



RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

(A Joint Venture of Govt. of Karnataka & Ministry of Railways)



24TH ANNUAL REPORT 2024-25

Corridor-4 Progress Updates (Heelalige - Rajankunte) Kanaka Line



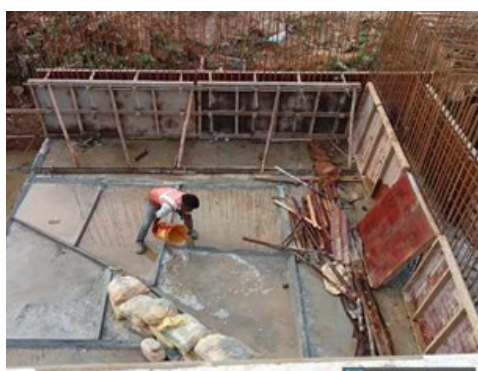
Civil construction works including Minor Bridge No. 481 near Singena Agrahara, initial test pile near Jakkur, and raft for the Earth Retaining Structure near Singena Agrahara is in progress.

SEMU- Progress Updates Corridor-2 & Corridor-4



Medical camp for health check-up, awareness, and enrolment workshop on Social Security Schemes for workmen and staff of RVNL JV (BSTP Package C-4) at Huskur Station & EHS walk between Yeshwanthpur to Chikkabanavara.

Doubling of Track Project: Work Progress-between Yeshwanthpur - Channasandra (21.70 Km)



LOGH (Station Master) SM building painting completed, pile cap casting of Bridge No. 591 at Yeshwanthpur bypass completed, and blanketing work completed at Banaswadi Station



RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

24TH ANNUAL REPORT - 2024-25

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Registered Office:

Samparka Soudha, 1st Floor, Survey No. 8, (B.E.P. Premises)
Opp. Orion Mall, Dr. Rajkumar Road, Rajajingar, 1st Block, Bengaluru - 560010

www.kride.in



CORPORATE INFORMATION

BOARD OF DIRECTORS

SL. NO	NAME OF THE DIRECTOR	DESIGNATION
1	Dr. Shalini Rajneesh, IAS	Chairperson
2	Shri. Tushar Giri Nath, IAS	Nominee Director, GoK
3	Shri. Lakshman Singh, IRSE	Managing Director, K-RIDE
4	Dr. Vishal. R, IAS	Nominee Director, GoK
5	Dr. J. Ravishankar, IAS	Nominee Director, GoK
6	Shri. Sanjeev Kumar Garg, IRSE	Nominee Director, MoR
7	Shri. C.M Ranganath, IRSE	Nominee Director, MoR
8	Smt. Kusuma Hari Prasad, IRAS	Nominee Director, MoR
9	Shri. Rajesh Kumar Singh, IRSE	Whole -time Director
10	Shri. Awadhesh, Mehta, CA,ICWA,CPA	Whole -time Director

KEY MANAGERIAL PERSONNEL

Smt. Archana M Kulkarni, ACS Company Secretary, K-RIDE Compliance Officer	Shri. Awadhesh Mehta, CA, ICWA, CPA Chief Financial Officer K-RIDE
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AUDITORS

Statutory Auditors P.K Subramaniam & Co., Veerabasana Gouda-Partner Chartered Accountants, Bengaluru	Internal Auditors SVA & Associates Chartered Accountants, Bengaluru	Secretarial Auditors Milind Kulkarni & Associates, Practising Company Secretaries, Pune
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BOARD COMMITTEES

Audit Committee	Nomination and Remuneration Committee	Management Committee
Shri. Tushar Giri Nath, IAS Chairman	Shri.Tushar Giri Nath, IAS Chairman	Shri.Tushar Giri Nath, IAS Chairman
Shri. Lakshman Singh, IRSE Member	Shri. Lakshman Singh, IRSE Member	Shri. Lakshman Singh, IRSE Member
Dr. Vishal R, IAS Member	Dr. Vishal R, IAS Member	Dr. Vishal R, IAS Member
Shri. C. M. Ranganath, IRSE Member	Shri. C. M. Ranganath, IRSE Member	Shri. C. M. Ranganath, IRSE Member
Smt. Kusuma Hari Prasad. IRAS Member	Shri. Awadhesh Mehta Member	Smt. Kusuma Hari Prasad. IRAS Member

BANKERS

Canara Bank Bengaluru Prime Corporate Branch, Bengaluru-560001	IDBI Bank 11, first cross, Gandhinagar P.B No.9931, Bengaluru -560009	ICICI Bank Limited Branch, No.17, 2nd Main, Vyalikaval Sadashivanagar-560003
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RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the **24th Annual General Meeting (AGM) of the Shareholders of M/s. Rail Infrastructure Development Company (Karnataka) Limited will be held on 20.12.2025 at 1.00 PM at Room No.313, 3rd Floor, Vidhana Soudha, Bengaluru – 560001** to transact the following business: -

ORDINARY BUSINESS

1. Adoption of Financial Statements:

To receive, consider and adopt:

- The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025 together with the Reports of the Board of Directors and the Auditors thereon; and
- The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Report of the Auditors thereon.

together with the comments received from C&AG under section 143 of the Companies Act, 2013.

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

“RESOLVED THAT, the financial statements of the company for the period from 1st April 2024 to 31st March 2025, together with all the Schedules, notes annexed thereto, tabled at the Meeting, be and are hereby approved.

RESOLVED FURTHER THAT, the reports of the Board of Directors and Auditors (Statutory and Secretarial) along with the certificate of CAG (Comptroller and Auditor General) be and are hereby adopted.”

2. To fix the remuneration of the statutory auditors appointed by the C&AG of India for the Financial year 2025-26 :

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

“RESOLVED THAT, pursuant to the provisions of Sections 139(7) and 142 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, and as amended from time to time, and such other permissions as may be necessary read with the Companies (Audit and Auditors) Rules, 2014, the payment of the remuneration of 4,00,000/- PA (Rupees Four Lakhs Only) plus with applicable Statutory Taxes to M/s P K Subramaniam & Co, Chartered Accountants, Bengaluru [Firm Registration No. 004135S] who were appointed by the Comptroller and Auditor General (C&AG) CA.V/COY/KARNATAKA, RIDCKL (1)/590 dated 11.09.2025 as Statutory Auditors to conduct the audit of the financial records maintained by the Company for period from 1st April 2025 to 31st March 2026 be and is hereby approved.”

SPECIAL BUSINESS:

3. To Consider the appointment of Mr. LAKSHMAN SINGH (DIN: 11417363), as Managing Director of the company and fix the remuneration payable to him:

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS

APPOINTMENT OF MANAGING DIRECTOR

“RESOLVED THAT pursuant to section 196(4) and other applicable provisions of the Companies Act 2013, the members of the Company in the Twenty Fourth Annual General Meeting of the Company do hereby approve, confirm and ratify the appointment of Mr. Lakshman Singh, IRSE as the Managing Director.

Date of : 01.12.2025

Appointment

Designation : Managing Director

Tenure : 3 years from the date of appointment or until further orders from the appointing authority.

Powers and Duties : To look after the whole and substantially whole of the affairs of the Company including day to day affairs, subject to control, supervision and superintendence of the Board of Directors.

Emoluments : Salary and perquisites applicable to a Group A officer of the Railway Board, GOI as set out in the Board Resolution No 03/BOD-112/2025-26 in the 112th Board Meeting held on 20.12.2025.

MEMORANDUM OF INTEREST

No directors are interested in Item no. 3 of the notice except the Managing Director going to be appointed.

**By the Order of the Board of Directors
For Rail Infrastructure Development Company (Karnataka) Limited**

Sd/-

Archana M Kulkarni
Company Secretary

Place: Bengaluru

Date: 20.12.2025

NOTES:

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of himself and the proxy need not be a member of the Company. The enclosed proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM.
- The Company being a Government Company, the Comptroller & Auditor General of India has appointed Statutory Auditors of the Company for the year 2025-26 under section 139 (5) of the Companies Act, 2013.
- Route Map is enclosed.
- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

ATTENDANCE SLIP

24TH ANNUAL GENERAL MEETING HELD ON 20th DECEMBER 2025

Name :

Address :

I certify that I am a registered shareholder/proxy for the registered shareholder of M/s. Rail Infrastructure Development Company (Karnataka)Limited (KRIDE) hereby records my presence at the 24th Annual General Meeting of the Company held on **20.12.2025 at 1.00 PM at Room No.313, 3rd Floor, Vidhana Soudha, Bengaluru – 560001** Karnataka.

First/Sole Hoder/Proxy

Second Holder/Proxy

Note: Please complete the name, address and sign this attendance slip and hand it over at the entrance of the hall.

Form No. MGT-11**Proxy form**

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

CIN: U60100KA2000SGC028171**Name of the Company** : Rail Infrastructure Development Company (Karnataka) Limited**Registered Office** : Samparka Soudha, 1st Floor, Survey No.8, (B.E.P. Premises), Opp. Orion Mall,
Dr. Rajkumar Road, Rajajinagar 1st Block, Bengaluru – 560 010**Name of the member(s)** :**Registered address** :**E- mail Id** :**Folio No./ Client Id** :**DP ID** :

I, being the member of ____ equity share of the above named company, hereby appoint

1. Name :

Address :

E-mail Id :

Signature:....., or failing him

2. Name :

Address :

E-mail Id :

Signature:....., or failing him

3. Name :

Address :

E-mail Id :

Signature:....., or failing him

as my proxy to attend and vote (on a poll) for me and on my behalf at the 24th Annual General Meeting of the Company, to be held on **20.12.2025 at 01:00 PM Committee Room No.313, 3rd Floor Vidhna Soudha** at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. **1 to 2**

Signed this..... day of..... 20.....

**Affix
Revenue
Stamp**

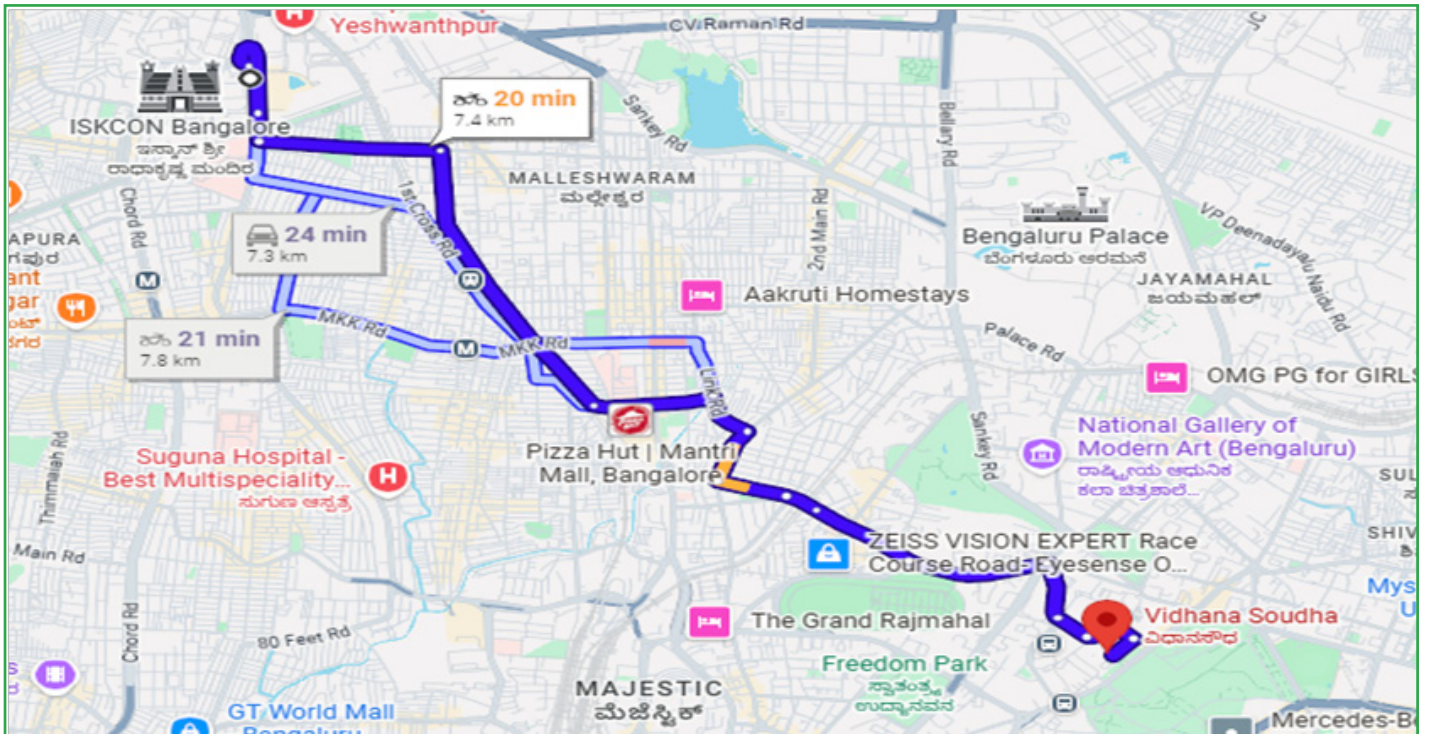
Signature of shareholder

Signature of Proxy holder(s)

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before.

ROUTE MAP TO THE VENUE OF THE MEETING



Address:

Samparka Soudha, 1st Floor, Survey No.8, (B.E.P. Premises), Opp.Orion Mall,
Dr. Rajkumar Road, Rajajinagar 1st Block, Bengaluru – 560 010.

Landmark: Opposite to Orion Mall.



RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED



To,
The Members

DIRECTORS REPORT

[Pursuant to Section 134 of the Companies Act 2013 read with Companies (Accounts) Rules 2014]

Your directors have pleasure in presenting their Twenty- Third Annual Report along with the audited statement for the year ended 31st March 2024, Balance Sheet as on that date and Cash Flow Statement, together with Auditors' Report thereon.

1. PRELIMINARY:

Based on the directives of the Ministry of Railways, the Company was restructured as a State Joint Venture with equity participation between Government of Karnataka and Ministry of Railways at 51:49 ratio vide Revised Shareholders Agreement dated 17.10.2018. In view of restructuring of K-RIDE as a State JV, the activities/scope of the Company has been widened which amongst others, include the following:

- development, financing and implementation of railway projects and/or projects which may require viability gap funding that are important for critical connectivity/ capacity enhancement, as agreed by the Parties;
- undertaking surveys, preparation of Detailed Project Report (DPR) to examine the viability of the railway projects;
- processing for sanctioning of the railway projects (identified by the Board or the parties);
- incorporation and funding of subsidiaries/special purpose vehicles for undertaking railway projects; and
- Undertaking all such actions not specifically mentioned above, that may be required to give effect to the intent of the Parties, as set out in the Agreement.

2. FINANCIAL HIGHLIGHTS:

The financial results for the year ended March 31, 2025 are summarised below.

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	Current Year 31.03.2025	Previous Year 31.03.2024	Current Year 31.03.2025	Previous Year 31.03.2024
Income from Operations	21,920.52	18,855.36	21,920.52	18,855.36
Other Income:				
Interest from Bank Deposits	1,577.52	3,451.04	1,577.52	3,451.04
Interest on Income Tax Refund	44.65	32.86	44.65	32.86
Interest on Fair Value of Security Deposit	11.06	7.02	11.06	7.02
Interest on Fair Value of Security Deposits Accepted	102.67	56.50	102.67	56.50
Other Miscellaneous Income	42.26	23.75	42.26	23.75
Total Income	23,698.68	22,426.53	23,698.68	22,426.53
Less: Total Expenses				
: Prior period items	22,696.25	21,254.80	20,159.64	17,539.06
Profit before Tax	1,002.44	1,171.72	998.19	1,170.33
Less: Tax Expenses	0.00	0.00	0.00	0.00
Deferred Tax	(28.86)	(203.97)	(28.86)	(203.97)
Profit / (Loss) after Tax	1,031.30	1,375.69	1,027.05	1,374.30
Other Comprehensive Income	18.28	(5.06)	18.28	(5.06)
Total Comprehensive Income for the Year	1,049.58	1,370.64	1,045.33	1,369.25

Consolidated Financial Statement

In accordance with the provisions of the Companies Act, 2013 ("the Act") and Accounting Standards (AS) 21 on Consolidated Financial Statement, the consolidated audited financial statement forms part of the Annual Report.

3. STATE OF COMPANY'S AFFAIRS:

Following Projects have been assigned to K-RIDE for execution.

1. Bengaluru Suburban Rail Project (BSRP) -148.17 Km
2. TWO Railway Doubling Projects

- Baiyyappanahalli – Hosur (48 Km)
- Yesvantpur – Channasandra (21.7 Km)



BSRP aims to connect Bengaluru city to its suburbs and satellite townships and will carry about 9.84 lakhs passengers per day upon completion thus, decongesting the road traffic of Bengaluru city.

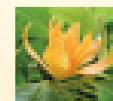
Foundation Stone for BSRP project laid by Hon'ble Prime Minister on 20th June 2022, with an assurance to complete the project in 40 months. K-RIDE is country's most integrated, state-of-the-art, suburban rail initiative and also the first under the National Suburban Rail Policy -2018. KRIDE is working hard to meet this challenge.

1. **Length:** BSRP project envisages 4 corridors with a total route length of 148.17 Kms with 57 nos of Stations and 2 Maintenance depots

Corridors	Section	Length (in Kms)
1	Bengaluru - Devanahalli + Airport Connectivity	41.40
2	Baiyyappanahalli – Chikkabanavara	25.01
3	Kengeri – Whitefield	35.52
4	Heelalige – Rajanukunte	46.24
	Total	148.17

What's in a Name ?

The 4 BSRP corridors are named after 4 regional flowers



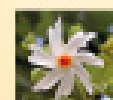
Corridor - 1

SAMPIGE
(Champa)



Corridor - 2

MALLIGE
(Chameli)



Corridor - 3

PARIJAATA
(Prajakta)



Corridor - 4

KANAKA
(Priyadarsha)

And we called it

S-A-M-P-A-R-K-A

Meaning 'Connectivity' in Kannada

2. **Project inclusion** : Bengaluru Sub-urban Rail project has been sanctioned by Govt of India through Ministry of Railways on 21.10.2020
3. **Original Cost** : ₹ 15,767 Cr + additional cost for Rolling stock (on PPP)
4. **Cumulative amount released** : ₹1065.42 Cr (GoK)+ ₹ 500 Cr (MoR) for BSRP = Total ₹1565.42 Cr.
5. **Physical Progress** : 16.5 % (as on 30.04.2025)
6. **Financial Progress** : 10.85 % and cumulative expenditure ₹1711.31 Cr

7. **Status of Land acquisition** : Land requirement as per DFR (Area in Acres)

Corridors	Railway Land	Private land	State Govt Land	Total land
Corridor – 1	115.59	12.09	17.99	145.67
Corridors -2	53.60	28.56	9.44	91.6
Corridors -3	42.12	20.71	2.55	65.38
Corridors -4	115.50	40.29	4.77	160.56
Depots	-	-	118.26	118.26
Total in acres	326.81	101.70	153.029	581.5

Corridor-2: Land acquisition details is as below:

Railway land: Railway land requirement was further reduced to 85.707 Acre and leased on 02.04.2024. Existing 266 nos encroachments (incl 5 temples) within the Railway land are to be removed by Railways, cleared-13 nos and balance are under progress.

This needs to be cleared by IR.

b) Corridor-4: Railway land: Railway land of about 115.472 acres leased on 02.04.2024.

As per Railway Board letter no: 2019/JV Cell/KRIDE/BSTP/EBR/07/Part-2 dated 04.12.23, advised "Zonal Railway to hand over the Railway land in totally as per DPR i.e. 326.81 acres irrespective of Corridors to K-RIDE so that work could not be hampered. The amount of additional land needed for the project completion after finalisation of alignment of Corridor-1 & 3 will be decided at a later stage in accordance with the extent rule".

c) Corridor-1: Request submitted to SBC Division on 25.11.23 for 94.79 acres (DPR: 115.59 acres), acquisition of private and Govt land in progress.

d) Depot -1: (Devanahalli Depot - 51 Acres) - Govt. land - 5 Acre, OM issued on 30.11.22. Forest land - 46 Acres, Status: Stage-1 completed, acquisition is in progress).

e) Depot -2: (Soladevanahalli Depot - 26 Acres): acquired.

1. Status of tender:

Following tenders have been **awarded for BSRP: Total amount ₹ 4617.85 Cr.**

- General Consultancy work for BSRP awarded to EGIS-AECOM-LBCPL JV on 03.03.2022 at a cost of ₹196.98 Cr.
- Civil works for Corridor 2 (Baiyappanahalli to Chikkabanawara) has been awarded to M/s L&T on 26.08.2022 at a cost of ₹859.97 Cr, completion period- 27 months.
- Civil works for Corridor 4: Contract awarded at a cost of ₹1040.51 Cr with a completion period of 30 months. LoA issued on 30.12.23.
- C2A stations (8 nos), awarded to M/s NCC Ltd on 31.12.2024 for a contract value of ₹ 501.25 Cr with a completion period of 24 months.
- C-4A stations (9 nos) funded by KfW awarded to M/s RVNL-Rithwik JV for a contract value of ₹554.51 Cr on 18.02.2025.
- C2B stations (4 nos) awarded to M/s ITD Cem on 26.03.2025 for a contract value of ₹525.7 Cr, completion period: 24 months.
- C-4B stations (9 nos) funded by KfW awarded to M/s NCC Ltd for a contract value of ₹580.75 Cr on 24.04.2025.

Following Bids invited:

- Request for proposal (RFP) tender for Rolling stock on PPP mode invited on 30.12.2023, and opened, Tender invited on PPP mode, but effort was unsuccessful.
On 04.12.2024, Govt of Karnataka has given "In principle" approval for procurement of Rolling stock on equity. The total cost is ₹ 4270 Cr and GoK share is ₹ 2135 Cr. A decision from the Railway Board is expected soon. KRIDE is also exploring the possibility of procurement of trains through ICF, Chennai.
- Tender (from Bangalore city - Yelahanka) for **Corridor-1A** funded by EIB & KfW as C1A tender invited on 26.07.24 and opened on 30.10.24. Four bids received, technical evaluation submitted to EIB for approval. None of bidders qualifying, tender is being discharged and will be reinvited with the approval of KRIDE Board.
- Tender document for **Corridor-2 track laying** invited on 27.08.24, opened on 29.10.24, 4 bids received, financial bid opened on 11.04.25. M/s Rahee emerged as L1, Approval received from EIB, LOA will be issued with the approval of Management Committee.
- Procurement of **HH rail 1080 grade** (₹ 159 Cr) tender invited on 05.09.24 and opened on 31.01.25, technical evaluation submitted to EIB for approval.
- Procurement of **880 grade rail** tender for depot tender invited on 06.09.24 and opened on 13.11.24. financial bid opened on 11.04.25. M/s Jindal emerged as L1, under financial evaluation
- Soladevanahalli depot** tender invited on 24.09.24 and opened on 09.12.24, financial bid opened, M/s KPC projects Ltd emerged as L1, financial evaluation submitted to EIB for approval.
- Signaling and telecom tender** for all corridor funded by KfW invited on 21.10.24, tender is being reinvited for C2 & 4 with the approval of KRIDE board and KfW.
- Traction and power supply tender** invited on 26.11.24 and opening on 15.07.25.
- C4 track laying:** tender invited by 10.04.25 and opening on 30.06.25
- Tenders invited for 5 RUB / RoB tender in 2 packages on 17.04.25 and opening on 30.05.25

Tenders invitation under pipeline:

- Akkupete Depot:** submitted to KfW for approval for inviting tender.
- Lift & Escalator for C2 & C4:** submitted to KfW for approval for inviting tender.
- C1B (Yelahanka to Devanahalli) tender** is under preparation.

2. Physical Progress in km: Nil.

11. Work Status: Foundation Stone for BSRP project laid by Hon'ble **Prime Minister on 20th June 2022**, with an assurance to complete the project in 40 months. KRIDE is striving hard to meet the challenge.

12. Progress:

- Technical- "Schedule of Dimension" (SOD) and "Design Basis Reports" approved by Ministry of Railways, which are basic documents for all designs.

(b) Alignment plans.

- Corridor - 2:** Chikkabanawara to Baiyappanahalli, Approved by SWR/HQ on 19.06.23.
 - Chikkabanawara to Soladevanahalli depot:** Submitted to SBC division on 18.08.23 and 17.08.24, and to CN/BNC on 25.07.24 & 14.03.25. After consent of CN/BNC plan will be approved by SBC division and will be sent to SWR/HQ for final approval. Approval awaited.
 - Yeshwanthpur-Lottegollahalli (double decker):** submitted to SWR/HQ on 16.04.24 and 21.12.24 and to SBC division 16.01.25 & 24.03.25, approval awaited from SBC div will be resubmitted to SWR/HQ for final approval.

Corridor - 4: Approved by SWR/HQ considering quadrupling between Heelalige to BYPL on 23.01.2024.

- Corridor -1:**
 - SBC to YPR: 1st submitted on 06.07.2022. CN/BNC approved on 10.03.2025, last submitted to 28.02.2025, approval awaited from SBC div.
 - YPR-LOGH: 1st submitted on 06.07.2022 and last submitted on 28.04.2025, approval awaited from HQ.
 - LOGH-YNK: 1st submitted on 06.07.2022 and last submitted on 24.03.2025, approval awaited from SBC Div.
 - YPR-DHL section: 1st submitted on 06.07.2022, BSRP Alignment has been approved by SBC division and submitted to HQ on 27.03.2025 (6th submission), approval awaited.
- Corridor-1(Airport):** Trumpet to KIAL Airport: Alignment finalized with BIAL. Further submitted to SWR, approval awaited.
- Corridor-3:**
 - KGI-SBC:** 1st submitted on 15.03.2024 and last submitted on 28.04.2025, approval awaited from CN/BNC.
 - SBC-BNC:** 1st submitted on 15.03.2024 and last submitted on 25.02.2025, approval awaited from GSU/SBC.
 - After consent of above, plan will be approved by SBC division and will be sent to SWR/HQ for final approval.

Other additional issues/alignment pending at SWR-

- Corridor-2:**
 - BAW-SDVL:** 1st submitted on 18.08.2023 and last submitted on 14.03.2025, approval awaited from CN/BNC.
 - Double decker:** 1st submitted on 16.04.2024 and last submitted on 17.05.2025, approval awaited from SBC Div.
 - HEB-BAND:** 1st submitted on 17.10.2024 and last submitted on 07.05.2025, approval awaited from HQ (HQ advised to re-route from SBC Div.).
 - IR diversion near BAND:** 1st submitted on 23.12.2024 and last submitted on 23.04.2025, approval awaited from SBC Div.
 - IR shunting neck diversion:** 1st submitted on 09.01.2025 and last submitted on 22.04.2025, approval awaited from SBC Div.
- Corridor 4:** Rajanakunte – Bettahalasuru connecting the alignment
 - Environment and Social Impact Assessment (EIA & SIA): completed.

(d) Physical work progress: Corridor 2:

- Piles- 596/1761, Pile caps- 66/379, Pier- 46/287, pier cap: 48/287, U-girder: 140/370 nos, I –girder: 37/858 nos completed.
- Work of construction of RUB at LC -143, 141 & additional RUBs at Ch:5+411 & Ch:6+512 are partially completed & LC-140 is in progress.
- Minor Bridges (total: 44 nos): Completed - 4Nos, partially completed - 17Nos.
- ERS (12.45 km): 4047 m completed and 3170m in progress.
- Tree-cutting permission obtained. Progress 1134/2797 Nos. (40.5% completed)
- Transplantation of trees: progress 71/267 Nos. (26.6% completed)
- Electrical utility & HT line shifting is under process by BESCOM and KPTCL. 60% completed.

(e) Physical progress: Corridor – 4

- Shifting of S&T Utilities are in progress: 67% work completed.
- Electrical utility shifting in progress: 15.5% completed
- Alignment approved.
- Minor bridges 18/83, 15 nos in progress. Retaining wall: 0.6/12 km in progress.
- Soil investigation, utility shifting, tree cutting, tree transplantation, are in progress.
- Test pile completed at 10/18 locations.
- Casting yard and batching plant is under commissioning.

- (f)** Preconstruction activities such as Survey, geotechnical investigation, design, tree felling, etc started for Stations for C-2A, 2B & C-4A & 4B by M/s ITD cem, M/s NCC Ltd and M/s RVNL-RPPL JV.

(g) Corridor - 1 & 3

- Survey work completed. Geotechnical investigation completed.
- **C-1:** Preliminary works completed,
- Corridor-1 alignment is passing in the regulated area of two Nationally protected Monuments i.e. Devanahalli fort and Tippu birth place near Devanahalli. NMA has advised to submit the "Heritage Impact Assessment (HIA) report". NoC received from NMA.
- Land acquisition to be taken up and after that Tender preparation for C1B and C3 will begin.

12. Funds: The total cost of the BSRP project is Rs.15767 Crore.

Loan agreement signed:

- KfW, Germany for euro 500 million on 15.12.2023.
- EIB for 300 million euro on 14.06.24.

Equity to JV:

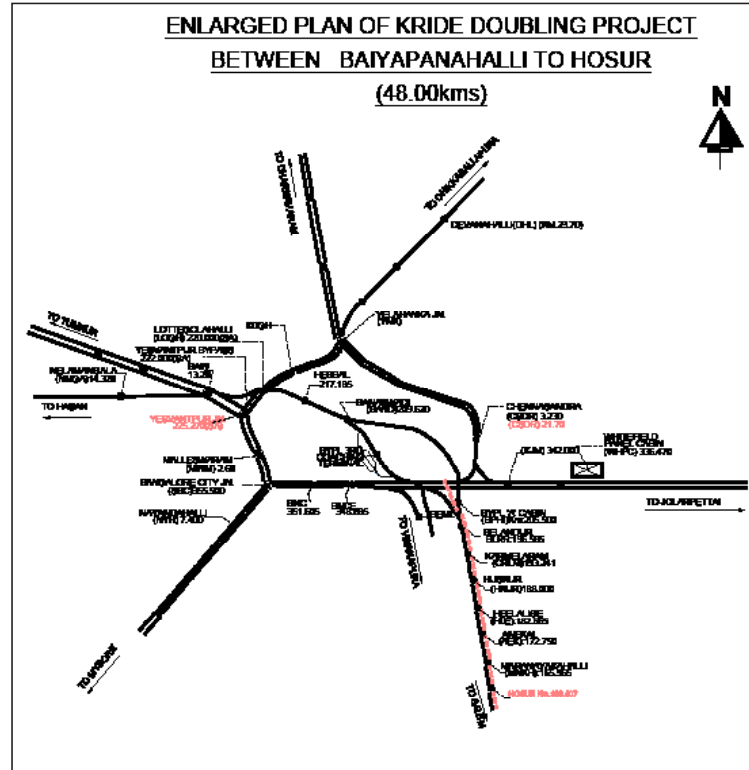
(Amount in ₹)

S.No.	Items	State Govt. (GoK)	MoR	Total
1	Equity released upto 31st December, 2022 (previous FY)	15,30,00,000/-	14,70,00,000/-	30,00,00,000/-
2	Equity released in (previous month) (Upto November 2023)	5,00,00,00,000/-	4,80,39,21,570/-	9,90,39,21,570/-
3	Equity released during (2022-23) upto (previous month) (Upto December 2023)	-	-	-
	Total Equity Received	5,15,30,00,000/-	4,95,09,21,570/-	10,10,39,21,570/-

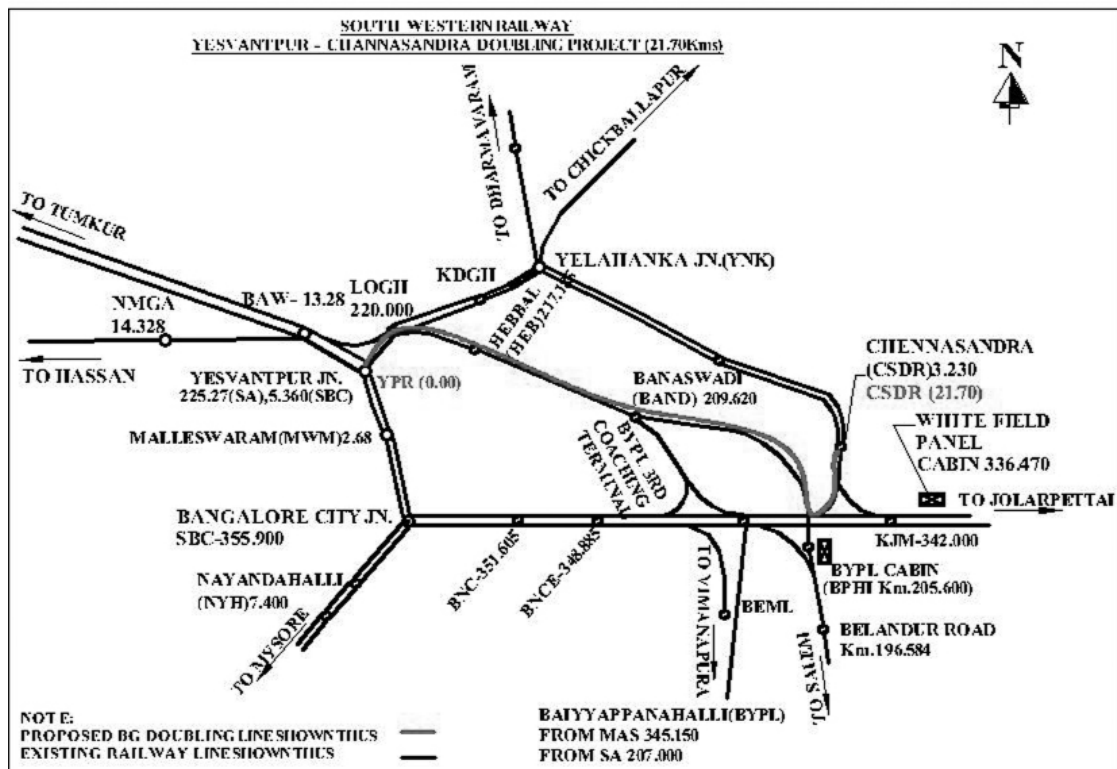
Note: Railway equity under BSRP treated as Grant to maintain shareholding pattern of 51:49 ratio between GoK and Rs . 19,60,78,430/-.

Two Doubling Projects

1. Baiyyappanahalli – Hosur (48 KM)
2. Yeshwanthapur – Channasandra (21.70 Km)



- Baiyyappanahalli – Hosur (48Km)



- Yeshwanthapur – Channasandra (21.70 Km)

1. Length and the Original sanction cost: The overview for the two doubling projects are as follows:

Sl. No.	Doubling Projects	Kms	Total Sanctioned Cost	Total Sanctioned Cost (in Cr)
1	Baiyappanahalli- Hosur	48.00	498.73	812.83
2	Yeshwanthpura- Channasandra	21.70	314.10	

Cost of Doubling projects funded on cost sharing basis between GoK and MoR in the ration of 50:50

- Year of Inclusion** : 2018 (Transferred from Railways to KRIDE in Jun'2020)
- Cumulative Expenditure** : 706.40 as on Mar'2025.
- Cumulative amount received** : ₹ 534.83 Cr (₹100 Cr by GoK and ₹ 434.83 Cr by MoR)
- Land acquisition** : 2.28 Acres land acquired near Hebbal.
- Status of Tenders** : K-RIDE has invited all tenders of two doubling projects
- Physical progress** : BYPL-HSRA: 78%; YPR-CSDR: 46%.
- Financial progress** : BYPL-HSRA: 74%; YPR-CSDR: 42%.

8. Work status of Doubling Projects:

Sl. No.	PROJECT DESCRIPTION	CURRENT STATUS	ACTION PLAN
1	Doubling of track between Yeshwanthpur – Channasandra (21.70Km)/PH15 (DL) TDC: Mar'27	Agency available for formation works, Station building works, Ballast, track linking, OHE, Utility shifting. 1. Earthwork in formation including Blanketing: 0.50 Lakh cum completed 2. Minor bridges: 3 nos. 3. Station Building: 1 nos All work in progress.	TDC: 2025-26 Yesvantpur – Yesvantpur Bypass – Lottegolahalli - Hebbal + YPR bypass-LOGH 4th line (10.4 Km) – Dec'26 TDC: 2026-27 Hebbal-Banaswadi – Baiyyapanahalli A panel (11.60 Km) – Mar'27
2	Doubling of track between Baiyyapanahalli – Hosur (48Km)/PH15 (DL) TDC: Feb'27	Agency available for formation works between Baiyyapanahalli – Karmelaram&Heelalige - Hosur, Station Building work, Ballast, track linking, OHE, Utility shifting, Major bridges between Baiyyapanahalli – Hosur. 1. Earthwork in formation including Blanketing: 3.45 Lakh cum completed 2. Minor bridges: 30 nos. 3. RUB's: 5 Nos. 4. Major Bridge: 3 nos. 5. Over Head Pipeline (OHP) bridge: in 2 nos. substructure completed. 6. Station buildings: 3 nos. 7. Platform shelter: 3 nos. (48mx8m each) 8. Formation handed over for track linking: 11.6 km 9. Track linking: 9.20 Km completed. All work in progress.	Karmelaram-Heelalige(10.5km) – Commissioned on Feb'2023 TDC: 2025-26 (i) Belladur Road – Karmelaram (3.5Km) TDC: 2026-27 (i) Anekal road – Maranayakanahalli (6.90 Km) – Nov'26. (ii) Maranayakanahalli– Hosur (7.60 km) – Nov'26. (iii) Heelalige - Anekal road (10 Km) – Nov'26. (iv) Baiyyapanahalli - Bellandur road (9.70 Km) – Feb'27.

Share capital details:

The present Authorized Share Capital of K-RIDE is Rs.5000 Crore and the Paid-up Share Capital is Rs. 10,10,39,21,570/-. **All the shares were issued to the extent of paid up Capital of Rs 10,10,39,21,570/-**, and there is no case of non-issue of any shares.

A. Status of Projects Identified by BoD for taking up Feasibility Study & Financial Viability:

S.N	Name of the Project & Length	Status of Study	TDC
1	Final location survey for Dharwad- Belgaum- New line	Completed	DPR submitted to SWR

Assistance Required:

Total amount received from MoR & GoK: 1755.42 Cr

Cumulative expenditure: 1711.31 Cr.

Budgeted for FY 2024-25 and released.

MoR: Budgeted for FY 2024-25: ₹ 350Cr. received: Nil

GoK: Budgeted for FY 2024-25: ₹ 400 Cr. received ₹ 590 Cr

Budgeted for FY 2025-26

MoR: Budgeted for FY 2025-26: ₹ 350Cr.

GoK: Budgeted for FY 2025-26: ₹ 400 Cr.

4. DIVIDEND:

No dividend has been recommended by the Board of Directors.

5. RESERVES:

The Company has not transferred any amount to General Reserve Account for the financial year ended 31st March 2025.

6. CAPITAL STRUCTURE:**a. Share Capital**

The Authorised Share Capital of the Company as of 31st March 2025 is Rs.5000 Crore (Rupees Five Thousand crores only) comprising of 500 crore Equity shares of Rs.10 each. The issued, Subscribed and paid-up share capital of the company as on 31st March 2025 is Rs. 1,010.39 Crores (Rupees One thousand ten point thirty -nine crores) comprising of 101,03,92,157 shares of Rs.10 each.

b. Disclosure regarding Issue of Equity Shares with Differential Rights

The company has not issued any Equity shares with differential rights during the financial year.

c. Disclosure regarding issue of Employee Stock Options

During the financial year, the company has not issued any shares under the Employees Stock Option Scheme.

d. Disclosure regarding the issue of Sweat Equity Shares

The company has not issued any sweat equity shares during the financial year.

7. CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the financial year ended 31st March 2025.

8. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the financial year under reporting.

9. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

No significant and material orders have been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

10. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has an internal financial control system designed to provide high degree of assurance regarding optimization and safeguarding of resources, quality and reliability of financial and operational information.

11. ANNUAL RETURN:

Pursuant to provisions of Section 134 read with Section 92(3) of the Companies Act, 2013, as amended copies of annual returns are available at the website of the Company viz. <https://kride.in> and the Annual Return for the financial year 2024-25 will be uploaded on the website of the Company after filing with MCA.

12. DIRECTORS AND MEETINGS:

a. Number and dates of Board Meetings and Committee Meetings and number of meetings attended by each director

A) BOARD MEETINGS:

During the Financial Year 2024-25, 6 (Six) Board Meetings of the Board of Directors were held as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 was adhered to while considering the time gap between two meetings.

Sl. No	Date of Meeting	Total Number of directors as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	31.08.2024	9	7	78
2	12.11.2024	9	9	100
3	15.11.2025	9	8	89
4	17.12.2024	10	9	90
5	03.02.2025	10	9	90
6	17.03.2025	10	8	80

Sl. No.	Name of Director	Total Number of Board Meetings entitled to attend	Total number of meetings attended
1.	Dr. Shalini Rajneesh, IAS	6	6
2.	Shri. Umashankar SR, IAS	2	2
3.	Dr. Manjula N, IAS	6	6
4.	Dr. Vishal Ravi, IAS	6	6
5.	Dr. Sanjeev Kumar Garg, IRSE	5	4
6.	Shri. Dhananjaya Singh, IRSE	1	1
7.	Shri. Ashutosh Mathur, IRSE	6	6
8.	Smt. Deepa Kotnis, IRAS	6	6
9.	Shri. Rajesh Kumar Singh, IRSE	6	6
10.	Shri. Awadhesh Mehta, CA, ICWA, CPA	6	6

B) COMMITTEE MEETINGS:

During the Financial Year 2024-25, following committee meetings were held –

- Management Committee
- Audit Committee
- Nomination and Remuneration Committee

Management Committee:

SI No	Date of Meeting	Total Number of members as on the date of meeting	Attendance	
			Number of members attended	% of attendance
1	28.05.2024	5	5	100
2	29.07.2024	5	5	100
3	13.12.2024	5	5	100

Audit Committee:

SI No	Date of Meeting	Total Number of members as on the date of meeting	Attendance	
			Number of members attended	% of attendance
1	29.07.2024	4	4	100
2	13.12.2024	4	4	100

Nomination and Remuneration Committee:

SI No	Date of Meeting	Total Number of members as on the date of meeting	Attendance	
			Number of members attended	% of attendance
1	07.10.2024	4	4	100
2	07.12.2024	4	4	100

The number of meetings entitled to attend by each Director is considered from 1st April 2024 to 31st March 2025 or up to the date of cessation, as the case may be.

b. Change in Directors and KMP

During the financial year there were no change in the constitution of the Board and KMP.

Sl. No	Name	Designation	Appointment/Cessation	Effective Date
1	SEETHAPURARAMAIAHUMASHANKAR	Director	Appointment	01/06/2024
2	SN SRINIVASA	Company Secretary	Cessation	15/06/2024
3	ARCHANA KULKARNI	Company Secretary	Appointment	01/07/2024
4	SHALINI RAJNEESH	Director	Appointment	31/08/2024
5	RAJNEESH GOEL	Director	Cessation	31/08/2024
6	SHRI. SANJEEV KUMAR GARG	Nominee Director	Appointment	26/11/2024
7	SHRI. DHANANJAYA SINGH	Nominee Director	Cessation	26/11/2024
8	MS. SHALINI RAJNEESH	Nominee Director	Appointment	29/08/2024
9	SHRI. RAJNEESH GOEL	Nominee Director	Cessation	29/08/2024

c. Board Evaluation

The provisions of clause (p) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Sub Rule 4 of Rule 8 of Companies (Accounts) Rules, 2014, regarding Board Evaluation is not applicable to the company as the same is exempted for Govt. Companies/JV Companies.

d. Directors Declaration

During the year, notices of all the Board Meetings have been duly served to all the Directors of the Company. The Board Meetings have been duly convened and held and minutes of Board Meetings have been prepared and maintained as per the provisions of the Companies Act, 2013.

The Company has maintained all applicable registers/records and made entries therein within the prescribed time as per the provisions of the Companies Act, 2013.

13. SECRETARIAL STANDARDS:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

14. MEMBERS' MEETING:

The 23rd Annual General Meeting of the Company was held on 17th December 2024.

15. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your directors confirm that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis; and
- e. the Company being unlisted company, sub clause (e) of section 134(5) of the Act pertaining to laying down internal financial controls is not applicable; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

During the year, there were no loans, guarantees or investments made under section 186. Hence particulars under the said section are not provided.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year, there were no contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013.

18. MATERIAL CHANGES, IF ANY BETWEEN DATE OF THE BALANCE SHEET AND DATE OF THE DIRECTORS' REPORT:

No material change affecting the financial position of the Company has occurred between the end of the financial year and the date of this report.

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

As the Company has not commenced its operations, the information relating to conservation of energy, technology absorption and foreign exchange outgo may be taken as Nil.

20. RISK MANAGEMENT POLICY:

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion.

The main objective is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE AND ITS POLICY:

During the year 2023-24, the net worth of the Company had crossed Rs. 500 Crores, thereby provisions of Corporate Social Responsibility is applicable to the Company under Section 135 of the Companies Act, 2013, Hence the CSR Committee has been duly constituted as under:

- | | |
|---------------------------------|------------|
| 1. Dr. Manjula.N, IAS | - Chairman |
| 2. Dr. Vishal.R, IAS | - Member |
| 3. Shri. Ashuthosh Mathur, IRSE | - Member |

However, the provisions of sub section (5) of Section 135 of the Companies Act, 2013 relating to spending of at least two percent of the average net profits of the Company made during the three immediately preceding financial years in pursuance of Corporate Social Responsibility Policy is applicable in view of the average net profits during the three immediately preceding financial years. The amount of net profit earned will be utilised for CSR and due compliance of the same will be made in due course.

22. DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM:

The Company has a Vigil Mechanism Policy & Whistle Blower Policy.

23. AUDITORS AND THEIR REPORT

a. Statutory Auditors

Being a Government Company under section 139(5) of Companies Act, 2013, the Comptroller and Auditor General of India has appointed M/S. P K Subramanian & Co. Chartered Accountants, Bengaluru (FRN: 004135S) has been appointed as Independent statutory auditors of the company for the F.Y 2024-25.

