years including 2 years of construction period.

The Construction Support from the Authority i.e. 75% of BPC will be adjusted with price index multiple on the respective mile stone payment. Based on the Price index multiple on the respective mile stones the Completion cost will be derived.

Nature & extent

The Concessionaire is not having any right to collect the toll from users, At the end of the concession period the road will be transferred to the authority and the Company will have no further involvement in its operation or maintenance.

The Company will receive the Semi annual Annuity payments on the balance completion cost from the Authority as per Article 23.6.3 of the Concession Agreement.

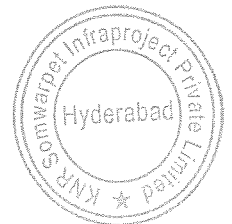
The company will also get the Interest @ RBI bank rate +3% on Semi annual basis on the reducing balance completion cost remaining to be paid as per Article 23.6.4 of the Concession Agreement.

The company will also get the Operation & Maintenance Income based on the O&M bid submitted on semi annual basis as per Article 23.7 of the Concession Agreement, and the same will be adjusted with price index multiple on the respective date.

Classification

The Company has right to receive an annuity payment from the Authority as per Article 23.6 of the Concession Agreement , Accordingly, the Company has recognised its financial asset. And the revenue will be created on the Financial asset as per IND AS 115, instead of actual Annuity received. The Construction income & Construction Cost will be recognised based the expenditure incurred from time to time.

During the year The Company has received a Construction Support of Rs. 6561.29 Lakhs, Annuity of Rs. 1,686.48 Lakhs and Interest on Annuity of Rs. 4,041.54 Lakhs, O&M receipt of Rs. 2,000 Lakhs and recognised Construction Income for Rs. 14,376.50 lakhs, finance income of Rs. 6,524.13 lakhs, O&M Income of RS. 1,601.46 lakhs and MM Income of Rs. 2,505.34 lakhs and the above itmes have been adjusted with financial asset receivable.



28 Contingent Liability and Commitments and Contingent Assets

Particulars	(Rs. in Lakhs)	
	As at March, 2025	As at March, 2024
a) Contingent Liability	Nil	Nil
b) Capital Commitment	Nil	Nil
c) Other Commitments towards the project	11,328.38	15,794.05

29 Remuneration paid to the Statutory Auditors excluding Taxes

Audit and Other Fees	(Rs. in Lakhs)	
	2024-25	2023-24
Statutory Audit Fees	3.00	3.00
Audit –Taxation	0.60	0.55
Other Services	0.80	0.80

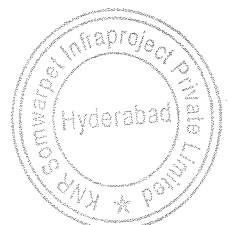
30 Disclosure pursuant to Ind AS 33 "Earnings Per Share(EPS)" – (Rs. in Lakhs)

Particulars	(Rs. in Lakhs)	
	2024-25	2023-24
i. Profit (loss) attributable to equity shareholders(basic)	4,879.73	4804.53
ii. Weighted average number of equity shares (basic)	3.05	3.05
Basic EPS	1598.60	1573.96
i. Profit (loss) attributable to equity shareholders(diluted)	4,879.73	4804.53
ii. Weighted average number of equity shares (diluted)	3.05	3.05
Diluted EPS	1598.60	1573.96

31 Disclosure of Related Parties/ Related Party Transactions pursuant to Ind As 24: Related party Disclosure"

List of related parties and nature of relationship

S. No.	Name of the related party	Nature of relationship
1	KNR Constructions Limited	Holding Company
2	Ms. K. Yashoda	Director
3	Mr. D. Tirupathi Reddy	Director
4	Mr. K. Jalandhar Reddy	Additional Director
4	Mr. Deepak Kumar	CEO
5	Mr. A Srinivas Reddy	CFO
6	Mr. Sai Kumar Agarwal	Company Secretary



KNR Somwarpet Infra Projects Private Limited
Notes to the financial statements for the year ended March 31, 2025

