KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

DIRECTORS' REPORT & FINANCIAL STATEMENTS

2025-26

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

CIN: U61200KL2017PLC050586

REGISTERED OFFICE

XI/318E, Cochin International Airport Buildings,
Kochi Airport P.O., Nedumbassery
Ernakulam - 683 111

AUDITORS

M/s. Nayar & Menon
Chartered Accountants
1st Floor, Mangalam, Chittoor Road,
Opp. Gowardhan Apts,
Kochi-682 035

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

Regd. Office:XI/318E, Cochin International Airport Buildings, Nedumbassery
Kochi Airport P.O.,Ernakulam - 683 111, Tel No: +91 484 2991032;
e-mail: cs@keralawil.com; Website: www.keralawil.com, CIN: U61200KL2017PLC050586

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 09th Annual General Meeting of Kerala Waterways and Infrastructures Limited will be held on **Friday, the 18th September 2026 at 03.30 p.m. at XI/318E, Cochin International Airport Bldgs., Kochi Airport P.O, Nedumbassery, Ernakulam 683 111,** the Registered Office of the Company to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2026, the Statement of Profit and Loss for the year ended on that date, Annexures and Schedules thereto and the report of the Directors and Auditors of the Company.
2. To appoint a Director in the place of Sri. Saji K. George (DIN: 01581503), who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board
for **Kerala Waterways and Infrastructures Limited**

sd/-
S. Suhas IAS
Director

Date : 21st August 2026
Place : Ernakulam

1. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Form of proxy is attached at the end of the Annual report.**
2. Instrument of Proxies, in order to be effective, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting.

As per the requirement of Secretarial Standard 2, the following information relating to the Director who is being re-appointed / appointed, as contained at item 2 is furnished below:

Particulars	Information
Name	Shri. Saji K. George (DIN: 01581503)
Age	58 Years
Qualification	B.Com, ACS
Experience	34 years of experience as Company Secretary
Terms and Conditions of re-appointment along with details of remuneration sought to be paid	As per Item No.2 No remuneration is sought to be paid as the Director of the Company
Remuneration last drawn	Nil
Date of first appointment on Board	28th December 2024
Shareholding in Company	One (1) Share
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil
Number of Meetings of Board attended	4
Other Directorships, Memberships / Chairmanships of Committees of other Boards	**<u>Director</u>** 1. Kerala Infrastructure Fund Management Limited

ROUTE MAP OF ANNUAL GENERAL MEETING VENUE:

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

Regd. Office:XI/318E, Cochin International Airport Buildings, Nedumbassery
Kochi Airport P.O.,Ernakulam - 683 111, Tel No: +91 484 2991032;
e-mail: cs@keralawil.com; Website: www.keralawil.com, CIN: U61200KL2017PLC050586

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Ninth Annual Report together with the audited financial statements and accounts of the Company for the period ended 31st March 2026.

Financial Summary or Highlights:

(Amount in lakhs)

Financial Results	2025-26	2024-25
Total Income	**47.75**	**77.08**
Less: Administrative & other expenses	(732.56)	(59.12)
Cash Profit / (Loss)	**(684.81)**	**17.96**
Less: Depreciation	(2.18)	(3.51)
Profit / (Loss)	**(686.99)**	**14.45**
Less: Exceptional Items	-	(14.68)
Less: Provision for Income Tax (Current & Deferred Tax)	0.21	0.06
Profit / (Loss) after Tax	**(686.78)**	**(0.16)**
Add: Other Comprehensive Income	-	-
Net Profit / (Loss) for the period	**(686.78)**	**(0.16)**

INLAND NAVIGATION IN KERALA

Inland navigation in Kerala forms a vital, eco-friendly transport backbone comprising over 1,900 kilometers of interconnected backwaters, rivers, and historical canals. This extensive network offers significant advantages for tourism by powering the state's famous backwater sector through houseboats, water taxis, and scenic cruises, while serving as a low-carbon, cost-effective alternative for passenger transit and bulk freight.

To modernize and unify these waterways, Kerala Waterways and Infrastructures Limited (KWIL) — a joint venture between the Government of Kerala and Cochin International Airport Limited (CIAL) — was established as the special purpose vehicle driving infrastructure design, dredging, environmental restoration, and canal-side development. Central to this vision is the revitalization of the West Coast Canal (WCC), an ambitious 633-km navigable corridor stretching from Kovalam in the south to Bekal in the north. By linking major international airports, coastal ports, and urban hubs, the WCC project unlocks massive commercial potential by reducing road congestion, lowering freight transit costs, and fostering industrial supply chains.

On the tourism front, the modernized canal transforms regional travel into an experiential journey featuring tourist boat jetties, waterfront walkways, eco-friendly electric craft, and novel attractions like the illuminated light-and-sound show through the historic Chilakkoor tunnel. Together, KWIL's efforts on the West Coast Canal are converting Kerala's legacy waterways into a dynamic engine for sustainable economic growth and world-class tourism.