Auditors' Report:

The qualifications in the Auditors Report under "Basis for qualified opinion" for the financial year ended 31.03.2025 have been suitably replied by the management. Details of the Management replies for the Observations of the Statutory Auditor on the Standalone, and Consolidated Financial Statement and also Internal Financial Controls over Financial Reporting on the Consolidated Financial Statement of K-RIDE for the year ended 31-March-2025 are as under:

Management's Replies to the Observations of the Statutory Auditor on the Standalone Financial Statement of K-RIDE for the year ended 31-March-2025

Sl.No.	BASIS OF QUALIFIED OPINION	MANAGEMENT REPLIES
1	The K-RIDE is mainly involved in execution of Railway Line Doubling Projects and was operating the funds related to the same. However, during last two financial years the Company started receiving funds from Government of Karnataka (Hereinafter called GOK) as well as Ministry of Railways (Hereinafter called MOR) for implementation of Bangalore Sub-urban Railway Project (Herein after called BSRP Project). Again, as per directions received, the KRIDE has established BRIDE as its subsidiary to execute BSRP Project. Meanwhile the funds received from GOK and MOR towards BSRP Project; despite having created a subsidiary for execution of BSRP Project, the company has converted the funds received from GOK and MOR into Share Capital of the Company. Even though the KRIDE is executing the BSRP Project, the discussions are going on to transfer entire BSRP funds and corresponding assets and liabilities to BRIDE. There is no clarity either from GOK or MOR regarding this issue. By allotting shares to MOR the Company has made MOR shareholder to the extent of 49% of its existing operations which was not warranted. This has resulted into doubt regarding continuity of BSRP Project Implementation through KRIDE. This has a bearing on Accounting issues, Shareholding issues and Going Concern issues etc. In the absence of clarity, we are not in a position to quantify the Financial and other Implications on the Company.	Due to Administrative reason, K-RIDE continued its business with respect to implementation of Bengaluru Suburban Rail Project (BSRP)/Bengaluru suburban Transport Project (BSTP) and receiving the funds through respective Governments (i.e from GoK&MoR respectively) based on the funding pattern sanctioned by both the Governments. (i.e. 51% GoK& 49% MoR) However, in the 110th Board Meeting it has been resolved to transfer all Assets and Liabilities with respect to BSRP/BSTP Project from K-RIDE to Bi-RIDE which has been constituted for the exclusive purpose of implementation and management of BSRP/BSTP. The whole process will be completed within next Six-nine months. The necessary actions are under process. Accordingly, the continuity of the BSRP business is not impacted, as the project along with all its related assets, liabilities, contractual obligations, rights, and responsibilities is being transferred to Bi-RIDE as a going concern, in accordance with the approval of the Board and the directions of the Government. Till the completion of the transfer process, K-RIDE continues to discharge its obligations relating to BSRP/BSTP and necessary accounting treatment shall be carried out in accordance with applicable accounting standards and statutory requirements. Also, it is imperative to note that Doubling Projects will be continued to be executed by K-RIDE.

2	The Company is executing two Railway line doubling projects of Southwestern Railways (SWR in brief). The company is following percentage of completion method based on cost incurred method/ Input method under Ind AS for recognition of Revenue. Since the company is using Input method, it is prudent to recognize Revenue based on the estimated cost as on date. However, the company is recognizing Revenue based on the approved cost dated 14-07-2022. As per MOU dated 14.07.2022 between The Company and SWR any change in the DPR and the detailed estimate shall be sanctioned by SWR. The company has submitted a detailed revised estimated cost based on current rates and duly approved by the technical team to MOR. Following are the differences between original estimates and revised estimates. (Rs. in lakhs) <table border="1"> <thead> <tr> <th>Name of the Project</th><th>Yeshwantpur-Channasandra Doubling</th><th>Byappanahalli-Hosur Doubling</th></tr> </thead> <tbody> <tr> <td>Original Estimation dated 14-07-2022</td><td>31,411</td><td>49,873</td></tr> <tr> <td>Revised Estimation submitted to MOR but not yet approved</td><td>68,357</td><td>1,16,077</td></tr> <tr> <td>Difference</td><td>-36,946</td><td>-66,204</td></tr> </tbody> </table> “As per information provided to us, till date revised estimated cost is not approved by SWR. In the absence of revised approved estimated cost, we are unable to quantify the impact on Revenue and Profit thereon. This matter was also reported in the previous audit report for the year ended 31st March 2024 and remains unresolved.”	Name of the Project	Yeshwantpur-Channasandra Doubling	Byappanahalli-Hosur Doubling	Original Estimation dated 14-07-2022	31,411	49,873	Revised Estimation submitted to MOR but not yet approved	68,357	1,16,077	Difference	-36,946	-66,204	Revenue is recognized based on the approved sanctioned estimate (MOU signed on 14.07.2022 i.e. FY 2022-23) & the same has been disclosed in notes to accounts. However, K-RIDE has worked out the revised estimate considering escalation costs and change in GST rate which has been submitted to SWR for approval. Further, after approval of SWR &GoK, the same will be considered accordingly.
Name of the Project	Yeshwantpur-Channasandra Doubling	Byappanahalli-Hosur Doubling												
Original Estimation dated 14-07-2022	31,411	49,873												
Revised Estimation submitted to MOR but not yet approved	68,357	1,16,077												
Difference	-36,946	-66,204												
3	The Net Profit for the reporting period is Rs.1031.30 lakhs, which includes Bank Interest income of Rs.1,577.52 lakhs. Company being a Implementing Agency, has to receive a fixed percentage of Supervision Charges and cannot incur operational loss during the normal course of business. However, barring Interest Income, the company has incurred a loss before taxes amounting to Rs.546.22 lakhs. The Main reason for the loss is that the Company has submitted a detailed revised Estimate duly approved from its Technical Team for approval before the Ministry of Railway Authorities. As on date of signing this report, the Ministry of Railways has not approved the revised estimate. This has resulted into Understatement of Revenue as well as Receivable Balance. In absence of complete information, we are not in a position to quantify the extent of Short Revenue and corresponding Receivables value. This may also create Ind AS issues in subsequent financial years as Ind AS requires that any adjustments made in books corresponding to previous financials years, then corresponding effect shall be given to those financial years and there will be a need to restate the previous financial years figures.	Revenue is recognized based on the approved sanctioned estimate/DPR (MOU signed on 14.07.2022 i.e. FY 2022-23) & the same has been disclosed in notes to accounts. However, K-RIDE has worked out the revised estimate considering escalation costs and change in GST rate which has been submitted to SWR for approval. Further, after approval of SWR &GoK, the same will be considered accordingly. As disclosed in the financials note no.32(a), All the expenses pertaining to BSRP including apportioned cost have been transferred to capital work in progress whereas, Doubling/ Admin & general overhead expenses are charged to P&L account. (i.e. Expenditure pertaining to support departments such as Finance, HR, IT, Admin & general overhead expenses are charged to P&L account.)												
	The Railway Line doubling project on specified routes are being undertaken by KRIDE in joint participation between Ministry of Railways (MOR in brief) and Government of Karnataka (GOK in brief). Both MOR and GOK have contributed to the project in Equal Proportion. The Modus operandi is that the KRIDE will raise Invoice to Ministry of Railways as per agreed terms and conditions. Against these invoices the funds will have to be received both from MOR and GOK.													

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Even though GOK is contributing 50% of its shares all the Billings by KRIDE shall be made to MOR as per terms of agreement. As per information provided to us the GOK will hand over money to KRIDE directly. MOR will release its share as and when the Bills are raised by the KRIDE. As a matter of prudence and to reflect the true and fair view of the affairs of the company, the company has to account for contract revenue as per the terms of the agreement entered between the company, MOR and GOK. As each of the participants contribute 50% of the funds required for the project, ideally the receivables balance of the company should reflect how much money is receivable from GOK as well as MOR.

As can be seen from Accounts MOR has released its share as and when the bills are raised. However, no written Balance Confirmation is obtained from either GOK or MOR with respect to Contract Revenue Accounted, Funds Released and balance receivable. For KRIDE, MOR and GOK are like outside customers, and KRIDE is not bound by budget allocations of GOK. In the normal course of business, company has to account for revenue as per IndAS 115 and the receivables from each of the customer has to be reflected in the books of accounts. As per the information provided by the company, the status of work executed and funds received/receivable in respect of doubling projects as at 31st March 2025 is as under:

Doubling	Estimate (Rs.)	Expenditure till 31.03.2025	Amount released up to 31.03.2025	Shortage/ (Excess)
GOK	40,642	35,336	10000	25,336
MOR	40,642	35,336	43,483	-8,147
	81,283	70,672	53,483	17,189

In our view the MOR has released excess money, and the GOK has to pay its dues to KRIDE. It is also not clear whether the excess amount received from MOR is advance received or to be recognized as revenue. As per statement furnished the GOK has given 10000 Lakhs as on date and the balance receivable is Rs. 25,336 Lakhs. Presuming, MOR has released Rs.8,147 Lakhs in excess, company has to show advance received from MOR and corresponding balance to be shown as 25,336 Lakhs. This has affected the true and fair presentation of the Accounts as Current assets have been understated by 25,336 Lakhs and Current liabilities have been understated by Rs.8,147 Lakhs.

Funds will be released based on the Budget earmarked (for the particular year and availability of funds). However, it is to note that GoK has released only Rs.100 Crore during the FY 2020-21 and no further funds made available from GoK for doubling projects. A continuous effort are being made by K-RIDE to get the necessary funds from GoK by communicating it through official letters sighting the shortage of funds. As a temporary arrangement, K-RIDE has utilised the BSRP funds to the extent of Rs.171.89 Crore for Doubling project to meet the work target and contractual obligations as both the projects are equally funded by GoK&MoR.

The same will be recouped to BSRP project on receipt of Doubling funds from GoK.

The receivable will only be accounted upon issue of Government Order (GO) for release of funds. (since, the release of funds will depend on availability of funds with the Government and based on the different parameters even though the budget is earmarked).

Accordingly, no receivable shall be recognised merely on the basis of budget allocation; recognition will be made only when there is reasonable assurance evidenced by a GO sanctioning the release in the particular year.

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Further since GOK has not paid its dues the amount payable to contractor should have gone up to that extent. But on our verification, it was observed that the Funds received from GOK in respect of BSRP project has been used to pay to the Contractors and as a result there is no outstanding dues payable to Contractors. In order to make payments to contractors out of earmarked funds for BSRP Projects, the Company management should have obtained prior permission from GOK as the funds are allocated out of specified budgetary allocations from GOK and since it is approved in Karnataka legislative Assembly and project specific funds are received, there cannot be diversion of funds from one project to another project. This has resulted into violation of financial powers vested with the company resulting in diversion of funds without written approval from GOK to the extent of Rs.25,336 Lakhs.

		The receivable will only be accounted upon issue of Government Order (GO) for release of funds. (since, the release of funds will depend on availability of funds with the Government and based on the different parameters even though the budget is earmarked). Accordingly, no receivable shall be recognised merely on the basis of budget allocation; recognition will be made only when there is reasonable assurance evidenced by a GO sanctioning the release in the particular year.
6	In the original cost estimate relating to doubling project undertaken by the Company, there are mistakes in estimates relating to individual type of work like Electrical, Signaling&Telecommunication and OHE. The net differences of Rs. 269.92 lakhs have been added to total estimated cost. However, no changes have been affected on Direction & General charges on account of these additions to or deductions from the estimated cost. The exact amount of Direction & General charges mentioned in estimates relating to individual types of work like Electrical, Signaling & Telecommunication and OHE are only considered for recognizing the revenue. In connection with this matter, we are unable to quantify the impact on profit. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	Since the original sanctioned estimate is already been approved with the D&G component, Revenue is recognized based on the approved sanctioned estimate/DPR. However, the revised / corrected Direction & General charges (Departmental charges) has been considered in the revised estimate which is under process for approval.
7	The Company has not ascertained the liability for Property Tax under The Bruhat Bengaluru MahanagaraPalike Act, 2020 on lands acquired by the Company. During the year no provision for property tax is made by the Company. We are unable to quantify the impact on profit. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	Property Tax can be assessed on completion of Katha transfer in the name of K-RIDE. The process of transferring property accounts of the acquired assets to K-RIDE is currently in progress. On completion of Katha transfer the Property Tax will be identified by Land department and necessary provisions will be made in books. Due to a recent software update at the BBMP office, the process of account transfer has temporarily been impacted, and further transfers are currently not possible. However, the remaining cases are under active processing, and all necessary steps are being taken to expedite khata registration. In this regard, a letter dated 03.02.2025 has been issued by the Managing Director of K-RIDE to the Special Commissioner (Revenue), BBMP, requesting suitable modifications in the system to facilitate a smoother and faster khata transfer process in favor of K-RIDE.
8	The Company is availing GST input tax credit in respect of direct expenditure relating to doubling project and is not availing Input Tax Credit relating to BSRP project under the pretext that it is not entitled for credit as per provisions section 17(5) of the CGST/KGST Act. However, since the BSRP Project is going to be transferred to a separate entity in our view the Company is Supplying Works Contract to Ministry of Railways and is incurring the Capital Expenditure in fiduciary capacity out of funds received from MOR and GOK. Therefore, the Company could have claimed Input Tax Credit. Further the input tax credit on common expenditure allocated to doubling projects is not claimed and the same is debited to Profit and Loss statement. In absence of information, we are unable to quantify the impact on profit. The Input in respect of BSRP Project amounts to Rs.3,365.57 Lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	Currently K-RIDE is implementing two Doubling projects along with BSRP project. K-RIDE has claimed GST input specifically related to Doubling project and inputs related to BSRP project are not claimed since the same is blocked u/s 17(5) of CGST Act, 2017. Inputs related to BSRP projects along with the expenses have been included in the Capital WIP for which depreciation will be claimed as per provisions of section 16(3) of CGST Act, 2017 as and when the asset is ready for its intended use. K-RIDE has not claimed GST inputs on common expenditure allocated to doubling project based on the expert opinion taken from the Tax Consultant of K-RIDE.

9	The Company has shown the opening balance of Rs.16,541.82 Lakhs (net of transfer to share capital) as Interest Free Subordinate Debt from GOK (Advance from GOK - BSRP Project-Land Acquisition). During the current financial year the Company has received an additional amount of Rs.59,000 Lakhs as an Advance from GOK - BSRP Project-Land Acquisition. As per letter dated 05-12-2024 from GOK, it is mentioned that the funds of Rs.16,541.82 Lakhs should be treated as the Subordinate debt. For the balance funds of Rs. Rs.59,000 Lakhs, no confirmation received from GOK either to treat it as a Subordinate debt or grant-in-aid. In our opinion the aforesaid amount of Rs.59,000 Lakhs relating to Advance from GOK for Land Acquisition shall be shown as Government Grants for Capital Expenditure, as per Ind AS 20- Deferred Government Grants Para 12 and 13 relating to Accounting for Government Grants. This has resulted in understatement of Deferred Government Grants and overstatement of Long-Term Borrowings by Rs.17,101.25 Lakhs and other equity by Rs.41,898.75 Lakhs and also resulted in non-compliance to Division II of Schedule III to the Companies Act,2013.	As per the approved Financing pattern with respect to Bengaluru Suburban Rail Project (BSRP) in line with Government Order from GoK vide GO No. UDD 27 PRJ 2020, Bengaluru dated 07.07.2020 and Sanction order from Ministry of Railways (Railway Board) vide OM no.2019/JV Cell/KRIDE/BSTP/EBR/07 dated 21.10.2020, the cost of the Land and R&R for BSRP has to be borne by GoK through Sub-ordinate Debt. Since, KRIDE has received the Funds on account of Land Acquisition, the same has been accounted in KRIDE's Books of account as Sub-ordinate debt (Long Term Borrowings) based on the sanctioned funding pattern.
10	The Company has received Rs.50,000 lakhs from MOR towards Share Application Money up till 31.03.2024. Out of the aggregate amount of Rs.50,000 lakhs, The Company has transferred Rs.48,039.22 lakhs to Share Capital during the financial year 2023-24 and the balance of Rs.1,960.79 Lakhs has shown as Grant from MOR – BSRP under Long Term Borrowings. In our opinion, the aforesaid balance of Rs.1,960.79 Lakhs shall be shown as Share Application Money pending allotment. This has resulted in understatement of Share Application Money pending allotment and overstatement of Long-Term Borrowings by Rs. 1,960.79 Lakhs and also resulted in non-compliance to Division II of Schedule III to the Companies Act,2013. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	In the 97th Board Meeting it was resolved that the allotment of shares for equity investments under BSRP by GOK & MOR in K-RIDE shall be in ratio of 51:49 as per the stipulations contained in the AOA of K-RIDE & to avoid disproportionate shareholding for equity under BSRP. It was also resolved that the GOK's 50% share of equity under BSRP released from time to time under BSRP shall be treated as 51% equity and the proportionate 49% of MOR's equity will be worked out from the 50% share of MOR's equity under BSRP released from time to time and the balance excess amount of equity received from MOR under BSRP from time to time shall be treated as Grant's from MOR. Hence, it has been shown under Long Term Borrowings. In the 110th Board Meeting it has been resolved to transfer of Assets & Liabilities with respect to BSRP project from K-RIDE to B-RIDE. The whole process will be completed within six months. The necessary actions are under process.
11	The unspent amount of funds received from GOK and MOR have been invested by The Company in the form of Fixed Deposit in Banks. Interest earned to the extent of Rs.5166.00 lakhs (net amount) on such fixed deposits till 31.03.2025 has been reduced from Capital work-in-progress as disclosed in Note No.3(d) of Notes to Accounts. The accounting treatment of grant as subordinate debt approved by the GOK to the extent of 16,541.82 lakhs and for the balance amount of Rs.59,000 lakhs The GOK is not yet approved the same. Further, as per the decision of 97th Board meeting the balance of share application money received from MOR is treated as grants and the same is not yet approved by the MOR. Therefore, in the absence of correct nature of the funds, we are unable to ascertain the impact of accounting treatment of the interest income which has been reduced from Capital work-in-progress. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	As per the approved Financing pattern with respect to Bengaluru Suburban Rail Project (BSRP) in line with Government Order from GoK vide GO No. UDD 27 PRJ 2020, Bengaluru dated 07.07.2020 and Sanction order from Ministry of Railways (Railway Board) vide OM no.2019/JV Cell/KRIDE/BSTP/EBR/07 dated 21.10.2020, the cost of the Land and R&R for BSRP has to be borne by GoK through Sub-ordinate Debt. The amount of Rs.660 Crore has been approved by GoK to treat as subordinate debt. However, out of Rs.660 Crore the amount of Rs.500 Crore was reclassified as Equity. During the FY 2024-25 the FD interest earned is out of Equity Fund balance received towards BSRP project, hence the same is shown as Indirect Income in the Statement of P&L.

12	The Company has acquired Land from Karnataka Veterinary, Animal & Fisheries Science University (KVAFSU) for Rs.27,36,17,300/- (Amount paid on 13/04/2023 and Possession was taken on 04/05/2023). As per Sl.No.54 of Office Note, The Company is required to ensure the construction of Compound wall. The Company has not ascertained the liability for the construction cost of Compound wall and no provision for the same is made by the Company. Therefore, we are unable to quantify the impact on the cost of the land capitalized. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	The liability for construction cost of compound wall can be ascertained only after the construction work at particular said alignment work starts and based on the requirement at site, length of the compound wall requirement can be ascertained. Thus, the provision will be created after the construction work at particular said alignment work starts and on confirmation of the same from the Engineering department.												
13	As at 31st March 2025, a sum of ₹570.41 lakhs continues to be included as security deposit from M/s RMNIL & BIDPL (JV), Hyderabad under "Other Current Liabilities" as per Note No.25 to the Notes on Accounts, though the same has not been actually recovered from the contractor. Consequently, Current Liabilities and Current Assets remain overstated by this amount. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved. Further, as at 31st March 2025, an amount of ₹299.54 lakhs continues to be carried as "Recovery – RMNIL & BIDPL (JV)" under "Other Current Assets" as per Note No.14 to the Notes on Accounts. The Company has disclosed that the amount is unsecured and considered doubtful, but no provision has been made. Consequently, Current Assets and Profit are overstated by ₹299.54 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	Total 5 no. of contracts pertaining to M/s. RMNIL-BIDPL JV awarded vide different LOA's in FY- 2020-21, have been terminated by K-RIDE due to poor progress of works in FY – 2022-23. Accordingly, full performance guarantee submitted have been encashed and Security Deposit recovered from the running bills has been forfeited and the same has been accounted in Financials of KRIDE during the FY 2022-23. The final bills for all the 5 contracts have been received from PMC/RITES and the same are being verified/checked by KRIDE. After scrutiny of bills the recovery actions will be proposed with the approval of Competent authority.												
14	As at 31st March 2025, a sum of ₹74.28 lakhs continues to be included as security deposit recovered from M/s Bava Infrastructure Developers Pvt. Ltd., Mangalore under "Other Current Liabilities" as per Note No.25 to the Notes on Accounts. This amount has not been actually recovered from the contractor, though as per Company policy it should have been forfeited and recognized as income on termination of the contract. Consequently, Current Liabilities and Current Assets remain overstated by ₹74.28 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved. Further, as at 31st March 2025, an amount of ₹18.30 lakhs in respect of Performance Bank Guarantee (PBG) relating to the same contractor continues to be included under Security Deposit in "Other Current Liabilities" as per Note No.25. This amount has not been recovered, although as per Company policy it should have been forfeited and recognized as income. Consequently, Current Liabilities and Current Assets are overstated by ₹18.30 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	Total 2 no. of contracts pertaining to M/s. Bava Infrastructure Developers Pvt. Ltd awarded vide different LOA's in FY- 2020-21, have been terminated by K-RIDE due to poor progress of works in FY – 2022-23. Accordingly, full performance guarantee submitted have been encashed and Security Deposit recovered from the running bills has been forfeited and the same has been accounted in Financials of KRIDE during the FY 2022-23. The final bills for all the contracts have been received from PMC/RITES and the same are being verified/checked by KRIDE. After scrutiny of bills the recovery actions will be proposed with the approval of Competent authority.												
15	We are unable to ascertain the impact on the financial statements, of the following balances which have not been confirmed by the Parties to whom the letters requesting direct confirmations of balances have been sent. (Rs. in lakhs) <table><tr><th>Description of account</th><th>Amount covered in the Letters sent for confirmation</th><th>Amount for which confirmation has been received</th><th>Amount for which confirmation has not been received</th></tr><tr><td>Trade payables</td><td>612.74</td><td>158.40</td><td>454.34</td></tr><tr><td>Trade receivables</td><td>12,163.07</td><td>-</td><td>12,163.07</td></tr></table>	Description of account	Amount covered in the Letters sent for confirmation	Amount for which confirmation has been received	Amount for which confirmation has not been received	Trade payables	612.74	158.40	454.34	Trade receivables	12,163.07	-	12,163.07	Confirmation letter for balances as on 31.03.2025 has been sent to all creditors with a note stating that "if the communication is not received within one week from the receipt of this letter/e-mail, then KRIDE would treat the balance as stated is a deemed confirmation".
Description of account	Amount covered in the Letters sent for confirmation	Amount for which confirmation has been received	Amount for which confirmation has not been received											
Trade payables	612.74	158.40	454.34											
Trade receivables	12,163.07	-	12,163.07											

Management's Replies to the Observations of the Statutory Auditor's in the report on the Internal Financial Controls over Financial Reporting on the Standalone Financial Statement of K-RIDE for the year ended 31-March-2025

Sl.no.	Basis of Qualified Opinion	Management Replies
1	In respect of Electrical Work (YPR-CHN) & Signaling Work (BYPL-HSR) of doubling project, actual expenses are more than the Estimated cost by Rs.195.21 lakhs and Rs. 1,063.05 lakhs respectively. The approval for the excess expenditure has not been obtained from the SWR. Further, no revised estimated cost has been obtained soon after the change in the GST rate from 12% to 18% vide GOI Notification No.03/2022 dt. 13.07.2022. This has resulted in the inadequate internal control system in getting revised estimated cost on time.	As per the approved sanctioned estimate/DPR, MOU was signed on 14.07.2022 i.e. FY 2022-23. However, Doubling work was transferred to K-RIDE based on the above approved estimate which was prepared by Railways during the year 2018. Currently, K-RIDE's Executive section has worked out the revised estimate considering escalation costs and change in GST rate and submitted to SWR (MoR) for approval. Further, on approval of MoR&GoK the same will be considered accordingly.
2	As per Sl. No.6 of MOU dated 14th July 2022 relating Doubling Project, the Project shall be completed within 36 months from July,2020. To date, the project is not yet completed. There is no mutual consent in writing for having agreed for extension of period. This has resulted in the inadequate internal control system in getting the extension for completion of the project.	As per "Terms of Agreement" (Sl No.1) of MOU for Doubling, this MOU shall be valid till both the projects are completed in all aspect including the defect liability period / maintenance period and completion report is duly prepared and agreed by the parties. In view of the above, the MOU is still valid. However, mutual consent of both the parties for extension of period will be obtained in the due course of time.
3	As per Sl. No.14 of MOU dated 14th July 2022 relating to Doubling Project, the details of requirement of land to Railways after Final Location Survey are to be submitted. Details of land requirement for the two doubling projects have not been submitted. This may result in a delay in the completion of the project.	Final Location Survey has been done by Railways. There is no major land acquisition involved in the doubling projects. However, if need for any land acquisition is arising, same is being processed on case-to-case basis.
4	The Company has no proper control system to obtain balance confirmation from the parties on a regular interval basis.	Letter for confirmation of balances for balances as on 31.03.2025 has been sent to all creditors with a note stating that "if the communication is not received within one week from the receipt of this letter/e-mail, then KRIDE would treat the balance as stated is a deemed confirmation".
5	We draw the attention to Para 5 of our report of even date, where the funds to the extent of Rs.25,336 Lakhs. have been diverted from BSRP Project to Railway doubling line project.	As a temporary arrangement, K-RIDE has utilised the BSRP funds for Doubling project to meet the work target and contractual obligations as both the projects are equally funded by GoK&MoR. The same will be recouped to BSRP project on receipt of Doubling funds from GoK.

Management's Replies to the Observations of the Statutory Auditor on the Consolidated Financial Statement of K-RIDE for the year ended 31- March -2025

Sl.no.	Basis of Qualified Opinion	Management Replies
1	The Holding company is mainly involved in execution of Railway Line Doubling Projects and was operating the funds related to the same. However, during last two financial years the Holding Company started receiving funds from Government of Karnataka (Hereinafter called GOK) as well as Ministry of Railways (Hereinafter called MOR) for implementation of Bangalore Sub-urban Railway Project (Herein after called BSRP Project). Again, as per directions received, the Holding company has established BRIDE as its subsidiary to execute BSRP Project. Meanwhile the funds received from GOK and MOR towards BSRP Project; despite having created a subsidiary for execution of BSRP Project, the Holding company has converted the funds received from GOK and MOR into Share Capital of the Holding Company. Even though the Holding company is executing the BSRP Project, the discussions are going on to transfer entire BSRP funds and corresponding assets and liabilities to BRIDE. There is no clarity either from GOK or MOR regarding this issue. By allotting shares to MOR, The Holding company has made MOR shareholder to the extent of 49% of its existing operations which was not warranted. This has resulted into doubt regarding continuity of BSRP Project Implementation through Holding company. This has a bearing on Accounting issues, Shareholding issues and Going Concern issues etc. In the absence of clarity, we are not in a position to quantify the Financial and other Implications on The Holding company.	Due to Administrative reason, K-RIDE continued its business with respect to implementation of Bengaluru Suburban Rail Project (BSRP)/Bengaluru suburban Transport Project (BSTP) and receiving the funds through respective Governments (i.e from GoK&MoR respectively) based on the funding pattern sanctioned by both the Governments. (i.e. 51% GoK& 49% MoR) However, in the 110th Board Meeting it has been resolved to transfer all Assets and Liabilities with respect to BSRP/BSTP Project from K-RIDE to Bi-RIDE which has been constituted for the exclusive purpose of implementation and management of BSRP/BSTP. The whole process will be completed within next Six-nine months. The necessary actions are under process. Accordingly, the continuity of the BSRP business is not impacted, as the project along with all its related assets, liabilities, contractual obligations, rights, and responsibilities is being transferred to Bi-RIDE as a going concern, in accordance with the approval of the Board and the directions of the Government. Till the completion of the transfer process, K-RIDE continues to discharge its obligations relating to BSRP/ BSTP and necessary accounting treatment shall be carried out in accordance with applicable accounting standards and statutory requirements. Also, it is imperative to note that Doubling Projects will be continued to be executed by K-RIDE.
2	The Holding company is executing two Railway line doubling projects of Southwestern Railways (SWR in brief). The Holding company is following percentage of completion method based on cost incurred method/ Input method under Ind AS for recognition of Revenue. Since The Holding company is using Input method, it is prudent to recognize Revenue based on the estimated cost as on date. However, the Holding company is recognizing Revenue based on the approved cost dated 14-07-2022. As per MOU dated 14.07.2022 between The Holding company and SWR any change in the DPR and the detailed estimate shall be sanctioned by SWR. The Holding company has submitted a detailed revised estimated cost based on current rates and duly approved by the technical team to MOR. Following are the differences between original estimates and revised estimates.	Revenue is recognized based on the approved sanctioned estimate (MOU signed on 14.07.2022 i.e.. FY 2022-23) & the same has been disclosed in notes to accounts. However, K-RIDE has worked out the revised estimate considering escalation costs and change in GST rate which has been submitted to SWR for approval. Further, after approval of SWR &GoK, the same will be considered accordingly.

(Rs. in lakhs)		
Name of the Project	Yeshwantpur-Channasandra Doubling	Byappanahalli-Hosur Doubling
Original Estimation dated 14-07-2022	31,411	49,873
Revised Estimation submitted to MOR but not yet approved	68,357	1,16,077
Difference	-36,946	-66,204
As per information provided to us, till date revised estimated cost is not approved by SWR. In the absence of revised approved estimated cost, we are unable to quantify the impact on Revenue and Profit thereon. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.		
3	The Net Profit for the reporting period is Rs. 1,027.05 lakhs, which includes Bank Interest income of Rs.1,577.52 Lakhs. The holding Company being an Implementing Agency, has to receive a fixed percentage of Supervision Charges and cannot incur operational loss during the normal course of business. However, barring Interest Income, The Holding company has incurred a loss before taxes amounts Rs.550.47 lakhs. The Main reason for the loss is that The Holding company has submitted a detailed revised Estimate duly approved from its Technical Team for approval before the Ministry of Railway Authorities. As on date of signing this report, the Ministry of Railways has not approved the revised estimate. This has resulted into Understatement of Revenue as well as Receivable Balance. In absence of complete information, we are not in a position to quantify the extent of Short Revenue and corresponding Receivables value. This may also create Ind AS issues in subsequent financial years as Ind AS requires that any adjustments made in books corresponding to previous financial years, then corresponding effect shall be given to those financial years and there will be a need to restate the previous financial years figures.	Revenue is recognized based on the approved sanctioned estimate/DPR (MOU signed on 14.07.2022 i.e. FY 2022-23) & the same has been disclosed in notes to accounts. However, K-RIDE has worked out the revised estimate considering escalation costs and change in GST rate which has been submitted to SWR for approval. Further, after approval of SWR & GoK, the same will be considered accordingly. As disclosed in the financials note no.32(a), All the expenses pertaining to BSRP including apportioned cost have been transferred to capital work in progress whereas, Doubling/ Admin & general overhead expenses are charged to P&L account. (i.e. Expenditure pertaining to support departments such as Finance, HR, IT, Admin & general overhead expenses are charged to P&L account.)
4	The Railway Line doubling project on specified routes are being undertaken by the Holding company in joint participation between Ministry of Railways (MOR in brief) and Government of Karnataka (GOK in brief). Both MOR and GOK have contributed to the project in Equal Proportion. The Modus operandi is that the Holding company will raise Invoice to Ministry of Railways as per agreed terms and conditions. Against these invoices the funds will have to be received both from MOR and GOK. Even though GOK is contributing 50% of its shares all the Billings by Holding company shall be made to MOR as per terms of agreement. As per information provided to us the GOK will hand over money to Holding company directly. MOR will release its share as and when the Bills are raised by the Holding company. As a matter of prudence and to reflect the true and fair view of the affairs of The Holding company, The Holding company has to account for contract revenue as per the terms of the agreement entered between The Holding company, MOR and GOK.	Funds will be released based on the Budget earmarked (for the particular year and availability of funds). However, it is to note that GoK has released only Rs.100 Crore during the FY 2020-21 and no further funds made available from GoK for doubling projects. A continuous effort are being made by K-RIDE to get the necessary funds from GoK by communicating it through official letters sighting the shortage of funds. As a temporary arrangement, K-RIDE has utilised the BSRP funds to the extent of Rs.171.89 Crore for Doubling project to meet the work target and contractual obligations as both the projects are equally funded by GoK & MoR. The same will be recouped to BSRP project on receipt of Doubling funds from GoK.

	As each of the participants contribute 50% of the funds required for the project, ideally the receivables balance of The Holding company should reflect how much money is receivable from GOK as well as MOR. As can be seen from Accounts MOR has released its share as and when the bills are raised. However, no written Balance Confirmation is obtained from either GOK or MOR with respect to Contract Revenue Accounted, Funds Released and balance receivable. For KRIDE, MOR and GOK are like outside customers, and KRIDE is not bound by budget allocations of GOK. In the normal course of business, company has to account for revenue as per INDAS 115 and the receivables from each of the customer has to be reflected in the books of accounts. As per the information provided by The Holding company, the status of work executed and funds received/receivable in respect of doubling projects as at 31st March 2025 is as under: <table><tr><th>Doubling</th><th>Estimate (Rs.)</th><th>Expenditure till 31.03.2025</th><th>Amount released up to 31.03.2025</th><th>Shortage/ (Excess)</th></tr><tr><td>GOK</td><td>40,642</td><td>35,336</td><td>10000</td><td>25,336</td></tr><tr><td>MOR</td><td>40,642</td><td>35,336</td><td>43,483</td><td>-8,147</td></tr><tr><td></td><td>81,283</td><td>70,672</td><td>53,483</td><td>17,189</td></tr></table> In our view the MOR has released excess money, and the GOK has to pay its dues to KRIDE. It is also not clear whether the excess amount received from MOR is advance received or to be recognized as revenue. As per statement furnished the GOK has given 10000 Lakhs as on date and the balance receivable is Rs.25,336 Lakhs. Presuming, MOR has released Rs.8,147 Lakhs in excess, company has to show advance received from MOR and corresponding balance to be shown as 25,336 Lakhs. This has affected the true and fair presentation of the Accounts as Current assets have been understated by 25,336 Lakhs and Current liabilities have been understated by Rs.8,147 Lakhs.	Doubling	Estimate (Rs.)	Expenditure till 31.03.2025	Amount released up to 31.03.2025	Shortage/ (Excess)	GOK	40,642	35,336	10000	25,336	MOR	40,642	35,336	43,483	-8,147		81,283	70,672	53,483	17,189	The receivable will only be accounted upon issue of Government Order (GO) for release of funds. (since, the release of funds will depend on availability of funds with the Government and based on the different parameters even though the budget is earmarked). Accordingly, no receivable shall be recognised merely on the basis of budget allocation; recognition will be made only when there is reasonable assurance evidenced by a GO sanctioning the release in the particular year.
Doubling	Estimate (Rs.)	Expenditure till 31.03.2025	Amount released up to 31.03.2025	Shortage/ (Excess)																		
GOK	40,642	35,336	10000	25,336																		
MOR	40,642	35,336	43,483	-8,147																		
	81,283	70,672	53,483	17,189																		
5	Further since GOK has not paid its dues the amount payable to contractor should have gone up to that extent. But on our verification, it was observed that the Funds received from GOK in respect of BSRP project has been used to pay to the Contractors and as a result there is no outstanding dues payable to Contractors. In order to make payments to contractors out of earmarked funds for BSRP Projects, The Holding company management should have obtained prior permission from GOK as the funds are allocated out of specified budgetary allocations from GOK and since it is approved in Karnataka legislative Assembly and project specific funds are received, there cannot be diversion of funds from one project to another project. This has resulted into violation of financial powers vested with The Holding company resulting in diversion of funds without written approval from GOK to the extent of Rs.25,336 Lakhs.																					
6	In the original cost estimate relating to doubling project undertaken by The Holding company, there are mistakes in estimates relating to individual type of work like Electrical, Signalling & Telecommunication and OHE. The net differences of Rs. 269.92 lakhs have been added to total estimated cost. However, no changes have been affected on Direction & General charges on account of these additions	Since the original sanctioned estimate is already been approved with the D&G component, Revenue is recognized based on the approved sanctioned estimate/DPR. However, the revised / corrected Direction & General charges (Departmental charges) have been considered in the revised estimate which is under process for approval.																				

	to or deductions from the estimated cost. The exact amount of Direction & General charges mentioned in estimates relating to individual types of work like Electrical, Signalling & Telecommunication and OHE are only considered for recognizing the revenue. In connection with this matter, we are unable to quantify the impact on profit. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	
7	The Holding company has not ascertained the liability for Property Tax under The Bruhat Bengaluru MahanagaraPalike Act, 2020 on lands acquired by The Holding company. During the year no provision for property tax is made by The Holding company. We are unable to quantify the impact on profit. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	Property Tax can be assessed on completion of Katha transfer in the name of K-RIDE. The process of transferring property accounts of the acquired assets to K-RIDE is currently in progress. On completion of Katha transfer the Property Tax will be identified by Land department and necessary provisions will be made in books. Due to a recent software update at the BBMP office, the process of account transfer has temporarily been impacted, and further transfers are currently not possible. However, the remaining cases are under active processing, and all necessary steps are being taken to expedite khata registration. In this regard, a letter dated 03.02.2025 has been issued by the Managing Director of K-RIDE to the Special Commissioner (Revenue), BBMP, requesting suitable modifications in the system to facilitate a smoother and faster khata transfer process in Favor of K-RIDE.
8	The Holding company is availing GST input tax credit in respect of direct expenditure relating to doubling project and is not availing Input Tax Credit relating to BSRP project under the pretext that it is not entitled for credit as per provisions section 17(5) of the CGST/KGST Act. However, since the BSRP Project is going to be transferred to a separate entity in our view The Holding company is Supplying Works Contract to Ministry of Railways and is incurring the Capital Expenditure in fiduciary capacity out of funds received from MOR and GOK. Therefore, The Holding company could have claimed Input Tax Credit. Further the input tax credit on common expenditure allocated to doubling projects is not claimed and the same is debited to Profit and Loss statement. In absence of information, we are unable to quantify the impact on profit. The Input in respect of BSRP Project amounts to Rs.3,365.57 Lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	Currently K-RIDE is implementing two Doubling projects along with BSRP project. K-RIDE has claimed GST input specifically related to Doubling project and inputs related to BSRP project are not claimed since the same is blocked u/s 17(5) of CGST Act, 2017. Inputs related to BSRP projects along with the expenses have been included in the Capital WIP for which depreciation will be claimed as per provisions of section 16(3) of CGST Act, 2017 as and when the asset is ready for its intended use. K-RIDE has not claimed GST inputs on common expenditure allocated to doubling project based on the expert opinion taken from the Tax Consultant of K-RIDE.
9	The Holding company has shown the opening balance of Rs.16,541.82 Lakhs (net of transfer to share capital) as Interest Free Subordinate Debt from GOK (Advance from GOK - BSRP Project-Land Acquisition). During the current financial year The Holding company has received an additional amount of Rs.59,000 Lakhs as an Advance from GOK - BSRP Project-Land Acquisition. As per letter dated 05-12-2024 from GOK, it is mentioned that the funds of Rs.16,541.82 Lakhs should be treated as the Subordinate debt. For the balance funds of Rs. Rs.59,000 Lakhs, no confirmation received from GOK either to treat it as a Subordinate debt or grant-in-aid.	As per the approved Financing pattern with respect to Bengaluru Suburban Rail Project (BSRP) in line with Government Order from GoK vide GO No. UDD 27 PRJ 2020, Bengaluru dated 07.07.2020 and Sanction order from Ministry of Railways (Railway Board) vide OM no.2019/JV Cell/KRIDE/BSTP/EBR/07 dated 21.10.2020, the cost of the Land and R&R for BSRP has to be borne by GoK through Sub-ordinate Debt. Since, KRIDE has received the Funds on account of Land Acquisition, the same has been accounted in KRIDE's Books of account as Sub-ordinate debt (Long Term Borrowings) based on the sanctioned funding pattern.

	In our opinion the aforesaid amount of Rs.59,000 Lakhs relating to Advance from GOK for Land Acquisition shall be shown as Government Grants for Capital Expenditure, as per Ind AS 20- Deferred Government Grants Para 12 and 13 relating to Accounting for Government Grants. This has resulted in understatement of Deferred Government Grants and overstatement of Long-Term Borrowings by Rs.17,101.25 Lakhs and other equity by Rs.41,898.75 Lakhs and also resulted in non-compliance to Division II of Schedule III to the Companies Act,2013.	
10	The Holding company has received Rs.50,000 lakhs from MOR towards Share Application Money up till 31.03.2024. Out of the aggregate amount of Rs.50,000 lakhs, The Holding company has transferred Rs.48,039.22 lakhs to Share Capital during the financial year 2023-24 and the balance of Rs.1,960.79 Lakhs has shown as Grant from MOR – BSRP under Long Term Borrowings. In our opinion, the aforesaid balance of Rs.1,960.79 Lakhs shall be shown as Share Application Money pending allotment. This has resulted in understatement of Share Application Money pending allotment and overstatement of Long-Term Borrowings by Rs. 1,960.79 Lakhs and also resulted in non-compliance to Division II of Schedule III to the Companies Act,2013. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	In the 97th Board Meeting it was resolved that the allotment of shares for equity investments under BSRP by GOK & MOR in K-RIDE shall be in ratio of 51:49 as per the stipulations contained in the AOA of K-RIDE & to avoid disproportionate shareholding for equity under BSRP. It was also resolved that the GOK's 50% share of equity under BSRP released from time to time under BSRP shall be treated as 51% equity and the proportionate 49% of MOR's equity will be worked out from the 50% share of MOR's equity under BSRP released from time to time and the balance excess amount of equity received from MOR under BSRP from time to time shall be treated as Grant's from MOR. Hence, it has been shown under Long Term Borrowings. In the 110th Board Meeting it has been resolved to transfer of Assets & Liabilities with respect to BSRP project from K-RIDE to B-RIDE. The whole process will be completed within six months. The necessary actions are under process.
11	The unspent amount of funds received from GOK and MOR have been invested by The Holding company in the form of Fixed Deposit in Banks. Interest earned to the extent of Rs.5166.00 lakhs (net amount) on such fixed deposits till 31.03.2025 has been reduced from Capital work-in-progress as disclosed in Note No.3(d) of Notes to Accounts. The accounting treatment of grant as subordinate debt approved by the GOK to the extent of 16,541.82 lakhs and for the balance amount of Rs.59,000 lakhs The GOK is not yet approved the same. Further, as per the decision of 97th Board meeting the balance of share application money received from MOR is treated as grants and the same is not yet approved by the MOR. Therefore, in the absence of correct nature of the funds, we are unable to ascertain the impact of accounting treatment of the interest income which has been reduced from Capital work-in-progress. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	As per the approved Financing pattern with respect to Bengaluru Suburban Rail Project (BSRP) in line with Government Order from GoK vide GO No. UDD 27 PRJ 2020, Bengaluru dated 07.07.2020 and Sanction order from Ministry of Railways (Railway Board) vide OM no.2019/JV Cell/KRIDE/BSTP/EBR/07 dated 21.10.2020, the cost of the Land and R&R for BSRP has to be borne by GoK through Sub-ordinate Debt. The amount of Rs.660 Crore has been approved by GoK to treat as subordinate debt. However, out of Rs.660 Crore the amount of Rs.500 Crore was reclassified as Equity. During the FY 2024-25 the FD interest earned is out of Equity Fund balance received towards BSRP project, hence the same is shown as Indirect Income in the Statement of P&L.
12	The Holding company has acquired Land from Karnataka Veterinary, Animal & Fisheries Science University (KVAFSU) for Rs.27,36,17,300/- (Amount paid on 13/04/2023 and Possession was taken on 04/05/2023). As per SI.No.54 of Office Note, The Holding company is required to ensure the construction of Compound wall. The Holding company has not ascertained the liability for the construction cost of Compound wall and no provision for the same is made by The Holding company. Therefore, we are unable to quantify the impact on the cost of the land capitalized. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	The liability for construction cost of compound wall can be ascertained only after the construction work at particular said alignment work starts and based on the requirement at site, length of the compound wall requirement can be ascertained. Thus, the provision will be created after the construction work at particular said alignment work starts and on confirmation of the same from the Engineering department.