Transactions during the year ended

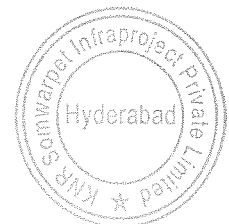
(Rs. In Lakhs)

S. No.	Name of the related party	Nature of transactions	March 31, 2025	March 31, 2024
1	KNR Constructions Limited	Equity Share Capital	-	-
		Instruments Entirely Equity in nature (Sub-Debt)	1,083.89	1,135.00
		EPC Expenses including escalation (Excluding GST)	14,376.49	9,252.22
		EPC Advance (Net)	4060.69	-
		Utility & Maintenance Expenses (Excluding GST)	53.74	18.85
		Change of Scope Expenses	3,859.08	2,503.87
		Change of Scope Advance	320.22	-
		Reimbursement of expenses (Net)	(1.70)	2.14
	O&M Expense	1,527.81	881.07	

Balances outstanding

(Rs. In Lakhs)

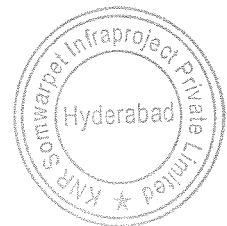
S. No.	Name of the related party	Nature of transactions	March 31, 2025	March 31, 2024
1	KNR Constructions Limited	Share capital	3052.50	3,052.50
		Instruments Entirely Equity in nature (Sub-Debt)	9,272.89	8,189.00
		EPC Cost payable	70.10	-
		EPC Advance	4,060.69	
		COS Payable	496.61	-
		Utility Expense Payable	-	3.16
		Withheld Payable	617.31	351.27
		Reimbursement of expenses payable	1.70	-
		O&M Payable	426.68	310.59
		COS Advance	250.22	859.52



KNR Somwarpet Infra Projects Private Limited
Notes to the financial statements for the year ended March 31, 2025

32 Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act). Based on the information available with the Company, the suppliers/service providers covered under the Act are NIL. There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date. Relevant disclosures as required under the Act are as follows:

Sl.No	Particulars	As on	
		March 31,2025	March 31, 2024
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	Nil	Nil
7	Further interest remaining due and payable for earlier years	Nil	Nil



33 Reconciliation between the Opening and Closing balances in the financial statement for Financial Liabilities and Assets arising from Financial Activities (Ind AS – 7) FY 2024-25

(Rs. In Lakhs)

Particulars	Instrument entirely equity in nature	Borrowings	Finance Cost
Opening Balance	8,189.00	11,254.03	-
Incurring During the year			1,263.95
Cash flows			
- Received	1,083.89	21,841.23	
- Repayment		12,197.47	
- Paid			(1117.59)
Non-Cash items		15.74	
Closing Balance	9,272.89	20,913.53	146.36

34 Foreign Currency Transactions:

There are no foreign currency transactions entered during the FY 2023-24 and FY 2024-25.

35 There are no Title Deeds of Immovable Property not held in the name of the Company.

36 Movement of provision for Major Maintenance

PARTICULARS	As at	
	March 31, 2025	March 31, 2024
Balance as at 1 April	915.55	-
Provision made during the year	2,393.19	915.55
Un winding Interest on MMR	-	-
Provision utilised during the year	-	-
Provision reversed during the year	-	-
Balance as at 31 March	3,308.74	915.55

37 The Company has no Investment Property. Accordingly, there is no revaluation of the Investment property.

38 During the year, no revaluation of Property, Plant and Equipment and Right-of-Use Assets has been done by the Company.

39 During the year, no revaluation of Intangible Assets has been done by the Company.

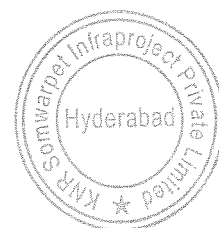
40 The Company has no Loans or Advances in the nature of Loans to specified persons that are Repayable on Demand or without specifying any terms or period of repayment.