13	As at 31st March 2025, a sum of ₹570.41 lakhs continues to be included as security deposit from M/s RMNIL & BIDPL (JV), Hyderabad under "Other Current Liabilities" as per Note No.25 to the Notes on Accounts, though the same has not been actually recovered from the contractor. Consequently, Current Liabilities and Current Assets remain overstated by this amount. This matter was also reported in audit report for the year ended 31st March 2024 and remains unresolved.	Total 5 no of contracts pertaining to M/s. RMNIL-BIDPL JV awarded vide different LOA's in FY- 2020-21, have been terminated by K-RIDE due to poor progress of works in FY – 2022-23. Accordingly, full performance guarantee submitted have been encashed and Security Deposit recovered from the running bills has been forfeited and the same has been accounted in Financials of KRIDE during the FY 2022-23.																
	Further, as at 31st March 2025, an amount of ₹299.54 lakhs continues to be carried as "Recovery – RMNIL & BIDPL (JV)" under "Other Current Assets" as per Note No.14 to the Notes on Accounts. The Holding company has disclosed that the amount is unsecured and considered doubtful, but no provision has been made. Consequently, Current Assets and Profit are overstated by ₹299.54 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	The final bills for all the 5 contracts have been received from PMC/RITES and the same are being verified/checked by KRIDE. After scrutiny of bills the recovery actions will be proposed with the approval of Competent authority.																
14	As at 31st March 2025, a sum of ₹74.28 lakhs continues to be included as security deposit recovered from M/s Bava Infrastructure Developers Pvt. Ltd., Mangalore under "Other Current Liabilities" as per Note No.25 to the Notes on Accounts. This amount has not been actually recovered from the contractor, though as per Company policy it should have been forfeited and recognized as income on termination of the contract. Consequently, Current Liabilities and Current Assets remain overstated by ₹74.28 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved. Further, as at 31st March 2025, an amount of ₹18.30 lakhs in respect of Performance Bank Guarantee (PBG) relating to the same contractor continues to be included under Security Deposit in "Other Current Liabilities" as per Note No.25. This amount has not been recovered, although as per Company policy it should have been forfeited and recognized as income. Consequently, Current Liabilities and Current Assets are overstated by ₹18.30 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.	Total 2 no of contracts pertaining to M/s. Bava Infrastructure Developers Pvt. Ltd awarded vide different LOA's in FY- 2020-21, have been terminated by K-RIDE due to poor progress of works in FY – 2022-23. Accordingly, full performance guarantee submitted have been encashed and Security Deposit recovered from the running bills has been forfeited and the same has been accounted in Financials of KRIDE during the FY 2022-23. The final bills for all the contracts have been received from PMC/RITES and the same are being verified/checked by KRIDE. After scrutiny of bills the recovery actions will be proposed with the approval of Competent authority.																
15	We are unable to ascertain the impact on the Ind AS Consolidated Financial Statements, of the following balances appearing in the books of the Holding Company alone which have not been confirmed by the Parties to whom the letters requesting direct confirmations of balances have been sent. <table><tr><th colspan="4">(Rs. in lakhs)</th></tr><tr><th>Description of account</th><th>Amount covered in the Letters sent for confirmation</th><th>Amount for which confirmation has been received</th><th>Amount for which confirmation has not been received</th></tr><tr><td>Trade payables</td><td>612.74</td><td>158.40</td><td>454.34</td></tr><tr><td>Trade receivables</td><td>12,163.07</td><td>-</td><td>12,163.07</td></tr></table>	(Rs. in lakhs)				Description of account	Amount covered in the Letters sent for confirmation	Amount for which confirmation has been received	Amount for which confirmation has not been received	Trade payables	612.74	158.40	454.34	Trade receivables	12,163.07	-	12,163.07	Confirmation letter for balances as on 31.03.2025 has been sent to all creditors with a note stating that "if the communication is not received within one week from the receipt of this letter/e-mail, then KRIDE would treat the balance as stated is a deemed confirmation."
(Rs. in lakhs)																		
Description of account	Amount covered in the Letters sent for confirmation	Amount for which confirmation has been received	Amount for which confirmation has not been received															
Trade payables	612.74	158.40	454.34															
Trade receivables	12,163.07	-	12,163.07															

Management's Replies to the Observations of the Statutory Auditor's in the report on the Internal Financial Controls over Financial Reporting on the Consolidated Financial Statement of K-RIDE for the year ended 31-March-2025

Sl.No.	Basis of Qualified Opinion	Management Replies
1	In respect of Electrical Work (YPR-CHN) & Signaling Work (BYPL-HSR) of doubling project undertaken by the holding company, actual expenses are more than the Estimated cost by Rs.195.21 lakhs and Rs. 1,063.05 lakhs respectively. The approval for the excess expenditure has not been obtained from the SWR. Further, no revised estimated cost has been obtained soon after the change in the GST rate from 12% to 18% vide GOI Notification No.03/2022 dt. 13.07.2022. This has resulted in the inadequate internal control system in getting revised estimated cost on time.	As per the approved sanctioned estimate/DPR, MOU was signed on 14.07.2022 i.e. FY 2022-23. However, doubling work was transferred to K-RIDE based on the above approved estimate which was prepared by Railways during the year 2018. Currently, K-RIDE's Executive section has worked out the revised estimate considering escalation costs and change in GST rate and submitted to SWR (MoR) for approval. Further, on approval of MoR&GoK the same will be considered accordingly.
2	As per Sl. No.6 of MOU dated 14th July 2022 relating Doubling Project undertaken by Holding Company, the Project shall be completed within 36 months from July,2020. To date, the project is not yet completed. There is no mutual consent in writing for having agreed for extension of period. This has resulted in the inadequate internal control system in getting the extension for completion of the project.	As per "Terms of Agreement" (Sl No.1) of MOU for Doubling, this MOU shall be valid till both the projects are completed in all aspect including the defect liability period / maintenance period and completion report is duly prepared and agreed by the parties. In view of the above, the MOU is still valid. However, mutual consent of both the parties for extension of period will be obtained in the due course of time.
3	As per Sl. No.14 of MOU dated 14th July 2022 relating to Doubling Project undertaken by Holding Company, the details of requirement of land to Railways after Final Location Survey are to be submitted. Details of land requirement for the two doubling projects have not been submitted. This may result in a delay in the completion of the project.	Final Location Survey has been done by Railways. There is no major land acquisition involved in the doubling projects. However, if need for any land acquisition is arising, same is being processed on case-to-case basis.
4	The Holding company has no proper control system to obtain balance confirmation from the parties on a regular interval basis.	Letter for confirmation of balances for balances as on 31.03.2025 has been sent to all creditors with a note stating that "if the communication is not received within one week from the receipt of this letter/e-mail, then KRIDE would treat the balance as stated is a deemed confirmation".
5	We draw the attention to Para 4 of our report of even date, where the funds to the extent of Rs.25,336 Lakhs. have been diverted from BSRP Project to Railway doubling line project.	As a temporary arrangement, K-RIDE has utilised the BSRP funds for Doubling project to meet the work target and contractual obligations as both the projects are equally funded by GoK&MoR. The same will be recouped to BSRP project on receipt of Doubling funds from GoK.

b. Comptroller and Auditor General of India

In terms of applicable provisions of Companies Act 2013, the Company is required take the comments on the financial statements of the Company issued by the Comptroller and Auditor General (C&AG) of India to every financial statement to be laid before the company in Annual General Meeting. After the completion of the Supplementary Audit, C&AG has issued its comments and also NIL report as required under Section 143(6) (b) to the Company and it is placed at the 24th Annual General Meeting of the company for kind noting of the members of the company. Copy of the Supplementary Audit Report of CAG has been attached as **ANNEXURE - I**.

c. Maintenance of Cost Records and Cost Audit

Considering the business activities of the Company and based on the turnover of the immediately preceding financial year, the provisions of Section 148 are not applicable to the Company. Hence details are not offered.

d. Secretarial Auditor

As the Company is falling within the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration and Managerial Personnel) Rules, 2014, with the approval of the Competent Authority Milind Kulkarni & Associates, PCS was appointed as Secretarial Auditor for the Financial Year 2024-25 and he has issued Secretarial Audit report for the Financial Year 2024-25 in Form No. MR 3 Copy of the same Secretarial Audit Report has been attached as **ANNEXURE - II**. Directors are considering the observations raised by Secretarial Auditor and taking care of all compliances.

e. Frauds reported by auditor

Pursuant to sub-section (12) of section 143 of the Act, auditor has not reported any frauds during financial year.

24. COMPOSITION OF AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND MANAGEMENT COMMITTEE:**A) AUDIT COMMITTEE**

The Audit Committee was reconstituted on 01.07.2024. The Audit Committee consists of the following Directors as on 31.03.2025:

- | | | |
|--------------------------|---|---------------------------|
| 1. Shri. Umashankar S. R | - | Chairman of the Committee |
| 2. Dr. Vishal R | - | Member of the Committee |
| 3. Shri. Ashutosh Mathur | - | Member of the Committee |
| 4. Smt. Deepa Kotnis | - | Member of the Committee |
| 5. Dr. Manjula N | - | Spl. Invitee |

Further, consequent on change of Director on the Board of KRIDE, due to superannuation of Shri. Umashankar S.R, IAS with effect from 30.04.2025 the Audit Committee of the Board is reconstituted as under:

- | | | |
|--------------------------|---|---------------------------|
| 1. Shri.Tushar Giri Nath | - | Chairman of the Committee |
| 2. Dr. Vishal R | - | Member of the Committee |
| 3. Shri. Ashutosh Mathur | - | Member of the Committee |
| 4. Smt. Deepa Kotnis | - | Member of the Committee |
| 5. Dr. Manjula N | - | Spl. Invitee |

The Audit Committee met twice during the financial year 2024-25 on the following dates:

- 29.07.2024
- 13.12.2024

The details of attendance of members are as follows:

Name	Status	Category	No. of meeting held during the year 2024-25	
			Held	Attended
Shri. Umashankar S. R	Chairman	Non-Executive & Nominee Director	2	2
Dr. Vishal R	Member	Non-Executive & Nominee Director	2	2

Shri. Ashutosh Mathur	Member	Non-Executive & Nominee Director	2	2
Smt. Deepa Kotnis	Member	Non-Executive & Nominee Director	2	2
Dr. Manjula N	Spl. Invitee	Non-Executive & Nominee Director	2	2

B) NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was reconstituted on 01.07.2024. The N&R committee consists of the following Directors as on 31.03.2025:

1. Shri. Umashankar S. R - Chairman of the Committee
2. Dr. Manjula N - Member of the Committee
3. Shri. Ashutosh Mathur - Member of the Committee
4. Shri. Awadhesh Mehta - Member of the Committee

Further, consequent on change of Director on the Board of KRIDE, due to superannuation of Shri. Umashankar S.R, IAS with effect from 30.04.2025 the Nomination and Remuneration Committee of the Board is reconstituted as under:

1. Shri. Tushar Giri Nath - Chairman of the Committee
2. Dr. Manjula N - Member of the Committee
3. Shri. Ashutosh Mathur - Member of the Committee
4. Shri. Awadhesh Mehta - Member of the Committee

The Nomination and Remuneration Committee met thrice during the financial year 2024-25 on the following dates:

1. 12.07.2024
2. 07.10.2024
3. 07.12.2024

Name	Status	Category	No. of meeting held during the year 2024-25	
			Held	Attended
Shri. Umashankar S. R	Chairman	Non-Executive & Nominee Director	3	3
Dr. Manjula N	Member	Non-Executive & Nominee Director	3	3
Shri. Ashutosh Mathur	Member	Non-Executive & Nominee Director	3	3
Shri. Awadhesh Mehta	Member	Non-Executive & Nominee Director	3	3

C) MANAGEMENT COMMITTEE

The Management Committee was reconstituted on 01.07.2024. The Management committee consists of the following Directors as on 31.03.2025:

1. Shri. Umashankar S. R - Chairman of the Committee
2. Dr. Manjula N - Member of the Committee
3. Shri. Ashutosh Mathur - Member of the Committee
4. Smt. Deepa Kotnis - Member of the Committee
5. Dr. Vishal R - Member of the Committee

Further, consequent on change of Director on the Board of KRIDE, due to superannuation of Shri. Umashankar S.R, IAS with effect from 30.04.2025 the Management Committee of the Board is reconstituted as under:

- | | | |
|---------------------------|---|---------------------------|
| 1. Shri. Tushar Giri Nath | - | Chairman of the Committee |
| 2. Dr. Manjula N | - | Member of the Committee |
| 3. Shri. Ashutosh Mathur | - | Member of the Committee |
| 4. Smt. Deepa Kotnis | - | Member of the Committee |
| 5. Dr. Vishal R | - | Member of the Committee |

The Management Committee met thrice during the financial year 2024-25 on the following dates:

1. 28.05.2024
2. 29.07.2024
3. 13.12.2024

Name	Status	Category	No. of meeting held during the year 2024-25	
			Held	Attended
Shri. Rakesh Singh	Chairman	Non-Executive & Nominee Director	1	1
Shri. Umashankar S. R	Chairman	Non-Executive & Nominee Director	2	2
Shri. Ashutosh Mathur	Member	Non-Executive & Nominee Director	3	3
Smt. Deepa Kotnis	Member	Non-Executive & Nominee Director	3	3
Dr. Manjula N	Member	Non-Executive & Nominee Director	3	3
Dr. Vishal R	Member	Non-Executive & Nominee Director	3	3

25. PARTICULARS OF EMPLOYEES

There were no employees of the Company who received remuneration in excess of the limits prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

26. DETAILS OF SUBSIDIARIES /JOINT VENTURES/ASSOCIATE COMPANIES

The Company has invested Rs.2 Crore in the paid-up capital of M/s. Hassan Mangalore Rail Development Company Ltd., (1.786% of paid-up capital) one of the Special Purpose Vehicle (Joint Venture of Ministry of Railways, Govt., of Karnataka and strategic investors).

Further, the Company has subscribed Rs.10 Lakhs in the 100% subsidiary project SPV Company i.e., M/s. Bengaluru Integrated Rail Infrastructure Development Enterprise Limited – B-RIDE to implement Bangalore Sub-urban Rail Project (BSRP).

Statement containing salient features of the financial statement of subsidiaries pursuant to first proviso to subsection (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 in prescribed format AOC-1 is attached as **ANNEXURE – III**.

27. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Section 4 (1) says "every employer of a workplace shall, by an order in writing constitute a committee to be known as the "Internal Complaints Committee". The Company fully respects the Vishakha Guidelines in spirit and practice at the same. The Company has complied with all the provisions of the POSH Act and the rules framed thereunder

Particulars	Number of complaints
Number of complaints pending at the beginning of FY 2024-25	0
Number of complaints filed during FY 2024-25	1
Number of complaints disposed of during FY 2024-25	1
Number of complaints pending as at end of FY 2024-25	0

28. COMPLIANCE OF MATERNITY BENEFIT ACT, 1961

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.

29. NUMBER OF EMPLOYEES AS ON THE CLOSURE OF FINANCIAL YEAR

Female	37
Male	105
Transgender	0

30. GENERAL DISCLOSURES:

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- No issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.
- Company doesnot have any Subsidiary, Joint Venture and Associate Companies at the end of the year.
- Declaration from Independent Director is not applicable as Company is not required to appoint Independent Director
- The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

31. ACKNOWLEDGMENT

K-RIDE has developed close relationships with Infrastructure Development Department, Urban Development Department, Directorate of Urban Land Transport (DULT), Finance Department/Government of Karnataka, Ministry of Railways, Government of India, South Western Railway, Hassan Mangalore Rail Development Company (HMRDC) and M/s. RITES Ltd. The Board of Directors wishes to gratefully acknowledge the assistance and guidance received from all of them.

By order of the Board

For Rail Infrastructure Development Company (Karnataka) Ltd.,

Sd/-

Dr. Shalini Rajneesh, IAS
Chairperson

Place: Bengaluru

Date: 20.12.2025

ANNEXURE-III**Form No. AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part-A: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. '000)

Name of the subsidiary	Bengaluru Integrated Rail Infrastructure Development Enterprises Limited
The date since when subsidiary was acquired. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	6-Jan-2021
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
Share capital	1,000.00
Reserves and surplus	(780.87)
Total assets	238.85
Total Liabilities	238.85
Investments	00
Turnover	00
Profit before taxation	(424.64)
Provision for taxation.	00
Profit after taxation	(424.64)
Proposed Dividend	00
Extent of shareholding (in percentage)	100%

Part-B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of the subsidiary	
1. Name of Associates or Joint Ventures 2. Latest audited Balance Sheet Date 3. Shares of Associate or Joint Ventures held by the company on the year end No. of Shares Amount of Investment in Associates or Joint Venture Extent of Holding (in percentage) 4. Description of how there is significant influence 5. Reason why the associate/joint venture is not consolidated 6. Net worth attributable to shareholding as per latest audited Balance Sheet 7. Profit or Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation 8. Names of associates or joint ventures which are yet to commence operations 9. Names of associates or joint ventures which have been liquidated or sold during	Information is Nil, there are no Associates and joint Ventures of K-RIDE during the year 2024-25

Auditor's Report on Ind AS Standalone Financial Statements of Company Prepared in Accordance with a Fair Presentation Framework

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Rail Infrastructure Development Company (Karnataka) Limited.

Report on the audit of Ind AS Standalone Financial Statements.

Qualified Opinion

We have audited the accompanying Standalone Ind AS financial statements of **Rail Infrastructure Development Company (Karnataka) Limited** ("the Company") (Hereinafter referred to as The KRIDE), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of changes in Equity for the year then ended and notes to the financial statements, including a summary of Material accounting policies and other explanatory information. This report supersedes our Independent Auditor's Report dated 27 October 2025, on the Ind AS standalone Financial Statements of the company for the year ended 31 March 2025, which has been revised in the light of observations arising from the audit by Comptroller & Auditor General of India.

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

Basis for Qualified 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Matters giving rise to Qualified Opinion

1. The KRIDE is mainly involved in execution of Railway Line Doubling Projects and was operating the funds related to the same. However, during last two financial years the Company started receiving funds from Government of Karnataka (Hereinafter called GOK) as well as Ministry of Railways (Hereinafter called MOR) for implementation of Bangalore Sub-urban Railway Project (Herein after called BSRP Project). Again, as per directions received, the KRIDE has established BRIDE as its subsidiary to execute BSRP Project. Meanwhile the funds received from GOK and MOR towards BSRP Project; despite having created a subsidiary for execution of BSRP Project, the company has converted the funds received from GOK and MOR into Share Capital of the Company. Even though the KRIDE is executing the BSRP Project, the discussions are going on to transfer entire BSRP funds and corresponding assets and liabilities to BRIDE. There is no clarity either from GOK or MOR regarding this issue. By allotting shares to MoR the Company has made MOR shareholder to the extent of 49% of its existing operations which was not warranted. This has resulted into doubt regarding continuity of BSRP Project Implementation through KRIDE. This has a bearing on accounting issues, Shareholding issues and Going Concern issues etc. In the absence of clarity, we are not in a position to quantify the Financial and other Implications on the Company.
2. The Company is executing two Railway line doubling projects of Southwestern Railways (SWR in brief). The company is following percentage of completion method based on cost incurred method/ Input method under Ind AS for recognition of Revenue. Since the company is using Input method, it is prudent to recognize Revenue based on the estimated cost as on date. However, the company is recognizing Revenue based on the approved cost dated 14-07-2022. As per MOU dated 14.07.2022 between The Company and SWR any change in the DPR and the detailed estimate shall be sanctioned by SWR. The company has submitted a detailed revised estimated cost based on current rates and duly approved by the technical team to MOR. Following are the differences between original estimates and revised estimates.

(Rs. In Lakhs)

Name of the Project	Yeshwantpur-Channasandra Doubling	Byappanahalli-Hosur Doubling
Original Estimation dated 14-07-2022	31,411	49,873
Revised Estimation submitted to MOR but not yet approved.	68,357	1,16,077
Difference	-36,946	-66,204

As per information provided to us, till date revised estimated cost is not approved by SWR. In the absence of revised approved estimated cost, we are unable to quantify the impact on Revenue and Profit thereon.

This matter was also reported in the previous audit report for the year ended 31st March 2024 and remains unresolved.

- The Net Profit for the reporting period is Rs.1031.30 lakhs, which includes Bank Interest income of Rs.1,577.52 lakhs. Company being a Implementing Agency, has to receive a fixed percentage of Supervision Charges and cannot incur operational loss during the normal course of business. However, barring Interest Income, the company has incurred a loss before taxes amounting to Rs.546.22 lakhs. The Main reason for the loss is that the Company has submitted a detailed revised Estimate duly approved from its Technical Team for approval before the Ministry of Railway Authorities. As on date of signing this report, the Ministry of Railways has not approved the revised estimate. This has resulted into Understatement of Revenue as well as Receivable Balance. In absence of complete information, we are not in a position to quantify the extent of Short Revenue and corresponding Receivables value. This may also create Ind AS issues in subsequent financial years as Ind AS requires that any adjustments made in books corresponding to previous financials years, then corresponding effect shall be given to those financial years and there will be a need to restate the previous financial years figures.
- The Railway Line doubling project on specified routes are being undertaken by KRIDE in joint participation between Ministry of Railways (MOR in brief) and Government of Karnataka (GOK in brief). Both MOR and GOK have contributed to the project in Equal Proportion. The Modus operandi is that the KRIDE will raise Invoice to Ministry of Railways as per agreed terms and conditions. Against these invoices the funds will have to be received both from MOR and GOK.

Even though GOK is contributing 50% of its shares all the Billings by KRIDE shall be made to MOR as per terms of agreement. As per information provided to us the GOK will hand over money to KRIDE directly. MOR will release its share as and when the Bills are raised by the KRIDE.

As a matter of prudence and to reflect the true and fair view of the affairs of the company, the company has to account for contract revenue as per the terms of the agreement entered between the company, MOR and GOK. As each of the participants contribute 50% of the funds required for the project, ideally the receivables balance of the company should reflect how much money is receivable from GOK as well as MOR.

As can be seen from Accounts MOR has released its share as and when the bills are raised. However, no written Balance Confirmation is obtained from either GOK or MOR with respect to Contract Revenue Accounted, Funds Released and balance receivable. For KRIDE, MoR and GoK are like outside customers, and KRIDE is not bound by budget allocations of GOK. In the normal course of business, company has to account for revenue as per INDAS 115 and the receivables from each of the customer has to be reflected in the books of accounts. As per the information provided by the company, the status of work executed and funds received/receivable in respect of doubling projects as at 31st March 2025 is as under:

(₹ in lakhs)

Doubling	Estimate	Expenditure till 31.03.2025	Amount released up to 31.03.2025	Shortage/ (Excess)
GoK	40,642	35,336	10000	25,336
MoR	40,642	35,336	43,483	-8,147
	81,283	70,672	53,483	17,189

In our view the MOR has released excess money, and the GOK has to pay its dues to KRIDE. It is also not clear whether the excess amount received from MOR is advance received or to be recognized as revenue. As per statement furnished the GOK has given 10000 Lakhs as on date and the balance receivable is Rs.25,336 Lakhs. Presuming, MOR has released Rs.8,147 Lakhs in excess, company has to show advance received from MOR and corresponding balance to be shown as Rs. 25,336 Lakhs. This has affected the true and fair presentation of the Accounts as Current assets have been understated by Rs. 25,336 Lakhs and Current liabilities have been understated by Rs.8,147 Lakhs.

- Further since GOK has not paid its dues the amount payable to contractor should have gone up to that extent. But on our verification, it was observed that the Funds received from GOK in respect of BSRP project has been used to pay

to the Contractors and as a result there is no outstanding dues payable to Contractors. In order to make payments to contractors out of earmarked funds for BSRP Projects, the Company management should have obtained prior permission from GOK as the funds are allocated out of specified budgetary allocations from GOK and since it is approved in Karnataka legislative Assembly and project specific funds are received, there cannot be diversion of funds from one project to another project. This has resulted into violation of financial powers vested with the company resulting in diversion of funds without written approval from GOK to the extent of Rs.25,336 Lakhs.

6. In the original cost estimate relating to doubling project undertaken by the Company, there are mistakes in estimates relating to individual type of work like Electrical, Signaling& Telecommunication and OHE. The net differences of Rs. 269.92 lakhs have been added to total estimated cost. However, no changes have been affected on Direction & General charges on account of these additions to or deductions from the estimated cost. The exact amount of Direction & General charges mentioned in estimates relating to individual types of work like Electrical, Signaling& Telecommunication and OHE are only considered for recognizing the revenue. In connection with this matter, we are unable to quantify the impact on profit.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

7. The Company has not ascertained the liability for Property Tax under The Bruhat Bengaluru MahanagaraPalike Act, 2020 on lands acquired by the Company. During the year no provision for property tax is made by the Company. We are unable to quantify the impact on profit.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

8. The Company is availing GST input tax credit in respect of direct expenditure relating to doubling project and is not availing Input Tax Credit relating to BSRP project under the pretext that it is not entitled for credit as per provisions section 17(5) of the CGST/KGST Act. However, since the BSRP Project is going to be transferred to a separate entity in our view the Company is Supplying Works Contract to Ministry of Railways and is incurring the Capital Expenditure in fiduciary capacity out of funds received from MoR and GoK. Therefore, the Company could have claimed Input Tax Credit. Further the input tax credit on common expenditure allocated to doubling projects is not claimed and the same is debited to Profit and Loss statement. In absence of information, we are unable to quantify the impact on profit. The Input in respect of BSRP Project amounts to Rs.3,365.57 Lakhs.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

9. The Company has shown the opening balance of Rs.16,541.82 Lakhs (net of transfer to share capital) as Interest Free Subordinate Debt from GOK (Advance from GOK - BSRP Project-Land Acquisition). During the current financial year the Company has received an additional amount of Rs.59,000 Lakhs as an Advance from GOK - BSRP Project-Land Acquisition. As per letter dated 05-12-2024 from GOK, it is mentioned that the funds of Rs.16,541.82 Lakhs should be treated as the Subordinate debt. For the balance funds of Rs. Rs.59,000 Lakhs, no confirmation received from GOK either to treat it as a Subordinate debt or grant-in-aid.

In our opinion the aforesaid amount of Rs.59,000 Lakhs relating to Advance from GOK for Land Acquisition shall be shown as Government Grants for Capital Expenditure, as per Ind AS 20- Deferred Government Grants Para 12 and 13 relating to Accounting for Government Grants. This has resulted in understatement of Deferred Government Grants and overstatement of Long-Term Borrowings by Rs.17,101.25 Lakhs and other equity by Rs.41,898.75 Lakhs and also resulted in non-compliance to Division II of Schedule III to the Companies Act,2013.

10. The Company has received Rs.50,000 lakhs from MoR towards Share Application Money up till 31.03.2024. Out of the aggregate amount of Rs.50,000 lakhs, The Company has transferred Rs.48,039.22 lakhs to Share Capital during the financial year 2023-24 and the balance of Rs.1,960.79 Lakhs has shown as Grant from MOR – BSRP under Long Term Borrowings.

In our opinion, the aforesaid balance of Rs.1,960.79 Lakhs shall be shown as Share Application Money pending allotment. This has resulted in understatement of Share Application Money pending allotment and overstatement of Long-Term Borrowings by Rs. 1,960.79 Lakhs and also resulted in non-compliance to Division II of Schedule III to the Companies Act,2013.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

11. The unspent amount of funds received from GOK and MOR have been invested by The Company in the form of Fixed Deposit in Banks. Interest earned to the extent of Rs.5166.00 lakhs (net amount) on such fixed deposits till 31.03.2025 has been reduced from Capital work-in-progress as disclosed in Note No.3(d) of Notes to Accounts.

The accounting treatment of grant as subordinate debt approved by the GOK to the extent of 16,541.82 lakhs and for the balance amount of Rs.59,000 lakhs The GOK is not yet approved the same. Further, as per the decision of 97th Board meeting the balance of share application money received from MOR is treated as grants and the same is not yet approved by the MOR. Therefore, in the absence of correct nature of the funds, we are unable to ascertain the impact of

accounting treatment of the interest income which has been reduced from Capital work-in-progress.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

12. The Company has acquired Land from Karnataka Veterinary, Animal & Fisheries Science University (KVAFSU) for Rs.27,36,17,300/- (Amount paid on 13/04/2023 and Possession was taken on 04/05/2023). As per Sl.No.54 of Office Note, The Company is required to ensure the construction of Compound wall. The Company has not ascertained the liability for the construction cost of Compound wall and no provision for the same is made by the Company. Therefore, we are unable to quantify the impact on the cost of the land capitalized.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

13. As at 31st March 2025, a sum of ₹570.41 lakhs continues to be included as security deposit from M/s RMNIL & BIDPL (JV), Hyderabad under "Other Current Liabilities" as per Note No.25 to the Notes on Accounts, though the same has not been actually recovered from the contractor. Consequently, Current Liabilities and Current Assets remain overstated by this amount. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

Further, as at 31st March 2025, an amount of ₹299.54 lakhs continues to be carried as "Recovery – RMNIL & BIDPL (JV)" under "Other Current Assets" as per Note No.14 to the Notes on Accounts. The Company has disclosed that the amount is unsecured and considered doubtful, but no provision has been made. Consequently, Current Assets and Profit are overstated by ₹299.54 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

14. As at 31st March 2025, a sum of ₹74.28 lakhs continues to be included as security deposit recovered from M/s Bava Infrastructure Developers Pvt. Ltd., Mangalore under "Other Current Liabilities" as per Note No.25 to the Notes on Accounts. This amount has not been actually recovered from the contractor, though as per Company policy it should have been forfeited and recognized as income on termination of the contract. Consequently, Current Liabilities and Current Assets remain overstated by ₹74.28 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

Further, as at 31st March 2025, an amount of ₹18.30 lakhs in respect of Performance Bank Guarantee (PBG) relating to the same contractor continues to be included under Security Deposit in "Other Current Liabilities" as per Note No.25. This amount has not been recovered, although as per Company policy it should have been forfeited and recognized as income. Consequently, Current Liabilities and Current Assets are overstated by ₹18.30 lakhs.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

15. We are unable to ascertain the impact on the financial statements, of the following balances which have not been confirmed by the Parties to whom the letters requesting direct confirmations of balances have been sent.

(Rs. in lakhs)

Description of account	Amount covered in the Letters sent for confirmation	Amount for which confirmation has been received	Amount for which confirmation has not been received
Trade payables	612.74	158.40	454.34
Trade receivables	12,163.07	-	12,163.07

Emphasis of Matters

We draw attention to the following matters in notes to the financial statements:

- The title deeds in respect of lands acquired through KIADB amounting to Rs. 44,086.01 lakhs, land acquired from BDA amounting to Rs. 642.99 lakhs, land acquired from BWSSB amounting to Rs. 86.67 lakhs, land acquired from LIDKAR amounting to Rs.361.63 lakhs and land acquired from KVAFSU amounting to Rs. 2,736.17 lakhs are not held in the name of company as disclosed in the explanatory note "k" of Note no 3 of Notes to accounts.
- The company has been making advance payments to KIADB for acquisition of land. As at the end of the current year there is a balance in advance amount to the extent of Rs.23,769.41 lakhs. KIADB has notified total land to the extent of 2,34,743.45 sq.mts out of which, KIADB has issued utilization certificate for 1,05,364.02 sq.mts and the same is capitalized as at 31.03.2025. For the balance of 1,29,379.43 sq.mts and the valuation is under process and the value of land will be adjusted against the aforesaid advance amount as disclosed in explanatory note "c" of Note no 3 of Notes to accounts. Further, out of lands acquired from private parties through KIADB (under compulsory acquisition) as on 31.03.2025 to the extent of 1,91,593.21 sqmts which are yet to be registered in the name of the Company, lands measuring 3,776.13 sqmts are under dispute.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Reporting of key audit matters as per SA 701 is applicable to the Listed Companies. As the Company is an Unlisted Company, reporting of Key Audit Matters is not applicable to this Company.

Information other than 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 financial statements and our auditor's report thereon.

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

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

When we read other information, if we conclude that there is a material misstatement there in, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations. We have nothing to report in this regard.

Our opinion is not modified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Standalone Ind AS Financial Statement

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with Standards on Auditing (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 an adequate internal financial control with reference to stand alone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

1. The Financial Statements of the previous year have been audited by M/s Prakash.S.D& Co. They have issued an original audit report on 10th September, 2024. Subsequently, they have revised and issued the modified opinion in their audit report on 8th November, 2024 in the light of the observations of the Comptroller and Auditor General of India. We have considered their qualified opinions, while framing our opinion.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-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 except for the qualification made, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion except for the qualification made 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) Being a Government Company pursuant to the Notification No GSR 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of section 164 of the Companies Act, 2013, are not applicable to the company.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements in place 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.39 to the financial statements.
 - ii. As mentioned in our Basis for Qualified Opinion section of our audit report, we are of the opinion that there will be material foreseeable losses on long-term contracts if the Company does not get the revised estimated cost of the project from SWR. The Company has not entered into any derivative contracts.
 - iii. As per the books of accounts and according to the information and explanations given to us, there are no dues are required to be transferred, to the Investor Education and Protection Fund by the Company as at the balance sheet date.

- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, 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 person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (a) and (b) above, contain any material mis-statement.
- v. The company has not declared any dividend nor recommended any dividend during the year. Therefore, the provisions of Section 123 of the Act is not applicable to this Company.
- h) As required under Section 143(5) of the Act, based on such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure C" a statement on the directions and sub-directions issued by the Comptroller & Auditor General of India.
3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- Sec 197 of Companies Act, 2013, refers to overall maximum managerial remuneration payable to directors by public limited companies. Pursuant to the Notification No GSR 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions Section 197(16) of the Companies Act, 2013, are not applicable this Company.
4. 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.
5. Secretarial Audit Report in Form MR-3 dated 30th September 2025 states that
- a. Gap between two Board Meeting: Pursuant to sub-section 1 of section 173 of the Companies Act, 2013, every company shall hold the first meeting of the Board of Directors within thirty days of the date of its incorporation and thereafter hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. As per our observations Company hold Board Meeting on 02nd March, 2024 and thereafter on 31st August, 2024 hence there was gap more than one hundred and twenty days between two meetings.
- b. Corporate Social Responsibility: Pursuant to section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall comply with the provisions of Corporate Social Responsibility. As per our observation CSR provisions are applicable to the Company and Company is in process to comply with provisions of CSR.
- c. Articles of Association Compliance: Company has not formed APEX as required under Article 32.

For P.K Subramaniam & Co.,
Chartered Accountants,
FRN: 0041355

Sd/-
(CA Veerabasana Gouda)
Partner,
MRN: 208698
UDIN:25208698BMKXA15456

Date : 04.12.2025

Place : Bengaluru

ANNEXURE-A TO INDEPENDENT AUDITORS REPORT

Rail Infrastructure Development Company (Karnataka) Limited

Referred to in paragraph 1 under the heading Report on other Legal & Regulatory Requirements of our report of even date.

1)

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. However, the company has acquired lands for implementation of BSRP Project through KIADB. However, the extent of acquisition, the transfer of the Land in the name of the company is not complete.
- b) The company has maintained proper records showing full particulars of Intangible assets.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- d) As explained to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Ind AS financial statements are not held in the name of the company areas under:

Description of property	Gross carrying value (Rs. in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held (since which date)	Reason for not being held in the name of the company
Land – KIADB	43,142.62 (Corridor-2)	KIADB	Yes – GOK	Since FY 2021-22 to FY 2024-25	Khata transfer is under process
	943.39 (Corridor-4)		Yes – GOK		
Land - BDA	642.99	BDA	Yes – GOK	31.01.2024	Registration is under process
Land - BWSSB	86.67	BWSSB	Yes – GOK	10.11.2022	Registration is under process
Land - LIDKAR	361.63	LIDKAR	Yes – GOK	21.11.2022	Registration is under process
Land - KVAFSU	2,736.17	KVAFSU	Yes – GOK	04.05.2023	Registration is under process

*Out of lands acquired from private parties through KIADB (under compulsory acquisition) as on 31.03.2025 to the extent of 1,91,593.21 sqmts which are yet to be registered in the name of the Company, lands measuring 3,776.13 sqmts are under dispute.

As explained to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

- e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- f) The company has maintained proper records showing full particulars, of intangible assets.
- g) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

- 2)
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable having regard to size and nature of operations of the company. The coverage and procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records are not 10% or more in the aggregate for each class of inventory.
 - b) The company has not been sanctioned working capital limits in excess of Rs five crore at any point of time during the year, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence the reporting on whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company as per clause 3 (ii)(b) of the Order does not arise.
- 3) According to the information and explanations given to us, during the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, provisions of clause 3(iii)(a) to 3(iii)(f) are not applicable to the Company.
- 4) As explained to us, the company has not granted any loans, nor made any investments nor given any guarantees/ security, hence the question of compliance to the provisions of Sections 185 and 186 of the Act as per clause 3 (iv) of the Order does not arise.
- 5) In our opinion the company has not accepted any deposits from public; hence the question of compliance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder as per clause 3 (v) of the Order does not arise.
- 6) According to the information and explanations given to us, the Central Government has not prescribed for the maintenance of cost records under section 148(1) the Companies Act, 2013. Accordingly, provisions of clause 3(vi) is not applicable to the Company.
- 7)
 - a) As per our selective verification of records and according to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State Insurance, Income tax, Sales Tax, Service Tax, Duty of Customs, Duty of excise, value added tax, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. No undisputed amounts payable in respect of the above were in arrears as at March 31, 2025 for a period of more than six months from the date on when they become payable except the below mentioned items
 - i) National Pension Scheme: Rs 8,26,986.
 - b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- 8) According to the information and explanations given to us, there are no such transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- 9)
 - a) According to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b) According to the information and explanations given to us, the company is not declared as a willful defaulter by any bank or financial institution or other lender.
 - c) According to the information and explanations given to us, the company has not taken any term loans. However, the company has received subordinate debt from GOK for implementation of BSRP Project. The company has diverted a sum of 25,336 Lakhs for implementation of Railway doubling line project.
 - d) According to the information and explanations given to us, funds raised on short term basis have not been utilized for long-term purposes.
 - e) According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
 - f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 10)
 - a) Based upon the audit procedures performed and information and explanations given by management, the company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company and hence not commented upon.

- b) According to the information and explanations given to us, the company has allotted shares to the existing shareholders on a rights basis and complied with the provisions of Section 62 of the Act. The compliance to the provisions of Section 42 of the Act is not applicable as the company has not issued any shares on Private Placement basis.
- 11)
- a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) According to the information and explanations given to us, there are no whistle-blower complaints received during the year by the company.
- 12) The company is not a Nidhi Company. Therefore, the provisions of clause 3(xii)(a), 3(xii)(b) & 3(xii)(c) are not applicable.
- 13) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act where applicable and the details have been disclosed in the Ind AS financial statements, etc., as required by the applicable accounting standards
- 14)
- a) In our opinion and based on our examination, 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.
- 15) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected to them.
- 16)
- a) 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 Act, 1934 (2 of 1934).
- b) According to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities.
- c) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi)(c) & 3(xvi)(d) are not applicable.
- 17) According to the information and explanations given to us, the company has not incurred cash losses in the financial year.
- 18) There has been no resignation of the statutory auditors during the year, hence this clause is not applicable. However, the previous statutory auditors have retired as per directions from C&AG.
- 19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20) The provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 are applicable to the Company. The Company is in the process of complying with the requirements of CSR including formulation of a CSR policy and constitution of a CSR Committee.
- 21) In our opinion, clause 3(xxi) is not applicable to standalone Ind AS financial statements.

For P.K Subramaniam & Co.,
Chartered Accountants,
FRN: 004135S

Sd/-
(CA Veerabasana Gouda)
Partner,
MRN: 20869
UDIN: 25208698BMKXAI5456

Date: 04.12.2025
Place: Bengaluru

"ANNEXURE - B" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls with reference to Standalone Ind AS Financial Statements of Rail Infrastructure Development Company (Karnataka) Limited ('the Company') 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 Ind AS Financial Statements of Rail Infrastructure Development Company (Karnataka) Limited, ('the Company') as at March 31, 2025 in conjunction with our audit of the 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 control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) 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 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 with reference to financial statements to fu-

ture periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

In our opinion, except for the effects/possible effects of the material weaknesses described below on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2025:

1. In respect of Electrical Work (YPR-CHN) & Signaling Work (BYPL-HSR) of doubling project, actual expenses are more than the Estimated cost by Rs.195.21 lakhs and Rs. 1,063.05 lakhs respectively. The approval for the excess expenditure has not been obtained from the SWR. Further, no revised estimated cost has been obtained soon after the change in the GST rate from 12% to 18% vide GOI Notification No.03/2022 dt. 13.07.2022. This has resulted in the inadequate internal control system in getting revised estimated cost on time.
2. As per Sl. No.6 of MOU dated 14th July 2022 relating Doubling Project, the Project shall be completed within 36 months from July,2020. To date, the project is not yet completed. There is no mutual consent in writing for having agreed for extension of period. This has resulted in the inadequate internal control system in getting the extension for completion of the project.
3. As per Sl. No.14 of MOU dated 14th July 2022 relating to Doubling Project, the details of requirement of land to Railways after Final Location Survey are to be submitted. Details of land requirement for the two doubling projects have not been submitted. This may result in a delay in the completion of the project.
4. The Company has no proper control system to obtain balance confirmation from the parties on a regular interval basis.
5. We draw the attention to Para 5 of our report of even date, where the funds to the extent of Rs.25,336 Lakhs. have been diverted from BSRP Project to Railway doubling line project.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2025 financial statements of the Company, and these material weaknesses does not affect our opinion on the Standalone Ind AS financial statements of the Company.

For P.K Subramaniam & Co.,
Chartered Accountants,
FRN: 0041355

(CA Veerabasana Gouda)
Partner,
MRN: 208698
UDIN:25208698BMKXA15456

Date: 04.12.2025
Place: Bengaluru

"ANNEXURE - C" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of Rail Infrastructure Development Company (Karnataka) Limited (the Company) for the year ended 31st March 2025.

a. Directions under section 143(5) of Companies Act 2013

	General Directions	Comments
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The valuation approach is reasonable and in compliance with Ind AS requirements. No material deviations or misstatements were noted in the carrying value of investments.
2	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any, may be stated	According to the information and explanations given to us, the transactions in Tally Software, including corrections if any, are made with the prior approval of the authorized signatory. User wise log in are created to ensure accountability and trail of entries in Tally software. In our opinion quantitative details of inventory are to be maintained in the accounting software itself in order to make the valuation of inventories accurately based on the method of stock valuation followed
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its terms and conditions? List the case of deviation.	In respect of accounting of funds: We refer to Para 9 and 10 in the Basis for Qualified Opinion paragraph in our audit report on the standalone financial statements, the Company has not appropriately classified certain government grants and share application money. This indicates a material weakness in the Company's internal financial controls over financial reporting In respect of utilisation of funds The Company has not established adequate internal controls to ensure proper accounting and utilisation of project-specific funds received from the Ministry of Railways (MOR) and Government of Karnataka (GoK) under the BSRP project. As at 31st March 2025, receivables of ₹25,336 Lakhs from GoK have not been recognised and the excess release of ₹8,147 Lakhs from MOR has not been accounted as advance, resulting in misstatement of receivables and liabilities. Further, it was observed that funds received from GoK for the BSRP project have been utilised for making payments to contractors without obtaining prior approval from GoK, though such funds were sanctioned as project-specific allocations approved by the Karnataka Legislative Assembly. This indicates diversion of funds to the extent of ₹25,336 Lakhs without written approval.
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	Yes, the Company has identified key risk areas and has a structured Risk Management framework in place. Partially aligned with global best practices — improvement possible by introducing risk heat maps, control indicators, and data valuation methods. Data assets are identified at a control level (IT security, access, backup) but not formally valued.

5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom regulatory Authority of India, CERT- IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Since the Company is an unlisted entity, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other SEBI regulations are not applicable. Based on our review of the records and information provided, the Company has complied with all other applicable rules and regulations of MCA, DPE, RBI, TRAI, CERT-IN, MeitY and NPCI, wherever applicable. No instances of material deviation were noted.
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a. Additional Sub-Directions:

- i. All items with regard to Cash and Bank balances as per Annexure-I shall be verified and the cases of specific non-compliances to be reported.

Comments: Reported in Annexure-I.

- ii. Whether the Company has an effective system to deal with misappropriation/fraud cases and whether the losses, if any, were properly accounted for in the books of accounts? Details of unexplained balances/balances operated under suspense head may also be examined.

Comments: In our opinion, the Company has an effective system to deal with misappropriation/fraud cases. We have not come across cases of losses on account of misappropriation/fraud during the course of our audit.

- iii. Whether system for monitoring the execution of works vis-a-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/ losses from contracts, etc., have been properly accounted for in the books.

Comments: According to the information and explanations given to us, a system for monitoring the execution of works vis-a-vis the milestones stipulated in the agreement is in existence. However, the system is not satisfactory. Our comments in this respect are as under:

Comments on Doubling Project:

1. The Company is executing two doubling projects of Southwestern Railways (SWR). The percentage of completion is calculated based on original estimated cost as agreed in Memorandum of understanding (MOU) dated 14.07.2022 between the Company and SWR. As per MOU dated 14.07.2022 between the Company and SWR any change in the DPR and the detailed estimate shall be sanctioned by SWR. Till date revised estimated cost is not approved by SWR. Currently revenue is recognized based on approved MOU dated 14.07.2022 only. In the absence of revised estimated cost, we are unable to quantify the impact on profit.
2. In the original cost estimate relating to doubling project, there are mistakes in estimates relating to individual type of work like Electrical, Signaling& Telecommunication and OHE. These differences have been added to or deducted from the total estimated cost, as the case may be. However, no changes have been effected on Direction & General charges on account of these additions to or deductions from the estimated cost. The exact amount of Direction & General charges mentioned in estimates relating to individual types of work like Electrical, Signaling& Telecommunication and OHE are only considered for recognizing the revenue. In connection with this matter, we are unable to quantify the impact on profit.
3. In respect of Electrical Work (YPR-CHN) & Signaling Work (BYPL-HSR) of doubling project, actual expenses are more than the Estimated cost by Rs.195.21 lakhs and Rs. 1,063.05 lakhs respectively. The approval for the excess expenditure has not been obtained from the SWR. In the absence of approval from SWR, we are unable to quantify the impact on profit.
4. For recognizing the revenue under Percentage completion method relating Doubling Project, GST rate @ 12% is deducted from the Total estimated cost (which includes GST component as per the original estimate) though the present GST rate is 18%. In the absence of revised estimated cost including GST @18%, we are unable to quantify the impact on profit.
5. As per Sl. No.6 of MOU dated 14th July 2022 relating Doubling Project, the Project shall be completed within 36 months from July,2020. To date, the project is not yet completed. There is no mutual consent in writing for having agreed for extension of period.

6. As per Sl. No.14 of MOU dated 14th July 2022 relating to Doubling Project, the details of requirement of land to Railways after Final Location Survey are to be submitted. Details of land requirement for the two doubling projects have not been submitted.

In view of the above, we are unable to quantify the impact on profit.

Comments on BSRP Project:

7. The Company, which was primarily involved in execution of Railway Line Doubling Projects, has during the last two financial years started receiving funds from Government of Karnataka (GoK) and Ministry of Railways (MoR) for implementation of the Bangalore Sub-urban Railway Project (BSRP). As per directions received, the Company has also established BRIDE, a subsidiary, for execution of the BSRP project. Notwithstanding the creation of the subsidiary, the funds received from GoK and MoR towards the BSRP Project have been converted into Share Capital of the Company.

Further, by allotting shares to MoR, the Company has made MoR a 49% shareholder in its overall operations, which was not envisaged at the time of inception. At present, discussions are stated to be ongoing to transfer the entire BSRP funds and the corresponding assets and liabilities to BRIDE. However, there is no clarity from either GoK or MoR regarding the final implementation framework.

In our view, this situation creates uncertainty regarding:

- The continuity of BSRP project execution through KRIDE,
 - The accounting treatment of funds received and converted into share capital,
 - The shareholding pattern and control implications of MoR's stake, and
 - Potential going concern considerations in respect of KRIDE vis-à-vis BSRP execution.
8. As per information provided to us by the Company, the contractor M/s L&T has filed an arbitration case against the company claiming a sum of Rs. 47,881.75 Lakhs. As a result there exists a serious threat for the speedy implementation of the Project.
- Comment on the confirmation of balances of trade receivables, trade payables, advances and balances of a similar nature.

Comments:

We are unable to ascertain the impact on the financial statements of the following balances which have not been confirmed by the Parties to whom the letters requesting direct confirmations of balances have been sent.

(Rs. in lakhs)

Description of account	Amount covered in the Letters sent for confirmation	Amount for which confirmation has been received	Amount for which confirmation has not been received
Trade payables	612.74	158.40	454.34
Trade receivables	12,163.07	-	12,163.07

- Whether the Company has a system of ensuring that the cost on abandoned projects has been identified and provided for/written off?

Comments: The Company has not identified any projects as abandoned projects. Therefore, in our opinion, the provision/write off is not required.

For P.K Subramaniam & Co.,
Chartered Accountants,
FRN: 004135S

Sd/-

CA Veerabasana Gouda
Partner
MRN: 208698
UDIN: 25208698BMKXA15456

Date: 04.12.2025
Place: Bengaluru

ANNEXURE - 1

Sl. No	Items in Checklist	Remarks
1	Whether all Banks Accounts/Fixed Deposits have been opened with banks/ proper authorization and approvals as per the aforesaid delegation of powers?	Yes
2	Whether there was a periodical system of preparation of Bank reconciliation statement and whether they were produced for verification to audit?	Yes
3	Whether Bank reconciliation of the Main account and all subsidiary bank accounts were done?	Yes
4	Was the authorization to operate the bank accounts were given to a single signatory?	Authorization to operate the bank account was given to Joint signatories.
5	Whether the interest for the entire duration of Fixed Deposits was accounted in the books of accounts?	Yes
6	Whether physical verification has taken place periodically?	The company officers had verified on following dates 30.06.2024, 30.09.2024, 31.12.2024& 31.03.2025.
7	Whether the cash in hand as shown in the Balance Sheet tallies with the certificate of physical verification of cash?	Yes
8	Is there a register of Fixed Deposits showing amounts, maturity dates, rates of interest and dates for payment of interest?	Yes
9	Is there a follow-up system to ensure that interest on Fixed Deposits is received on due dates?	Yes
10	Is there a follow-up system to ensure that transfer of matured amount of Fixed Deposits is done without any delay?	Yes
11	Whether bank confirmation statements are obtained periodically from the banks for all accounts: SB accounts, Current Accounts and Fixed deposits?	Latest confirmation Statements are obtained at the end of the year as on 31.03.2025.
12	Whether confirmations of balances in respect of all bank balances tally with the Bank statements?	Yes
13	Whether Fixed Deposits and interests as per Fixed Deposits Register tally with the confirmation/certificate issued by the bank?	Yes
14	Whether the confirmation statements received from banks are authenticated and in the letter head by the bank?	Confirmations received on letter heads of respective Banks.
15	In case of any difference observed in the above check, whether the same was adjusted in the subsequent year?	No such cases exist
16	Whether external confirmations were obtained from Banks in the test checked cases, if so details thereof with.	No. The Request letters were issued by the Company. However financial institutions have not sent the confirmation letters directly to our firm.
17	Whether any of the aforesaid lapses were brought out in the Report of the Internal Financial controls?	Not applicable

For P.K Subramaniam & Co.,
Chartered Accountants,
FRN: 0041355

Sd/-
CA Veerabasana Gouda
Partner,
MRN: 208698
UDIN:25208698BMKXAI5456

Date: 04.12.2025
Place: Bengaluru

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

BALANCE SHEET AS AT 31ST MARCH 2025

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	Note No.	As at 31 st March 2025	As at 31 st March 2024	As at 1 st April 2023
I. ASSETS				
(1) Non - Current Assets				
(a) Property, Plant and Equipment	3(a)	55,591.05	35,831.56	6,568.62
(b) Capital Work In Progress	3(d)	40,694.37	14,904.82	4,910.51
(c) Right-of-use Assets	3(c)	23.21	120.11	184.70
(d) Other Intangible Assets	3(b)	2.03	3.02	6.53
(e) Intangible assets under development	3(e)	648.81	306.79	-
(f) Financial Assets				
(i) Investments	4	210.00	210.00	210.00
(ii) Other financial assets	5	100.55	92.67	82.14
(g) Deferred tax assets (net)	6	232.83	203.97	-
(h) Other non - current assets	7	46,073.31	20,939.89	24,387.01
(2) Current Assets				
(a) Inventories	8	1,354.14	1,743.40	1,804.93
(b) Financial Assets				
(i) Trade receivables	9	12,163.07	9,555.93	-
(ii) Cash and Cash Equivalents	10	32,770.89	35,701.16	14,531.69
(iii) Other Bank Balances	11	-	20,100.00	38,000.00
(iv) Other financial assets	12	20.30	26.50	25.39
(c) Current tax assets (Net)	13	245.06	881.22	782.17
(d) Other Current Assets	14	4,911.61	3,957.60	10,840.70
TOTAL ASSETS		1,95,041.24	1,44,578.65	1,02,334.37
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	15	1,01,039.22	1,01,039.22	3,000.00
(b) Other Equity	16	59,707.42	16,593.44	14,810.04
(2) Share Application Money pending allotment	17	-	-	5,000.00
(3) Liabilities				
(i) Non - Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	23,351.95	5,958.54	51,855.82
(ii) Lease Liabilities	19	9.00	29.05	145.90
(iii) Other Financial liabilities	20	990.63	1,573.22	1,115.03
(b) Other Non Current Liabilities	21	151.55	159.11	108.51
(c) Provisions	22	211.97	154.43	83.39
(ii) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	0.19	0.21	-
(ii) Lease Liabilities	19	20.05	141.33	116.82
(iii) Trade payables	24	-	385.48	-
- Total outstanding dues of micro enterprises and small enterprises		147.38	509.18	175.97
- Total outstanding dues of creditors other than micro enterprises and small enterprises		498.77	-	678.42
(b) Other Current Liabilities	25	7,135.08	16,467.58	24,158.51
(c) Provisions	22	1,778.04	1,567.85	1,085.97
TOTAL EQUITY AND LIABILITIES		1,95,041.24	1,44,578.65	1,02,334.37

Material Accounting Policies

The accompanying Notes are an integral part of the financial statements.

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants, Firm Reg. No. 004135S

Sd/-

CA Veerabasana Gouda S

Partner

M.No.: 208698

Place : Bengaluru

Date : 27.10.2025

UDIN : 25208698BMKWVL6957

2

01-73

for and on behalf of the Board of Directors of
Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

Govinda Reddy

Managing Director

DIN: 11103031

Sd/-

Awadhesh Mehta

CFO

Sd/-

Rajesh Kumar Singh

Director

DIN: 08601529

Sd/-

Archana M Kulkarni

Company Secretary

ACS: A28063

Place: Bengaluru

Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	Note No.	For the year ended 31st March 2025	For the year ended 31st March 2024
Revenue:			
Revenue from Operations	26	21,920.52	18,855.36
Other Income	27	1,778.17	3,571.17
Total Income		23,698.68	22,426.53
Expenses:			
Operating Expenses	28	20,159.64	17,539.06
Employee benefit expenses	29	1,254.19	889.21
Finance Costs	30	568.53	2,083.92
Depreciation and amortisation expenses	31	8.98	9.75
Other Expenses	32	704.90	732.86
Total Expenses		22,696.25	21,254.80
Profit before exceptional items and tax		1,002.44	1,171.72
Exceptional Items		-	-
Profit before tax		1,002.44	1,171.72
Tax Expenses:			
(1) Current Tax		-	-
(2) Deferred Tax	6	(28.86)	(203.97)
Profit after tax		1,031.30	1,375.69
Other Comprehensive Income/(Loss)			
A. (i) Items that will not be reclassified to profit or loss		18.28	(5.06)
(ii) Income Tax relating to Items that will not be reclassified to profit or loss		-	-
B. Items that will be reclassified to profit or loss		-	-
Total other comprehensive income/(Loss)		18.28	(5.06)
Total Comprehensive Income for the year		1,049.58	1,370.64
Earnings Per Equity Share (Face Value 10 per Equity Share):			
Basic		0.10	0.55
Diluted		0.10	0.55
Weighted Average number of Equity Shares			

Material Accounting Policies

2

The accompanying Notes are an integral part of the financial statements.

01-73

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants, Firm Reg. No. 0041355

for and on behalf of the Board of Directors of

Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

CA Veerabasana Gouda S

Partner

M.No.: 208698

Sd/-

Govinda Reddy

Managing Director

DIN: 11103031

Sd/-

Rajesh Kumar Singh

Director

DIN: 08601529

Sd/-

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Sd/-

Archana M Kulkarni

Company Secretary

ACS: A28063

Place : Bengaluru

Date : 27.10.2025

UDIN : 25208698BMKWVL6957

Place: Bengaluru

Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Statement of changes in equity for the year ended March 31, 2025

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

a. Equity Share Capital

Current reporting period- April 01, 2024 to March 31, 2025

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Equity share capital	1,01,039	-	-	-	1,01,039

Previous reporting period- April 01, 2023 to March 31, 2024

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Equity share capital	3,000	-	-	98,039	1,01,039

b. Other equity

Reserves and Surplus							
	Note	General Reserve	Special reserve under Sec 36(1)(vii)	Special reserve under Section 45-IC	Capital Reserve	Other Reserves	Total
Balance at April 1, 2023		-	-	-	-	14,066.50	16,185.73
Additions for the year		-	-	-	-	412.77	412.77
Less: Transfer		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	18.28	13.23
Balance at March 31, 2024		-	-	-	-	14,497.55	16,611.72
Additions for the year		-	-	-	-	42,064.40	43,095.70
Less: Transfer		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
Balance at March 31, 2025		-	-	-	-	56,561.95	59,707.42

The accompanying Notes are an integral part of the financial statements.
As per our report of even date attached

For P K Subramaniam and Co.,
Chartered Accountants
Firm Reg. No. 0041355

Sd/-

CA Veerabasana Gouda S

Partner

M.No.: 208698

Place : Bangalore

Date : 27.10.2025

UDIN : 25208698BMKWVL6957

Sd/-

Govinda Reddy

Managing Director

DIN: 11103031

Sd/-

Rajesh Kumar Singh

Director

DIN: 0860152

Sd/-

Archana M Kulkarni

Company Secretary

ACS: A28063

Sd/-

Place: Bangalore

Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Particulars	For the year ended 31 st March 2025	For the year ended 31 st March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax		
Adjustments for Non- Operating matters:	1,002.44	1,171.72
-Depreciation & Amortisation	8.98	9.75
-Interest Expense	568.53	2,083.92
-Interest Income	(1,778.17)	(3,571.17)
-Actuarial Gains/Losses	18.28	(5.06)
Operating profit before working capital changes	(179.93)	(310.83)
Adjustments for :		
- Decrease/ (increase) in trade receivable	(2,607.14)	(9,555.93)
- Decrease/ (increase) in Inventories	389.26	61.53
- Decrease/ (increase) in Other Financial Assets	(1.69)	(11.63)
- Decrease/ (increase) in Other Current Assets	(954.01)	6,883.10
- Decrease/ (increase) in Other Non - Current Assets	(25,133.42)	3,447.11
- Decrease/ (increase) in Deposit Account (Maturity more than 3 months)	20,100.00	17,900.00
- Decrease/ (increase) in Current Assets	636.16	(99.05)
- (Decrease) / increase in Borrowings	(0.02)	0.21
- (Decrease) / increase in Trade Payables	(248.51)	40.27
- (Decrease) / increase in Other Current Liabilities	(9,332.50)	(7,690.92)
- (Decrease) / increase in Short-Term Provisions	210.19	481.88
- (Decrease) / increase in Lease Liabilities	(141.33)	(92.35)
- (Decrease) / increase in Other Financial liabilities	(582.59)	458.19
- (Decrease) / increase in Long-term provisions	57.53	71.03
- (Decrease) / increase in Other Non - Current Liabilities	(7.53)	50.60
Cash generated from operations	(17,795.54)	11,633.20
-Direct taxes paid		
Net cash from/(used in) operating activities (A)	(17,795.54)	11,633.20
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets including CWIP and capital advances (Net)	(45,803.30)	(39,507.71)
Sale of fixed assets	1.15	2.02
Interest Income	1,778.17	3,571.17
Net cash from/(used in) investing activities (B)	(44,023.99)	(35,934.52)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of Share Capital	-	98,039.22
Changes in owners equity	-	(5,000.00)
Share Application Money pending allotment	-	(45,484.50)
Proceeds From Long-Term Borrowings & Grant	59,457.79	(2,083.92)
Interest Expense	(568.53)	
Net cash from/(used in) financing activities (C)	58,889.26	45,470.79
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(2,930.27)	21,169.47
Cash and cash equivalents (opening balance)	35,701.16	14,531.69
Cash and cash equivalents (closing balance)	32,770.89	35,701.16
Components of Cash and Cash Equivalents		
a) Cash on Hand	0.12	0.12
b) Balances with Banks:		
In Current Account & Savings Accounts	32,770.78	32,701.04
In Deposit Account (Maturity Less than 3 months)	-	3,000.00
Cheques/Draft in Hand	-	-
	32,770.89	35,701.16

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants,

Firm Reg. No. 004135S

Sd/-

CA Veerabasana Gouda S

Partner

M.No.: 208698

Place : Bengaluru

Date : 27.10.2025

UDIN : 25208698BMKWVL6957

for and on behalf of the Board of Directors of

Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

Govinda Reddy

Managing Director

DIN: 11103031

Sd/-

Awadhesh Mehta

CFO

Sd/-

Rajesh Kumar Singh

Director

DIN: 08601529

Sd/-

Archana M Kulkarni

Company Secretary

ACS: A28063

Place: Bangalore

Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes forming part of Financial Statements

Note 1 : Corporate Information:

In September 2000, the Govt. of Karnataka (GoK) and the Ministry of Railways (MoR) entered into an MOU to set up a joint venture company called "Rail Infrastructure Development Company (Karnataka) Limited - K-RIDE" to expedite development and implementation of identified railway projects in Karnataka.

The Company is intended to carry out resource mobilization, securing traffic guarantees and securing involvement of strategic partners in project funding. The Government of Karnataka incorporated the company under the Companies Act, 1956 at Bangalore in November 2000 for Co-ordinating with Local Organizations/Bodies in charge of urban development for the purposeful resolution of various ancillary matters connected with railway project development.

Government of Karnataka through GO No.IDD 59 NSW 2009 dated 17th August, 2009 empowered the company to act as a Nodal Agency for ensuring necessary Co-Ordination and Smooth implementation of identified railway projects and for monitoring progress of implementation and report to Government of Karnataka.

Currently, the Company is mandated with the responsibility of executing the flagship Bengaluru Suburban Rail Project (BSRP) in Bengaluru and also acting as an implementing agency to South Western Railways to execute two Doubling Projects viz, (i) Baiyappanahalli – Hosur (48 Kms) & (ii) Yeshwanthpur – Channasandra (21.7 Kms), which have been transferred from SWR to K-RIDE for execution on cost sharing basis (50% from GoK & 50% from MoR).

Based on the directives of the Ministry of Railways, the Company was restructured as a State Joint Venture with equity participation between Government of Karnataka and Ministry of Railways at 51:49 ratio vide Revised Shareholders Agreement dated 17.10.2018. In view of restructuring of K-Ride as a State JV, the activities/scope of the Company has been widened which amongst others, include the following:

- development, financing and implementation of viable railway projects and/or projects which may require viability gap funding that are important for critical connectivity/ capacity enhancement, as agreed by the Parties;
- undertaking surveys, preparation of Detailed Project Report (DPR) to examine the Viability of the railway projects;
- processing for sanctioning of the railway projects (identified by the Board or the parties);
- incorporation and funding of subsidiaries/special purpose vehicles for undertaking railway projects; and
- undertaking all such actions not specifically mentioned above, that may be required to give effect to the intent of the Parties, as set out in the Agreement.

Note 2 : Material Accounting Policies

2.1 Basis of Preparation – Measurement and Material Accounting Policies- Statement of Compliances

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended), and other accounting principles generally accepted in India on accrual basis. Further, the Guidance Note/ Announcements issued by The Institute of Chartered Accountants of India (ICAI) are also considered wherever applicable, as adopted consistently by the company.

For all periods up to and including the year ended March 31, 2024, the Company prepared its SFS in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These SFS for the year ended March 31, 2025, are the first financial statements, the Company has prepared in accordance with Ind AS. Also, refer to notes to accounts for information on approach adopted by the Company for First time adoption of Ind AS.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS - 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Notes to accounts.

2.2 Functional and Presentation Currency:

The Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency and all values are rounded off to the nearest "Lakhs" except when otherwise indicated.

Current v/s Non-Current classification:

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

- Expected to be realized, or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is: -

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

All other liabilities are classified as non-current.

Operating Cycle:

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

2.3 Basis of Measurement

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

- (i) Financial assets and liabilities that are measured at fair value (refer accounting policy regarding financial instruments).
- (ii) Defined benefit plan - plan assets measured at fair value.

The methods used to measure fair values are discussed further in notes to financial statements.

2.4 Use of Estimates and Judgements

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities at the end of the reporting period. Estimates and underlying assumption are reviewed on an ongoing basis and revision to accounting estimates are recognized prospectively. Further, actual results could differ from these estimates and the differences between actual results and estimates are recognized in the period in which the results are known or materialized.

The areas involving critical estimates or judgements are as under:

a) Determination of estimated useful life of Property, Plant and Equipment and Components of Cost: Property, Plant and Equipment represent a significant proportion of asset base of the company. The charge in respect of periodic depreciation is derived after determining the estimate of an asset's expected useful life, the expected residual value at the end of its useful life and depreciation method. The useful lives and residual values of company's assets are determined by the management at the time the asset is acquired and reviewed at the end of each reporting period along with depreciation method. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The reassessment of useful life may result in change in depreciation expense in future periods. Assessment is also made as to which components & cost may be capitalized.

b) Determination of estimated useful life of Intangible assets and components of cost: The charge in respect of periodic amortization is derived after determining the estimate of an asset's expected useful life and amortization method. The useful lives are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end along with amortization method. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as change in technology.

c) Provisions: A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical evaluation and past experience. However, where the effect of time value of money is material, provision is determined and maintained by discounting the expected future cash flow, wherever applicable, with appropriate discounting rate. Where discounting is used, increase in the provision due to passage of time is recognized as Finance Cost in the Statement of Profit and Loss.

d) Contingent liabilities: Any possible obligation that may arise from the past events and existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, is disclosed under Contingent Liability. Any present obligation that may arise from the past events not recognised, because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made, is also disclosed under the Contingent Liability. Such items of Contingent Liability are reviewed at each Balan Sheet date and adjusted to reflect the current management estimate.

e) Post-employment benefit plans: Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increase and the inflation rate. The company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

f) Impairment test of non-financial assets: The recoverable amount of PPE is determined based on judgement of assumptions of technical experts. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

g) Recognition of Deferred Tax Assets: The company reviews the carrying amount of deferred tax assets at the end of each reporting period. The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

Measurement of Fair Values

The company's accounting policies require financial instruments to be measured at fair values. The company has established control framework with respect to the measurement of fair values. The company uses valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The management regularly reviews significant unobservable inputs. Fair values are categorised in different levels of hierarchy based on inputs used in valuation techniques as follows:

Level 1 inputs: Quoted unadjusted prices in active market.

Level 2 inputs: Other than quoted prices that are observable either directly or indirectly.

Level 3 inputs: Unobservable inputs.

2.5 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from external project work is recognized as follows:

- (i) Revenue from contracts, where performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, recognized as per the percentage-of-completion method.
- (ii) Doubling work funded by GoK & MoR in the ratio of 50:50. As per MOU dated 14.07.2022 between K-RIDE & SWR any change in the DPR and the detailed estimate shall be sanctioned by SWR, as per the extant procedures within a reasonable period of time of submission of complete papers and costing details by K-RIDE. Currently revenue is recognized based on earlier approved estimate.

As per the terms of MOU under the head "Commissioning and taking over of assets", All assets will be deemed to be taken over by the Railways immediately after commissioning for maintenance. Thus, entire Doubling project assets belongs to Railways and invoices are being raised on Railways/ IRFC accordingly.

Expenditures / Provisions are accounted in books of account only when the work done has been entered in measurement books and the same has been verified and certified by Engineer / nominated officers. Project expenditure & PVC amounts related to FY 2024-25 which are certified by concerned Engineers upto 30.04.2025 pertaining to the work done during April 2024 to March 2025 are considered for the recognition of expenditure & revenue for the FY 2024-25.

Interest Income

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other income

Other income / Penalties are recognised when such income accrues to the Company.

2.6 Land:

The land parcels handed over by the landowners including various government bodies and departments and taken possession by the company have been capitalized at the time of taking the possession of the land by the company without waiting for the registration of title deeds in the name of the company.

Enhanced compensation, if any, shall be booked and capitalised as and when the payment is due since the amount cannot be estimated.

Land cost includes expenditure related to compensation, registration & other statutory and incidental charges related to title and resettlement/rehabilitation and interest, if any, up to the date of acquisition/possession, whichever is earlier.

Payments made provisionally / corresponding effect of obligation provided towards cost or compensation related to the land including lease-hold land in possession, cost of acquisition of structures less sale proceeds of such structures demolished are treated as cost of the land or lease-hold land.

Payment made provisionally / corresponding effect of obligation provided towards land acquired on temporary basis /land utilised for road widening, laying of electrical utility is added to the cost of assets constructed over the land.

2.7 Property, Plant & Equipment:

Property, Plant and Equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing item of Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on de-recognition is recognised in the Statement of Profit and Loss.

Permissions for use of land received free of cost from government/other agencies for construction of project are recognised at fair value.

2.8 Intangible assets:

The carrying value for all of its intangible asset as recognized in its Previous GAAP financial statements as deemed cost at the transition date.

Intangible assets (Computer Software) acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized on a written down value basis over a period of three years, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Costs of assets not ready for use at the balance sheet date are disclosed under intangible assets under development.

2.9 Capital Work-in-Progress:

- Assets under installation and/or construction as at the Balance Sheet date are shown as Capital Work in Progress.
- Claims including price variations are accounted for on acceptance.
- Liquidated Damages are accounted for on settlement of final bill and deducted from cost.
- Expenditure directly pertaining to Bengaluru Suburban Rail Project (BSRP) are accounted under the head Capital Work-in-Progress.
- Interest Income from BSRP funds & mobilization advances, Penalties recovered, Tender Document fees received are reduced from the value of Capital Work-in-Progress.
- Management fee payable towards ODA plus loan as per instructions of Aid Accounts & Audit Department of Economic Affairs, Ministry of Finance has been charged to Capital Work-in-Progress.
- Common expenditures pertaining to both the projects (BSRP & Doubling) have been bifurcated and the basis of allocation have been detailed under notes to Profit & Loss Statement.

2.10 Depreciation and Amortization:

Depreciation on Property, Plant and Equipment is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Further in cases where the depreciation on the assets have been fully written off, the residual value of 5% or the value continued in the books are carried forward without applying further depreciation on the same.

Depreciation on individual assets acquired for a value less than (or) equal to Rs.5,000/- is depreciated at the rate of 100% taking into consideration the commercial life in the year of purchase itself & not capitalised. Mobile handsets to employees are depreciated over a period of 3 years as per company's policy.

The useful lives of assets and the manner specified in Schedule II to the Companies Act, 2013 is as per the table below:

Asset Description	No. of years
Plant and Machinery	15
Office Equipment	5
Computers	3
Furniture and Fixtures	10
Office Interiors	10
Employee Mobile handset costing more than Rs.5,000/-	3

2.11 Impairment of tangible and intangible assets:

At each Balance Sheet date, the company reviews the carrying values of assets for impairment. If any indication of such impairment exists, the recoverable amount of assets is estimated and impairment is recognised. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Statement of Profit and Loss to the extent the carrying amount exceeds the recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending upon changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

2.12 Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.

Monetary items denominated in foreign currencies are translated at exchange rates as at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognized in Statement of Profit & Loss in the year in which these arise.

2.13 Inventories:

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, if any by following FIFO method. The cost of inventories includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.14 Employees Retirement Benefits :

A) Defined Contribution plans:

Contribution paid/ payable to defined contribution plan comprising of Provident Fund/ National Pension scheme (NPS) is recognized as expense and charged to Statement of Profit and Loss on accrual basis. Company obligation towards earned leave is actuarially determined and provided for.

Remeasurements comprising actuarial gains/losses as well as the difference between the return on plan assets and amount included in net interest on the net defined benefit liability/ assets are recognized in the Other Comprehensive Income (OCI), net of income tax.

B) Defined Benefits plans:

Leave Encashment:

"Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

In case of deputationists, leave salary contribution is remitted to the concerned Parent Department as per the terms of deputation. In case of contract employees, earned leave encashable at the rate of 15 days in a calendar year and/or earned leave at credit at the time of termination of the contract being eligible for encashment, as per the contract terms, is provided for based on the actuarial valuation as per the Projected Unit Credit Method, carried out by an independent actuary.

Gratuity:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

The company has a defined benefit plan. Every regular employee who has rendered continuous service of five years or more is entitled for gratuity @ 15 days salary (15/26 x last drawn basic pay plus dearness pay/dearness allowance) for each completed year of service on superannuation, resignation, termination and disablement or on death.

Employees on direct Contract basis with K-RIDE and who have rendered continuous service of 5 years or more are entitled for gratuity @ 70% of Consolidated pay x 15/26 for each completed year of service.

Deputed Employees:

Retirement benefits to employees on deputation from the Government/other organizations are governed by the service rules of the respective parent organization and amount accrued towards retirement benefit contribution, is recognized based on the terms and conditions of deputation.

2.15 Prepaid Items:

Individual items of prepaid expenses over Rs.5,000/- each are recognized.

2.16 Insurance Claims:

Insurance claims are accounted for based on acceptance of claims by Insurance Company.

2.17 Grants in Aid

Grants from the Government/Non-Government or other authorities towards Capital Expenditure for creation of assets are recognised when they are sanctioned for release and initially shown as 'Deferred Income'. These are subsequently recognised as income each year over the life of the relevant assets in proportion to depreciation on those assets.

Where the Company recognises non-monetary grants, the asset and the grant (which is shown as Deferred income) are recorded gross at fair values and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset.

2.18 Interest Free Subordinate Debt

Interest free Subordinate Debts (SD) received from GOK are repayable after the repayment of entire amount of interest bearing loan fund arranged by KFW development bank, (Senior Term Debts). These debts have been recognised as long-term borrowings.

2.19 Borrowing costs:

Borrowing costs that are attributable to the acquisition, construction or productivity of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs incurred on the funds borrowed specifically for the project and identified therewith including exchange rate

differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs is capitalized up to the date of commissioning of the project or part thereof and thereafter charged to revenue to the extent the assets are under commercial operations.

Borrowing costs eligible for capitalization on that asset are determined as the actual borrowing costs incurred on that borrowing during the period less any income on the temporary investment of those borrowings.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

2.20 Taxes on Income (IND AS 12):

Income Tax expense, comprising current and deferred tax, is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in Other Comprehensive Income (OCI) or directly in Equity, in which case it is recognized in Other Comprehensive Income/in Equity.

Current tax is determined in accordance with the provisions of the Income Tax Act, 1961 applicable for the relevant assessment year.

Deferred tax is recognized using the balance sheet method, providing for temporary difference between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax is measured at the tax rates that are expected to apply when the temporary differences are either realized or settled, based on the laws that have been enacted or substantively enacted by the end of reporting period.

Deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized.

2.21 Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, bank balances and deposits with original maturities of twelve months or less and that are readily convertible to known amount of cash and cash equivalents and which are subject to an insignificant risk of changes in value.

2.22 Cash Flow Statement:

Cash flows are reported using the indirect method prescribed under IND AS-7, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.23 FINANCIAL INSTRUMENTS

Recognition, Initial Measurement and De-recognition

Financial assets and financial liabilities are recognised and are measured initially at fair value adjusted by transactions costs, except for those financial assets which are classified at Fair Value through Profit & Loss (FVTPL) at inception.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expired.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- (i) Financial assets at amortised cost using effective interest rates (EIR)
- (ii) Financial assets at fair value through profit or loss (FVTPL)
- (iii) Financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date.

2.24 Effective Interest Rate (EIR) is calculated as follows:

Financial assets & Financial liabilities which are interest bearing at market rates: EIR in these cases are equivalent to instrument's interest rate.

For other financial assets or financial liabilities not at fair value: SBI-MCLR/Base rate at beginning of financial year for highest available period.

Interest Free Subordinate Debt : 10 years G-Sec Par Yield(FBIL) rate as on the date of signing of longest tenure loan agreement of each phase of the project.

Right of Use (ROU) assets: SBI-MCLR/Base rate at beginning of financial year for highest available period.

2.25 Earnings Per Share (Ind AS 33):

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

2.26 Leases:

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

- (i) The contract involves the use of an identified underlying asset,
- (ii) The company has substantially all of the economic benefits from use of the underlying asset through the period of the lease, and
- (iii) The company has the right to direct the use of the underlying asset.

At the date of commencement of the lease, the company recognises a Right-Of-Use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee except for leases which are cancellable and leases of low value assets.

The ROU assets are initially recognised at cost, which consist of initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

The ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

The ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Effective Interest Rate (EIR). The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

The Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Land parcels acquired by the company by paying full consideration for the projects on lease basis will have infinite/perpetual possession with the company and effective control also vests with the company. The total lease payment made by the company being the transaction price, have been recognised as Land (R.O.U) under Property, Plant & Equipment.

2.27 Events after the reporting period

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognised in the financial statements. Non-adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represent material change and commitment affecting the financial position are disclosed.

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Note 3: Property, Plant & Equipments & Intangible Assets

Notes forming part of Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	(a) PROPERTY, PLANT AND EQUIPMENT					(b) INTANGIBLE ASSETS	
	Land	Furniture and fixtures	Computers	Office equipment	Total (a)	Computer Software	Total (b)
Cost							
At April 1, 2023	6,303.06	76.94	123.21	389.07	6,892.27	38.53	38.53
Additions	29,319.33	1.89	21.94	22.24	29,365.40	0.64	0.64
Disposals	-	-	1.50	0.52	2.02	-	-
At March 31, 2024	35,622.40	78.82	143.64	410.79	36,255.65	39.17	39.17
Additions	19,776.43	2.74	38.88	24.27	19,842.32		
Disposals	-	-	4.79	1.49	6.28		
At March 31, 2025	55,398.82	81.56	177.73	433.57	56,091.69	39.17	39.17
Accumulated depreciation/ amortization and impairment							
At April 1, 2023	0.00	35.86	87.11	200.67	323.64	32.00	32.00
Charge for the year	0.01	10.87	28.04	62.60	101.51	4.15	4.15
Disposals	-	-	0.67	0.39	1.06	-	-
At March 31, 2024	0.01	46.73	114.48	262.88	424.10	36.15	36.15
Charged to P&L (note-b)	0.00	0.43	1.13	2.53	4.09	0.05	0.05
Transferred to CWIP (note-b)	0.01	8.20	21.41	48.01	77.63	0.94	0.94
Total Charge for the year	0.01	8.63	22.54	50.53	81.71	0.99	0.99
Disposals	-	-	4.12	1.05	5.17	-	-
At March 31, 2025	0.01	55.36	132.90	312.36	500.64	37.14	37.14
Net Block							
At March 31, 2023	6,303.06	41.08	36.09	188.40	6,568.62	6.53	6.53
At March 31, 2024	35,622.39	32.10	29.16	147.91	35,831.56	3.02	3.02
At March 31, 2025	55,398.81	26.21	44.83	121.21	55,591.05	2.03	2.03

EXPLANATORY NOTE FOR NOTE NO. 3

- Ind AS 101 permits a first-time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date or continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as on the date of transition to Ind AS, as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangibles at their Previous GAAP carrying value.
- Depreciation for the year has been apportioned on the basis of 05:95 (i.e. 5% for Doubling & 95% for BSRP – being total project cost for particular project). Thus 5% of Rs.82.70 Lakh being Rs.4.14 Lakh has been charged to Statement of Profit & Loss and Balance 95% of Rs.82.70 lakh being Rs.78.56 Lakh has been shown under Capital work-in-progress.
- Lands are acquired through Karnataka Industrial Area Development Board (KIADB). The title of land is deemed to have been transferred to K-RIDE once the land is handed over to K-RIDE through 28(8) notification published in the Gazette by KIADB. The amount has been capitalised based on utilisation certificate received from KIADB for 189 Private properties (85,578.68 sq m.) & 118 Government properties (19,785.34 sq m.) as on 31.03.2025. The payment for the balance 530 properties (1,29,379.43 sq m.) is under process & the advance amount of Rs.23,769.41 Lakh with KIADB will be adjusted against the balance properties.

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Note 3: Property, Plant & Equipments & Intangible Assets

Notes forming part of Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Status of Properties acquired through KIADB (under compulsory acquisition) as on 31.03.2025 are as follows:

BSRP Project Corridors	Total Number of Properties acquired			Properties yet to be Registered in the name of the Company			No. of Properties for which Khata Registered in the name of the Company		
	Government	Private	Total #	Government	Private	Total	Government	Private	Total
Corridor-2 (nos.)	64	422	486	64	375	439	0	47	47
Corridor-2 (sq m.)	9858.13	150641.38	160499.51	9858.13	139550.75	149408.88	0	11090.63	11090.63
#Out of 486 properties (160499.51 sq m.) acquired through KIADB (under compulsory acquisition), 19 properties (3,776.13 sq m.) are under dispute.									

BSRP Project Corridors	Total Number of Properties acquired			Properties yet to be Registered in the name of the Company			No. of Properties for which Khata Registered in the name of the Company		
	Government	Private	Total	Government	Private	Total	Government	Private	Total
Corridor-4 (nos.)	54	297	351	53	160	213	1	137	138
Corridor-4 (sq m.)	9927.21	64316.73	74243.94	9121.05	33063.28	42184.33	806.16	31253.45	32059.61

- d. Applicable stamp duty and registration fee will be recognised as and when registration of title in the name of the Company is completed.
- e. The Compensation and Resettlement Package (CRP) policy for Bangalore Suburban Railway Project is approved by the Govt of Karnataka in respect of land acquisitions by K-RIDE (the same is available in K-RIDE's website). Compensation and Resettlement process and payments are made as per the approved CRP policy & the same has been Capitalized as Land to the extent certified by Land Department upto 31.03.2025 with respect to the Land which are already capitalized in books.
- f. Land - BDA (1,100.71 sq m.), Land - BWSSB (121.9 sq m.) Land - LIDKAR (2,031.63 sq m.) & Land - KVAFSU (9,151 sq m./ 2.2613 acres) have been handed over to K-RIDE. However, registration & Khata transfer is under process.
- g. South Western Railways has transferred 85.707 acre of Railway Land for BSRP Corridor-2 & 115.472 acre of Railway Land for BSRP Corridor-4 to K-RIDE on Lease basis for a period of 35 years on 22.12.2022 & 02.04.2024 respectively at nominal lease charges of Re.1/- per acre per annum as per Railway Boards OM shown as Land (Right to use). Both the Lease agreement are registered on 02.04.2024. The Company applies the exemption provided under Ind AS 116 for leases of Railway Land as Low - Value assets.
- h. Compound wall has to be constructed with respect to land purchased from KVAFSU as a part of purchase condition. However, at this junction K-RIDE is not in a position to estimate the value of construction of compound wall & will be capitalised accordingly as & when the same work is taken up & payment is made.
- i. The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
- j. No PPE's including Rights to use assets and intangible assets are revalued during the year.

k. Title deeds of Immovable Property not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company	Property Details (In Sq m.)	No. of properties	Disputed property (in sq m.)
PPE	"Land (Corridor-2)"	43,142.62	Refer Note below (KIADB)	No - KIADB	Since FY 2021-22 to FY 2024-25	Khata transfer is under process	1,49,408.88	439	3,776.13
PPE	"Land (Corridor-4)"	943.39		No - KIADB		Khata transfer is under process	42,184.33	213	-
PPE	"Land (Corridor-2)"	642.99	BDA	No	31.01.2024	Registration is under process	1,100.71	1	-
PPE	"Land (Corridor-2)"	86.67	BWSSB	No	10.11.2022	Registration is under process	121.90	1	-
PPE	"Land (Corridor-2)"	361.63	LIDKAR	No	21.11.2022	Registration is under process	2,031.63	1	-
PPE	"Land (Corridor-2)"	2,736.17	KVAFSU	No	04.05.2023	Registration is under process	9,151.00	1	-

Note : Lands are acquired through KIADB (under compulsory acquisition). The title of land is deemed to have been transferred to K-RIDE once the land is handed over to K-RIDE by KIADB through 28(8) notification published in the Gazette by KIADB.

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes Forming part of Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Note 3(c) - Right-of-use-assets and Lease liabilities

The Company as a lessee, has entered into multiple leasing arrangements for office space. Most of the lease contracts are made under usual terms and conditions, which means they include options to extend the lease by a defined amount of time and escalation clauses in line with general office rental market conditions. On renewal, the terms of the leases are renegotiated. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of lease requires significant judgement. The Company uses significant judgement in assessing the lease term and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and period covered by an option to terminate the lease, if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. Also refer Note-(iii) for Critical judgements in determining the lease term.

(i) Amount Recognised in Balance Sheet

The Balance sheet shows the following amounts relating to Right-of-use assets:

Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 01 April, 2023
Gross carrying amount			
Opening balance	209.46	184.70	184.70
Additions	-	24.76	-
Disposals	-	-	-
Closing balance	209.46	209.46	184.70
Accumulated Amortization			
Opening balance	89.34	-	-
Additions	96.91	89.34	-
Disposals	-	-	-
Closing balance	186.25	89.34	-
Net carrying amount	23.21	120.11	184.70
Movement of Lease Liability			
Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 01 April, 2023
Opening lease liability	170.38	262.73	-
Additions	-	-	262.73
Add: Interest Accrued	9.12	42.35	-
Less: Lease payment	-150.45	-134.70	-
Closing lease liability	29.05	170.38	262.73
Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 01 April, 2023
Lease Liabilities			
Current	20.05	141.33	116.82
Non- Current	9.00	29.05	145.90
Total	29.05	170.38	262.73

(ii) Amortisation of ROU assets recognised in Statement of Profit & Loss

Particulars	As at 31 March, 2025	As at 31 March, 2024	As at 01 April, 2023
Charged to P&L *	4.85	4.47	-
Transferred to CWIP *	92.06	84.88	-
Total	96.91	89.34	-

*Amortization for the year has been apportioned on the basis of 05:95 (i.e. 5% for Doubling & 95% for BSRP – being total project cost for particular project). Thus 5% of Rs.96.91 Lakh being Rs.4.85 Lakh has been charged to Statement of Profit & Loss and Balance 95% of Rs.96.91 lakh being Rs.92.06 Lakh has been shown under Capital work-in-progress.

(iii) Critical judgements in determining the lease term :

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not terminate).
- Otherwise, the company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. When the company and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty, the enforceable period of the lease ends at the earliest point in time at which both parties can leave the contract and its contractual obligations.

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes forming part of Financial Statements

Note 3(d). Capital Work In Progress

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Sl.No.	Particulars	As at 01.04.2024	Additions during the year	Transfers/ deletions	Capitalised during the year	As at 31.03.2025
	Capital Work in Progress:					
	Rail Corridor:					
	Bangalore Suburban Projects					
1	Alignment, Formation & Airport Connectivity	5,543.88	17,873.73	-	-	23,417.61
2	General Charges & Contingencies	8,230.23	4,970.27	-	-	13,200.51
3	Land R&R	31.37	44.92	-	-	76.29
4	Station Buildings	1,220.44	-	-	-	1,220.44
5	Traction & Power Supply incl. OHE, ASS etc	6.37	118.20	-	-	124.57
6	Depot	38.62	197.44	-	-	236.07
7	Utilities & Road Works	4,124.82	1,483.38	-	-	5,608.20
8	Geotechnical Investigation & Civil Work	177.40	-	-	-	177.40
9	Afforestation including Tree cutting & Replanting	960.90	1,472.70	-	-	2,433.60
10	Interest Income - BSRP	(5,504.13)	(495.93)	-	-	(6,000.06)
11	Rolling Stock	74.90	124.84	-	-	199.74
	Total	14,904.82	25,789.55	-	-	40,694.37

Sl.No.	Particulars	As at 01.04.2023	Additions during the year	Transfers/ deletions	Capitalised during the year	As at 31.03.2024
	Capital Work in Progress:					
	Rail Corridor:					
	Bangalore Suburban Projects					
1	Alignment, Formation & Airport Connectivity	-	5,543.88	-	-	5,543.88
2	General Charges & Contingencies	4,804.73	3,425.50	-	-	8,230.23
3	Land R&R	44.47	13.02	26.12	-	31.37
4	Station Buildings	1,220.44	-	-	-	1,220.44
5	Traction & Power Supply incl. OHE, ASS etc	6.25	0.12	-	-	6.37
6	Depot	-	38.62	-	-	38.62
7	Utilities & Road Works	2,563.96	1,560.86	-	-	4,124.82
8	Geotechnical Investigation & Civil Work	162.96	14.44	-	-	177.40
9	Afforestation including Tree cutting & Replanting	6.94	953.96	-	-	960.90
10	Interest Income - BSRP	(3,945.38)	(1,558.75)	-	-	(5,504.13)
11	Rolling Stock	46.13	28.78	-	-	74.90
	Total	4,910.51	10,020.43	26.12	-	14,904.82

CWIP ageing schedule:		As at 31.03.2025				Total
Sl.No.	CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	25,789.55	9,994.31	1,154.24	3,756.27	40,694.37
2	Bangalore Suburban Projects	-	-	-	-	-
	Projects temporarily suspended					
		25,789.55	9,994.31	1,154.24	3,756.27	40,694.37

CWIP ageing schedule:		As at 31.03.2024				Total
Sl.No.	CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1.	Projects in progress Bangalore Suburban Projects	9,994.31	1,154.24	2,486.56	1,269.71	14,904.82
2.	Projects temporarily suspended	-	-	-	-	-
		9,994.31	1,154.24	2,486.56	1,269.71	14,904.82

Explanatory Notes :

"As per Indian Accounting Standard (Ind AS)-23, Borrowing costs Interest Income ₹ 495.93 lakhs (P.Y. ₹ 1,558.75 lakhs) has been transferred to CWIP during the year and will be netted off against the borrowing costs at the time of capitalisation of the asset."

Note 3(e). Intangible assets under development:

(₹ in Lakhs)

	Particulars	As at 31.03.2024	Additions during the year	Transfers/ deletions	Capitalised during the year	As at 31.03.2025
	Intangible assets under development: SAP Software	306.79	342.02	-	-	648.81
	Total	306.79	342.02	-	-	648.81

	Particulars	As at 31.03.2023	Additions during the year	Transfers/ deletions	Capitalised during the year	As at 31.03.2024
	Intangible assets under development: SAP Software	-	306.79	-	-	306.79
	Total	-	306.79	-	-	306.79

Explanatory Notes :

Cost incurred for the implementation of SAP software are shown as "Intangible assets under development" as the said software is under the development stage.

Intangible assets under development aging schedule:			As at 31.03.2025			Total
	CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1.	Projects in progress SAP Software	342.02	306.79	-	-	648.81
2.	Projects temporarily suspended	-	-	-	-	-
	Total	342.02	306.79	-	-	648.81

Intangible assets under development aging schedule:			As at 31.03.2024			Total
	CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress SAP Software	306.79	-	-	-	306.79
2	Projects temporarily suspended	-	-	-	-	-
	Total	306.79	-	-	-	306.79

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes forming part of Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

4. Non-Current investments

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Equity Instruments - Unquoted (fully paid up, at Fair Value through OCI):			
Trade Investment:			
(a) Hassan Mangalore Rail Development Company [20,00,000 Equity Shares of Rs.10/- each]	200.00	200.00	200.00
(b) Bi-RIDE (100% Subsidiary of K-Ride) [1,00,000 Equity Shares of Rs.10/- each]	10.00	10.00	10.00
	210.00	210.00	210.00

Note:

"As specified in para D15 of Ind AS 101, Investments in subsidiaries, joint ventures and associates

A first-time adopter measures an investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(a) cost determined in accordance with Ind AS 27; or

(b) deemed cost. The deemed cost of such an investment shall be its:

(i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or

(ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, joint venture or associate that it elects to measure using a deemed cost.

Accordingly, the Company has elected to measure all of Investments at their Previous GAAP carrying value."

5. Other financial assets

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Security Deposits - Rentals	100.55	92.67	82.14
	100.55	92.67	82.14

6. Deferred tax assets (net)

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
i) Deferred Tax Assets			
(a) Unabsorbed Depreciation	49.88	46.71	-
(b) Provision for gratuity	16.85	14.28	-
(c) Provision leave encashment	37.51	28.92	-
(d) Others	134.44	144.30	-
Sub total (i)	238.67	234.20	-
ii) Deferred tax Liabilities			
(a) Depreciation and amortisation expense	5.84	30.23	-
Sub total (ii)	5.84	30.23	-
Deferred Tax Assets (Net)	232.83	203.97	-

The Company is having unabsorbed depreciation of Rs.203.24 lakhs(PY Rs.192.68 lakhs) as per provisions of Income Tax Act,1961. Unabsorbed depreciation is available for offset for unlimited period against taxable income, whereas, unabsorbed business loss of Rs.1,162.04 lakhs (PY Rs. 1,085.04 lakhs) are available for offset against taxable income for maximum period of eight years from the incurrence of loss and hence deferred tax on business loss has not been recognised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Reconciliation of tax Expense/(income) and the accounting profit multiplied by India's domestic tax rate.

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Profit / (Loss) before tax			
Tax using the Company's domestic tax rate of 25.168% (P.Y 25.168%)	1,002.44	1,171.72	(324.81)
Tax effect of:			
Provision for Gratuity	16.85	14.28	-
Provision for Leave Encashment	37.51	28.92	-
Impact due to different depreciation rate under Income Tax and Companies Act	49.88	46.71	-
Others	134.44	114.07	-
Total tax expense/(income) in the Statement of Profit & Loss	238.67	203.97	-

7. Other non - current assets

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
(i) Capital Advances			
Secured, considered good			
Mobilization Advance (Secured by bank guarantee)	4,557.67	4,893.01	2,556.59
Unsecured, considered good			
Advance to KIADB	23,769.41	3,393.44	20,384.31
Advance to BDA Land		-	642.99
Construction of Compound wall - LIDKAR (DCW)	74.30	74.30	74.30
Construction of Compound wall - BWSSB (DCW)	-	65.00	65.00
Deposit Contribution Work - BWSSB	4,596.04	1,588.94	-
Deposit Contribution Work - KPTCL	2,720.25	663.59	663.59
Advance for transfer of Defence Land to Cor-2-BSRP	10,261.40	10,261.40	-
ii) Deposits & Others			
Security Deposits	94.25	0.23	0.23
	46,073.31	20,939.89	24,387.01

8. Inventories

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Stock of Stores and Spares			
(Valued at lower of cost and net realisable value)	1,354.14	1,743.40	1,804.93
	1,354.14	1,743.40	1,804.93

9. Trade receivables

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Unsecured, considered good			
Trade Receivables	12,163.07	9,555.93	-
Credit impaired	-	-	-
Trade Receivables Credit impaired	-	-	-
Less : Provision for allowance for credit loss	-	-	-
	12,163.07	9,555.93	-

Refer note 9A for trade receivables outstanding ageing schedule

10. Cash and Cash Equivalents

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Cash and Cash Equivalents			
Cash-in-hand	0.12	0.12	0.53
Balances with Banks:			
-In Current Account & Savings Accounts	32,770.78	32,701.04	14,531.17
-In Deposit accounts (Maturity Period Less than 3 months)	-	3,000.00	-
	32,770.89	35,701.16	14,531.69

11. Other Bank Balances

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
-In Deposit accounts (Maturity Period of More than 3 months but less than 12 months)*	-	20,100.00	38,000.00
	-	20,100.00	38,000.00

*The amount in mentioned deposit account are received from MOR & GOK earmarked for BSRP project.