41 No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

42 The Company has no Outstanding Borrowings from Banks or Financial Institutions on the basis of security of Current Assets.

KNR Somwarpet Infra Projects Private Limited
Notes to the financial statements for the year ended March 31, 2025

- 43** The Company has not been declared as willful defaulter by any bank or financial institution or other lender during the year.
- 44** The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
- 45** The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period during the year.
- 46** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.
- 47** During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.
- 48** During the year, 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 persons or entities, 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.
- 49** During the year, no funds have been received by the Company from any persons or entities, 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.
- 50** The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961.



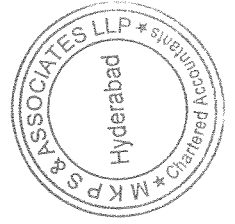
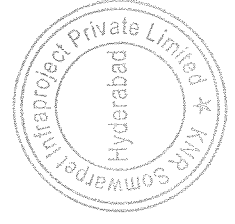
KNR Somwarpet Infra Project Private Limited

Notes to the financial statements for the year ended March 31, 2025

5.1. Key financial ratios:

Ratio	Numerator	Denominator	As at March 31, 2025		As at March 31, 2024		Variation	Reason for variance	
			Numerator's Value	Denominator's Value	Ratio	Denominator's Value			Ratio
Current ratio	Current Assets	Current Liabilities	12,515	5,631	2.22	2,706	2.10	5.91% N.A	
Debt- Equity Ratio	Total Debt	Net Worth	20,914	29,019	0.72	11,254	23,055	0.49	The company had gone for refinance and availed new term loans because of which ratio had changed
Debt Service Coverage ratio	Earnings available for debt service	Debt Service	6,144	13,315	0.46	5,464	1,391	3.93	The company had gone for refinance during the current year because of which ratio has come down
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	4,880	26,037	0.19	4,805	20,085	0.24	N.A
Inventory Turnover ratio	Cost of goods sold OR sales	Average Inventory	-	-	-	-	-	-	0.00% N.A
Trade Receivable Turnover Ratio	Net Credit Sales	Average Trade Receivable	-	-	-	-	-	-	0.00% N.A
Trade Payable Turnover Ratio	Net Sales	Average Trade Payables	-	-	-	-	-	-	0.00% N.A
Net Capital Turnover Ratio	Net Sales	Working Capital	-	-	-	-	-	-	0.00% N.A
Net Profit ratio	Net Profit	Net sales	4,880	28,920	0.17	4,805	20,307	0.24	-28.68% As the project achieved PCOD During the previous year, hence there is a change in the Ratio by more than 25%.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	6,268	49,932	0.13	5,481	34,309	0.16	-21.43% N.A

Rs.In Lakhs



52 Segment Information

The Company is into the business of developing the Infrastructure facility on HAM basis, and there are no separate reportable operating segments as per Ind AS 108.

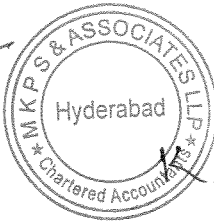
53 The Corresponding previous period's figures have been regrouped wherever necessary to confirm to the presentation of the current year's accounts.

For M K P S & Associates LLP

Chartered Accountants
FRN.302014E/W101061

For and on behalf of the Board

V. Vikash Modi

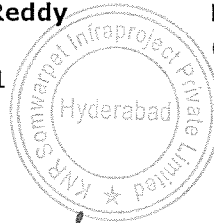


K. Jalandhar Reddy

K. Yashoda

Vikash Modi
Partner
M.No. 216468
UDIN:25216468BMIRCW9179

K.Jalandhar Reddy
(Director)
DIN: 00434911



K.Yashoda
(Director)
DIN: 05157487

Place: Hyderabad
Date:20.05.2025

Deepak Kumar

Deepak Kumar
(CEO)

A. Srinivas Reddy

A.Srinivas Reddy
(CFO)

Sai Kumar Agarwal

Sai Kumar Agarwal
(CS)