12. Current - Other financial assets

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Unsecured, considered good			
Others			
Security Deposits - Rentals	-	7.74	7.74
Other Advances	20.30	18.76	17.64
	20.30	26.50	25.39

13. Current tax assets (Net)

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
TDS Credit C/f - SWR	11.79	79.99	168.93
Income Tax - Refundable	233.27	801.23	613.24
	245.06	881.22	782.17

14. Other Current Assets

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Secured, considered good			
Material Advance (Secured by indemnity bond)	1,081.59	1,134.25	1,717.86
Unsecured, considered good			
Deposit Contribution Work - TEGDC	-	11.24	11.24
Deposit Contribution Work - BBMP	1,581.37	1.22	-
Deposit - Arbitration Centre Karnataka	-	-	5.54
Deposit - Tree Officer & DCF BBMP Bangalore	-	-	94.00
Receivable From MoR - Doubling Project	-	-	6,500.00
Advance - Indian Oil Corporation Limited	2.54	2.54	-
Advance - BDA- Compensatory Afforestation	486.81	-	-
Advance - National Informatics Centre Services Inc.	3.84	-	-
Recoverable from SWR - Dharward Belagam New Line Project (towards Final Location Survey (FLS) and preperation of DPR by M/s. RITES Limited.)	36.51	36.51	36.51
Other Receivable	2.58	7.22	25.21
Prepaid Expenses	95.22	20.92	23.42
Accrued Interest - on Bank deposits	12.95	853.17	1,264.42
Accrued Interest - on Mobilization Advance	3.99	8.97	97.92

Balances with Statutory Authorities			
GST - Electronic Credit Ledger	1,019.39	1,036.25	-
GST Paid on Advance	222.34	542.68	882.57
Unclaimed GST Input	62.93	3.11	182.00
Unsecured, considered doubtful			
Recovery-RMNIL-BIDPL(JV)	299.54	299.54	-
	4,911.61	3,957.60	10,840.70

15. Share Capital

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares	Amount (₹ in lakhs)	No. of Shares	Amount (₹ in lakhs)
(i) Authorised : 5,00,00,00,000 Equity Shares of Rs.10 each (31st March 2024 - 500,00,00,000 Equity Shares of Rs.10 each)	5,00,00,00,000	5,00,000.00	5,00,00,00,000	5,00,000.00
	5,00,00,00,000	5,00,000.00	5,00,00,00,000	5,00,000.00
(ii) Issued, Subscribed and Paid up: 1,01,03,92,157 Equity shares of Rs.10/- each (31st March 2024 - 3,00,00,000 Equity Shares of Rs.10 each)	1,01,03,92,157	1,01,039.22	1,01,03,92,157	1,01,039.22
	1,01,03,92,157	1,01,039.22	1,01,03,92,157	1,01,039.22
(iii) Reconciliation of no. of shares & share capital outstanding: Opening Share Capital Add: No. of Shares, Share Capital issued/ Subscribed during the year	1,01,03,92,157	1,01,039.22	3,00,00,000 98,03,92,157	3,000.00 98,039.22
Closing Shares Capital	1,01,03,92,157	1,01,039.22	1,01,03,92,157	1,01,039.22
(iv) Shares in the company held by shareholder holding more than 5 per-cent Governor of Karnataka/Government of Karnataka(GoK) 51% Minister of Railways/President of India(Gol) 49%	51,53,00,000 49,50,92,157	51,530.00 49,509.22	51,53,00,000 49,50,92,157	51,530.00 49,509.22

Terms/ rights attached to equity shares

The company has only one class of shares i.e. equity shares having face value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company the holders of equity shares would be entitled to receive remaining assets of the company after the distribution to all preferential creditors. The distribution will be in proportion to the number of equity shares held by the Shareholders (or) Promoters.

As per records of the company, including its Register of Shareholders/Members, the above shareholding pattern represents legal ownership of shares as at balance sheet date, including that of nominees of GoI/GoK.

- During the period of 5 years immediately preceding the date as at which the Balance Sheet is prepared.
 - No Class of shares were allotted as fully paid up pursuant to contract without payment being received in Cash.
 - No Class of shares were allotted as fully paid up by way of Bonus shares for consideration other than cash.
 - No Class of shares bought back by the Company
- There are no calls unpaid.
- There are no forfeited shares.

16. Other Equity

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Retained Earnings			
Opening Balance	2,114.18	743.54	1,068.35
Add : Profit for the Current Year	1,031.30	1,375.69	(324.81)
Add : Other comprehensive income for the year	18.28	(5.06)	-
Closing Balance	3,163.76	2,114.18	743.54
Other reserves			
Opening Balance	14,479.26	14,066.50	-
Add:- Other Comprehensive Income			
Interest Free Subordinate Debt considered at OCI	42,064.40	412.77	20,216.72
-Others	-	-	(6,150.23)
Closing Balance	56,543.66	14,479.26	14,066.50
Closing Balance	59,707.42	16,593.44	14,810.04

Note: Other Reserves

The Company has received Interest Free Subordinate Debt from the Government of Karnataka. Interest Free Subordinate Debt received from Government of Karnataka have been recognised at fair value in accordance with the Ind AS principles. Difference between the nominal amount and fair value of the said debt have been presented as "Other equity"/"Other Reserves" under Reserves and Surplus in the year of adoption of Ind AS Principles.

17. Share Application Money pending allotment

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Opening Balance			
Equity Share Capital Issued	-	5,000.00	5,000.00
	-	(5,000.00)	-
Closing Balance	-	-	5,000.00

Explanatory Notes :-

1. The balance amount of authorised Share Capital as on date is Rs.398,960.78 lakhs (P.Y.Rs.497,000.00 lakhs)
2. Shares shall be issued on receipt of matching contribution from GOI & GOK

18. Long term Borrowings

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Long term Borrowings - Unsecured			
Interest Free Subordinate Debt from GOK			
Advance from GOK - BSRP Project-Land Acquisition (Out of the Funds received from GOK for land acquisition Rs.500 Crore has been classified as Equity for allotment of shares as per GOK order no.UDD 158 PRJ 2020 Dated 21.07.2023 & UDD 158 PRJ 2020 P1 Dated 8.11.2023). (Classified under Subordinate Debt as per the approved financing pattern in line with GO no. UDD 27 PRJ 2020 Bengaluru Dt.07.07.2020)	21,391.17	3,997.76	51,855.82
Grant From MoR - BSRP	1,960.78	1,960.78	-

[In the 97th Board Meeting it was resolved that the allotment of shares for equity investments under BSRP by GOK & MOR in K-RIDE shall be in ratio of 51:49 as per the stipulations contained in the AOA of K-RIDE & to avoid disproportionate shareholding for equity under BSRP. It was also resolved that the GOK's 50% share of equity under BSRP released from time to time under BSRP shall be treated as 51% equity and the proportionate 49% of MOR's equity will be worked out from the 50% share of MOR's equity under BSRP released from time to time and the balance excess amount of equity received from MOR under BSRP from time to time shall be treated as Grant's from MOR.]			
	23,351.95	5,958.54	51,855.82

19. Lease Liabilities

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Non - Current lease liability	9.00	29.05	145.90
	9.00	29.05	145.90
Current lease liability	20.05	141.33	116.82
	20.05	141.33	116.82

20. Non Current - Other Financial Liabilities

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Security Deposit #	990.63	1,573.22	1,115.03
	990.63	1,573.22	1,115.03

#Note: For the purpose of fair valuation, security deposits exceeding ₹50 lakhs are taken into consideration.

21. Other Non Current Liabilities

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Deferred Income	151.55	159.11	108.51
	151.55	159.11	108.51

22. Provisions

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
for Employee Benefits (Non Current)			
Leave Encashment	145.19	103.08	56.96
Gratuity	66.78	51.35	26.43
	211.97	154.43	83.39
for Employee Benefits (Current)			
Leave Encashment	3.84	11.82	7.09
Gratuity	0.16	5.39	0.12
Other (Leave Salary and Pension Contribution)	65.36	70.21	74.46
Total (i)	Total (i) 69.36	87.42	81.67
Other Provisions			
Provision for Contract payment	1,683.68	1,455.43	1,004.30
Provision for Arbitration	25.00	25.00	-
	Total (ii) 1,708.68	1,480.43	1,004.30
	Total (i) +(ii) 1,778.04	1,567.85	1,085.97

23. Short-term borrowings

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Loans repayable on demand			
Unsecured:			
Bank Overdraft	0.19	0.21	-
	0.19	0.21	-

24. Trade payables

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
(a) Total outstanding dues of micro enterprises and small enterprises	147.38	385.48	175.97
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	498.77	509.18	678.42
	646.16	894.66	854.39

Refer note 24A for trade payables outstanding ageing schedule

25. Other Current Liabilities

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Advance for Doubling Projects	159.03	13,437.11	23,130.49
Advance from MoR - Doubling Project			
South Western Railway (SWR) - Materials	169.63	145.33	-
EMD	115.19	13.11	12.44
Employee Related Payables	40.56	44.18	17.00
Retention Payable	152.60	87.80	70.22
Security Deposit	2,579.07	896.08	-
Davangere-Harihar UDA Payable	37.09	37.09	37.09
Withheld Amounts	599.25	512.69	129.16
Management fees payable on Borrowings from GOI			
- KfW ODA Loan	972.00	294.47	-
Land R&R Compensation Payable	9.70	151.51	-
Other liabilities	43.43	162.77	71.72
Statutory Remittances:			
Tax Deducted at Source Payable	291.02	270.03	107.58
Goods and Service Tax Payable	204.55	101.28	495.09
GST TDS Payable	197.02	185.79	58.94
Labour Cess	111.17	65.53	28.76
Royalty payable	74.82	62.79	-
Others	1,378.94	-	-
	7,135.08	16,467.58	24,158.51

26. Revenue from Operations

Particulars	As at 31st March 2025	As at 31st March 2024
Construction Revenue - Doubling project	21,920.52	18,855.36
	21,920.52	18,855.36

27. Other Income

Particulars	As at 31st March 2025	As at 31st March 2024
a) Interest Income on Bank Deposits	1,577.52	3,451.04
b) Other Non-Operating Income		
Interest on Income Tax Refund	44.65	32.86
Interest on Fair- Value of Security Deposit	11.06	7.02
Interest on Fair Value of Security Deposits Accepted	102.67	56.50
Miscellaneous Income	42.26	23.75
	1,778.17	3,571.17

28. Operating Expenses

Particulars	As at 31st March 2025	As at 31st March 2024
Construction expenses - Doubling project	19,688.13	16,111.40
Cost of Materials Consumed		
<u>Stores & Spares</u>		
Opening Stock	1,743.40	1,804.93
Purchases during the year	82.25	1,366.13
Less: Closing Stock	1,354.14	1,743.40
	471.51	1,427.66
	20,159.64	17,539.06

29. Employee benefit expenses

Particulars	As at 31st March 2025	As at 31st March 2024
Salaries, wages and allowances	1,168.95	827.70
Contribution to PF/NPS, Gratuity	69.49	56.29
Staff welfare expenses	15.76	5.22
	1,254.19	889.21

30. Finance cost

Particulars	As at 31st March 2025	As at 31st March 2024
Interest Expense on Lease Liability	9.12	18.05
Interest Expense on Fair Value of Subordinate Debt	457.81	2,012.89
Interest expense on Fair Value of Security deposit	101.61	52.99
	568.53	2,083.92

31. Depreciation and amortisation expenses

Particulars	As at 31st March 2025	As at 31st March 2024
Property, Plant & Equipment	4.09	5.08
Intangible Assets	0.05	0.21
ROU (Land)	4.85	4.47
	8.98	9.75

32. Other Expenses:

Particulars	As at 31st March 2025	As at 31st March 2024
Audit Fee	2.36	2.36
Internal Audit Fees	4.26	2.00
Tax Audit Fees	2.00	0.77
Advertisement	12.90	15.41
Arbitration	-	25.00
Bank Charges	0.56	0.00
Books & Periodicals	0.89	1.36
CRS Inspection	-	0.48
Directors Sitting Fees	1.35	0.68
Electricity Charges	9.24	9.16
Insurance	23.51	20.82
Membership Fees paid	0.04	0.04
Office Maintenance	63.23	56.04
Printing & Stationery	34.82	28.05
Professional and Consultancy Services	29.02	13.80
Project Management Consultancy - Doubling	192.37	157.32
Rates and Taxes	0.73	105.72
Rent & Common Area Maintenance	31.76	26.78
Retainer Fee	46.85	50.56
ROC Filing Fees	0.15	0.38
Security Charges - Stores	3.78	4.12
Software Expenses	0.98	0.33
Telephone & Internet Charges	13.21	11.28
Travel and Conveyance	227.29	200.39
Exhibition Expenses -BSRP	3.61	-
	704.90	732.86

a. Expenditure pertaining to projects(ie. Doubling & BSRP) have been allocated on the following basis during the FY 2024-25 :

- 1) Expenditure directly relating to particular project is fully allocated to that particular project.
- 2) Expenditures pertaining to employees (like Salary, Reimbursement of expenditures to employees, Retirement benefits etc.) have been bifurcated based on number of employees deputed to that particular project & whereas Director(P&P)'s expenditure have been bifurcated in the ratio of 67:33 (ie. 67% for BSRP & 33% for Doubling - based on the expenditure incurred for particular project during the year). Expenditure pertaining to support departments such as Finance, HR, IT, Admin & general overhead expenses are charged to P&L account.
- 3) Expenditures pertaining to the project like Depreciation, Asset insurance & Software license have been bifurcated in the ratio of 95:05 (i.e. 95% for BSRP & 5% for Doubling – being total project cost for particular project).
- 4) Expenditures like Rent & common area maintenance, Electricity charges, Employee insurance, Telephone & Internet charges, etc. not covered above have been bifurcated in the ratio of 46:33:21 being employee ratio (i.e. 46% for BSRP, 33% for Doubling and 21% for Common).
- 5) All the expenses pertaining to BSRP including apportioned cost have been transferred to capital work in progress whereas, Doubling/ Admin & general overhead expenses are charged to P&L account.

b. Expenditure pertaining to projects(ie. Doubling & BSRP) have been allocated on the following basis during the FY 2023-24 :

- 1) Expenditure directly relating to particular project is fully allocated to that particular project.
- 2) Expenditures pertaining to employees (like Salary, Reimbursement of expenditures to employees, Retirement benefits etc.) have been bifurcated based on number of employees deputed to that particular project & whereas Director(P&P)'s expenditure have been bifurcated in the ratio of 69:31 (ie. 69% for BSRP & 31% for Doubling - based on the expenditure incurred for particular project during the year). Expenditure pertaining to support departments such as Finance, HR, IT, Admin & general overhead expenses are charged to P&L account.
- 3) Expenditures pertaining to the project like Depreciation, Asset insurance & Software license have been bifurcated in the ratio of 95:05 (i.e. 95% for BSRP & 5% for Doubling – being total project cost for particular project).

- 4) Expenditures like Rent & common area maintenance, Electricity charges, Employee insurance, Telephone & Internet charges, etc. not covered above have been bifurcated in the ratio of 49:32:19 being employee ratio (i.e. 49% for BSRP, 32% for Doubling and 19% for Common).
- 5) All the expenses pertaining to BSRP including apportioned cost have been transferred to capital work in progress whereas, Doubling/ Admin & general overhead expenses are charged to P&L account.

c. Details of Doubling projects in progress as at the reporting date:	As at 31st March 2025	As at 31st March 2024
(a) the aggregate amount of costs incurred;	Rs.52,434.28	Rs.32,082.26
(b) recognised profits (less recognised losses) upto the reporting date;	Rs.3,462.89	Rs.1,894.39
(c) the amount of advances received; and	Rs.159.03	Rs.13,437.11
(d) the amount of retentions.	Rs.141.52	Rs.77.29

33. First time adoption of Ind AS

These standalone financial statements of Rail Infrastructure Development Company (Karnataka) Limited for the year ended on 31st March 2024 have been prepared in accordance with IND AS. This is the Company's first set of Financial Statements in accordance with IND AS. For the purpose of transition to IND AS, the Company has followed guidance prescribed in IND AS 101- First Time adoption of Indian Accounting Standards with 1st April 2023 as the transition date and IGAAP as the previous GAAP.

The transition to IND AS has resulted in changes in the presentation of the Financial Statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended on 31st March 2024 and the comparative information. An explanation of how the transition from Previous GAAP to IND AS has affected the Company's Balance Sheet, Statement of Profit & Loss, and on first time adoption of IND AS availed in accordance with IND AS 101 as mentioned below.

34. Exemptions availed on first time adoption of IND AS 101

IND AS 101 allows first time adoption certain exceptions from the retrospective application of certain requirement under IND AS. The Company has accordingly applied the following exemptions.

34(a) Deemed Cost of Property, Plant and Equipment: The Company has availed exemption under Para D7AA of appendix D to IND AS 101 which permits a first time adopter to continue with the carrying value for its PPE as at date of transition to IND AS measured as per previous GAAP.

34(b) Classification & Fair value measurement of financial assets or financial liabilities at initial recognition: The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In Addition, the exemption under Para B8C and Para D20 permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

34(c) Investments:

As specified in para D15 of Ind AS 101, Investments in subsidiaries, joint ventures and associates

A first-time adopter measures an investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (a) cost determined in accordance with Ind AS 27; or
- (b) deemed cost. The deemed cost of such an investment shall be its:
 - (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
 - (ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, joint venture or associate that it elects to measure using a deemed cost.

Accordingly, the Company has elected to measure all of Investments at their Previous GAAP carrying value.

35. Reconciliations

The following reconciliations provide the effect of transition to Ind AS From IGAAP in accordance with ind AS 101:

- a. Equity as at April 1, 2023 and March 31, 2024
- b. Total comprehensive income for year ended March 31, 2024
- c. Total equity as at April 1, 2023 and March 31, 2024
- d. Net profit for the year ended March 31, 2024

35(a). Equity reconciliation

Particulars	"As at March 31, 2024"	"As at April 01, 2023"
Equity as reported under previous GAAP	10,50,99,66,432	37,43,54,033
Ind AS adjustments	1,25,32,99,163	1,40,66,49,534
Fair value adjustments:		
Security deposits given	27,42,646	20,40,938
Leases	1,87,41,183	2,09,92,864
Impact due to EIR adjustment on borrowings	(60,72,53,965)	(60,72,53,965)
Amortization of ROU Asset	(2,42,05,384)	(3,10,29,287)
Security deposits accepted	5,78,353	2,26,615
Fair Value of Interest Free Subordinate Debt -OCI	1,86,16,60,347	2,02,16,72,369
Deferred Tax	10,35,982	-
Equity as per Ind AS	11,76,32,65,595	1,78,10,03,567

35(b). Total comprehensive income reconciliation for the year/period ended March 31, 2024

Particulars	Year ended 31 March 2024
Profit after tax as per previous GAAP	33,16,90,829
Ind AS adjustments	(19,41,21,386)
Fair value adjustments:	
Security deposits	10,53,446
Leases	50,18,936
Amortisation	(4,46,714)
Interest Free Subordinate Debt	(20,12,88,785)
Deferred tax	10,35,982
Remeasurement of employee benefit obligation	5,05,748
Net Profit after tax as per Ind AS	13,75,69,444
Other comprehensive income (net of tax)	(5,05,748)
Total comprehensive income as per Ind AS	13,70,63,696

36. Notes to reconciliations between previous GAAP and Ind AS

36(a) Security deposits

Under previous GAAP, interest free security deposits are recognised at their transaction value. Under Ind AS - 109, these deposits are initially recognised at fair value and subsequently measured at amortised cost at the end of each reporting period. Accordingly, the difference between transaction value and fair value of these deposits is recognised as Right-of-use assets or prepaid expense and is amortised over the period of the lease term or agreement of deposit respectively. Further, interest is accrued on the present value of these security deposits. On transition date the Company has adjusted retained earnings towards fair value of security deposits by INR 22.67 lakhs towards unwinding of discount on security deposit.

36(b) Lease

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incidental to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Pursuant to application of Ind AS - 116, for operating leases other than those for which the Company has opted for short-term or low value exemption, the Company has recorded a right-of-use assets and lease liabilities. Right-of-use asset is amortised over the lease term or useful life of the leased assets whichever is lower and lease liabilities is subsequently measured at amortised cost and interest expense is recognised. The lease equalisation reserve appearing in the books pursuant to straight-lining of rent was reversed through Right of Use assets on transition to Ind AS. As the Company has chosen to opt the modified retrospective approach (i.e., lease liabilities = ROU) and the lease liability is measured at present value of the remaining lease payments as at the date of transition.

36(c) Impact due to EIR adjustment on borrowings

Under previous GAAP, transaction costs incurred on borrowings was charged to statement of profit and loss while under Ind AS, such costs are included in the initial recognition amount of borrowings and recognised as interest expense using effective interest method over the tenure of the borrowings.

36(d) Remeasurement of defined benefit obligation

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability which is recognised in other comprehensive income in the respective periods.

36(e) Retained earnings

Retained earnings as at April 01, 2023 has been adjusted consequent to above Ind AS adjustments.

36(f) Material regrouping

Appropriate adjustments have been made in these financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the requirements of the Ind AS.

The comparatives given in the financial statements have been compiled after making necessary Ind AS adjustments to the respective audited financial statements under Previous GAAP to give a true and fair view in accordance with Ind AS.

37. Reconciliation of equity as previously reported under IGAAP to Ind AS

Particulars	Previous GAAP as at year ending 31.3.24	Adjustments	IND AS as at ending 31.3.24	Previous GAAP as at year ending 31.3.23	Adjustments	IND AS as at ending 31.3.23
ASSETS						
Non-current assets						
(a) Property, Plant and Equipment	35,831.56	-	35,831.56	6,568.62	-	6,568.62
(b) Capital Work In Progress	14,892.10	12.72	14,904.82	4,910.51	-	4,910.51
(c) Right-of-use Assets	-	120.11	120.11	-	184.70	184.70
(d) Other Intangible Assets	-	-	3.02	6.53	-	6.53
(e) Intangible assets under development	309.80	-	306.79	-	-	-
(e) Financial Assets	-	-	-	-	-	-
(i) Investments	210.00	-	210.00	210.00	-	210.00
(ii) Other financial assets	21,037.01	(20,944.34)	92.67	24,484.12	(24,401.98)	82.14
(f) Deferred tax assets (net)	193.61	10.36	203.97	-	-	-
(g) Other non - current assets	0.23	20,939.66	20,939.89	0.23	24,386.78	24,387.01
Total	72,474.30	138.52	72,612.83	36,180.01	169.49	36,349.50
Current assets						
(a) Inventories	1,743.40	-	1,743.40	1,804.93	-	1,804.93
(b) Financial Assets						
(i) Trade receivables	9,555.93	-	9,555.93	-	-	-
(ii) Cash and Cash Equivalents	35,701.16	-	35,701.16	14,531.69	-	14,531.69
(iii) Other Bank Balances	20,100.00	-	20,100.00	38,000.00	-	38,000.00
(iv) Other financial assets	26.50	-	26.50	25.39	-	25.39
(c) Current tax assets (Net)	881.22	-	881.22	782.17	-	782.17
(d) Other Current Assets	3,949.74	7.86	3,957.60	10,827.42	13.28	10,840.70
Total	71,957.95	7.86	71,965.81	65,971.60	13.28	65,984.89
Total assets	1,44,432.26	146.38	1,44,578.65	1,02,151.60	182.77	1,02,334.37
II. EQUITY AND LIABILITIES						
(1) Equity						
(a) Equity Share Capital	1,01,039.22	-	1,01,039.22	3,000.00	-	3,000.00
(b) Other Equity	4,060.45	12,532.99	16,593.44	743.54	14,066.50	14,810.04
Total Equity	1,05,099.66	12,532.99	1,17,632.66	3,743.54	14,066.50	17,810.04

(2) Share Application Money pending allotment			-	5,000.00	-	5,000.00
(3) Liabilities						
(i) Non - Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	18,502.61	(12,544.06)	5,958.54	66,000.00	(14,144.18)	51,855.82
(ii) Lease Liabilities	-	29.05	29.05	-	145.90	145.90
(iii) Other Financial liabilities	1,739.05	(165.83)	1,573.22	1,225.80	(110.78)	1,115.03
(b) Other Non Current Liabilities		159.11	159.11	-	108.51	108.51
(c) Provisions - Non Current	154.43	-	154.43	83.39	-	83.39
Total	20,396.09	(12,521.74)	7,874.35	72,309.19	(14,000.55)	58,308.65
(ii) Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	0.21	-	0.21	-	-	-
(ii) Lease Liabilities	-	141.33	141.33	-	116.82	116.82
(iii) Trade payables	-	-	-	-	-	-
- Total outstanding dues of MSME	385.48	-	385.48	175.97	-	175.97
- Total outstanding dues of creditors other than MSME	509.18	-	509.18	678.42	-	678.42
(b) Other Current Liabilities	16,473.79	(6.21)	16,467.58	24,158.51	-	24,158.51
(c) Provisions - Current	1,567.85	-	1,567.85	1,085.97	-	1,085.97
Total	18,936.51	135.12	19,071.63	26,098.87	116.82	26,215.69
Total equity and liabilities	1,44,432.26	146.38	1,44,578.65	1,02,151.60	182.77	1,02,334.37

38. Reconciliation between previous GAAP and IND AS for impact on Statement of Profit and Loss

Particulars	Previous GAAP as at year ending 31.3.24	Adjustments	IND AS as at ending 31.3.24	Previous GAAP as at year ending 31.3.23
Revenue:				
Revenue from Operations	26	18,855.36	-	18,855.36
Other Income	27	3,507.65	63.52	3,571.17
Total Income		22,363.00	63.52	22,426.53
Expenses:				
Operating Expenses	8	17,539.06	-	17,539.06
Employee benefit expenses	29	894.26	(5.06)	889.21
Finance Costs	30	-	2,083.92	2,083.92
Depreciation and amortisation expenses	3 & 31	5.28	4.47	9.75
Other Expenses	32	801.10	(68.24)	732.86
Total Expenses		19,239.71	2,015.10	21,254.80
Profit before exceptional items and tax				
Exceptional Items		3,123.30	(1,951.57)	1,171.72
Profit before tax		3,123.30	(1,951.57)	1,171.72
Tax Expenses:				
(1) Current Tax				-
(2) Deferred Tax	6	(193.61)	(10.36)	(203.97)
Profit after tax		3,316.91	(1,941.21)	1,375.69
Other Comprehensive Income/(Loss)				
A.				
(i) Items that will not be reclassified to profit or loss		-	(5.06)	(5.06)
(ii) Income Tax relating to Items that will not be reclassified to profit or loss				-
B. Items that will be reclassified to profit or loss				-
Total other comprehensive income/(Loss)		-	(5.06)	(5.06)
Total Comprehensive Income for the year		-	(5.06)	1,370.64

39. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31st March 2025	As at 31st March 2024
Contingent Liabilities:		
Claims against the company, not acknowledged as debts (issue under arbitration/ Claims submitted by contractors – Provision for the same is not provided for as the claims are not accepted by the management).	1,793.22	1,786.31
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
a. Tangible Assets (awarded contracts only)	3,53,580.15	2,06,492.07
b. Intangible Assets	71.31	388.24
Other commitments (Estimated amount of contracts remaining to be executed on account of works contract and not provided for)	37,779.73	38,379.13

Payment to Auditor

Particulars	As at 31st March 2025	As at 31st March 2024
1. Statutory Audit Fees (Including GST)	2.36	2.36
2. Tax Audit (Including GST)	2.00	0.77
3. Certification (Including GST)	4.26	2.00
	8.62	5.13

The company has a system of obtaining confirmation of balances from banks and other parties. With regard to trade receivables, the company sends regular invoices/confirmation letters to the customers and provisions are made when there is uncertainty of realization irrespective of the period of dues and written off when unrealisability is established. Some trade receivable balances are subject to reconciliation. So far as trade/other payables and loans and advances at the end of financial year are concerned, balance confirmation letters were sent to the parties. Some of the balances are subject to confirmation/ reconciliation, adjustments, if any, will be accounted for on confirmation/reconciliation, which in the opinion of the management will not have material impact

Disclosure as required by MSMED Act, 2006**40. Information in respect of Micro and Small Enterprises**

Particulars	2024-25	2023-24
1. Amount remaining unpaid to any supplier:		
a) Principal Amount	147.38	385.48
b) Interest due there on	-	-
2. Amount of Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day.	-	-
3. Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
4. Amount of Interest accrued and remaining unpaid.	-	-
5. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Disclosure requirements of Indian Accounting Standards:**41. Disclosure in respect of Indian Accounting Standards (Ind AS-1) "Presentation of Financial Statements"****41(a) Capital Management:**

The primary objective of the company's capital management is to maximize the shareholder value. The company monitors capital structure using Debt: Equity ratio, which is long term debt divided by total owner's capital. The Debt Equity ratio for the current year & previous year is shown in the table "Disclosure of ratios".

41(b) Disclosure of ratios

Ratio Analysis:		2024-25	%	2023-24	%
(a) Current Ratio,	Current Assets	51,465.08	5.37	71,965.81	3.77
	Current Liabilities	9,579.51		19,071.63	
(b) Debt-Equity Ratio,	Total Debt	23,352.14	0.23	5,958.75	0.06
	Shareholders Equity	1,01,039.22		1,01,039.22	
(c) Debt Service Coverage Ratio,	EBITDA - Capex	1,579.95	0.07	3,265.40	0.41
	Interest + Principal	23,920.67		8,042.67	
(d) Return on Equity Ratio, (ROE)	Net Income	1,031.30	0.01	1,375.69	0.03
	Average Shareholders' Equity	1,01,039.22		52,019.61	
(e) Inventory turnover ratio,	COGS	471.51	0.30	1,427.66	0.80
	Avg Inventory	1,548.77		1,774.17	
(f) Trade Receivables turnover ratio,	Net Credit Sales	21,920.52	2.02	18,855.36	3.95
	Average Accounts Receivable	10,859.50		4,777.97	
(g) Trade payables turnover ratio,	Net Credit Purchases	19,770.38	25.66	17,477.53	19.99
	Average Accounts Payable	770.41		874.53	
(h) Net capital turnover ratio,	Net Sales	21,920.52	0.46	18,855.36	0.41
	Average working capital	47,389.88		46,331.69	
(i) Net profit ratio,	Net Profit	1,031.30	0.05	1,375.69	0.07
	Sales	21,920.52		18,855.36	
(j) Return on Capital employed,	EBIT	1,570.97	0.01	3,255.65	0.03
	Capital Employed	1,84,098.78		1,23,591.41	
(k) Return on investment.	Return (Benefit)	1,031.30	0.01	1,375.69	0.01
	Investment (Cost)	1,01,039.22		1,01,039.22	

Ratio	Explanation for change in ratio by more than 25% as compared to the preceding year:
(a) Current Ratio,	Usually funds will be received from MOR & GOK in advance. The same has not been received in the year 23-24 that has led to increase in trade receivables & decrease in other current liabilities.
(b) Debt-Equity Ratio,	Due to issue of additional Right shares during the year.
(c) Debt Service Coverage Ratio,	The conversion of sub-ordinate debt given by GoK to Equity has reduced the debt amount. Further, the increase of revenue as compared to last year has led the improvement of DSCR.
(d) Return on Equity Ratio, (ROE)	Increase of revenue as compared to last year has led to the improvement in ROE.
(e) Inventory turnover ratio,	Due to increase in consumption so as to achieve the targets for completion of the doubling project
(f) Trade Receivables turnover ratio,	Due to increase in project revenue & reduce in amount of advance received for Doubling project during the year.
(g) Trade payables turnover ratio,	Due to increase in credit purchases so as to achieve the targets for completion of the doubling project
(h) Net capital turnover ratio,	Due to increase in project revenue during the year.
(i) Net profit ratio,	Due to increase in project revenue during the year.
(j) Return on Capital employed,	Due to increase in project revenue during the year.
(k) Return on investment.	Due to increase in project revenue during the year.

42. Disclosure in respect of Indian Accounting Standard (Ind AS-115) "Revenue from contracts with customer Disaggregation of income for the F.Y. 2024-25

Customer Name	Revenue Recognized during the year	Contract Liabilities	Trade Receivables
Construction Revenue			
Doubling Project	21,920.52	-	12,163.07

Disaggregation of income for the F.Y. 2023-24

Customer Name	Revenue Recognized during the year	Contract Liabilities	Trade Receivables
Construction Revenue			
Doubling Project	18,855.36	-	9,555.93

43. Segment Reporting

The Company is an Infrastructure Project Development Company and currently, acting as a Nodal Agency between the Government of Karnataka(GoK) and Ministry of Railways(MoR). The company's principal business is to implement Bengaluru Sub-Urban Rail Project through SPV in Bengaluru. K-RIDE also acts as an implementing agency to SWR on account of two Doubling Projects viz, (i) Baiyappanahalli – Hosur (48 Kms) & (ii) Yeshwanthpur – Channasandra (21.7 Kms), which have been transferred from SWR to K-RIDE for execution on cost sharing basis (50% from GoK & 50% from MoR).

The company operates within India and does not have operations / projects in economic environments with different risks & return. Hence it is considered operating in single geographical segment and operating segment.

44. Disclosure in respect of Indian Accounting Standard (Ind AS-116) "Leases":

The company has taken on lease/rent premises for Site office and for office space. These lease arrangements are usually renewable on mutually agreed terms but are cancellable. During the year, the company has paid lease rent in case of Site office on lease basis and office space amounting to Rs. 70.59 lakhs (P.Y Rs 74.98 lakhs).

South Western Railways has transferred 85.707 acre of Railway Land for BSRP Corridor-2 & 115.472 acre of Railway Land for BSRP Corridor-4 to K-RIDE on Lease basis for a period of 35 years on 22.12.2022 & 02.04.2024 respectively at nominal lease charges of Re.1/- per acre per annum as per Railway Boards OM shown as Land (Right to use). Both the Lease agreement are registered on 02.04.2024.

Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits:

45. General description of various employee's benefits schemes is as under:

45(a) Provident Fund:

The company's Provident Fund is managed by Regional Provident Fund Commissioner (RPFC). The company pays fixed contribution to provident fund at pre-determined rate in respect of employees who have opted for Employee Provident Fund Scheme and the liability is recognized on accrual basis.

45(b) National Pension Scheme (NPS):

In respect of employees who have opted for NPS, fixed contribution @ 14% is made on Basic Pay+ DA for regular employees and the liability is recognized on accrual basis.

45(c) Gratuity

The company has a defined benefit plan. Regular employees / employees on direct contract with the company and have rendered continuous service of five years or more is entitled for gratuity @ 15 dayssalary (15/26 x last drawn basic pay plus dearness pay / dearness allowance) / Consolidated Pay x 15/26 for each completed year of service.

45(d) Pension

In respect of deputationist employee, pension contribution is calculated as per the terms of lending organization /Govt. of India/GOK rules and is accounted for on accrual basis.

45(e) Leave

The company provides earned leave and half- pay leave to the employees of the company, which accrue annually @ 30 days & 20 days respectively. Only the earned leave is encashable while in service and a maximum of 300 days on superannuation. The liability on this account is recognised on the basis of actuarial valuation. In respect of deputationist employees, leave salary contribution is payable to their parent department @ 11% of pay drawn (basic pay including Dearness Pay & Special pay) and is accounted for on accrual basis.

46. The summarized position of various benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and balance sheet & other disclosures are as under:

46(a) Net Defined Benefit Obligations

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Defined Benefit Obligation	66.94	56.74	149.02	114.90
Fair value of plan and assets	-	-	-	-
Effect of asset ceiling	-	-	-	-
Net Defined benefit Liabilites	66.94	56.74	149.02	114.90

46(b) Movement in defined benefit obligation

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Defined Benefit Obligation-Beginning of the year	56.74	26.55	114.90	64.06
Service cost	24.51	23.15	62.27	31.61
Interest cost	3.97	1.99	8.04	4.79
Benefits Paid	-	-	(42.07)	(19.36)
Past Service Cost-Plan amendments and Acquisition	-	-	-	-
Re-measurements-actuarial loss/(gain)	(18.28)	5.06	5.88	33.80
Defined benefit Obligation-End of the Year	66.94	56.74	149.02	114.90

46(c) Movement in Plan Assets

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Fair Value of Plan Assets at the beginning of the year	-	-	-	-
Interest Income	-	-	-	-
Employer contributions	-	-	42.07	19.36
Benefits Paid	-	-	(42.07)	(19.36)
Re-measurements-actuarial (loss)/gain	-	-	-	-
Re-measurements-return on plan assets greater/ (less) than discount rate	-	-	-	-
Fair Value of Plan Assets at the end of Year	-	-	-	-

46(d) Amount Recognized for Gratuity and Leave

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Current service cost	24.51	23.15	62.27	31.61
Past Service Cost (including curtailment Gains/Losses)	-	-	-	-
Re-measurement	-	-	-	-
Service Cost(A)	24.51	23.15	62.27	31.61
Net interest on Net Defined Benefit Liability / (assets)(B)	3.97	1.99	8.04	4.79
Net actuarial (gain)/ loss Net actuarial (gain)/ loss (C)	-	-	5.88	33.80
Cost recognized (A+B+C)*	28.49	25.13	76.19	70.20

***Amount recognised in Statement of P&L**

Particulars	Expenses Recognized in the statement of Profit & Loss	Expenses transferred to CWIP	Total
Gratuity	14.11	14.37	28.49
Leave Encashment	38.84	37.35	76.19
Total	52.95	51.73	104.68

46(e) Amount recognised in other Comprehensive Income (OCI)

Particulars	Gratuity	
	2024-25	2023-24
Opening amount recognized in OCI outside P&L a/c	-	-
Actuarial gain / (loss) on liabilities	18.28	(5.06)
Actuarial gain / (loss) on assets	-	-
Closing amount recognized in OCI outside P&L account	18.28	(5.06)

46(f) Sensitivity Analysis

Particulars	Gratuity		Impact (Absolute)		Impact %	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Base Liability	66.94	56.74	-	-	-	-
Increase Discount Rate by 1.00%	58.34	53.28	(8.60)	(3.46)	-13.00%	-6.09%
Decrease Discount Rate by 1.00%	77.40	60.55	19.06	3.81	16.00%	6.72%
Increase Salary Inflation by 1.00%	77.40	64.79	-	8.05	16.00%	14.19%
Decrease Salary Inflation by 1.00%	58.19	50.02	(19.21)	(6.72)	-13.00%	-11.84%
Increase Withdrawal Rate by 1.00%	66.69	53.30	8.50	(3.44)	-	-6.06%
Decrease Withdrawal Rate by 1.00%	67.04	57.34	0.34	0.60	-	1.06%

Particulars	Earned Leave		Impact (Absolute)		Impact %	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Base Liability	149.02	114.90	-	-	-	-
Increase Discount Rate by 0.50%	129.58	108.32	(19.45)	(6.58)	-13.00%	-5.73%
Decrease Discount Rate by 0.50%	172.66	122.15	43.08	7.24	16.00%	6.30%
Increase Salary Inflation by 1.00%	172.66	129.80	-	14.90	16.00%	12.97%
Decrease Salary Inflation by 1.00%	129.24	102.35	(43.42)	(12.55)	-13.00%	-10.92%
Increase Withdrawal Rate by 5.00%	151.11	122.70	21.86	7.80	12.00%	6.79%
Decrease Withdrawal Rate by 5.00%	146.64	109.81	(4.47)	(5.10)	-2.00%	-4.44%

46(g) Actuarial Assumption

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Method Used	Projected Unit Credit (PUC) Actuarial Method		Projected Unit Credit (PUC) Actuarial Method	
Discount Rate	7.00% p.a.	7.21% p.a.	7.00% p.a.	7.21% p.a.
Rate of increase in Compensation levels	6.00% p.a.	6.00% p.a.	6.00% p.a.	6.00% p.a.
Withdrawal Rate	2.00% p.a.	2.00% p.a.	2.00% p.a.	2.00% p.a.
Rate of Return on Plan Assets	NA	NA	NA	NA
Mortality Rate	100% of IALM 2012-14		100% of IALM 2012-14	
Average future service (in Years)	23.00 Years	24.07 Years	23.00 Years	24.07 Years

46(h) Maturity Profile of Defined Benefit Obligation

Particulars	Gratuity	
	2024-25	2023-24
Year 1	0.16	5.76
Year 2	0.44	0.21
Year 3	0.54	3.33
Year 4	5.99	1.43
Year 5	0.41	1.67
After Year 5	59.40	169.56

47. Disclosure in respect of IND AS-24 "Related Party Disclosures"
47(a) Key Managerial Persons:

- | | |
|----------------------------|--|
| 1. Shri. Govinda Reddy | - Managing Director (w.e.f. 04-Aug-2025) |
| 2. Smt. Dr. Manjula N | - Managing Director (till 4-Aug-2025) |
| 3. Shri. Gaurav Gupta | - Managing Director (till 22-Nov-2023) |
| 4. Shri. Awadhesh Mehta | - Director (BD&F) & Chief Financial Officer (w.e.f. 20-Jan-2023) |
| 5. Shri. Rajesh K Singh | - Director (P&P) (w.e.f. 21-Sep-2022) |
| 6. Smt. Archana M Kulkarni | - Company Secretary (w.e.f. 01-Jul-2024) |
| 7. Shri. S.N.Srinivasa | - Company Secretary (till 15-Jun-2024) |

47(b) Disclosure of transactions of the company with Key Management Persons:

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Salaries & Allowances	143.92	157.93
Other Benefits	8.94	9.04
Total	152.86	166.25

Disclosure in respect of IND AS-12-"Accounting for taxes on Income"
48. Deferred Tax Assets (Net)

For the year ended 31st March, 2025

(₹ in Lakhs)

Particulars	As at 1st April 2024	Recognised in Statement of profit & loss	Recognised in Other comprehensive income	As at 31st March 2025
i) Deferred Tax Assets				
a) Unabsorbed depreciation	46.71	3.18	-	49.88
b) Provision for Leave Encashment	28.92	8.59	-	37.51
c) Provision for gratuity	14.28	2.57	-	16.85
d) Other Disallowances	101.41	25.71	-	127.12
d) Lease Liability	42.88	(35.57)	-	7.31
Sub Total (i)	234.20	4.47	-	238.67

ii) Deferred Tax Liabilities				
e) Right Of Use Asset	(30.23)	24.39	-	(5.84)
Sub Total (ii)	(30.23)	24.39	-	(5.84)
Deferred Tax Assets (Net)	203.97	28.86	-	232.83

49. Disclosure in respect of IND AS - 33: Earning per Share

Particulars	2024-25	2023-24
Profit as per Statement of Profit & Loss (PAT)	1,031.30	1,375.69
Weighted average number of equity shares outstanding:	10,103.92	2,496.51
Diluted Earnings Per Share (₹.) (Face value of ₹10/- per share)	0.10	0.55
Diluted Earnings Per Share (₹.) (Face value of ₹ 10/- per share)	0.10	0.55

50. Disclosure in respect of IND AS-36 - "Impairment of Assets"

The Management has assessed for impairment of assets and found no impairment during the year 2024-25 (PY 2023-24 Nil).

51. Disclosure in respect of Ind AS -37- Provisions, Contingent liabilities and Contingent Assets.

Particulars	Bal. as at 01.04.2024	Additions/ transfer during the year	Utilization during the year	Adjustment during the year	Written back during the year	Bal. as at 31.03.2025
Retirement Benefits	56.74	10.20				66.94
Retirement Benefits	114.90	34.12	-	-	-	149.02
Total	171.64	44.32	-	-	-	215.97

Particulars	Bal. as at 01.04.2023	Additions/ transfer during the year	Utilization during the year	Adjustment during the year	Written back during the year	Bal. as at 31.03.2024
Retirement Benefits	26.55	30.19				56.74
Expenses	64.06	50.85				114.90
Total	90.61	81.03	-	-	-	171.64

Disclosures in respect of Ind AS 107- "Financial Instruments: Disclosures**52. Fair Value Hierarchy**

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

Level 1- Quoted prices (unadjusted) in active markets for identical financial instruments that the entity can access at the measurement date.

Level 2- The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of relevant observable market input and minimize use of unobservable inputs.

Level 3 - If one or more of the significant inputs is not based on observable market input, the instrument is categorized in level 3 of fair value hierarchy.

52(a) Financial instruments by category

Particulars	Level	2024-25	2023-24
Financial assets measured at fair value			
Other investments	Level 3	210.00	210.00
At Amortised Cost			
Financial assets			

Trade receivables	Level 3	12,163.07	9,555.93
Cash & Cash equivalents	Level 1	32,770.89	35,701.16
Other financial assets	Level 3	120.85	119.16
Total Financial Assets		45,264.82	45,586.26
Financial Liabilities			
Borrowings	Level 3	23,351.95	5,958.54
Trade payables	Level 3	646.16	894.67
Lease Liabilities	Level 3	29.05	170.38
Other financial liabilities	Level 3	990.63	1,573.22
Total Financial Liabilities		25,017.78	8,596.81

52(b) Valuation techniques and process used to determine fair values

- The carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.
- Fair value of other financial assets and liabilities carried at amortized cost is determined by discounting of cash flows using a discount rate which is defined as per Accounting Policy.

Financial Risk Management:

53. Financial risk factors

The company is exposed to various risks in relation to financial instruments. The company's financial assets and liabilities by category are summarized in above note. The main types of risks are market risk, credit risk and liquidity risk. The company's risk management focuses on actively securing the company's short to medium term cash flows by minimizing the exposure to volatile financial markets. The most significant financial risks to which the company is exposed are described below:

53(a) Market risk

The company has foreign exchange risk as the Market risk. The company does not have price risk since it is not having any derivative financial asset. The company does not have any hedging instruments to cover the foreign exchange risk. The company may have foreign exchange fluctuation on the imports of various items with reference to exchange rate as on the date of placement of work order and date of receipt of material and its payment thereof.

53(b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The company is exposed to this risk for various financial instruments, for example granting advances to employees, receivable from customers, security deposits etc.

The maximum exposure to the credit risk at the reporting date is primarily from carrying amount of following types of financial assets:

- Cash and cash equivalents
- Trade receivables
- Other financial assets measured at amortized cost

The company continuously monitors defaults of customers and other counter parties, identified either individually or by the company, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counter parties are obtained and used.

53(c) Credit Risk Management

Cash and cash equivalent: Credit risk related to cash and cash equivalents is managed by placing funds in schedule commercial banks which are subject to the regulatory oversight of the Reserve Bank of India, and these banking relationships are reviewed on an ongoing basis.

Trade Receivables: The company has outstanding trade receivables, which are typically unsecured and are derived from revenue earned from customers. Credit risks related to trade receivables are mitigated by taking security deposit from customers. The company closely monitors the credit worthiness of the customers and only deals with creditworthy parties.

Other financial assets: Other financial assets are measured at amortized cost.

Expected Credit Losses

Company provides expected credit losses based on the following:

Trade receivables:

Trade receivables are impaired when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

An analysis of age of trade receivables at each reporting date is summarized as follows:

Particulars	2024-25	2023-24
(i) Undisputed - Considered Good		
Less than 6 Months	12,163.07	9,553.45
6 months To 1 Year	-	5.28
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	12,163.07	9,558.74
(ii) Undisputed - Which Have Significant Increase in Credit Risk		
Less than 6 Months	-	-
6 months To 1 Year	-	-
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	-	-
(iii) Undisputed - Credit Impaired		
Less than 6 Months	-	-
6 months To 1 Year	-	-
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	-	-
(iv) Disputed - Considered Good		
Less than 6 Months	-	-
6 months To 1 Year	-	-
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	-	-
(v) Disputed - Which Have Significant Increase in Credit Risk		
Less than 6 Months	-	-
6 months To 1 Year	-	-
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	-	-
(vi) Disputed - Credit Impaired		
Less than 6 Months	-	-
6 months To 1 Year	-	-

1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	-	-

The company is taking suitable actions to recover the amount and hence the amount have been considered good for recovery except to the extant provision for doubtful debts created in the books.

Other Financial Assets measured at Amortized Cost:

Credit risks related to employee loans are considered negligible. Credit risk related to other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures that the amounts are within defined limits. There are no impairment provisions as on reporting date against these financial assets. The company considers all these financial assets as on the reporting date to be of good credit quality.

53 (d) Liquidity Risk

Liquidity requirements of the company are monitored on the basis of monthly, quarterly, half-yearly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, revenue generated from operations, Long Term Loan from KFW bank, Interest free subordinate debt from GoK, Equity contribution from GoI & GoK, Grant from GoK, Reimbursement of Cash Losses and Debt Repayment Support from GOK. The company manage its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues and retention & deposits arising during the normal course of business as of each reporting date. The company maintains sufficient cash and cash equivalents to meet its short term liquidity requirements.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the company may be required to pay. The table includes both principal & interest cash flows.

2024-25						
Particulars	Less than 6 months	6 Months to 1 years	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total
Borrowings	0.19	-	-	-	23,351.95	23,352.14
Other Financial Liabilities	20.05	-	-	-	-	20.05
Trade Payables	646.16	-	-	-	-	646.16
Grand Total	666.39	-	-	-	23,351.95	24,018.34

2023-24						
Particulars	Less than 6 months	6 Months to 1 years	More than 1 year to 3 years"	More than 3 years to 5 years	More than 5 years	Total
Borrowings	0.21	-	-	-	5,958.54	5,958.75
Other Financial Liabilities	141.33	-	-	-	-	141.33
Trade Payables	894.67	-	-	-	-	894.67
Grand Total	1,036.21	-	-	-	5,958.54	6,994.75

54. Disclosure in respect of Borrowings

54(a) Subordinate Debt:

Interest Free Subordinate Debts (SD) received from GoK/MoR have been recognized as long-term borrowings. The subordinate debts are interest free.

Out of the SD Funds received from GOK for land acquisition Rs.50,000 Lakh have been transferred to Equity shares as per GOK order no.UDD 158 PRJ 2020 Dated 21.07.2023 & UDD 158 PRJ 2020 P1 Dated 8.11.2023.

In the EGM held on Dt.19th February 2022, the Shareholders have approved the increase in borrowing limit upto Rs.10,80,900 Lakh which is beyond the paid up capital & free reserves of the company.

54(b) External Funding:

- i. As per the BSRP sanctioned order, the project is funded by the loan component of ₹ 7438 crore (Euro 800 million approx.). On 15.12.2023 the loan from KfW Development Bank (KfW), Germany for Euro 500 million was signed and on 14.06.2024 the loan from European Development Bank (EIB), Luxembourg for Euro 300 million was signed. The agreements are signed between the lenders (KfW & EIB) and the Government of India (Gol). The flow of funds for both the loans will be Passed through Assistance (PTA) through the Ministry of Railways which is similar to being followed in other metro projects.
- ii. Apart from the above, an agreement for a Grant of Euro 4.5 million was also signed with KfW Development Bank on 15.12.2023.
- iii. During the current Financial Year, no funds have been received by the company.

55. Taxation:

The Company is a Nodal agency in the State of Karnataka for implementation of Railway Projects with Indian Railways and Karnataka Government Participation. The interest income earned on deposits of short term money with banks is considered as exempt income by referring and relying on the decision of the Honorable Karnataka High Court in the case of Commissioner of Income Tax Vs Karnataka Urban Infrastructure Development & Finance Corporation ITA No. 78 of 2008 and hence no provision is made for payment of Income Tax/ Minimum Alternate Tax.

56. Events occurring after the date of Balance Sheet:

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Non-adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represent material change and commitment affecting the financial position are disclosed.

57. Dividend:

The Company has not declared any dividend during the financial year ended 2024-25.

58. Registration of charges or satisfaction with Registrar of Companies (ROC):

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

59. Significant & material orders passed by the Regulators:

No orders have been passed by the Regulators or Courts or Tribunals against the company on any matter.

60. Activity in Foreign Currency:

The company has not entered into any Foreign Transactions during the current and Previous financial years.

61. Borrowing secured against current assets:

The company does not have any borrowings from banks on the basis of security of current assets.

62. Willful defaulter:

The Company has not been declared willful defaulter by any bank or financial institution or other lender.

63. Equity Investments

Equity Investment in subsidiary companies is measured at cost. The Company has incorporated Bengaluru Integrated Rail Infrastructure Development Enterprises Limited (B-RIDE) on 6th January, 2021 as a wholly – owned subsidiary with an initial investment in the paid-up share capital of Rs.10,00,000 (Rupees Ten Lakh Only) divided into 1,00,000 equity share of Rs.10/- each, to undertake Bengaluru Sub-urban Rail Project.

64. Utilisation of borrowed funds and share premium:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

65. Compliance with approved scheme(s) of arrangements:

The Company has not entered into any Scheme of Arrangement.

66. Undisclosed Income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

67. Details of Crypto currency or Virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

68. Relationship with struck off companies:

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013, or Section 560 of the Companies Act, 1956.

69. In the opinion of the management, Current Assets, Loans and Advances have a value not less than what is stated in the accounts if realized in the ordinary course of business.

70. Balances shown under Long Term Loans and advances and Short-Term Loans and Advances, liabilities shown under Trade Payables and Other Current liabilities are subject to confirmation from respective parties and reconciliation.

71. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendments Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used accounting software for maintenance of all accounting records. The audit trail (edit logs) at the application level for the accounting software was operating for all relevant transactions recorded in the software

72. The MCA wide notification dated March 24, 2021 has amended Schedule III to the Companies Act, 2013, in respect of certain disclosures. The Company has incorporated appropriate changes in this financial statement.

73. Previous year's figures have been recast / restated, wherever necessary, to conform to the current year's classification.

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants

Firm Reg. No. 0041355

Sd/-

CA Veerabasana Gouda S

Partner

M.No.: 208698

for and on behalf of the Board of Directors of

Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

Govinda Reddy

Managing Director

DIN: 11103031

Sd/-

Rajesh Kumar Singh

Director

DIN: 08601529

Sd/-

Awadhesh Mehta

CFO

Sd/-

Archana M Kulkarni

Company Secretary

ACS: A28063

Place : Bengaluru

Date : 27.10.2025

UDIN : 25208698BMKWVL6957

Place: Bangalore

Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes forming part of Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Note 9A : Trade Receivables

Particulars	As at March 31, 2025						
	Less than 6 months		6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	9,870.18	2,292.90	-	-	-	-	12,163.07
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	

Particulars	As at March 31, 2024						Total
	Less than 6 months		6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	9,550.65	5.28	-	-	-	-	9,555.93
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-

Particulars	As at March 31, 2023						Total
	Less than 6 months		6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes forming part of Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Note24A: Trade Payables

Particulars	As at March 31, 2025					
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables:						
(i) Total outstanding dues of MSME	147.38	-	-	-	-	147.38
(ii) Total outstanding dues of creditors other than MSME	-	475.67	10.37	12.74	-	498.77
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2024					
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables:						
(i) Total outstanding dues of MSME	385.48	-	-	-	-	385.48
(ii) Total outstanding dues of creditors other than MSME	-	496.45	12.74	-	-	509.18
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2023					
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables:						
(i) Total outstanding dues of MSME	175.97	-	-	-	-	175.97
(ii) Total outstanding dues of creditors other than MSME	-	678.42	-	-	-	678.42
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Auditor's Report on Ind AS Consolidated Financial Statements of Company Prepared in Accordance with A Fair Presentation Framework.

INDEPENDENT AUDITORS' REPORT

To,

The Members of Rail Infrastructure Development Company (Karnataka) Limited

Report on the audit of Consolidated Ind AS Financial Statements.

Qualified Opinion

We have audited the accompanying Ind AS Consolidated Financial Statements of **Rail Infrastructure Development Company (Karnataka) Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred as "the Group") which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of changes in Equity for the year then ended and notes to the Ind AS Consolidated Financial Statements, including a summary of Material accounting policies and other explanatory information. This report supersedes our Independent Auditor's Report dated 27 October 2025, on the Ind AS Consolidated Financial Statements of the company for the year ended 31 March 2025, which has been revised in the light of observations arising from the audit by Comptroller & Auditor General of India.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid Ind AS Consolidated 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 Ind AS and accounting principles generally accepted in India, of the state of affairs of The Group as at March 31, 2025, and profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Qualified 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 Ind AS Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS Consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Matters giving rise to Qualified Opinion

1. The Holding company is mainly involved in execution of Railway Line Doubling Projects and was operating the funds related to the same. However, during last two financial years the Holding Company started receiving funds from Government of Karnataka (Hereinafter called GOK) as well as Ministry of Railways (Hereinafter called MOR) for implementation of Bangalore Sub-urban Railway Project (Herein after called BSRP Project). Again, as per directions received, the Holding company has established BRIDE as its subsidiary to execute BSRP Project. Meanwhile the funds received from GOK and MOR towards BSRP Project, despite having created a subsidiary for execution of BSRP Project, the Holding company has converted the funds received from GOK and MOR into Share Capital of the Holding Company. Even though the Holding company is executing the BSRP Project, the discussions are going on to transfer entire BSRP funds and corresponding assets and liabilities to BRIDE. There is no clarity either from GOK or MOR regarding this issue. By allotting shares to MoR. The Holding company has made MOR shareholder to the extent of 49% of its existing operations which was not warranted. This has resulted into doubt regarding continuity of BSRP Project Implementation through Holding company. This has a bearing on accounting issues, Shareholding issues and Going Concern issues etc. In the absence of clarity, we are not in a position to quantify the Financial and other Implications on The Holding company.
2. The Holding company is executing two Railway line doubling projects of Southwestern Railways (SWR in brief). The Holding company is following percentage of completion method based on cost incurred method/ Input method under Ind AS for recognition of Revenue. Since The Holding company is using Input method, it is prudent to recognize Revenue based on the estimated cost as on date. However, the Holding company is recognizing Revenue based on the approved cost dated 14-07-2022. As per MOU dated 14.07.2022 between The Holding company and SWR any change in the DPR and the detailed estimate shall be sanctioned by SWR. The Holding company has submitted a detailed revised estimated cost based on current rates and duly approved by the technical team to MOR. Following are the differences between original estimates and revised estimates.

Rs. In Lakhs

Name of the Project	Yeshwantpur-Channasandra Doubling	Byappanahalli-Hosur Doubling
Original Estimation dated 14-07-2022	31,411	49,873
Revised Estimation submitted to MOR but not yet approved.	68,357	1,16,077
Difference	-36,946	-66,204

As per information provided to us, till date revised estimated cost is not approved by SWR. In the absence of revised approved estimated cost, we are unable to quantify the impact on Revenue and Profit thereon.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

3. The Net Profit for the reporting period is Rs. 1,027.05 lakhs, which includes Bank Interest income of Rs.1,577.52 Lakhs. The holding Company being a Implementing Agency, has to receive a fixed percentage of Supervision Charges and cannot incur operational loss during the normal course of business. However, barring Interest Income, The Holding company has incurred a loss before taxes amounts Rs.550.47 lakhs. The Main reason for the loss is that The Holding company has submitted a detailed revised Estimate duly approved from its Technical Team for approval before the Ministry of Railway Authorities. As on date of signing this report, the Ministry of Railways has not approved the revised estimate. This has resulted into Understatement of Revenue as well as Receivable Balance. In absence of complete information, we are not in a position to quantify the extent of Short Revenue and corresponding Receivables value. This may also create Ind AS issues in subsequent financial years as Ind AS requires that any adjustments made in books corresponding to previous financial years, then corresponding effect shall be given to those financial years and there will be a need to restate the previous financial years figures.
4. The Railway Line doubling project on specified routes are being undertaken by the Holding company in joint participation between Ministry of Railways (MOR in brief) and Government of Karnataka (GOK in brief). Both MOR and GOK have contributed to the project in Equal Proportion. The Modus operandi is that the Holding company will raise Invoice to Ministry of Railways as per agreed terms and conditions. Against these invoices the funds will have to be received both from MOR and GOK. Even though GOK is contributing 50% of its shares all the Billings by Holding company shall be made to MOR as per terms of agreement. As per information provided to us the GOK will hand over money to Holding company directly. MOR will release its share as and when the Bills are raised by the Holding company.

As a matter of prudence and to reflect the true and fair view of the affairs of The Holding company, The Holding company has to account for contract revenue as per the terms of the agreement entered between The Holding company, MOR and GOK. As each of the participants contribute 50% of the funds required for the project, ideally the receivables balance of The Holding company should reflect how much money is receivable from GOK as well as MOR.

As can be seen from Accounts MOR has released its share as and when the bills are raised. However, no written Balance Confirmation is obtained from either GOK or MOR with respect to Contract Revenue Accounted, Funds Released and balance receivable. For Holding company, MOR and GOK are like outside customers, and Holding company is not bound by budget allocations of GOK. In the normal course of business, company has to account for revenue as per INDAS 115 and the receivables from each of the customer has to be reflected in the books of accounts. As per the information provided by The Holding company, the status of work executed and funds received/receivable in respect of doubling projects as at 31st March 2025 is as under:

(Rs. in lakhs)

Doubling	Estimate	Expenditure till 31.03.2025	Amount released up to 31.03.2025	Shortage/ (Excess)
GOK	40,642	35,336	10,000	25,336
MOR	40,642	35,336	43,483	-8,147
	81,283	70,672	53,483	17,189

In our view the MOR has released excess money, and the GOK has to pay its dues to Holding company. It is also not clear whether the excess amount received from MOR is advance received or to be recognized as revenue. As per statement furnished the GOK has given 10000 Lakhs as on date and the balance receivable is Rs.25,336 Lakhs. Presuming, MOR has released Rs.8,147 Lakhs in excess, company has to show advance received from MOR and corresponding balance to be shown as 25,336 Lakhs. This has affected the true and fair presentation of the Accounts as Current assets have been understated by 25,336 Lakhs and Current liabilities have been understated by Rs.8,147 Lakhs.

5. Further since GOK has not paid its dues the amount payable to contractor should have gone up to that extent. But on our verification, it was observed that the Funds received from GOK in respect of BSRP project has been used to pay to the Contractors and as a result there is no outstanding dues payable to Contractors. In order to make payments to contractors out of earmarked funds for BSRP Projects, The Holding company management should have obtained prior permission from GOK as the funds are allocated out of specified budgetary allocations from GOK and since it is approved in Karnataka legislative Assembly and project specific funds are received, there cannot be diversion of funds from one project to another project. This has resulted into violation of financial powers vested with The Holding company resulting in diversion of funds without written approval from GOK to the extent of Rs.25,336 Lakhs.

6. In the original cost estimate relating to doubling project undertaken by The Holding company, there are mistakes in estimates relating to individual type of work like Electrical, Signaling & Telecommunication and OHE. The net differences of Rs. 269.92 lakhs have been added to total estimated cost. However, no changes have been affected on Direction & General charges on account of these additions to or deductions from the estimated cost. The exact amount of Direction & General charges mentioned in estimates relating to individual types of work like Electrical, Signaling & Telecommunication and OHE are only considered for recognizing the revenue. In connection with this matter, we are unable to quantify the impact on profit.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

7. The Holding company has not ascertained the liability for Property Tax under The Bruhat Bengaluru MahanagaraPalike Act, 2020 on lands acquired by The Holding company. During the year no provision for property tax is made by The Holding company. We are unable to quantify the impact on profit.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

8. The Holding company is availing GST input tax credit in respect of direct expenditure relating to doubling project and is not availing Input Tax Credit relating to BSRP project under the pretext that it is not entitled for credit as per provisions section 17(5) of the CGST/KGST Act. However, since the BSRP Project is going to be transferred to a separate entity in our view The Holding company is Supplying Works Contract to Ministry of Railways and is incurring the Capital Expenditure in fiduciary capacity out of funds received from MOR and GOK. Therefore, The Holding company could have claimed Input Tax Credit. Further the input tax credit on common expenditure allocated to doubling projects is not claimed and the same is debited to Profit and Loss statement. In absence of information, we are unable to quantify the impact on profit. The Input in respect of BSRP Project amounts to Rs.3,365.57 Lakhs.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

9. The Holding company has shown the opening balance of Rs.16,541.82 Lakhs (net of transfer to share capital) as Interest Free Subordinate Debt from GOK (Advance from GOK - BSRP Project-Land Acquisition). During the current financial year The Holding company has received an additional amount of Rs.59,000 Lakhs as an Advance from GOK - BSRP Project-Land Acquisition. As per letter dated 05-12-2024 from GOK, it is mentioned that the funds of Rs.16,541.82 Lakhs should be treated as the Subordinate debt. For the balance funds of Rs. Rs.59,000 Lakhs, no confirmation received from GOK either to treat it as a Subordinate debt or grant-in-aid.

In our opinion the aforesaid amount of Rs.59,000 Lakhs relating to Advance from GOK for Land Acquisition shall be shown as Government Grants for Capital Expenditure, as per Ind AS 20- Deferred Government Grants Para 12 and 13 relating to Accounting for Government Grants. This has resulted in understatement of Deferred Government Grants and overstatement of Long-Term Borrowings by Rs.17,101.25 Lakhs and other equity by Rs.41,898.75 Lakhs and also resulted in non-compliance to Division II of Schedule III to the Companies Act,2013.

10. The Holding company has received Rs.50,000 lakhs from MOR towards Share Application Money up till 31.03.2024. Out of the aggregate amount of Rs.50,000 lakhs, The Holding company has transferred Rs.48,039.22 lakhs to Share Capital during the financial year 2023-24 and the balance of Rs.1,960.79 Lakhs has shown as Grant from MOR – BSRP under Long Term Borrowings.

In our opinion, the aforesaid balance of Rs.1,960.79 Lakhs shall be shown as Share Application Money pending allotment. This has resulted in understatement of Share Application Money pending allotment and overstatement of Long-Term Borrowings by Rs. 1,960.79 Lakhs and also resulted in non-compliance to Division II of Schedule III to the Companies Act,2013.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

11. The unspent amount of funds received from GOK and MOR have been invested by The Holding company in the form of Fixed Deposit in Banks. Interest earned to the extent of Rs.5166.00 lakhs (net amount) on such fixed deposits till 31.03.2025 has been reduced from Capital work-in-progress as disclosed in Note No.3(d) of Notes to Accounts.

The accounting treatment of grant as subordinate debt approved by the GOK to the extent of 16,541.82 lakhs and for the balance amount of Rs.59,000 lakhs The GOK is not yet approved the same. Further, as per the decision of 97th Board meeting the balance of share application money received from MOR is treated as grants and the same is not yet approved by the MOR. Therefore, in the absence of correct nature of the funds, we are unable to ascertain the impact of accounting treatment of the interest income which has been reduced from Capital work-in-progress.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

12. The Holding company has acquired Land from Karnataka Veterinary, Animal & Fisheries Science University (KVAFSU) for Rs.27,36,17,300/- (Amount paid on 13/04/2023 and Possession was taken on 04/05/2023). As per SI.No.54 of Office Note, The Holding company is required to ensure the construction of Compound wall. The Holding company has not

ascertained the liability for the construction cost of Compound wall and no provision for the same is made by The Holding company. Therefore, we are unable to quantify the impact on the cost of the land capitalized.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

13. As at 31st March 2025, a sum of ₹570.41 lakhs continues to be included as security deposit from M/s RMNIL & BIDPL (JV), Hyderabad under "Other Current Liabilities" as per Note No.25 to the Notes on Accounts, though the same has not been actually recovered from the contractor. Consequently, Current Liabilities and Current Assets remain overstated by this amount. This matter was also reported in audit report for the year ended 31st March 2024 and remains unresolved.

Further, as at 31st March 2025, an amount of ₹299.54 lakhs continues to be carried as "Recovery – RMNIL & BIDPL (JV)" under "Other Current Assets" as per Note No.14 to the Notes on Accounts. The Holding company has disclosed that the amount is unsecured and considered doubtful, but no provision has been made. Consequently, Current Assets and Profit are overstated by ₹299.54 lakhs.

This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

14. As at 31st March 2025, a sum of ₹74.28 lakhs continues to be included as security deposit recovered from M/s Bava Infrastructure Developers Pvt. Ltd., Mangalore under "Other Current Liabilities" as per Note No.25 to the Notes on Accounts. This amount has not been actually recovered from the contractor, though as per Company policy it should have been forfeited and recognized as income on termination of the contract. Consequently, Current Liabilities and Current Assets remain overstated by ₹74.28 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

Further, as at 31st March 2025, an amount of ₹18.30 lakhs in respect of Performance Bank Guarantee (PBG) relating to the same contractor continues to be included under Security Deposit in "Other Current Liabilities" as per Note No.25. This amount has not been recovered, although as per Company policy it should have been forfeited and recognized as income. Consequently, Current Liabilities and Current Assets are overstated by ₹18.30 lakhs. This matter was also reported in previous audit report for the year ended 31st March 2024 and remains unresolved.

15. We are unable to ascertain the impact on the Ind AS Consolidated Financial Statements, of the following balances appearing in the books of the Holding Company alone which have not been confirmed by the Parties to whom the letters requesting direct confirmations of balances have been sent.

(₹. in lakhs)

Description of account	Amount covered in the Letters sent for confirmation	Amount for which confirmation has been received	Amount for which confirmation has not been received
Trade payables	612.74	158.40	454.34
Trade receivables	12,163.07	-	12,163.07

The said unconfirmed balances relate only to the standalone books of the Holding Company and do not pertain to any subsidiaries in the consolidation. Consequently, the potential impact is restricted only to the Holding Company's standalone balances which form part of the consolidated financial statements

Emphasis of Matters

We draw attention to the following matters in notes to the Ind AS Consolidated Financial Statements:

- The title deeds in respect of land standing in the books of the Holding Company and acquired through KIADB amounting to Rs. 44,086.01 Lakhs, land acquired from BDA amounting to Rs. 642.99 lakhs, land acquired from BWSSB amounting to Rs. 86.67 lakhs, land acquired from LIDKAR amounting to Rs.361.63 lakhs and land acquired from KVAFSU amounting to Rs. 2,736.17 lakhs are not held in the name of Holding company as disclosed in the explanatory note "k" of Note no 3 of Notes to accounts.
- The Holding company has been making advance payments to KIADB for acquisition of land. As at the end of the current year there is a balance in advance amount to the extent of Rs.23,769.41 lakhs. KIADB has notified total land to the extent of 2,34,743.45 sq.mts out of which, KIADB has issued utilization certificate for 1,05,364.02 sq.mts and the same is capitalized as at 31.03.2025. For the balance of 1,29,379.43 sq.mts and the valuation is under process and the value of land will be adjusted against the aforesaid advance amount as disclosed in explanatory note "c" of Note no 3 of Notes to accounts. Further, out of lands acquired from private parties through KIADB (under compulsory acquisition) as on 31.03.2025 to the extent of 1,91,593.21 sq mts which are yet to be registered in the name of The Holding company, lands measuring 3,776.13sq mts are under dispute.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Reporting of key audit matters as per SA 701 is applicable to the Listed Companies. As The Group is an Unlisted Company, reporting of Key Audit Matters is not applicable.

Information other than Ind AS Consolidated Financial Statements and Auditor's Report thereon

The Holding 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 Ind AS Consolidated Financial Statements and our auditor's report thereon.

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

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

When we read other information, if we conclude that there is a material misstatement there in, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations. We have nothing to report in this regard.

Our opinion is not modified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Ind AS Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Consolidated Financial Statements that give a true and fair view of consolidated the financial position, Consolidated financial performance, including Consolidated other comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Consolidated Financial Statements, management included in the group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors included in the group are responsible for overseeing the financial reporting process of respective company.

Auditor's Responsibilities for the Audit of Consolidated Ind AS Financial Statement

Our objectives are to obtain reasonable assurance about whether the Ind AS Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Consolidated Financial Statements.

As part of an audit in accordance with Standards on Auditing (SAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has an adequate internal financial control with reference to Ind AS Consolidated Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Ind AS Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Consolidated Financial Statements, including the disclosures, and whether the Ind AS Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matters

1. The Ind AS Consolidated Financial Statements of the previous year have been audited by M/s Prakash.S.D& Co. They have issued an original audit report on 10th September, 2024. Subsequently, they have revised and issued the modified opinion in their audit report on 8th November, 2024 in the light of the observations of the Comptroller and Auditor General of India. We have considered their qualified opinions, while framing our opinion.
2. We did not audit the financial statements of the subsidiary, Bengaluru Integrated Rail Infrastructure Development Enterprise Limited (B-RIDE), included in the consolidated Ind AS financial statements, whose financial statements reflect total assets of ₹ 2.39 lakhs as at 31 March 2025, total revenues of ₹ Nil and net cash outflows of ₹ 5.97 lakhs for the year then ended. These financial statements have been audited by M/s B.N. Pai & Co., Chartered Accountants, and our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures included for the said subsidiary, is based solely on the report of the other auditor.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-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 except for the qualifications made, proper books of account as required by law have been kept by The Group so far as appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of Consolidated Ind AS Financial statements.
 - d) In our opinion except for the qualification made the aforesaid Ind AS Consolidated 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) Being a Government Company pursuant to the Notification No GSR 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of section 164 of the Companies Act, 2013, are not applicable to The Holding company.
 - f) With respect to the adequacy of the internal financial controls with reference to Ind AS Consolidated Financial Statements in place and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report which is based on auditor's report of its holding company and its subsidiary.
 - 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 Group has disclosed the impact of pending litigations on its financial position in its Ind AS Consolidated Financial Statements – Refer Note No.39 to the Ind AS Consolidated Financial Statements.
 - ii. As mentioned in our Basis for Qualified Opinion section of our audit report, we are of the opinion that there will be material foreseeable losses on long-term contracts if The Holding company does not get the revised estimated cost of the project from SWR. The Group has not entered into any derivative contracts.
 - iii. As per the books of accounts and according to the information and explanations given to us, there are no dues are required to be transferred, to the Investor Education and Protection Fund by The Holding company and its Subsidiary as at the balance sheet date.
 - 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of The Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 (b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by The Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that The Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 (c) Based on such audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (a) and (b) above, contain any material mis-statement.
 - v. The Group has not declared any dividend nor recommended any dividend during the year. Therefore, the provisions of Section 123 of the Act is not applicable to Group.
3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
 Sec 197 of Companies Act, 2013, refers to overall maximum managerial remuneration payable to directors by public limited companies. Pursuant to the Notification No GSR 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions Section 197(16) of the Companies Act, 2013, are not applicable to the Group.
 4. Based on our examination, which included test checks, The Group 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.
 5. Secretarial Audit Report of Holding company in Form MR-3 dated 30th September 2025 states that
 - a) **Gap between two Board Meeting:** Pursuant to sub-section 1 of section 173 of the Companies Act, 2013, every company shall hold the first meeting of the Board of Directors within thirty days of the date of its incorporation and thereafter hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. As per our observations Company hold Board Meeting on 02nd March, 2024 and thereafter on 31st August, 2024 hence there was gap more than one hundred and twenty days between two meetings.
 - b) **Corporate Social Responsibility:** Pursuant to section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall comply with the provisions of Corporate Social Responsibility. As per our observation CSR provisions are applicable to The Holding company and Company is in process to comply with provisions of CSR.
 - c) **Articles of Association Compliance:** Company has not formed APEX as required under Article 32.

For P.K Subramaniam & Co.,
 Chartered Accountants,
 FRN: 004135S

Sd/-
CA Veerabasana Gouda
 Partner,
 MRN: 208698
 UDIN:25208698BMKXAJ8084

Date: 04-12-2025
 Place: Bengaluru

ANNEXURE-A TO INDEPENDENT AUDITORS REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED.

Referred to in paragraph 1 under the heading Report on other Legal & Regulatory Requirements of our report of even date.

There have been qualifications or adverse remarks by the auditors in the Companies (Auditor's report) Order (CARO) reports of the companies included in the Ind AS Consolidated financial statements. The details of the companies and the Clause numbers of the CARO report containing the qualifications or adverse remarks are as under:

Sl. No.	Name of the Company included in the Ind AS Consolidated financial tatements	CIN	Holding Company/ Subsidiary/ Associate/ Joint Venture	Clause numbers of the CARO report containing the qualifications or adverse remarks
1	Rail Infrastructure Development Company (Karnataka) Limited	U60100KA2000SGC028171	Holding Company	(1)(d), 20
2	Bengaluru Integrated Rail Infrastructure Development Enterprise Ltd.	U60230KA2021SGC142876	Subsidiary Company	(xvii)

For P.K Subramaniam & Co.,

Chartered Accountants,

FRN: 004135S

Sd/-

CA Veerabasana Gouda

Partner,

MRN: 208698

UDIN:25208698BMKXAJ8084

Date: 04-12-2025

Place: Bengaluru

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE IND AS CONSOLIDATED FINANCIAL STATEMENTS

Report on the Internal Financial Controls with reference to Ind AS Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Ind AS Consolidated Financial Statements of Rail Infrastructure Development Company (Karnataka) Limited, (‘The Holding company’) and its Subsidiary as at March 31, 2025 in conjunction with our audit of the Ind AS Consolidated Financial Statements for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on The respective company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS Consolidated 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 respective company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to Ind AS Consolidated Financial Statements

A company’s internal financial control with reference to Ind AS Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Consolidated 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

- i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of The company.
- ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of The Holding company are being made only in accordance with authorizations of management and directors of The company; and
- iii) 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 Ind AS Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Consolidated Financial Statements

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

Qualified Opinion

In our opinion, except for the effects/possible effects of the material weaknesses described below on the achievement of the objectives of the control criteria, The respective companies have maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria established by the respective company's 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.

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2025:

1. In respect of Electrical Work (YPR-CHN) & Signaling Work (BYPL-HSR) of doubling project undertaken by the Holding company, actual expenses are more than the Estimated cost by Rs.195.21 lakhs and Rs. 1,063.05 lakhs respectively. The approval for the excess expenditure has not been obtained from the SWR. Further, no revised estimated cost has been obtained soon after the change in the GST rate from 12% to 18% vide GOI Notification No.03/2022 dt. 13.07.2022. This has resulted in the inadequate internal control system in getting revised estimated cost on time.
2. As per Sl. No.6 of MOU dated 14th July 2022 relating Doubling Project undertaken by Holding Company, the Project shall be completed within 36 months from July,2020. To date, the project is not yet completed. There is no mutual consent in writing for having agreed for extension of period. This has resulted in the inadequate internal control system in getting the extension for completion of the project.
3. As per Sl. No.14 of MOU dated 14th July 2022 relating to Doubling Project undertaken by Holding Company, the details of requirement of land to Railways after Final Location Survey are to be submitted. Details of land requirement for the two doubling projects have not been submitted. This may result in a delay in the completion of the project.
4. The Holding company has no proper control system to obtain balance confirmation from the parties on a regular interval basis.
5. We draw the attention to Para 5 of our report of even date, where the funds to the extent of Rs.25,336 Lakhs. have been diverted from BSRP Project to Railway doubling line project.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2025 financial statements of the Company, and these material weaknesses does not affect our opinion on the Consolidated Ind AS financial statements of the Company.

For P.K Subramaniam & Co.,
Chartered Accountants,
FRN: 0041355

Sd/-

CA Veerabasana Gouda
Partner
MRN: 208698
UDIN: 25208698BMKXAJ8084

Date: 04-12-2025
Place: Bengaluru

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2025

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
I. ASSETS				
(1) Non - Current Assets				
(a) Property, Plant and Equipment	3(a)	55,591.05	35,831.56	6,568.62
(b) Capital Work In Progress	3(d)	40,694.37	14,904.82	4,910.51
(c) Right-of-use Assets	3(c)	23.21	120.11	184.70
(d) Other Intangible Assets	3(b)	2.03	3.02	6.53
(e) Intangible assets under development	3(e)	648.81	306.79	-
(f) Financial Assets				
(i) Investments	4	200.00	200.00	200.00
(ii) Other financial assets	5	100.55	92.67	82.14
(g) Deferred tax assets (net)	6	232.83	203.97	-
(h) Other non - current assets	7	46,073.31	20,939.89	24,387.01
(2) Current Assets				
(a) Inventories	8	1,354.14	1,743.40	1,804.93
(b) Financial Assets				
(i) Trade receivables	9	12,163.07	9,555.93	-
(ii) Cash and Cash Equivalents	10	32,773.18	35,709.41	14,539.96
(iii) Other Bank Balances	11	-	20,100.00	38,000.00
(iv) Other financial assets	12	20.30	26.50	25.39
(c) Current tax assets (Net)	13	245.06	881.22	782.17
(d) Other Current Assets	14	4,911.71	3,957.60	10,840.70
TOTAL ASSETS		1,95,033.64	1,44,576.91	1,02,332.63
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	15	1,01,039.22	1,01,039.22	3,000.00
(b) Other Equity	16	59,699.61	16,589.88	14,807.86
(2) Share Application Money pending allotment	17	-	-	5,000.00
(3) Liabilities				
(i) Non - Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	23,351.95	5,958.54	51,855.82
(ii) Lease Liabilities	19	9.00	29.05	145.90
(iii) Other Financial liabilities	20	990.63	1,573.22	1,115.03
(b) Other Non Current Liabilities	21	151.55	159.11	108.51
(c) Provisions	22	211.97	154.43	83.39
(ii) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	0.19	0.21	-
(ii) Lease Liabilities	19	20.05	141.33	116.82
(iii) Trade payables	24			
- Total outstanding dues of micro enterprises and small enterprises		147.38	385.48	176.14
- Total outstanding dues of creditors other than micro enterprises and small enterprises		498.77	509.18	678.42
(b) Other Current Liabilities	25	7,135.27	16,469.40	24,158.76
(c) Provisions	22	1,778.04	1,567.85	1,085.97
TOTAL EQUITY AND LIABILITIES		1,95,033.64	1,44,576.91	1,02,332.63

Material Accounting Policies

The accompanying Notes are an integral part of the financial statements.

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants

Firm Reg. No. 0041355

Sd/-

CA Veerabasana Gouda S

Partner

M.No.: 208698

Place : Bengaluru

Date : 27.10.2025

UDIN : 25208698BMKWVM6826

2
01-73

for and on behalf of the Board of Directors of
Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

Govinda Reddy

Managing Director

DIN: 11103031

Sd/-

Awadhesh Mehta

CFO

Sd/-

Rajesh Kumar Singh

Director

DIN: 08601529

Sd/-

Archana M Kulkarni

Company Secretary

ACS: A28063

Place: Bengaluru

Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	Note No.	For the year ended 31st March 2025	For the year ended 31st March 2024
Revenue:			
Revenue from Operations	26	21,920.52	18,855.36
Other Income	27	1,778.17	3,571.17
Total Income		23,698.68	22,426.53
Expenses:			
Operating Expenses	28	20,159.64	17,539.06
Employee benefit expenses	29	1,254.19	889.21
Finance Costs	30	568.53	2,083.92
Depreciation and amortisation expenses	31	8.98	9.75
Other Expenses	32	709.15	734.25
Total Expenses		22,700.49	21,256.19
Profit before exceptional items and tax		998.19	1,170.33
Exceptional Items		-	-
Profit before tax		998.19	1,170.33
Tax Expenses:			
(1) Current Tax		-	-
(2) Deferred Tax	6	(28.86)	(203.97)
Profit after tax		1,027.05	1,374.30
Other Comprehensive Income/(Loss)			
A. (i) Items that will not be reclassified to profit or loss		18.28	(5.06)
(ii) Income Tax relating to Items that will not be reclassified to profit or loss		-	-
B. Items that will be reclassified to profit or loss		-	-
Total other comprehensive income/(Loss)		18.28	(5.06)
Total Comprehensive Income for the year		1,045.33	1,369.25
Earnings Per Equity Share (Face Value 10 per Equity Share):			
Basic		0.10	0.55
Diluted		0.10	0.55
Weighted Average number of Equity Shares			

Material Accounting Policies

2

The accompanying Notes are an integral part of the financial statements. 01-73

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants,

Firm Reg. No. 0041355

for and on behalf of the Board of Directors of

Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

CA Veerabasana Gouda S

Partner

M.No.: 208698

Sd/-

Govinda Reddy

Managing Director

DIN: 11103031

Sd/-

Rajesh Kumar Singh

Director

DIN: 08601529

Place : Bengaluru

Date : 27.10.2025

UDIN : 25208698BMKWVM6826

Sd/-

Awadhesh Mehta

CFO

Sd/-

Archana M Kulkarni

Company Secretary

ACS: A28063

Place: Bangalore

Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Statement of changes in equity for the year ended March 31, 2025

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

a. Equity Share Capital

Current reporting period- April 01, 2024 to March 31, 2025

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Equity share capital	1,01,039	-	-	-	1,01,039

Previous reporting period- April 01, 2023 to March 31, 2024

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Equity share capital	3,000	-	-	98,039	1,01,039

b. Other equity

Reserves and Surplus						
	Note	General Reserve	Special reserve under Sec 36(1)(vii)	Special reserve under Section 45-1C	Capital Reserve	Other Reserves
Balance at April 1, 2023		-	-	-	-	14,066.50
Additions for the year		-	-	-	-	412.77
Less: Transfer		-	-	-	-	-
Other comprehensive income		-	-	-	-	18.28
Balance at March 31, 2024		-	-	-	-	14,497.55
Additions for the year		-	-	-	-	42,064.40
Less: Transfer		-	-	-	-	-
Other comprehensive income		-	-	-	-	-
Balance at March 31, 2025		-	-	-	-	56,561.95
						2,110.62
						1,027.05
						3,137.67
						16,608.16
						17,034.15
						59,699.61

The accompanying Notes are an integral part of the financial statements.

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants
Firm Reg. No. 0041355

Sd/-

CA Veerabasana Gouda S
Partner
M.No: 208698

Place : Bengaluru
Date : 27.10.2025
UDIN : 25208698MKWM6826

for and on behalf of the Board of Directors of
Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

Govinda Reddy
Managing Director
DIN: 11103031

Sd/-

Rajesh Kumar Singh
Director
DIN: 08601529

Sd/-

Awadhesh Mehta
CFO

Sd/-

Archana M Kulkarni
Company Secretary
ACS: A28063

Place: Bengaluru
Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE YEAR ENDED 31ST MARCH 2025

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) before tax		
Adjustments for Non- Operating matters:	998.19	1,170.33
-Depreciation & Amortisation	8.98	9.75
-Interest Expense	568.53	2,083.92
-Interest Income	(1,778.17)	(3,571.17)
-Actuarial Gains/Losses	18.28	(5.06)
Operating profit before working capital changes	(184.18)	(312.22)
Adjustments for :		
- Decrease/ (increase) in trade receivable	(2,607.14)	(9,555.93)
- Decrease/ (increase) in Inventories	389.26	61.53
- Decrease/ (increase) in Other Financial Assets	(1.69)	(11.63)
- Decrease/ (increase) in Other Current Assets	(954.11)	6,883.10
- Decrease/ (increase) in Other Non - Current Assets	(25,133.42)	3,447.11
- Decrease/ (increase) in Deposit Account (Maturity more than 3 months)	20,100.00	17,900.00
- Decrease/ (increase) in Current Assets	636.16	(99.05)
- (Decrease) / increase in Borrowings	(0.02)	0.21
- (Decrease) / increase in Trade Payables	(248.51)	40.10
- (Decrease) / increase in Other Current Liabilities	(9,334.13)	(7,689.37)
- (Decrease) / increase in Short-Term Provisions	210.19	481.88
- (Decrease) / increase in Lease Liabilities	(141.33)	(92.35)
- (Decrease) / increase in Other Financial liabilities	(582.59)	458.19
- (Decrease) / increase in Long-term provisions	57.53	71.04
- (Decrease) / increase in Other Non - Current Liabilities	(7.52)	50.57
Cash generated from operations	(17,801.50)	11,633.18
-Direct taxes paid		
Net cash from/(used in) operating activities (A)	(17,801.50)	11,633.18
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets including CWIP and capital advances (Net)	(45,803.30)	(39,507.71)
Sale of fixed assets	1.15	2.02
Interest Income	1,778.17	3,571.17
Net cash from/(used in) investing activities (B)	(44,023.99)	(35,934.52)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of Share Capital	-	98,039.22
Share Application Money pending allotment	-	(5,000.00)
Proceeds From Long-Term Borrowings & Grant	59,457.79	(45,484.50)
Interest Expense	(568.53)	(2,083.92)
Net cash from/(used in) financing activities (C)	58,889.26	45,470.79
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(2,936.23)	21,169.44
Cash and cash equivalents (opening balance)	35,709.41	14,539.96
Cash and cash equivalents (closing balance)	32,773.18	35,709.41
Components of Cash and Cash Equivalents		
a) Cash on Hand	0.12	0.12
b) Balances with Banks:		
In Current Account & Savings Accounts	32,773.06	32,709.29
In Deposit Account (Maturity Less than 3 months)	-	3,000.00
Cheques/Draft in Hand	-	-
	32,773.18	35,709.41

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants,

Firm Reg. No. 0041355

Sd/-

CA Veerabasana Gouda S

Partner

M.No.: 208698

Place : Bengaluru

Date : 27.10.2025

UDIN : 25208698BMKWVM6826

for and on behalf of the Board of Directors of

Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

Govinda Reddy

Managing Director

DIN: 11103031

Sd/-

Awadhesh Mehta

CFO

Sd/-

Rajesh Kumar Singh

Director

DIN: 08601529

Sd/-

Archana M Kulkarni

Company Secretary

ACS: A28063

Place: Bengaluru

Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 : Corporate Information:

The Consolidated Financial Statements comprise of "Rail Infrastructure Development Company (Karnataka) Limited" ('referred to as "the Holding Company" or "the Company" or "K-RIDE") & its Subsidiary Bengaluru Integrated Rail Infrastructure Development Enterprise Limited ('referred to as "the Subsidiary Company" or "B-RIDE") for the year ended 31st March 2025.

The Holding Company is incorporated under the Companies Act, 1956, in the State of Karnataka, India (CIN No. U60100KA2000SGC028171). The registered office of the Company is situated in Bangalore. The Holding Company is a Nodal Agency for ensuring necessary Co-Ordination and Smooth implementation of identified railway projects and for monitoring progress of implementation and report to Government of Karnataka. Based on the directives of the Ministry of Railways, the Company was restructured as a State Joint Venture with equity participation between Government of Karnataka and Ministry of Railways at 51:49 ratio vide Revised Shareholders Agreement dated 17.10.2018.

The Subsidiary Company is incorporated under the Companies Act, 2013, in the State of Karnataka, India (CIN No. U60230KA2021SGC142876). The registered office of the Company is situated in Bangalore. The Company is a wholly – owned subsidiary of "Rail Infrastructure Development Company (Karnataka) Limited - K-RIDE". The Company is formed as SPV by K-RIDE (Nodal Agency) to undertake Bengaluru Sub-urban Rail Project in Bangalore, Karnataka.

Note 2 : Material Accounting Policies

2.1.1 Basis of Preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended) from time to time. Further, the Guidance Note/ Announcements issued by The Institute of Chartered Accountants of India (ICAI) are also considered wherever applicable, as adopted consistently by the company.

For all periods up to and including the year ended March 31, 2024, the Group prepared its Consolidated Financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These Consolidated Financial Statements for the year ended March 31, 2025, are the Group's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Group has applied Ind AS 101 – First-time Adoption of Indian Accounting Standards in the preparation of these consolidated financial statements.

The Consolidated Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency and all values are rounded off to the nearest "Lakhs" except when otherwise indicated.

2.1.2 Functional and Presentation Currency:

The Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency and all values are rounded off to the nearest "Lakhs" except when otherwise indicated.

2.2 Basis of Consolidation

The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on 31 March 2025.

2.2.1 Basis of Measurement

The Consolidated financial statements have been prepared on the historical cost basis except for:-

- (i) Financial assets and liabilities that are measured at fair value (refer accounting policy regarding financial instruments).
- (ii) Defined benefit plan - plan assets measured at fair value.

The methods used to measure fair values are discussed further in notes to Consolidated financial statements.

2.2.2 Subsidiaries

Subsidiaries are all entities over which the Holding Company has control. The Holding Company controls an entity when the Holding Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Holding Company. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

2.2.3 Consolidated procedure for Subsidiary

1. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
2. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
3. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).
4. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.
5. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3. Current v/s Non-Current classification:

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

- Expected to be realized, or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is: -

- It is expected to be settled in normal operating cycle;
 - It is held primarily for the purpose of trading;
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

2.3.1 Operating Cycle:

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

2.4 Use of Estimates and Judgements.

The preparation of the Consolidated financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities at the end of the reporting period. Estimates and underlying assumption are reviewed on an ongoing basis and revision to accounting estimates are recognized prospectively. Further, actual results could differ from these estimates and the differences between actual results and estimates are recognized in the period in which the results are known or materialized.

The areas involving critical estimates or judgements are as under:

- a) **Determination of estimated useful life of Property, Plant and Equipment and Components of Cost:** Property, Plant and Equipment represent a significant proportion of asset base of the company. The charge in respect of periodic depreciation is derived after determining the estimate of an asset's expected useful life, the expected residual value at the end of its useful life and depreciation method. The useful lives and residual values of company's assets are determined by the

management at the time the asset is acquired and reviewed at the end of each reporting period along with depreciation method. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The reassessment of useful life may result in change in depreciation expense in future periods. Assessment is also made as to which components & cost may be capitalized.

- b) Determination of estimated useful life of Intangible assets and components of cost:** The charge in respect of periodic amortization is derived after determining the estimate of an asset's expected useful life and amortization method. The useful lives are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end along with amortization method. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as change in technology.
- c) Provisions:** A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical evaluation and past experience. However, where the effect of time value of money is material, provision is determined and maintained by discounting the expected future cash flow, wherever applicable, with appropriate discounting rate. Where discounting is used, increase in the provision due to passage of time is recognized as Finance Cost in the Statement of Profit and Loss.
- d) Contingent liabilities:** Any possible obligation that may arise from the past events and existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, is disclosed under Contingent Liability. Any present obligation that may arise from the past events not recognised, because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made, is also disclosed under the Contingent Liability. Such items of Contingent Liability are reviewed at each Balan Sheet date and adjusted to reflect the current management estimate.
- e) Post-employment benefit plans:** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increase and the inflation rate. The company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.
- f) Impairment test of non-financial assets:** The recoverable amount of PPE is determined based on judgement of assumptions of technical experts. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.
- g) Recognition of Deferred Tax Assets:** The company reviews the carrying amount of deferred tax assets at the end of each reporting period. The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

Measurement of Fair Values

The Group's accounting policies require financial instruments to be measured at fair values. The Group has established control framework with respect to the measurement of fair values. The Group uses valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The management regularly reviews significant unobservable inputs. Fair values are categorised in different levels of hierarchy based on inputs used in valuation techniques as follows:

Level 1 inputs: Quoted unadjusted prices in active market.

Level 2 inputs: Other than quoted prices that are observable either directly or indirectly.

Level 3 inputs: Unobservable inputs.

2.6 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from external project work is recognized as follows:

- (i) Revenue from contracts, where performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, recognized as per the percentage-of-completion method.
- (ii) Doubling work funded by GoK & MoR in the ratio of 50:50. As per MOU dated 14.07.2022 between K-RIDE & SWR any change in the DPR and the detailed estimate shall be sanctioned by SWR, as per the extant procedures within a reasonable period of time of submission of complete papers and costing details by K-RIDE. Currently revenue is recognized based on earlier approved estimate.

As per the terms of MOU under the head "Commissioning and taking over of assets", All assets will be deemed to be taken over by the Railways immediately after commissioning for maintenance. Thus, entire Doubling project assets belongs to Railways and invoices are being raised on Railways/ IRFC accordingly.

Expenditures / Provisions are accounted in books of account only when the work done has been entered in measurement books and the same has been verified and certified by Engineer / nominated officers. Project expenditure & PVC amounts related to FY 2024-25 which are certified by concerned Engineers upto 30.04.2025 pertaining to the work done during April 2024 to March 2025 are considered for the recognition of expenditure & revenue for the FY 2024-25.

Interest Income

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other income

Other income / Penalties are recognised when such income accrues to the Company.

2.7 Land:

The land parcels handed over by the landowners including various government bodies and departments and taken possession by the company have been capitalized at the time of taking the possession of the land by the company without waiting for the registration of title deeds in the name of the company.

Enhanced compensation, if any, shall be booked and capitalised as and when the payment is due since the amount cannot be estimated.

Land cost includes expenditure related to compensation, registration & other statutory and incidental charges related to title and resettlement/rehabilitation and interest, if any, up to the date of acquisition/possession, whichever is earlier.

Payments made provisionally / corresponding effect of obligation provided towards cost or compensation related to the land including lease-hold land in possession, cost of acquisition of structures less sale proceeds of such structures demolished are treated as cost of the land or lease-hold land.

Payment made provisionally / corresponding effect of obligation provided towards land acquired on temporary basis /land utilised for road widening, laying of electrical utility is added to the cost of assets constructed over the land.

2.8 Property, Plant & Equipment:

Property, Plant and Equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing item of Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on de-recognition is recognised in the Statement of Profit and Loss.

Permissions for use of land received free of cost from government/other agencies for construction of project are recognised at fair value.

2.9 Intangible assets:

The carrying value for all of its intangible asset as recognized in its Previous GAAP consolidated financial statements as deemed cost at the transition date.

Intangible assets (Computer Software) acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized on a written down value basis over a period of three years, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate

Costs of assets not ready for use at the balance sheet date are disclosed under intangible assets under development.

2.10. Capital Work-in-Progress:

- Assets under installation and/or construction as at the Balance Sheet date are shown as Capital Work in Progress.
- Claims including price variations are accounted for on acceptance.
- Liquidated Damages are accounted for on settlement of final bill and deducted from cost.

- d) Expenditure directly pertaining to Bengaluru Suburban Rail Project (BSRP) are accounted under the head Capital Work-in-Progress.
- e) Interest Income from BSRP funds & mobilization advances, Penalties recovered, Tender Document fees received are reduced from the value of Capital Work-in-Progress.
- f) Management fee payable towards ODA plus loan as per instructions of Aid Accounts & Audit Department of Economic Affairs, Ministry of Finance has been charged to Capital Work-in-Progress.
- g) Common expenditures pertaining to both the projects (BSRP & Doubling) have been bifurcated and the basis of allocation have been detailed under notes to Profit & Loss Statement.

2.11. Depreciation and Amortization:

Depreciation on Property, Plant and Equipment is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Further in cases where the depreciation on the assets have been fully written off, the residual value of 5% or the value continued in the books are carried forward without applying further depreciation on the same. Depreciation on individual assets acquired for a value less than (or) equal to Rs.5,000/- is depreciated at the rate of 100% taking into consideration the commercial life in the year of purchase itself & not capitalised. Mobile handsets to employees are depreciated over a period of 3 years as per company's policy.

The useful lives of assets and the manner specified in Schedule II to the Companies Act, 2013 is as per the table below:

Asset Description	No. of years
Plant and Machinery	15
Office Equipment	5
Computers	3
Furniture and Fixtures	10
Office Interiors	10
Employee Mobile Handset costing more than Rs. 5,000/-	3

2.12 Impairment of tangible and intangible assets:

At each Balance Sheet date, the company reviews the carrying values of assets for impairment. If any indication of such impairment exists, the recoverable amount of assets is estimated and impairment is recognised. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Statement of Profit and Loss to the extent the carrying amount exceeds the recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending upon changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

2.13 Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies are translated at exchange rates as at the reporting date. Exchange differences arising on the settlement or translation of monetary items are recognized in Statement of Profit & Loss in the year in which these arise.

2.14 Inventories:

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, if any by following FIFO method. The cost of inventories includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.15 Employees Retirement Benefits :

A) Defined Contribution plans:

Contribution paid/ payable to defined contribution plan comprising of Provident Fund/ National Pension scheme (NPS) is recognized as expense and charged to Statement of Profit and Loss on accrual basis. Company obligation towards earned leave is actuarially determined and provided for.

Remeasurements comprising actuarial gains/losses as well as the difference between the return on plan assets and amount included in net interest on the net defined benefit liability/ assets are recognized in the Other Comprehensive Income (OCI), net of income tax.

B) Defined Benefits plans:

Leave Encashment:

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date."

In case of deputationists, leave salary contribution is remitted to the concerned Parent Department as per the terms of deputation. In case of contract employees, earned leave encashable at the rate of 15 days in a calendar year and/or earned leave at credit at the time of termination of the contract being eligible for encashment, as per the contract terms, is provided for based on the actuarial valuation as per the Projected Unit Credit Method, carried out by an independent actuary.

Gratuity:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

The company has a defined benefit plan. Every regular employee who has rendered continuous service of five years or more is entitled for gratuity @ 15 days salary (15/26 x last drawn basic pay plus dearness pay/dearness allowance) for each completed year of service on superannuation, resignation, termination and disablement or on death.

Employees on direct Contract basis with K-RIDE and who have rendered continuous service of 5 years or more are entitled for gratuity @ 70% of Consolidated pay x 15/26 for each completed year of service.

Deputed Employees:

Retirement benefits to employees on deputation from the Government/other organizations are governed by the service rules of the respective parent organization and amount accrued towards retirement benefit contribution, is recognized based on the terms and conditions of deputation.

2.16 Prepaid Items:

Individual items of prepaid expenses over Rs.5,000/- each are recognized.

2.17 Insurance Claims:

Insurance claims are accounted for based on acceptance of claims by Insurance Company.

2.18 GRANTS IN AID

Grants from the Government/Non-Government or other authorities towards Capital Expenditure for creation of assets are recognised when they are sanctioned for release and initially shown as 'Deferred Income'. These are subsequently recognised as income each year over the life of the relevant assets in proportion to depreciation on those assets.

Where the Company recognises non-monetary grants, the asset and the grant (which is shown as Deferred income) are recorded gross at fair values and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset.

2.19 Interest Free Subordinate Debt

Interest free Subordinate Debts (SD) received from GOK are repayable after the repayment of entire amount of interest bearing loan fund arranged by KFW development bank, (Senior Term Debts). These debts have been recognised as long-term borrowings.

2.20 Borrowing costs:

Borrowing costs that are attributable to the acquisition, construction or productivity of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs incurred on the funds borrowed specifically for the project and identified therewith including exchange rate differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs is capitalized up to the date of commissioning of the project or part thereof and thereafter charged to revenue to the extent the assets are under commercial operations.

Borrowing costs eligible for capitalization on that asset are determined as the actual borrowing costs incurred on that borrowing during the period less any income on the temporary investment of those borrowings.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

2.21 Taxes on Income (IND AS 12):

Income Tax expense, comprising current and deferred tax, is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in Other Comprehensive Income (OCI) or directly in Equity, in which case it is recognized in Other Comprehensive Income/in Equity.

Current tax is determined in accordance with the provisions of the Income Tax Act, 1961 applicable for the relevant assessment year.

Deferred tax is recognized using the balance sheet method, providing for temporary difference between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax is measured at the tax rates that are expected to apply when the temporary differences are either realized or settled, based on the laws that have been enacted or substantively enacted by the end of reporting period.

Deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized.

2.22 Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, bank balances and deposits with original maturities of twelve months or less and that are readily convertible to known amount of cash and cash equivalents and which are subject to an insignificant risk of changes in value.

2.23 Cash Flow Statement:

Cash flows are reported using the indirect method prescribed under IND AS-7, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.24 FINANCIAL INSTRUMENTS

Recognition, Initial Measurement and De-recognition

Financial assets and financial liabilities are recognised and are measured initially at fair value adjusted by transactions costs, except for those financial assets which are classified at Fair Value through Profit & Loss (FVTPL) at inception.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expired.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- (i) Financial assets at amortised cost using effective interest rates (EIR)
- (ii) Financial assets at fair value through profit or loss (FVTPL)
- (iii) Financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date.

2.25 Effective Interest Rate (EIR) is calculated as follows:

Financial assets & Financial liabilities which are interest bearing at market rates: EIR in these cases are equivalent to instrument's interest rate.

For other financial assets or financial liabilities not at fair value: SBI-MCLR/Base rate at beginning of financial year for highest available period.

Interest Free Subordinate Debt : 10 years G-Sec Par Yield(FBIL) rate as on the date of signing of longest tenure loan agreement of each phase of the project.

Right of Use (ROU) assets: SBI-MCLR/Base rate at beginning of financial year for highest available period.

2.26 Earnings Per Share (Ind AS 33):

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

2.27 Leases:

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

- (i) The contract involves the use of an identified underlying asset,
- (ii) The company has substantially all of the economic benefits from use of the underlying asset through the period of the lease, and
- (iii) The company has the right to direct the use of the underlying asset.

At the date of commencement of the lease, the company recognises a Right-Of-Use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee except for leases which are cancellable and leases of low value assets.

The ROU assets are initially recognised at cost, which consist of initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

The ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

The ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Effective Interest Rate (EIR). The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

The Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Land parcels acquired by the company by paying full consideration for the projects on lease basis will have infinite/perpetual possession with the company and effective control also vests with the company. The total lease payment made by the company being the transaction price, have been recognised as Land (R.O.U) under Property, Plant & Equipment.

2.28 Events after the reporting period

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognised in the financial statements. Non-adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represent material change and commitment affecting the financial position are disclosed.

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Note 3: Property, Plant & Equipments & Intangible Assets

Notes Forming Part Of The Consolidated Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	(a) PROPERTY, PLANT AND EQUIPMENT					(b) INTANGIBLE ASSETS	
	Land	Furniture and fixtures	Computers	Office equipment	Total (a)	Computer Software	Total (b)
Cost							
At April 1, 2023	6,303.06	76.94	123.21	389.07	6,892.27	38.53	38.53
Additions	29,319.33	1.89	21.94	22.24	29,365.40	0.64	0.64
Disposals	-	-	1.50	0.52	2.02	-	-
At March 31, 2024	35,622.40	78.82	143.64	410.79	36,255.65	39.17	39.17
Additions	19,776.43	2.74	38.88	24.27	19,842.32		
Disposals	-	-	4.79	1.49	6.28		
At March 31, 2025	55,398.82	81.56	177.73	433.57	56,091.69	39.17	39.17
Accumulated depreciation/amortization and impairment							
At April 1, 2023	0.00	35.86	87.11	200.67	323.64	32.00	32.00
Charge for the year	0.01	10.87	28.04	62.60	101.51	4.15	4.15
Disposals	-	-	0.67	0.39	1.06	-	-
At March 31, 2024	0.01	46.73	114.48	262.88	424.10	36.15	36.15
Charged to P&L (note-b)	0.00	0.43	1.13	2.53	4.09	0.05	0.05
Transferred to CWIP (note-b)	0.01	8.20	21.41	48.01	77.63	0.94	0.94
Total Charge for the year	0.01	8.63	22.54	50.53	81.71	0.99	0.99
Disposals	-	-	4.12	1.05	5.17	-	-
At March 31, 2025	0.01	55.36	132.90	312.36	500.64	37.14	37.14
Net Block							
At March 31, 2023	6,303.06	41.08	36.09	188.40	6,568.62	6.53	6.53
At March 31, 2024	35,622.39	32.10	29.16	147.91	35,831.56	3.02	3.02
At March 31, 2025	55,398.81	26.21	44.83	121.21	55,591.05	2.03	2.03

EXPLANATORY NOTE FOR NOTE NO 3

- Ind AS 101 permits a first-time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date or continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as on the date of transition to Ind AS, as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangibles at their Previous GAAP carrying value.
- Depreciation for the year has been apportioned on the basis of 05:95 (i.e. 5% for Doubling & 95% for BSRP – being total project cost for particular project). Thus 5% of Rs.82.70 Lakh being Rs.4.14 Lakh has been charged to Statement of Profit & Loss and Balance 95% of Rs.82.70 lakh being Rs.78.56 Lakh has been shown under Capital work-in-progress.
- Lands are acquired through Karnataka Industrial Area Development Board (KIADB). The title of land is deemed to have been transferred to K-RIDE once the land is handed over to K-RIDE through 28(8) notification published in the Gazette by KIADB. The amount has been capitalised based on utilisation certificate received from KIADB for 189 Private properties (85,578.68 sq m.) & 118 Government properties (19,785.34 sq m.) as on 31.03.2025. The payment for the balance 530 properties (1,29,379.43 sq m.) is under process & the advance amount of Rs.23,769.41 Lakh with KIADB will be adjusted against the balance properties.

Status of Properties acquired through KIADB (under compulsory acquisition) as on 31.03.2025 are as follows:

BSRP Project Corridors	Total Number of Properties acquired			Properties yet to be Registered in the name of the Company			No. of Properties for which Khata Registered in the name of the Company		
	Government	Private	Total #	Government	Private	Total	Government	Private	Total
Corridor-2 (nos.)	64	422	486	64	375	439	0	47	47
Corridor-2 (sq m.)	9858.13	150641.38	160499.51	9858.13	139550.75	149408.88	0	11090.63	11090.63
#Out of 486 properties (160499.51 sq m.) acquired through KIADB (under compulsory acquisition), 19 properties (3,776.13 sq m.) are under dispute.									

BSRP Project Corridors	Total Number of Properties acquired			Properties yet to be Registered in the name of the Company			No. of Properties for which Khata Registered in the name of the Company		
	Government	Private	Total	Government	Private	Total	Government	Private	Total
Corridor-4 (nos.)	54	297	351	53	160	213	1	137	138
Corridor-4 (sq m.)	9927.21	64316.73	74243.94	9121.05	33063.28	42184.33	806.16	31253.45	32059.61

- D. Applicable stamp duty and registration fee will be recognised as and when registration of title in the name of the Company is completed.
- E. The Compensation and Resettlement Package (CRP) policy for Bangalore Suburban Railway Project is approved by the Govt of Karnataka in respect of land acquisitions by K-RIDE (the same is available in K-RIDE's website). Compensation and Resettlement process and payments are made as per the approved CRP policy & the same has been Capitalized as Land to the extent certified by Land Department upto 31.03.2025 with respect to the Land which are already capitalized in books.
- F. Land - BDA (1,100.71 sq m.), Land - BWSSB (121.9 sq m.) Land - LIDKAR (2,031.63 sq m.) & Land - KVAFSU (9,151 sq m./ 2.2613 acers) have been handed over to K-RIDE. However, registration & Khata transfer is under process.
- G. South Western Railways has transferred 85.707 acre of Railway Land for BSRP Corridor-2 & 115.472 acre of Railway Land for BSRP Corridor-4 to K-RIDE on Lease basis for a period of 35 years on 22.12.2022 & 02.04.2024 respectively at nominal lease charges of Re.1/- per acre per annum as per Railway Boards OM shown as Land (Right to use). Both the Lease agreement are registered on 02.04.2024. The Company applies the exemption provided under Ind AS 116 for leases of Railway Land as Low - Value assets.
- H. Compound wall has to be constructed with respect to land purchased from KVAFSU as a part of purchase condition. However, at this junction K-RIDE is not in a position to estimate the value of construction of compound wall & will be capitalised accordingly as & when the same work is taken up & payment is made.
- I. The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
- J. No PPE's including Rights to use assets and intangible assets are revalued during the year.
- K. Title deeds of Immovable Property not held in name of the Company.

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter /director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company	Property Details (In Sq m.)	No. of properties	Disputed property (in sq m.)
PPE	Land (Corridor-2)	43,142.62	Refer Note below (KIADB)	No - KIADB	Since FY 2021-22 to FY 2024-25	Khata transfer is under process	1,49,408.88	439	3,776.13
PPE	Land (Corridor-4)	943.39		No - KIADB		Khata transfer is under process	42,184.33	213	-
PPE	Land (Corridor-2)	642.99	BDA	No	31.01.2024	Registration is under process	1,100.71	1	-
PPE	Land (Corridor-2)	86.67	BWSSB	No	10.11.2022	Registration is under process	121.90	1	-
PPE	Land (Corridor-2)	361.63	LIDKAR	No	21.11.2022	Registration is under process	2,031.63	1	-
PPE	Land (Corridor-2)	2,736.17	KVAFSU	No	04.05.2023	Registration is under process	9,151.00	1	-

Note : Lands are acquired through KIADB (under compulsory acquisition). The title of land is deemed to have been transferred to K-RIDE once the land is handed over to K-RIDE by KIADB through 28(8) notification published in the Gazette by KIADB.

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes Forming Part Of The Consolidated Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Note 3(c) - Right-of-use-assets and Lease liabilities

The Company as a lessee, has entered into multiple leasing arrangements for office space. Most of the lease contracts are made under usual terms and conditions, which means they include options to extend the lease by a defined amount of time and escalation clauses in line with general office rental market conditions. On renewal, the terms of the leases are renegotiated.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of lease requires significant judgement. The Company uses significant judgement in assessing the lease term and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and period covered by an option to terminate the lease, if the Company is reasonably certain not to exercise that option.

In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. Also refer Note-(iii) for Critical judgements in determining the lease term.

(i) Amount Recognised in Balance Sheet

The Balance sheet shows the following amounts relating to Right-of-use assets:

Particulars	As at 31 March,2025	As at 31 March,2024	As at 01 April,2023
Gross carrying amount			
Opening balance	209.46	184.70	184.70
Additions	-	24.76	-
Disposals	-	-	-
Closing balance	209.46	209.46	184.70
Accumulated Amortization			
Opening balance	89.34	-	-
Additions	96.91	89.34	-
Disposals	-	-	-
Closing balance	186.25	89.34	-
Net carrying amount	23.21	120.11	184.70
Movement of Lease Liability			
Particulars	As at 31 March,2025	As at 31 March,2024	As at 01 April,2023
Opening lease liability	170.38	262.73	-
Additions	-	-	262.73
Add: Interest Accrued	9.12	42.35	-
Less: Lease payment	-150.45	-134.70	-
Closing lease liability	29.05	170.38	262.73
Particulars	As at 31 March,2025	As at 31 March,2024	As at 01 April,2023
Lease Liabilities			
Current	20.05	141.33	116.82
Non- Current	9.00	29.05	145.90
Total	29.05	170.38	262.73
(ii) Amortisation of ROU assets recognised in Statement of Profit & Loss			
Particulars	As at 31 March,2025	As at 31 March,2024	As at 01 April,2023
Charged to P&L *	4.85	4.47	-
Transferred to CWIP *	92.06	84.88	-
Total	96.91	89.34	-

*Amortization for the year has been apportioned on the basis of 05:95 (i.e. **5% for Doubling & 95% for BSRP** – being total project cost for particular project). Thus 5% of Rs.96.91 Lakh being Rs.4.85 Lakh has been charged to Statement of Profit & Loss and Balance 95% of Rs.96.91 lakh being Rs.92.06 Lakh has been shown under Capital work-in-progress.

(iii) Critical judgements in determining the lease term :

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not terminate).
- Otherwise, the company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

When the company and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty, the enforceable period of the lease ends at the earliest point in time at which both parties can leave the contract and its contractual obligations.

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Note 3(d). Capital Work In Progress

Notes Forming Part Of The Consolidated Financial Statements

(All amounts in Indian Rupees, except as otherwise stated)

Sl. No.	Particulars	As at 01.04.2024	Additions during the year	Transfers/deletions	Capitalised during the year	As at 31.03.2025
	Capital Work in Progress:					
	Rail Corridor:					
	Bangalore Suburban Projects					
1	Alignment, Formation & Airport Connectivity	5,543.88	17,873.73	-	-	23,417.61
2	General Charges & Contingencies	8,230.23	4,970.27	-	-	13,200.51
3	Land R&R	31.37	44.92	-	-	76.29
4	Station Buildings	1,220.44	-	-	-	1,220.44
5	Traction & Power Supply incl. OHE, ASS etc	6.37	118.20	-	-	124.57
6	Depot	38.62	197.44	-	-	236.07
7	Utilities & Road Works	4,124.82	1,483.38	-	-	5,608.20
8	Geotechnical Investigation & Civil Work	177.40	-	-	-	177.40
9	Afforestation including Tree cutting & Replanting	960.90	1,472.70	-	-	2,433.60
10	Interest Income - BSRP	(5,504.13)	(495.93)	-	-	(6,000.06)
11	Rolling Stock	74.90	124.84	-	-	199.74
	Total	14,904.82	25,789.55	-	-	40,694.37

Sl. No.	Particulars	As at 01.04.2023	Additions during the year	Transfers/deletions	Capitalised during the year	As at 31.03.2024
	Capital Work in Progress:					
	Rail Corridor:					
	Bangalore Suburban Projects					
1	Alignment, Formation & Airport Connectivity	-	5,543.88	-	-	5,543.88
2	General Charges & Contingencies	4,804.73	3,425.50	-	-	8,230.23
3	Land R&R	44.47	13.02	26.12	-	31.37
4	Station Buildings	1,220.44	-	-	-	1,220.44
5	Traction & Power Supply incl. OHE, ASS etc	6.25	0.12	-	-	6.37
6	Depot	-	38.62	-	-	38.62
7	Utilities & Road Works	2,563.96	1,560.86	-	-	4,124.82
8	Geotechnical Investigation & Civil Work	162.96	14.44	-	-	177.40
9	Afforestation including Tree cutting & Replanting	6.94	953.96	-	-	960.90
10	Interest Income - BSRP	(3,945.38)	(1,558.75)	-	-	(5,504.13)
11	Rolling Stock	46.13	28.78	-	-	74.90
	Total	4,910.51	10,020.43	26.12	-	14,904.82

Sl. No.	CWIP ageing schedule:	As at 31.03.2025				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress					
	Bangalore Suburban Projects	25,789.55	9,994.31	1,154.24	3,756.27	40,694.37
2	Projects temporarily suspended	-	-	-	-	-
		25,789.55	9,994.31	1,154.24	3,756.27	40,694.37

Sl. No.	CWIP ageing schedule:	As at 31.03.2024				Total
	CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress Bangalore Suburban Projects	9,994.31	1,154.24	2,486.56	1,269.71	14,904.82
2	Projects temporarily suspended	-	-	-	-	-
		9,994.31	1,154.24	2,486.56	1,269.71	14,904.82

Explanatory Notes :

As per Indian Accounting Standard (Ind AS)-23, Borrowing costs Interest Income ₹ 495.93 lakhs (P.Y. ₹ 1,558.75 lakhs) has been transferred to CWIP during the year and will be netted off against the borrowing costs at the time of capitalisation of the asset.

Note 3(e). Intangible assets under development:

(₹ in Lakhs)

Particulars	As at 31.03.2024	Additions during the year	Transfers/deletions	Capitalised during the year	As at 31.03.2025
Intangible assets under development:					
SAP Software	306.79	342.02	-	-	648.81
Total	306.79	342.02	-	-	648.81

Particulars	As at 31.03.2023	Additions during the year	Transfers/deletions	Capitalised during the year	As at 31.03.2024
Intangible assets under development:					
SAP Software	-	306.79	-	-	306.79
Total	-	306.79	-	-	306.79

Explanatory Notes :

Cost incurred for the implementation of SAP software are shown as "Intangible assets under development" as the said software is under the development stage.

Sl. No.	Intangible assets under development ageing schedule:	As at 31.03.2025				Total
	CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress SAP Software	342.02	306.79	-	-	648.81
2	Projects temporarily suspended	-	-	-	-	-
		342.02	306.79	-	-	648.81

Sl. No.	Intangible assets under development ageing schedule:	As at 31.03.2024				Total
	Sl.No.	CWIP	Less than 1 year	1-2 years	2-3 years	
1	Projects in progress SAP Software	306.79	-	-	-	306.79
2	Projects temporarily suspended	-	-	-	-	-
		306.79	-	-	-	306.79

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes Forming Part Of The Consolidated Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated).

4. Non-Current investments :

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Equity Instruments - Unquoted (fully paid up, at Fair Value through OCI):			
(a) Hassan Mangalore Rail Development Company. [20,00,000 Equity Shares of Rs.10/- each]	200.00	200.00	200.00
(b) Bi-RIDE (100% Subsidiary of K-Ride) [1,00,000 Equity Shares of Rs.10/- each]	-	-	-
	200.00	200.00	200.00

Note:

"As specified in para D15 of Ind AS 101, investments in subsidiaries, joint ventures and associates.

A first-time adopter measures an investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(a) cost determined in accordance with Ind AS 27; or

(b) deemed cost. The deemed cost of such an investment shall be its:

(i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or

(ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, joint venture or associate that it elects to measure using a deemed cost.

Accordingly, the Company has elected to measure all of Investments at their Previous GAAP carrying value.

5. Other financial assets

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Security Deposits - Rentals	100.55	92.67	82.14
	100.55	92.67	82.14

6. Deferred tax assets (net)

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
i) Deferred Tax Assets			
(a) Unabsorbed Depreciation	49.88	46.71	-
(b) Provision for gratuity	16.85	14.28	-
(c) Provision leave encashment	37.51	28.92	-
(d) Others	134.44	144.30	-
Sub total (i)	238.67	234.200	-
ii) Deferred tax Liabilities			
(a) Depreciation and amortisation expense	5.84	30.23	-
Sub total (ii)	5.84	30.23	-
Deferred Tax Assets (Net)	232.83	203.97	-

The Company is having unabsorbed depreciation of Rs.203.24 lakhs (PY Rs.192.68 lakhs) as per provisions of Income Tax Act, 1961. Unabsorbed depreciation is available for offset for unlimited period against taxable income, whereas, unabsorbed business loss of Rs.1,162.04 lakhs (PY Rs. 1,085.04 lakhs) are available for offset against taxable income for maximum period of eight years from the incurrence of loss and hence deferred tax on business loss has not been recognised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Reconciliation of tax Expense/(income) and the accounting profit multiplied by India's domestic tax rate.

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Profit / (Loss) before tax			
Tax using the Company's domestic tax rate of 25.168%(P.Y 25.168%)	998.19	1,170.33	(324.81)
Tax effect of:			
Provision for Gratuity			
Provision for Leave Encashment	16.85	14.28	-
Impact due to different depreciation rate under Income Tax and Companies Act	37.51	28.92	-
Others	49.88	46.71	-
	134.44	114.07	-
Total tax expense/(income) in the Statement of Profit & Loss	238.67	203.97	-

7. Other non - current assets

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
(i) Capital Advances			
Secured, considered good			
Mobilization Advance (Secured by bank guarantee)	4,557.67	4,893.01	2,556.59
Unsecured, considered good			
Advance to KIADB	23,769.41	3,393.44	20,384.31
Advance to BDA Land		-	642.99
Construction of Compound wall - LIDKAR (DCW)	74.30	74.30	74.30
Construction of Compound wall - BWSSB (DCW)	-	65.00	65.00
Deposit Contribution Work - BWSSB	4,596.04	1,588.94	-
Deposit Contribution Work - KPTCL	2,720.25	663.59	663.59
Advance for transfer of Defence Land to Cor-2-BSRP	10,261.40	10,261.40	-
ii) Deposits & Others			
Security Deposits	94.25	0.23	0.23
	46,073.31	20,939.89	24,387.01

8. Inventories

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Stock of Stores and Spares (Valued at lower of cost and net realisable value)	1,354.14	1,743.40	1,804.93
	1,354.14	1,743.40	1,804.93

9. Trade receivables

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Unsecured, considered good			
Trade Receivables	12,163.07	9,555.93	-
Credit impaired			
Trade Receivables Credit impaired	-	-	-
Less : Provision for allowance for credit loss	-	-	-
	12,163.07	9,555.93	-

Refer note 9A for trade receivables outstanding ageing schedule

10. Cash and Cash Equivalents

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Cash and Cash Equivalents			
Cash-in-hand	0.12	0.12	0.53
Balances with Banks:			
-In Current account & Savings Accounts	32,773.06	32,709.29	14,39.43
-In Deposit accounts (Maturity Period Less than 3 months)	-	3,000.00	-
	32,773.18	35,709.41	14,539.96

11. Other Bank Balances

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
-In Deposit accounts (Maturity Period of More than 3 months but less than 12 months)*	-	20,100.00	38,000.00
	-	20,100.00	38,000.00

*The amount in mentioned deposit account are received from MOR & GOK earmarked for BSRP project.

12. Current - Other financial assets

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Unsecured, considered good			
Others			
Security Deposits - Rentals	-	7.74	7.74
Other Advances	20.30	18.76	17.65
	20.30	26.50	25.39

13. Current tax assets (Net)

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
TDS Credit C/f - SWR	11.79	79.99	168.93
Income Tax - Refundable	233.27	801.23	613.24
	245.06	881.22	782.17

14. Other Current Assets

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Secured, considered good			
Material Advance (Secured by indemnity bond)	1,081.59	1,134.25	1,717.86
Unsecured, considered good			
Deposit Contribution Work - TEGDC	-	11.24	11.24
Deposit Contribution Work - BBMP	1,581.37	1.22	-
Deposit - Arbitration Centre Karnataka	-	-	5.54
Deposit - Tree Officer & DCF BBMP Bangalore	-	-	94.00
Receivable From MoR - Doubling Project	-	-	6,500.00
Advance - Indian Oil Corporation Limited	2.54	2.54	-
Advance - BDA- Compensatory Afforestation	486.81	-	-
Advance - National Informatics Centre Services Inc.	3.84	-	-
Recoverable from SWR - Dharward Belagam New Line Project (towards Final Location Survey (FLS) and preperation of DPR by M/s. RITES Limited.)	36.51	36.51	36.51
Other Receivable	2.68	7.22	25.21
Prepaid Expenses	95.22	20.92	23.42
Accrued Interest - on Bank deposits	12.95	853.17	1,264.42
Accrued Interest - on Mobilization Advance	3.99	8.97	97.92
Balances with Statutory Authorities			
GST - Electronic Credit Ledger	1,019.39	1,036.25	-
GST Paid on Advance	222.34	542.68	882.57
Unclaimed GST Input	62.93	3.11	182.00
Unsecured, considered doubtful			
Recovery-RMNIL-BIDPL(JV)	299.54	299.54	-
	4,911.71	3,957.60	10,840.70

15. Share Capital

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	Amount (₹ in lakhs)	No. of Shares	Amount (₹ in lakhs)
(i) Authorised :				
5,00,00,00,000 Equity Shares of Rs.10 each				
(31st March 2024 - 500,00,00,000 Equity Shares of Rs.10 each)	5,00,00,00,000	5,00,000.00	5,00,00,00,000	5,00,000.00
	5,00,00,00,000	5,00,000.00	5,00,00,00,000	5,00,000.00
(ii) Issued, Subscribed and Paid up :				
1,01,03,92,157 Equity shares of Rs.10/- each				
(31st March 2024 - 3,00,00,000 Equity Shares of Rs.10 each)	1,01,03,92,157	1,01,039.22	1,01,03,92,157	1,01,039.22
	1,01,03,92,157	1,01,039.22	1,01,03,92,157	1,01,039.22
(iii) Reconciliation of no. of shares & share capital outstanding:				
Opening Share Capital	1,01,03,92,157	1,01,039.22	3,00,00,000	3,000.00
Add: No. of Shares, Share Capital issued/ Subscribed during the year			98,03,92,157	98,039.22
Closing Share Capital	1,01,03,92,157	1,01,039.22	1,01,03,92,157	1,01,039.22

(iv) Shares in the company held by shareholder holding more than 5 percent:				
Governor of Karnataka/Government of Karnataka(GoK) 51%	51,53,00,000	51,530.00	51,53,00,000	51,530.00
Minister of Railways/President of India(Gol) 49%	49,50,92,157	49,509.22	49,50,92,157	49,509.22

Terms/ rights attached to equity shares

The company has only one class of shares i.e. equity shares having face value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company the holders of equity shares would be entitled to receive remaining assets of the company after the distribution to all preferential creditors. The distribution will be in proportion to the number of equity shares held by the Shareholders (or) Promoters.

As per records of the company, including its Register of Shareholders/Members, the above shareholding pattern represent legal ownership of shares as at balance sheet date, including that of nominees of Gol/GoK.

- During the period of 5 years immediately preceeding the date as at which the Balance Sheet is prepared.
 - No Class of shares were allotted as fully paid up pursuant to contract without payment being received in Cash.
 - No Class of shares were allotted as fully paid up by way of Bonus shares for consideration other than cash.
 - No Class of shares bought back by the Company
- There are no calls unpaid.
- There are no forfeited shares.

16. Other Equity

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
Retained Earnings			
Opening Balance	2,110.62	741.37	1,067.66
Add : Profit for the Current Year	1,027.05	1,374.30	(326.29)
Add : Other comprehensive income for the year	18.28	(5.06)	-
Closing Balance	3,155.95	2,110.62	741.32
Other reserves#			
Opening Balance	14,479.26	14,066.50	-
Add:- Other Comprehensive Income			
Interest Free Subordinate Debt considered at OCI	42,064.40	412.77	20,216.72
- Others	-	-	(6,150.23)
Closing Balance	56,543.66	14,479.26	14,066.50
Closing balance	59,699.61	16,589.88	14,807.86

#Note: Other Reserves

The Company has received Interest Free Subordinate Debt from the Government of Karnataka. Interest Free Subordinate Debt received from Government of Karnataka have been recognised at fair value in accordance with the Ind AS principles. Difference between the nominal amount and fair value of the said debt have been presented as "Other equity"/"Other Reserves" under Reserves and Surplus in the year of adoption of Ind AS Principles.

17. Share Application Money pending allotment

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
Opening Balance	-	5,000.00	5,000.00
Equity Share Capital Issued	-	(5,000.00)	-
Closing Balance	-	-	5,000.00

Explanatory Notes :-

1. The balance amount of authorised Share Capital as on date is Rs.398,960.78 lakhs (P.Y.Rs.497,000.00 lakhs)
2. Shares shall be issued on receipt of matching contribution from GOI & GOK.

18. Long term Borrowings

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
Long term Borrowings - Unsecured			
Interest Free Subordinate Debt from GOK			
Advance from GOK - BSRP Project-Land Acquisition. (Out of the Funds received from GOK for land acquisition Rs.500 Crore has been classified as Equity for allotment of shares as per GOK order no.UDD 158 PRJ 2020 Dated 21.07.2023 & UDD 158 PRJ 2020 P1 Dated 8.11.2023). (Classified under Subordinate Debt as per the approved financing pattern in line with GO no. UDD 27 PRJ 2020 Bengaluru Dt.07.07.2020)	21,391.17	3,997.76	51,855.82
Grant From MoR - BSRP (In the 97th Board Meeting it was resolved that the allotment of shares for equity investments under BSRP by GOK & MOR in K-RIDE shall be in ratio of 51:49 as per the stipulations contained in the AOA of K-RIDE & to avoid disproportionate shareholding for equity under BSRP. It was also resolved that the GOK's 50% share of equity under BSRP released from time to time under BSRP shall be treated as 51% equity and the proportionate 49% of MOR's equity will be worked out from the 50% share of MOR's equity under BSRP released from time to time and the balance excess amount of equity received from MOR under BSRP from time to time shall be treated as Grant's from MOR.)	1,960.78	1,960.78	-
	23,351.95	5,958.54	51,855.82

19. Lease Liabilities

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
Non - Current lease liability	9.00	29.05	145.90
	9.00	29.05	145.90
current lease liability	20.05	141.33	116.82
	20.05	141.33	116.82

20. Non Current - Other Financial Liabilities.

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
Security Deposit #	990.63	1,573.22	1,115.03
	990.63	1,573.22	1,115.03

#Note: For the purpose of fair valuation, security deposits exceeding ₹50 lakhs are taken into consideration.

21. Other Non Current Liabilities

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
Deferred Income	151.55	159.11	108.51
	151.55	159.11	108.51

22. Provisions

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
for Employee Benefits (Non Current)			
Leave Encashment	145.19	103.08	56.96
Gratuity	66.78	51.35	26.43
	211.97	154.43	83.39
for Employee Benefits (Current)			
Leave Encashment	3.84	11.82	7.09
Gratuity	0.16	5.39	0.12
Other (Leave Salary and Pension Contribution)	65.36	70.21	74.46
Total (i)	69.36	87.42	81.67
Other Provisions			
Provision for Contract payment	1,683.68	1,455.43	1,004.30
Provision for Arbitration	25.00	25.00	-
Total (ii)	1,708.68	1,480.43	1,004.30
Total (i) + (ii)	1,778.04	1,567.85	1,085.97

23. Short-term borrowings

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
Loans repayable on demand			
Unsecured:			
Bank Overdraft	0.19	0.21	-
	0.19	0.21	-

24. Trade payables

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
(a) Total outstanding dues of micro enterprises and small enterprises.	147.38	385.48	176.14
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.	498.77	509.18	678.42
	646.16	894.66	854.57

Refer note 24A for trade payables outstanding ageing schedule

25. Other Current Liabilities

Particulars	As at	As at	As at
	31st March 2025	31st March 2024	1st April 2023
Advance for Doubling Projects	159.03	13,437.11	23,130.49
Advance from MoR - Doubling Project		-	
South Western Railway (SWR) - Materials	169.63	145.33	-
EMD	115.19	13.11	12.44
Employee Related Payables	40.56	44.18	17.00
Retention Payable	152.60	87.80	70.22
Security Deposit	2,579.07	896.08	-
Davangere-Harihar UDA Payable	37.09	37.09	37.09
Withheld Amounts	599.25	512.69	129.16
	-	-	
Management fees payable on Borrowings from GOI			
- KfW ODA Loan	972.00	294.47	-
	9.70	151.51	-
Land R&R Compensation Payable	43.43	162.77	71.72
Other liabilities			
Statutory Remittances:			
Tax Deducted at Source Payable	291.05	270.06	107.60
Goods and Service Tax Payable	204.57	101.31	495.11
GST TDS Payable	197.02	185.79	58.94
Labour Cess	111.17	65.53	28.76
Royalty payable	74.82	62.79	-
Others	1,379.09	1.76	0.23
	7,135.27	16,469.40	24,158.76

26. Revenue from Operations

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Construction Revenue - Doubling project	21,920.52	18,855.36
	21,920.52	18,855.36

27. Other Income

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
a) Interest Income		
on Bank Deposits	1,577.52	3,451.04
b) Other Non-Operating Income		
Interest on Income Tax Refund	44.65	32.86
Interest on Fair Value of Security Deposit	11.06	7.02
Interest on Fair Value of Security Deposits Accepted	102.67	56.50
Miscellaneous Income	42.26	23.75
	1,778.17	3,571.17

28. Operating Expenses

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Construction expenses - Doubling project	19,688.13	16,111.40
Cost of Materials Consumed		
<u>Stores & Spares</u>		
Opening Stock	1,743.40	1,804.93
Purchases during the year	82.25	1,366.13
Less: Closing Stock	1,354.14	1,743.40
	471.51	1,427.66
	20,159.64	17,539.06

29. Employee benefit expenses

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Salaries, wages and allowances	1,168.95	827.70
Contribution to PF/NPS, Gratuity	69.49	56.29
Staff welfare expenses	15.76	5.22
	1,254.19	889.21

30. Finance cost

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Interest Expense on Lease Liability	9.12	18.05
Interest Expense on Fair Value of Subordinate Debt	457.81	2,012.89
Interest expense on Fair Value of Security deposit	101.61	52.99
	568.53	2,083.92

31. Depreciation and amortisation expenses

Particulars	As at 31st March 2025	As at 31st March 2024
Property, Plant & Equipment	4.09	5.08
Intangible Assets	0.05	0.21
ROU (Land)	4.85	4.47
	8.98	9.75

32. Other Expenses:

Particulars	For the Year ended 31st March 2025	For the Year ended 31st March 2024
Audit Fee	2.51	2.46
Internal Audit Fees	4.26	2.00
Tax Audit Fees	2.00	0.77
Advertisement	12.90	15.41
Arbitration	-	25.00
Bank Charges	0.58	0.01
Books & Periodicals	0.89	1.36
CRS Inspection	-	0.48

Directors Sitting Fees	1.70	1.09
Electricity Charges	9.24	9.16
Insurance	23.51	20.82
Membership Fees paid	0.04	0.04
Office Maintenance	63.33	56.04
Printing & Stationery	36.95	28.39
Professional and Consultancy Services	30.02	14.23
Project Management Consultancy - Doubling	192.37	157.32
Rates and Taxes	1.15	105.74
Rent & Common Area Maintenance	31.76	26.78
Retainer Fee	46.85	50.56
ROC Filing Fees	0.22	0.46
Security Charges - Stores	3.78	4.12
Software Expenses	0.98	0.33
Telephone & Internet Charges	13.21	11.28
Travel and Conveyance	227.29	200.39
Exhibition Expenses -BSRP	3.61	-
	709.15	734.25

a. Expenditure pertaining to projects(ie. Doubling & BSRP) have been allocated on the following basis during the FY 2024-25 :

- 1) Expenditure directly relating to particular project is fully allocated to that particular project.
- 2) Expenditures pertaining to employees (like Salary, Reimbursement of expenditures to employees, Retirement benefits etc.) have been bifurcated based on number of employees deputed to that particular project & whereas Director(P&P)'s expenditure have been bifurcated in the ratio of 67:33 (ie. 67% for BSRP & 33% for Doubling - based on the expenditure incurred for particular project during the year). Expenditure pertaining to support departments such as Finance, HR, IT, Admin & general overhead expenses are charged to P&L account.
- 3) Expenditures pertaining to the project like Depreciation, Asset insurance & Software license have been bifurcated in the ratio of 95:05 (i.e. 95% for BSRP & 5% for Doubling – being total project cost for particular project).
- 4) Expenditures like Rent & common area maintenance, Electricity charges, Employee insurance, Telephone & Internet charges, etc. not covered above have been bifurcated in the ratio of 46:33:21 being employee ratio (i.e. 46% for BSRP, 33% for Doubling and 21% for Common).
- 5) All the expenses pertaining to BSRP including apportioned cost have been transferred to capital work in progress whereas, Doubling/ Admin & general overhead expenses are charged to P&L account.

b. "Expenditure pertaining to projects(ie. Doubling & BSRP) have been allocated on the following basis during the FY 2023-24 :

- 1) Expenditure directly relating to particular project is fully allocated to that particular project.
- 2) Expenditures pertaining to employees (like Salary, Reimbursement of expenditures to employees, Retirement benefits etc.) have been bifurcated based on number of employees deputed to that particular project & whereas Director(P&P)'s expenditure have been bifurcated in the ratio of 69:31 (ie. 69% for BSRP & 31% for Doubling - based on the expenditure incurred for particular project during the year). Expenditure pertaining to support departments such as Finance, HR, IT, Admin & general overhead expenses are charged to P&L account.
- 3) Expenditures pertaining to the project like Depreciation, Asset insurance & Software license have been bifurcated in the ratio of 95:05 (i.e. 95% for BSRP & 5% for Doubling – being total project cost for particular project).
- 4) Expenditures like Rent & common area maintenance, Electricity charges, Employee insurance, Telephone & Internet charges, etc. not covered above have been bifurcated in the ratio of 49:32:19 being employee ratio (i.e. 49% for BSRP, 32% for Doubling and 19% for Common).
- 5) All the expenses pertaining to BSRP including apportioned cost have been transferred to capital work in progress whereas, Doubling/ Admin & general overhead expenses are charged to P&L account.

c. Details of Doubling projects in progress as at the reporting date:	For the year ended	For the year ended
	31st March 2025	31st March 2024
(a) the aggregate amount of costs incurred;	Rs. 52,434.28	Rs. 32,082.26
(b) recognised profits (less recognised losses) upto the reporting date;	Rs. 3,462.89	Rs. 1,894.39
(c) the amount of advances received; and	Rs. 159.03	Rs. 13,437.11
(d) the amount of retentions.	Rs. 141.52	Rs. 77.29

33. First time adoption of Ind AS

These Consolidated financial statements of Rail Infrastructure Development Company (Karnataka) Limited for the year ended on 31st March 2024 have been prepared in accordance with IND AS. This is the Company's first set of Financial Statements in accordance with IND AS. For the purpose of transition to IND AS, the Company has followed guidance prescribed in IND AS 101- First Time adoption of Indian Accounting Standards with 1st April 2023 as the transition date and IGAAP as the previous GAAP.

The transition to IND AS has resulted in changes in the presentation of the Financial Statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the Consolidated financial statements for the year ended on 31st March 2024 and the comparative information. An explanation of how the transition from Previous GAAP to IND AS has affected the Company's Balance Sheet, Statement of Profit & Loss, and on first time adoption of IND AS availed in accordance with IND AS 101 as mentioned below

34. Exemptions availed on first time adoption of IND AS 101

IND AS 101 allows first time adoption certain exceptions from the retrospective application of certain requirement under IND AS. The Company has accordingly applied the following exemptions.

34(a) Deemed Cost of Property, Plant and Equipment: The Company has availed exemption under Para D7AA of appendix D to IND AS 101 which permits a first time adopter to continue with the carrying value for its PPE as at date of transition to IND AS measured as per previous GAAP.

34(b) Classification & Fair value measurement of financial assets or financial liabilities at initial recognition: The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In Addition, the exemption under Para B8C and Para D20 permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

34(c) Investments:

As specified in para D15 of Ind AS 101, "Investments in subsidiaries, joint ventures and associates"

A first-time adopter measures an investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (a) cost determined in accordance with Ind AS 27; or
- (b) deemed cost. The deemed cost of such an investment shall be its:
 - (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
 - (ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, joint venture or associate that it elects to measure using a deemed cost.

Accordingly, the Company has elected to measure all of Investments at their Previous GAAP carrying value.

35. Reconciliations

The following reconciliations provide the effect of transition to Ind AS From IGAAP in accordance with ind AS 101:

- a. Equity as at April 1, 2023 and March 31, 2024
- b. Total comprehensive income for year ended March 31, 2024
- c. Total equity as at April 1, 2023 and March 31, 2024
- d. Net profit for the year ended March 31, 2024

35 (a). Equity reconciliation

Particulars	"As at March 31, 2024	"As at April 01, 2023
Equity as reported under previous GAAP	10,50,96,10,204	37,41,36,759
Ind AS adjustments	1,25,32,99,163	1,40,66,49,534
Fair value adjustments:		
Security deposits given	27,42,646	20,40,938
Leases	1,87,41,183	2,09,92,864
Impact due to EIR adjustment on borrowings	(60,72,53,965)	(60,72,53,965)
Amortization of ROU Asset	(2,42,05,384)	(3,10,29,287)
Security deposits accepted	5,78,353	2,26,615
Fair Value of Interest Free Subordinate Debt -OCI	1,86,16,60,347	2,02,16,72,369
Deferred Tax	10,35,982	-
Equity as per Ind AS	11,76,29,09,367	1,78,07,86,293

35 (b). Total comprehensive income reconciliation for the year/period ended March 31, 2024

Particulars	Year ended 31 March 2024
Profit after tax as per previous GAAP	33,15,51,875
Ind AS adjustments	(19,41,21,386)
Fair value adjustments:	
Security deposits	10,53,446
Leases	50,18,936
Amortisation	(4,46,714)
Interest Free Subordinate Debt	(20,12,88,785)
Deferred tax	10,35,982
Remeasurement of employee benefit obligation	5,05,748
Net Profit after tax as per Ind AS	13,74,30,490
Other comprehensive income (net of tax)	(5,05,748)
Total comprehensive income as per Ind AS	13,69,24,742

36. Notes to reconciliations between previous GAAP and Ind AS

36(a) Security deposits

Under previous GAAP, interest free security deposits are recognised at their transaction value. Under Ind AS - 109, these deposits are initially recognised at fair value and subsequently measured at amortised cost at the end of each reporting period. Accordingly, the difference between transaction value and fair value of these deposits is recognised as Right-of-use assets or prepaid expense and is amortised over the period of the lease term or agreement of deposit respectively. Further, interest is accrued on the present value of these security deposits. On transition date the Company has adjusted retained earning towards fair value of security deposits by INR 22.67 lakhs towards unwinding of discount on security deposit.

36(b) Lease

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incidental to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Pursuant to application of Ind AS - 116, for operating leases other than those for which the Company has opted for short-term or low value exemption, the Company has recorded a right-of-use assets and lease liabilities. Right-of-use asset is amortised over the lease term or useful life of the leased assets whichever is lower and lease liabilities is subsequently measured at amortised cost and interest expense is recognised. The lease equalisation reserve appearing in the books pursuant to straight-lining of rent was reversed through Right of Use assets on transition to Ind AS. As the Company has chose to opt the modified retrospective approach (i.e., lease liabilities = ROU) and the lease liability is measured at present value of the remaining lease payments as at the date of transition.

36(c) Impact due to EIR adjustment on borrowings

Under previous GAAP, transaction costs incurred on borrowings was charged to statement of profit and loss while under Ind AS, such costs are included in the initial recognition amount of borrowings and recognised as interest expense using effective interest method over the tenure of the borrowings.

36(d) Remeasurement of defined benefit obligation

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability which is recognised in other comprehensive income in the respective periods.

36(e) Retained earnings

Retained earnings as at April 01, 2023 has been adjusted consequent to above Ind AS adjustments.

36(f) Material regrouping

Appropriate adjustments have been made in these financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the requirements of the Ind AS.

The comparatives given in the financial statements have been compiled after making necessary Ind AS adjustments to the respective audited financial statements under Previous GAAP to give a true and fair view in accordance with Ind AS.

37. Reconciliation of equity as previously reported under IGAAP to Ind AS

Particulars	Previous GAAP as at year ending 31.3.24	Adjustments	IND AS as at ending 31.3.24	Previous GAAP as at year ending 31.3.23	Adjustments	IND AS as at ending 31.3.23
ASSETS						
Non-current assets						
(a) Property, Plant and Equipment	35,831.56	-	35,831.56	6,568.62	-	6,568.62
(b) Capital Work In Progress	14,892.10	12.72	14,904.82	4,910.51	-	4,910.51
(c) Right-of-use Assets	-	120.11	120.11	-	184.70	184.70
(d) Other Intangible Assets	3.02	-	3.02	6.53	-	6.53
(e) Intangible assets under development	306.79	-	306.79	-	-	-
(e) Financial Assets	-	-	-	-	-	-
(i) Investments	200.00	-	200.00	200.00	-	200.00
(ii) Other financial assets	21,037.01	(20,944.34)	92.67	24,484.12	(24,401.98)	82.14
(f) Deferred tax assets (net)	193.61	10.36	203.97	-	-	-
(g) Other non - current assets	0.23	20,939.66	20,939.89	0.23	24,386.78	24,387.01
Total	72,464.31	138.52	72,602.83	36,170.01	169.49	36,339.50
Current assets						
(a) Inventories	1,743.40	-	1,743.40	1,804.93	-	1,804.93
(b) Financial Assets						
(i) Trade receivables	9,555.93	-	9,555.93	-	-	-
(ii) Cash and Cash Equivalents	35,709.41	-	35,709.41	14,539.43	-	14,539.43
(iii) Other Bank Balances	20,100.00	-	20,100.00	38,000.53	-	38,000.53
(iv) Other financial assets	26.50	-	26.50	25.39	-	25.39
(c) Current tax assets (Net)	881.22	-	881.22	782.17	-	782.17
(d) Other Current Assets	3,948.16	9.45	3,957.60	10,827.39	13.31	10,840.70
Total	71,964.62	9.45	71,974.07	65,979.84	13.31	65,993.15
Total assets	1,44,428.94	147.96	1,44,576.91	1,02,149.85	182.80	1,02,332.63
II. EQUITY AND LIABILITIES						
(1) Equity						
(a) Equity Share Capital	1,01,039.22	-	1,01,039.22	3,000.00	-	3,000.00
(b) Other Equity	4,056.89	12,532.99	16,589.88	741.37	14,066.50	14,807.86
Total equity	1,05,096.10	12,532.99	1,17,629.09	3,741.37	14,066.50	17,807.86

(2) Share Application Money pending allotment	-	-	-	5,000.00	-	5,000.00
(3) Liabilities						
(i) Non - Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	18,502.61	(12,544.06)	5,958.54	66,000.00	(14,144.18)	51,855.82
(ii) Lease Liabilities	-	29.05	29.05	-	145.90	145.90
(iii) Other Financial liabilities	1,739.05	(165.83)	1,573.22	1,225.80	(110.78)	1,115.03
(b) Other Non Current Liabilities		159.11	159.11	-	108.51	108.51
(c) Provisions - Non Current	154.43	-	154.43	83.39	-	83.39
Total	20,396.09	(12,521.74)	7,874.35	72,309.19	(14,000.55)	58,308.65
(ii) Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	0.21	-	0.21	-	-	-
(ii) Lease Liabilities	-	141.33	141.33	-	116.82	116.82
(iii) Trade payables	-	-	-	-	-	-
- Total outstanding dues of MSME	385.48	-	385.48	176.14	-	176.14
- Total outstanding dues of creditors other than MSME	509.18	-	509.18	678.42	-	678.42
(b) Other Current Liabilities	16,474.02	(4.62)	16,469.40	24,158.76	-	24,158.76
(c) Provisions - Current	1,567.85	-	1,567.85	1,085.97	-	1,085.97
Total	18,936.74	136.71	19,073.45	26,099.30	116.82	26,216.13
Total equity and liabilities	1,44,428.94	147.96	1,44,576.91	1,02,149.85	182.80	1,02,332.63

38. Reconciliation between previous GAAP and IND AS for impact on Statement of Profit and Loss

Particulars	Note No.	Previous GAAP for year ending 31.3.24	Adjustments	IND AS for year ending 31.3.24
Revenue:				
Revenue from Operations	26	18,855.36	-	18,855.36
Other Income	27	3,507.65	63.52	3,571.17
Total Income		22,363.00	63.52	22,426.53
Expenses:				
Operating Expenses	28	17,539.06	-	17,539.06
Employee benefit expenses	29	894.26	(5.06)	889.21
Finance Costs	30	-	2,083.92	2,083.92
Depreciation and amortisation expenses	3 & 31	5.28	4.47	9.75
Other Expenses	32	802.49	(68.24)	734.25
Total Expenses		19,241.10	2,015.10	21,256.19
Profit before exceptional items and tax		3,121.91	(1,951.57)	1,170.33
Exceptional Items				
Profit before tax		3,121.91	(1,951.57)	1,170.33
Tax Expenses:				
(1) Current Tax	6	(193.61)	(10.36)	(203.97)
(2) Deferred Tax				
Profit after tax		3,315.52	(1,941.21)	1,374.30
Other Comprehensive Income/(Loss)				
A. (i) Items that will not be reclassified to profit or loss		-	(5.06)	(5.06)
(ii) Income Tax relating to Items that will not be reclassified to profit or loss		-	-	-
B. Items that will be reclassified to profit or loss		-	-	-

Total other comprehensive income/(Loss)		-	(5.06)	(5.06)
Total Comprehensive Income for the year		-	(5.06)	1,369.25

39. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31st March 2025	As at 31st March 2024
Contingent Liabilities:		
Claims against the company, not acknowledged as debts (issue under arbitration/ Claims submitted by contractors – Provision for the same is not provided for as the claims are not accepted by the management).	1,793.22	1,786.31
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
a. Tangible Assets (awarded contracts only)	3,53,580.15	2,06,492.07
b. Intangible Assets	71.31	388.24
Other commitments (Estimated amount of contracts remaining to be executed on account of works contract and not provided for)	37,779.73	38,379.13

Payment to Auditor

Particulars	As at 31st March 2025	As at 31st March 2024
1. Statutory Audit Fees (Including GST)	2.51	2.36
2. Tax Audit (Including GST)	2.00	0.77
3. Certification (Including GST)	4.26	2.00
	8.77	5.13

The company has a system of obtaining confirmation of balances from banks and other parties. With regard to trade receivables, the company sends regular invoices/confirmation letters to the customers and provisions are made when there is uncertainty of realization irrespective of the period of dues and written off when unrealisability is established. Some trade receivable balances are subject to reconciliation. So far as trade/other payables and loans and advances at the end of financial year are concerned, balance confirmation letters were sent to the parties. Some of the balances are subject to confirmation/reconciliation, adjustments, if any, will be accounted for on confirmation/reconciliation, which in the opinion of the management will not have material impact.

Disclosure as required by MSMED Act, 2006

40. Information in respect of Micro and Small Enterprises

Particulars	2024-25	2023-24
1. Amount remaining unpaid to any supplier:		
a) Principal Amount	147.38	385.48
b) Interest due there on	-	-
2. Amount of Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day.	-	-
3. Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
4. Amount of Interest accrued and remaining unpaid.	-	-

5. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
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Disclosure requirements of Indian Accounting Standards:

41. Disclosure in respect of Indian Accounting Standards (Ind AS-1) "Presentation of Financial

41(a) Capital Management:

The primary objective of the company's capital management is to maximize the shareholder value. The company monitors capital structure using Debt: Equity ratio, which is long term debt divided by total owner's capital. The Debt Equity ratio for the current year & previous year is shown in the table "Disclosure of ratios.

40(b) Disclosure of ratios.

Ratio Analysis:		2024-25	%	2023-24	%
(a) Current Ratio	Current Assets	51,467.47	5.37	71,974.07	3.77
	Current Liabilities	9,579.70		19,073.45	
(b) Debt-Equity Ratio	Total Debt	23,352.14	0.23	5,958.75	0.06
	Shareholders Equity	1,01,039.22		1,01,039.22	
(c) Debt Service Coverage Ratio	EBITDA - Capex	1,575.70	0.07	3,264.01	0.41
	Interest + Principal	23,920.67		8,042.67	
(d) Return on Equity Ratio, (ROE)	Net Income	1,027.05	0.01	1,374.30	0.03
	Average Shareholders' Equity	1,01,039.22		52,019.61	
(e) Inventory turnover ratio	COGS	471.51	0.30	1,427.66	0.80
	Avg Inventory	1,548.77		1,774.17	
(f) Trade Receivables turnover ratio	Net Credit Sales	21,920.52	2.02	18,855.36	3.95
	Average Accounts Receivable	10,859.50		4,777.97	
(g) Trade payables turnover ratio	Net Credit Purchases	19,770.38	25.66	17,477.53	19.98
	Average Accounts Payable	770.41		874.62	
(h) Net capital turnover ratio	Net Sales	21,920.52	0.46	18,855.36	0.41
	Average working capital	47,394.19		46,338.82	
(i) Net profit ratio,	Net Profit	1,027.05	0.05	1,374.30	0.07
	Sales	21,920.52		18,855.36	
(j) Return on Capital employed	EBIT	1,566.72	0.01	3,254.26	0.03
	Capital Employed	1,84,090.97		1,23,587.84	
(k) Return on investment.	Return (Benefit)	1,027.05	0.01	1,374.30	0.01
	Investment (Cost)	1,01,039.22		1,01,039.22	

Ratio	Explanation for change in ratio by more than 25% as compared to the preceding year:
(a) Current Ratio,	Usually funds will be received from MOR & GOK in advance. The same has not been received in the year 23-24 that has led to increase in trade receivables & decrease in other current liabilities.
(b) Debt-Equity Ratio,	Due to issue of additional Right shares during the year.
(c) Debt Service Coverage Ratio,	The conversion of sub-ordinate debt given by GoK to Equity has reduced the debt amount. Further, the increase of revenue as compared to last year has led the improvement of DSCR.
(d) Return on Equity Ratio, (ROE)	Increase of revenue as compared to last year has led to the improvement in ROE.
(e) Inventory turnover ratio,	Due to increase in consumption so as to achieve the targets for completion of the doubling project
(f) Trade Receivables turnover ratio,	Due to increase in project revenue & reduce in amount of advance received for Doubling project during the year.
(g) Trade payables turnover ratio,	Due to increase in credit purchases so as to achieve the targets for completion of the doubling project
(h) Net capital turnover ratio,	Due to increase in project revenue during the year.
(i) Net profit ratio,	Due to increase in project revenue during the year.
(j) Return on Capital employed,	Due to increase in project revenue during the year.
(k) Return on investment.	Due to increase in project revenue during the year.

42. Disclosure in respect of Indian Accounting Standard (Ind AS-115) "Revenue from contracts with customer.

Disaggregation of income for the F.Y. 2024-25

Customer Name	Revenue Recognized during the year	Contract Liabilities	Trade Receivables
Construction Revenue	-	-	-
Doubling Project	21,920.52	-	12,163.07

Disaggregation of income for the F.Y. 2023-24

Customer Name	Revenue Recognized during the year	Contract Liabilities	Trade Receivables
Construction Revenue			
Doubling Project	18,855.36	-	9,555.93

43. Segment Reporting

"The Company is an Infrastructure Project Development Company and currently, acting as a Nodal Agency between the Government of Karnataka(GoK) and Ministry of Railways(MoR). The company's principal business is to implement Bengaluru Sub-Urban Rail Project through SPV in Bengaluru. K-RIDE also acts as an implementing agency to SWR on account of two Doubling Projects viz, (i) Baiyappanahalli – Hosur (48 Kms) & (ii) Yeshwanthpur – Channasandra (21.7 Kms), which have been transferred from SWR to K-RIDE for execution on cost sharing basis (50% from GoK & 50% from MoR).

The company operates within India and does not have operations / projects in economic environments with different risks & return. Hence it is considered operating in single geographical segment and operating segment.

Accordingly, the amounts appearing in the financial statements are related to the company's single business segment.

44. Disclosure in respect of Indian Accounting Standard (Ind AS-116) "Leases":

The company has taken on lease/rent premises for Site office and for office space. These lease arrangements are usually renewable on mutually agreed terms but are cancellable. During the year, the company has paid lease rent in case of Site office on lease basis and office space amounting to Rs. 70.59 lakhs (P.Y Rs 74.98 lakhs).

South Western Railways has transferred 85.707 acre of Railway Land for BSRP Corridor-2 & 115.472 acre of Railway Land for BSRP Corridor-4 to K-RIDE on Lease basis for a period of 35 years on 22.12.2022 & 02.04.2024 respectively at nominal lease charges of Re.1/- per acre per annum as per Railway Boards OM shown as Land (Right to use). Both the Lease agreement are registered on 02.04.2024.

Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits:

45. General description of various employee's benefits schemes is as under:

45(a) Provident Fund:

The company's Provident Fund is managed by Regional Provident Fund Commissioner (RPFC). The company pays fixed contribution to provident fund at pre-determined rate in respect of employees who have opted for Employee Provident Fund Scheme and the liability is recognized on accrual basis.

45(b) National Pension Scheme (NPS):

In respect of employees who have opted for NPS, fixed contribution @ 14% is made on Basic Pay+ DA for regular employees and the liability is recognized on accrual basis.

45(c) Gratuity

The company has a defined benefit plan. Regular employees / employees on direct contract with the company and have rendered continuous service of five years or more is entitled for gratuity @ 15 dayssalary (15/26 x last drawn basic pay plus dearness pay / dearness allowance) / Consolidated Pay x 15/26 for each completed year of service.

45(d) Pension

In respect of deputationist employee, pension contribution is calculated as per the terms of lending organization /Govt. of India/GOK rules and is accounted for on accrual basis.

45(e) Leave

The company provides earned leave and half- pay leave to the employees of the company, which accrue annually @ 30 days & 20 days respectively. Only the earned leave is encashable while in service and a maximum of 300 days on superannuation. The liability on this account is recognised on the basis of actuarial valuation. In respect of deputationist employees, leave salary contribution is payable to their parent department @ 11% of pay drawn (basic pay including Dearness Pay & Special pay) and is accounted for on accrual basis.

46. The summarized position of various benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and balance sheet & other disclosures are as under:

46(a) Net Defined Benefit Obligations.

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Defined Benefit Obligation	66.94	56.74	149.02	114.90
Fair value of plan and assets	-	-	-	-
Effect of asset ceiling	-	-	-	-
Net Defined benefit Liabilites	66.94	56.74	149.02	114.90

46(b) Movement in defined befined benefit obligation

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Defined Benefit Obligation-Beginning of the year	56.74	26.55	114.90	64.06
Service cost	24.51	23.15	62.27	31.61
Interest cost	3.97	1.99	8.04	4.79
Benefits Paid	-	-	(42.07)	(19.36)
Past Service Cost-Plan amendments and Acquisition	-	-	-	-
Re-measurements-actuarial loss/(gain)	(18.28)	5.06	5.88	33.80
Defined benefit Obligation-End of the Year	66.94	56.74	149.02	114.90

46(c) Movement in Plan Assets.

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Fair Value of Plan Assets at the beginning of the year	-	-	-	-
Interest Income	-	-	-	-
Employer contributions	-	-	42.07	19.36
Benefits Paid	-	-	(42.07)	(19.36)
Re-measurements-actuarial (loss)/gain	-	-	-	-
Re-measurements-return on plan assets greater/(less) than discount rate	-	-	-	-
Fair Value of Plan Assets at the end of Year	-	-	-	-

46(d) Amount Recognized for Gratuity and Leave

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Current service cost	24.51	23.15	62.27	31.61
Past Service Cost (including curtailment Gains/Losses)	-	-	-	-
Re-measurement	-	-	-	-
Service Cost(A)	24.51	23.15	62.27	31.61
Net interest on Net Defined Benefit Liability / (assets)(B)	3.97	1.99	8.04	4.79
Net actuarial (gain)/ loss Net actuarial (gain)/ loss (C)	-	-	5.88	33.80
Cost recognized (A+B+C)*	28.49	25.13	76.19	70.20

***Amount recognised in Statement of P&L**

Particulars	Expenses Recognized in the statement of Profit & Loss	Expenses transferred to CWIP	Total
Gratuity	14.11	14.37	28.49
Leave Encashment	38.84	37.35	76.19
Total	52.95	51.73	104.68

46(e) Amount recognised in other Comprehensive Income (OCI)

Particulars	Gratuity	
	2024-25	2023-24
Opening amount recognized in OCI outside P&L a/c	-	-
Actuarial gain / (loss) on liabilities	18.28	(5.06)
Actuarial gain / (loss) on assets	-	-
Closing amount recognized in OCI outside P&L account	18.28	(5.06)

46(f) Sensitivity Analysis

Particulars	Gratuity		Impact (Absolute)		Impact %	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Base Liability	66.94	56.74	-	-	-	-
Increase Discount Rate by 1.00%	58.34	53.28	(8.60)	(3.46)	-13.00%	-6.09%
Decrease Discount Rate by 1.00%	77.40	60.55	19.06	3.81	16.00%	6.72%
Increase Salary Inflation by 1.00%	77.40	64.79	-	8.05	16.00%	14.19%
Decrease Salary Inflation by 1.00%	58.19	50.02	(19.21)	(6.72)	-13.00%	-11.84%
Increase Withdrawal Rate by 1.00%	66.69	53.30	8.50	(3.44)	-	-6.06%
Decrease Withdrawal Rate by 1.00%	67.04	57.34	0.34	0.60	-	1.06%

Particulars	Gratuity		Impact (Absolute)		Impact %	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Base Liability	149.02	114.90	-	-	-	-
Increase Discount Rate by 0.50%	129.58	108.32	(19.45)	(6.58)	-13.00%	-5.73%
Decrease Discount Rate by 0.50%	172.66	122.15	43.08	7.24	16.00%	6.30%
Increase Salary Inflation by 1.00%	172.66	129.80	-	14.90	16.00%	12.97%
Decrease Salary Inflation by 1.00%	129.24	102.35	(43.42)	(12.55)	-13.00%	-10.92%
Increase Withdrawal Rate by 5.00%	151.11	122.70	21.86	7.80	12.00%	6.79%
Decrease Withdrawal Rate by 5.00%	146.64	109.81	(4.47)	(5.10)	-2.00%	-4.44%

46(g) Actuarial Assumption

Particulars	Gratuity		Earned Leave	
	2024-25	2023-24	2024-25	2023-24
Method Used	Projected Unit Credit (PUC) Actuarial Method		Projected Unit Credit (PUC) Actuarial Method	
Discount Rate	7.00% p.a.	7.21% p.a.	7.00% p.a.	7.21% p.a.
Rate of increase in Compensation levels	6.00% p.a.	6.00% p.a.	6.00% p.a.	6.00% p.a.
Withdrawal Rate	2.00% p.a.	2.00% p.a.	2.00% p.a.	2.00% p.a.
Rate of Return on Plan Assets	NA	NA	NA	NA
Mortality Rate	100% of IALM 2012-14		100% of IALM 2012-14	
Average future service (in Years)	23.00 Years	24.07 Years	23.00 Years	24.07 Years

46(h) Maturity Profile of Defined Benefit Obligation

Particulars	Gratuity	
	2024-25	2023-24
Year 1	0.16	5.76
Year 2	0.44	0.21
Year 3	0.54	3.33
Year 4	5.99	1.43
Year 5	0.41	1.67
After Year 5	59.40	169.56

47. Disclosure in respect of IND AS-24 "Related Party Disclosures"

47(a) Key Managerial Persons:

1. Shri. Govinda Reddy	Managing Director (w.e.f. 04-Aug-2025)
2. Smt. Dr. Manjula N	Managing Director (till 4-Aug-2025)
3. Shri. Gaurav Gupta	Managing Director (till 22-Nov-2023)
4. Shri. Awadhesh Mehta	Director (BD&F) & Chief Financial Officer (w.e.f. 20-Jan-2023)
5. Shri. Rajesh K Singh	Director (P&P) (w.e.f. 21-Sep-2022)
6. Smt. Archana M Kulkarni	Company Secretary (w.e.f. 01-Jul-2024)
7. Shri. S.N.Srinivasa	Company Secretary (till 15-Jun-2024)

47(b) Disclosure of transactions of the company with Key Management Persons:

(₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Salaries & Allowances	143.92	157.93
Other Benefits	38.94	43.04
Total	182.86	166.25

Disclosure in respect of IND AS-12-"Accounting for taxes on Income

48. Deferred Tax Assets (Net)

For the year ended 31st March, 2025

(₹ in Lakhs)

Particulars	As at 1st April 2024	Recognised in Statement of profit & loss"	Recognised in Other comprehensive income	As at 31st March 2025
i) Deferred Tax Assets				
a) Unabsorbed depreciation	46.71	3.18	-	49.88
b) Provision for Leave Encashment	28.92	8.59	-	37.51
c) Provision for gratuity	14.28	2.57	-	16.85
d) Other Disallowances	101.41	25.71	-	127.12
e) Lease Liability	42.88	(35.57)	-	7.31
Sub Total (i)	234.20	4.47	-	238.67
ii) Deferred Tax Liabilities				
f) Right Of Use Asset	(30.23)	24.39	-	(5.84)
Sub Total (ii)	(30.23)	24.39	-	(5.84)
Deferred Tax Assets (Net)	203.97	28.86	-	232.83

49. Disclosure in respect of IND AS - 33: Earning per Share

Particulars	2024-25	2023-24
Profit as per Statement of Profit & Loss (PAT)	1,027.05	1,374.30
Weighted average number of equity shares outstanding:	10,103.92	2,496.51
Diluted Earnings Per Share (₹.) (Face value of ₹ 10/- per share)	0.10	0.55
Diluted Earnings Per Share (₹.) (Face value of ₹ 10/- per share)	0.10	0.55

50. Disclosure In respect of IND AS-36 - "Impairment of Assets"

The Management has assessed for impairment of assets and found no impairment during the year 2024-25 (P.Y. 2023-24 Nil)

51. Disclosure in respect of Ind AS -37- "Provisions, Contingent liabilities and Contingent Assets:

Particulars	Bal. as at 01.04.2024	Additions/ transfer during the year	Utilization during the year	Adjustment during the year	Written back during the year	Bal. as at 31.03.2025
Retirement Benefits	56.74	10.20				66.94
Retirement Benefits	114.90	34.12	-	-	-	149.02
Total	171.64	44.32	-	-	-	215.97

Particulars	Bal. as at 01.04.2023	Additions/ transfer during the year	Utilization during the year	Adjustment during the year	Written back during the year	Bal. as at 31.03.2024
Retirement Benefits	26.55	30.19				56.74
Expenses	64.06	50.85				114.90
Total	90.61	81.03	-	-	-	171.64

Disclosures in respect of Ind AS 107- "Financial Instruments: Disclosures.**52. Fair Value Hierarchy**

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

Level 1- Quoted prices (unadjusted) in active markets for identical financial instruments that the entity can access at the measurement date.

Level 2- The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of relevant observable market input and minimize use of unobservable inputs.

Level 3 - If one or more of the significant inputs is not based on observable market input, the instrument is categorized in level 3 of fair value hierarchy.

52(a) Financial instruments by category.

Particulars	Level	2024-25	2023-24
Financial assets measured at fair value			
Other investments	Level 3	200.00	200.00
At Amortised Cost			
Financial assets			
Trade receivables	Level 3	12,163.07	9,555.93
Cash & Cash equivalents	Level 1	32,773.18	35,709.41
Other financial assets	Level 3	120.85	119.16
Total Financial Assets		45,257.10	45,584.51
Financial Liabilities			
Borrowings	Level 3	23,352.14	5,958.75
Trade payables	Level 3	646.16	894.67
Lease Liabilities	Level 3	29.05	170.38
Other financial liabilities	Level 3	990.63	1,573.22
Total Financial Liabilities		25,017.97	8,597.02

52(b) Valuation techniques and process used to determine fair values

- The carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.
- Fair value of other financial assets and liabilities carried at amortized cost is determined by discounting of cash flows using a discount rate which is defined as per Accounting Policy.

Financial Risk Management:
53. Financial risk factors

The company is exposed to various risks in relation to financial instruments. The company's financial assets and liabilities by category are summarized in above note. The main types of risks are market risk, credit risk and liquidity risk. The company's risk management focuses on actively securing the company's short to medium term cash flows by minimizing the exposure to volatile financial markets. The most significant financial risks to which the company is exposed are described below:

53(a) Market risk

The company has foreign exchange risk as the Market risk. The company does not have price risk since it is not having any derivative financial asset. The company does not have any hedging instruments to cover the foreign exchange risk. The company may have foreign exchange fluctuation on the imports of various items with reference to exchange rate as on the date of placement of work order and date of receipt of material and its payment thereof.

53(b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The company is exposed to this risk for various financial instruments, for example granting advances to employees, receivable from customers, security deposits etc.

The maximum exposure to the credit risk at the reporting date is primarily from carrying amount of following types of financial assets:

- Cash and cash equivalents
- Trade receivables
- Other financial assets measured at amortized cost

The company continuously monitors defaults of customers and other counter parties, identified either individually or by the company, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counter parties are obtained and used.

53(c) Credit Risk Management

Cash and cash equivalent: Credit risk related to cash and cash equivalents is managed by placing funds in schedule commercial

banks which are subject to the regulatory oversight of the Reserve Bank of India, and these banking relationships are reviewed on an ongoing basis.

Trade Receivables: The company has outstanding trade receivables, which are typically unsecured and are derived from revenue earned from customers. Credit risks related to trade receivables are mitigated by taking security deposit from customers. The company closely monitors the credit worthiness of the customers and only deals with creditworthy parties.

Other financial assets: Other financial assets are measured at amortized cost.

Expected Credit Losses

Company provides expected credit losses based on the following:

Trade receivables:

Trade receivables are impaired when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

An analysis of age of trade receivables at each reporting date is summarized as follows:

Particulars	2024-25	2023-24
(i) Undisputed - Considered Good		
Less than 6 Months	12,163.07	9,553.45
6 months To 1 Year	-	5.28
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	12,163.07	9,558.74
(ii) Undisputed - Which Have Significant Increase in Credit Risk		
Less than 6 Months	-	-
6 months To 1 Year	-	-
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	-	-
(iii) Undisputed - Credit Impaired		
Less than 6 Months	-	-
6 months To 1 Year	-	-
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	-	-
(iv) Disputed - Considered Good		
Less than 6 Months	-	-
6 months To 1 Year	-	-
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-
Total	-	-
(v) Disputed - Which Have Significant Increase in Credit Risk		
Less than 6 Months	-	-
6 months To 1 Year	-	-
1 To 2 Year	-	-
2 To 3 Year	-	-
More than 3 Years	-	-

	Total	-	-
(vi) Disputed - Credit Impaired			
Less than 6 Months		-	-
6 months To 1 Year		-	-
1 To 2 Year		-	-
2 To 3 Year		-	-
More than 3 Years		-	-
	Total	-	-

The company is taking suitable actions to recover the amount and hence the amount have been considered good for recovery except to the extant provision for doubtful debts created in the books.

Other Financial Assets measured at Amortized Cost:

Credit risks related to employee loans are considered negligible. Credit risk related to other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures that the amounts are within defined limits. There are no impairment provisions as on reporting date against these financial assets. The company considers all these financial assets as on the reporting date to be of good credit quality.

53 (d) Liquidity Risk

Liquidity requirements of the company are monitored on the basis of monthly, quarterly, half-yearly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, revenue generated from operations, Long Term Loan from KfW bank, Interest free subordinate debt from GoK, Equity contribution from GoI & GoK, Grant from GoK, Reimbursement of Cash Losses and Debt Repayment Support from GOK. The company manage its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues and retention & deposits arising during the normal course of business as of each reporting date. The company maintains sufficient cash and cash equivalents to meet its short term liquidity requirements.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the company may be required to pay. The table includes both principal & interest cash flows.

2024-25

Particulars	Less than 6 months	6 Months to 1 years	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total
Borrowings	0.19	-	-	-	23,351.95	23,352.14
Other Financial Liabilities	20.05	-	-	-	-	20.05
Trade Payables	646.16	-	-	-	-	646.16
Grand Total	666.39	-	-	-	23,351.95	24,018.34

2023-24

Particulars	Less than 6 months	6 Months to 1 years	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total
Borrowings	0.21	-	-	-	5,958.54	5,958.75
Other Financial Liabilities	141.33	-	-	-	-	141.33
Trade Payables	894.67	-	-	-	-	894.67
Grand Total	1,036.21	-	-	-	5,958.54	6,994.75

54. Disclosure in respect of Borrowings

54(a) Subordinate Debt:

Interest Free Subordinate Debts (SD) received from GoK/MoR have been recognized as long-term borrowings. The subordinate debts are interest free.

Out of the SD Funds received from GOK for land acquisition Rs.50,000 Lakh have been transferred to Equity shares as per GOK order no.UDD 158 PRJ 2020 Dated 21.07.2023 & UDD 158 PRJ 2020 P1 Dated 8.11.2023.

In the EGM held on Dt.19th February 2022, the Shareholders have approved the increase in borrowing limit upto Rs.10,80,900 Lakh which is beyond the paid up capital & free reserves of the company.

54(b) External Funding:

- i. As per the BSRP sanctioned order, the project is funded by the loan component of ₹ 7438 crore (Euro 800 million approx.). On 15.12.2023 the loan from KfW Development Bank (KfW), Germany for Euro 500 million was signed and on 14.06.2024 the loan from European Development Bank (EIB), Luxembourg for Euro 300 million was signed. The agreements are signed between the lenders (KfW & EIB) and the Government of India (GoI). The flow of funds for both the loans will be Passed through Assistance (PTA) through the Ministry of Railways which is similar to being followed in other metro projects.
- ii. Apart from the above, an agreement for a Grant of Euro 4.5 million was also signed with KfW Development Bank on 15.12.2023.
- iii. During the current Financial Year, no funds have been received by the company.

55. Taxation:

The Company is a Nodal agency in the State of Karnataka for implementation of Railway Projects with Indian Railways and Karnataka Government Participation. The interest income earned on deposits of short term money with banks is considered as exempt income by referring and relying on the decision of the Honorable Karnataka High Court in the case of Commissioner of Income Tax Vs Karnataka Urban Infrastructure Development & Finance Corporation ITA No. 78 of 2008 and hence no provision is made for payment of Income Tax/ Minimum Alternate Tax.

56. Events occurring after the date of Balance Sheet:

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Non-adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represent material change and commitment affecting the financial position are disclosed.

57. Dividend:

The Company has not declared any dividend during the financial year ended 2024-25.

58. Registration of charges or satisfaction with Registrar of Companies (ROC):

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

59. Significant & material orders passed by the Regulators:

No orders have been passed by the Regulators or Courts or Tribunals against the company on any matter.

60. Activity in Foreign Currency:

The company has not entered into any Foreign Transactions during the current and Previous financial years.

61. Borrowing secured against current assets:

The company does not have any borrowings from banks on the basis of security of current assets.

62. Willful defaulter:

The Company has not been declared willful defaulter by any bank or financial institution or other lender.

63. Equity Investments

Equity Investment in subsidiary companies is measured at cost. The Company has incorporated Bengaluru Integrated Rail Infrastructure Development Enterprises Limited (B-RIDE) on 6th January, 2021 as a wholly – owned subsidiary with an initial investment in the paid-up share capital of Rs.10,00,000 (Rupees Ten Lakh Only) divided into 1,00,000 equity share of Rs.10/- each, to undertake Bengaluru Sub-urban Rail Project.

64. Utilisation of borrowed funds and share premium:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly,

lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

65. Compliance with approved scheme(s) of arrangements:

The Company has not entered into any Scheme of Arrangement.

66. Undisclosed Income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

67. Details of Crypto currency or Virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

68. Relationship with struck off companies:

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013, or Section 560 of the Companies Act, 1956.

69. In the opinion of the management, Current Assets, Loans and Advances have a value not less than what is stated in the accounts if realized in the ordinary course of business.

70. Balances shown under Long Term Loans and advances and Short-Term Loans and Advances, liabilities shown under Trade Payables and Other Current liabilities are subject to confirmation from respective parties and reconciliation.

71. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendments Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company has used accounting software for maintenance of all accounting records. The audit trail (edit logs) at the application level for the accounting software was operating for all relevant transactions recorded in the software”

72. The MCA wide notification dated March 24, 2021 has amended Schedule III to the Companies Act, 2013, in respect of certain disclosures. The Company has incorporated appropriate changes in this financial statement.

73. Previous year’s figures have been recast / restated, wherever necessary, to conform to the current year’s classification.

As per our report of even date attached

For P K Subramaniam and Co.,

Chartered Accountants,
Firm Reg. No. 0041355

Sd/-

CA Veerabasana Gouda S

Partner
M.No.: 208698

for and on behalf of the Board of Directors of

Rail Infrastructure Development Company (Karnataka) Limited

Sd/-

Govinda Reddy

Managing Director
DIN: 11103031

Sd/-

Rajesh Kumar Singh

Director
DIN: 08601529

Sd/

Awadhesh Mehta

CFO

Sd/-

Archana M Kulkarni

Company Secretary
ACS: A28063

Place : Bangalore
Date : 27.10.2025
UDIN : 25208698BMKWVM6826

Place: Bangalore
Date: 06.10.2025

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

Notes Forming Part Of The Consolidated Financial Statements

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Note 9A : Trade Receivables

Particulars	As at March 31, 2025					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	9,870.18	2,292.90	-	-	-	12,163.07
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Particulars	As at March 31, 2024					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	9,550.65	5.28	-	-	-	9,555.93
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Particulars	As at March 31, 2023					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Note 24A : Trade Payables

Particulars	As at March 31, 2025					
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables:						
(i) Total outstanding dues of MSME	147.38	-	-	-	-	147.38
(ii) Total outstanding dues of creditors other than MSME	-	475.67	10.37	12.74	-	498.77
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2024					
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables:						
(i) Total outstanding dues of MSME	385.48	-	-	-	-	385.48
(ii) Total outstanding dues of creditors other than MSME	-	496.45	12.74	-	-	509.18
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2023					
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables:						
(i) Total outstanding dues of MSME	176.14	-	-	-	-	176.14
(ii) Total outstanding dues of creditors other than MSME	-	678.42	-	-	-	678.42
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

ANNEXURE - C**ANNEXURE-1**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAIL
INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED,
BENGALURU FOR THE YEAR ENDED 31 MARCH 2025**

The preparation of financial statements of Rail Infrastructure Development Company (Karnataka) Limited, Bengaluru for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 04 December 2025 which supersedes their earlier Audit Report dated 27 October 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Rail Infrastructure Development Company (Karnataka) Limited, Bengaluru for the year ended 31 March 2025 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revision made in the Statutory Auditors' Report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the Comptroller and Auditor General of India

**Sd/-
(ASHOK SINHA)**

Pr. ACCOUNTANT GENERAL (AUDIT-11)
KARNATAKA, BENGALURU

Place: Bengaluru
Date: 19.12.2025

ANNEXURE-1

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED. BENGALURU FOR THE YEAR ENDED 31 MARCH 2025

The preparation of consolidated financial statements of Rail Infrastructure Development Company (Karnataka) Limited, Bengaluru for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with Section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with Section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 04 December 2025 which supersedes their earlier Audit Report dated 27 October 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Rail Infrastructure Development Company (Karnataka) Limited, Bengaluru for the year ended 31 March 2025 under section 143(6)(a) read with Section 129(4) of the Act. We conducted supplementary audit of the financial statements of Rail Infrastructure Development Company (Karnataka) Limited, Bengaluru and Bengaluru Integrated Rail Infrastructure Development Enterprise Limited, Bengaluru for the year ended 31 March 2025. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the Statutory Auditors' Report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act read with section 129(4) of the Act.

For and on behalf of the Comptroller and Auditor General of India

**Sd/-
(ASHOK SINHA)**

Pr. ACCOUNTANT GENERAL (AUDIT-11)
KARNATAKA, BENGALURU

Place: Bengaluru
Date: 19.12.2025

ANNEXURE - II

FORM MR-3

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

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

To,

The Members,

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

(CIN: U60100KA2000SGC028171)

No.8, 1st Floor, SamparkaSoudha, Dr. Rajkumar Road,
Rajajinagar, 1st Block, Bengaluru, Karnataka: 560010

Dear Sir,

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

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2025 according to the provisions of:

For the audit purposes the scope of secretarial audit contains:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Secretarial Standards issued by Institute of Company Secretaries of India.

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

1. Companies Act, 2013

▪ Gap between two Board Meeting

Pursuant to sub-section I of section 173 of the Companies Act, 2013, every company shall hold the first meeting of the Board of Directors within thirty days of the date of its incorporation and thereafter hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. As per our observations Company hold Board Meeting on 02 March, 2024 and thereafter on 31 August, 2024 hence there was gap more than one hundred and twenty days between two meetings.

▪ Corporate Social Responsibility

Pursuant to section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall comply with the provisions of Corporate Social Responsibility. As per our observation CSR provisions are applicable to the Company and Company is in process to comply with provisions of CSR.

▪ **Articles of Association Compliance**

As per our observations Company has not formed APEX as required under Article 32

2. The Secretarial Standards issued by Institute of Company Secretaries of India. Company has complied with applicable clauses of Secretarial Standards at extent possible and need to follow secretarial standards strictly.

The Railways industry has its own industrial regulator "Rail Development Authority of India" through it was approved in 2017, its full implementation has not occurred yet. So unable to work on compliance to work on compliance of the same. We have not checked railway Board's directions/circulars which are mostly on functioning Ministry and its workings. As informed by the management, there are no laws that are specifically applicable to the Company based on their sector/industry.

I further report that

The Board of Directors of the company is duly constituted with proper balance of executive directors, non-executive directors. The changes in the composition of the Board of directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings of Board and Committee, agenda was sent at least seven days in advance and in some cases through shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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

I further report that there are no major decisions, specific events/actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I have certified this report with "Government Company" status of the company and as a joint venture between Ministry of Railway and Government of Karnataka in mind.

For Milind Kulkarni & Associates

Sd/-

Milind Mohan Kulkarni

FCS No.: 4857

CP No.: 3204

UDIN: F004857G001404662

Place: Pune

Date: 30 September, 2025

ANNEXURE - III

To,

The Members,

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

(CIN: U60100KA2000SGC028171)

No.8, 1st Floor, SamparkaSoudha, Dr. Rajkumar Road, Rajajinagar,

1st Block, Bengaluru-560010. Karnataka

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

- 1) Maintenance of secretarial records is the responsibility of the management of the Company Our responsibility is to express an opinion on such secretarial records based on our audit.
- 2) We have followed the audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. Our verification was conducted on a test basis to ensure that all entries have been made as per statutory requirements. We believe that the processes and practices we followed for this purpose provided a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained Management representation with respect to compliance of laws, rules and regulations and happening of events etc. during the year.
- 5) The compliance of the provisions of corporate and other applicable laws, rules and regulations is the responsibility of the management. Our examination was limited to the verification of secretarial records on test basis to the extent applicable to the Company.
- 6) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Milind Kulkarni & Associates

Sd/-

Milind Mohan Kulkarni

FCS No.: 4857

CP No.: 3204

UDIN: F004857G001404662

Place: Pune

Date: 30 September, 2025

Corridor-2 Progress Updates(Baiyyappanahalli - Chikkabanavara) Mallige Line



MIB-407 Walls and slab works in progress between stations of Shettyhalli-Myderahalli ERS first lift Reinforcement binding work is in progress, P9 pile cap binding work in progress at Hebbal.

MD , KRIDE, Inspects BSTP works - Corridor-2



Shri. Lakshman Singh, MD, KRIDE, inspected the BSTP works and reviewed the progress of the elevated stretch at Mattikere Circle between Hebbal and Yeshwanthpur, including Yeshwanthpur Railway Station.



533 meter long Air force boundary wall work at Jalahalli.

RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED



BSTP

S-M-A-R-T STATION

S- SUSTAINABLE

M- MULTIMODAL

A- ACCESSIBLE

R- RURAL - URBAN CONNECT

T- TRANSIT ORIENTED DEVELOPMENT



“
ALL FOR RAIL
RAIL FOR ALL”



RAIL INFRASTRUCTURE DEVELOPMENT COMPANY (KARNATAKA) LIMITED

(A Joint Venture of Govt. of Karnataka & Ministry of Railways)

Registered Office: Samparka Soudha, 1st Floor, Survey No. 8, (B.E.P. Premises)
Opp. Orion Mall Dr. Rajkumar Road, Rajajingar, 1st Block, Bengaluru - 560010.