OPERATIONS OF THE COMPANY / STATE OF THE COMPANY'S AFFAIRS;

Your Company has been entrusted with several projects in connection with the development of the proposed West Coast Canal from Kovalam to Bekal along with the various works taken up by the Inland Navigation Department. The status of various projects taken up by your Company are given below:

Rehabilitation and resettlement of 1360 families residing on the banks of West Coast Canal between Kovalam and Varkala-

The Government of Kerala has approved a new West Coast Canal (WCC) Rehabilitation Package with a sanction of Rs.247.20 crore from the Kerala Infrastructure Investment Fund Board (KIIFB) for relocating 1,360 families residing on canal purambokku land between Kovalam and Varkala. In the Varkala region, compensation has been distributed to 349 families out of 399 initially identified. Following re-deliberations, the Rehabilitation Committee approved 28 out of 50 previously ineligible families, and compensation distribution for them has been completed except for two non-cooperating individuals.

Progress in the Kadinamkulam area remains steady, with 175 out of 194 families successfully rehabilitated. In the Thiruvananthapuram Corporation area (Kovalam to Akkulam), approximately 930 families require relocation, of which 494 landless (non-Pattaya) families qualify under the package. Government Orders have been received for 425 families, and compensation has already been transferred to 264 beneficiaries through the Executive Engineer, Inland Navigation Department, with disbursements ongoing for the rest. An additional 34 cases remain under committee review. Meanwhile, the KWIL Project Management Unit continues active dialogue and persuasion to overcome local resistance and demands for higher compensation packages in the Thiruvananthapuram area.

- **Detailed Project Report for the rejuvenation of Parvathy Puthenar between Kovalam and Akkulam:** Land acquisition activities are progressing steadily across the project area. The survey work has been completed for Thiruvallam, Kadakampally, and Pettah villages, and Section 11(1) notifications have been published accordingly. In Muttathara village, progress is awaiting updated resurvey details as land records are currently unavailable. Simultaneously, the preparation of Detailed Engineering Drawings is underway in collaboration with NATPAC and the Government Engineering College, Thrissur.
- **Canal beautification works between Arivalam & Thottilpalam (3 kms) near Chilakkoor tunnel at Varkala:** The canal beautification work along the 3 km stretch between Arivalam and Thottilpalam, near the historic Chilakkoor tunnel in Varkala, is nearing total completion. Funded by KIIFB, the project scope encompasses retaining walls built with steel sheet piles, public walkways, canal side landscaping, and an innovative light-and-sound show installation inside the tunnel. The project was officially inaugurated by the Hon'ble Chief Minister on 26th February 2026, featuring an inaugural boat ride through the tunnel to launch the light-and-sound experience. Major infrastructure components are substantially complete, and minor remaining slope stabilization works are targeted for completion within the next three months.
- **Kozhikode Canal City Project:**
  KIIFB has accorded in-principle sanction of Rs.1,118 crore for the Kozhikode 'Canal City' development project. The Detailed Project Report (DPR), prepared by M/s. LEA Associates South Asia Private Limited with a total estimated cost of Rs.970 crore, has been submitted to the Government. The Government has granted approval to proceed with the project based on key navigation parameters: a 14-meter horizontal clearance, 3.6-meter vertical clearance, and 2.2-meter draught. KWIL is currently in discussions with KIIFB and KIIFCON to execute Phase I of the project along the stretch between Arayidathupalam and Eranhipalam.
- **Construction of three artificial canals between Mahe and Valapattanam rivers:**
  Land acquisition activities for the three artificial canal links connecting the Mahe and Valapattanam rivers have been initiated under KIIFB's in-principle sanction of Rs.650 crore. Preparation of the Detailed Project Report (DPR) by NATPAC and the Environmental Impact Assessment (EIA) study by KITCO are currently underway. Progress across the three reaches is detailed below:

2nd and 3rd Artificial Canals (Eranjoli to Valapattanam Rivers): Boundary stone laying and Social Impact Assessment (SIA) studies have been completed. However, following petitions filed by affected parties, the Hon'ble High Court of Kerala ordered a stay on land acquisition activities (via orders dated 31st January 2024, and 18th June 2024) pending the completion of EIA studies and necessary approvals.

1st Artificial Canal (Mahe to Eranjoli Rivers): The placement of alignment stones experienced delays due to local public protests, and activities are being actively managed for resolution.

Land acquisition proceedings across all reaches will resume upon completion of the EIA studies and fulfillment of statutory court directives.

- **Construction of an artificial canal between Neeleswaram and Chittari rivers:**
  Administrative Sanction has been granted for initiating land acquisition for the construction of an artificial canal connecting the Nileshwaram and Chittari rivers, supported by KIIFB approval for Rs.178 crore. Section 6(1) land acquisition notifications were published in June 2023 for all project areas except Bella village. For Bella village, a revised sketch incorporating re-survey numbers has been submitted to the Coastal Shipping and Inland Navigation Department (CSIND) for sanction.

  Project consultancy activities are advancing, with NATPAC handling the Detailed Project Report (DPR) and M/s. Ultratech Environment Consultancy and Laboratory, Thane, tasked with preparing the Environmental Impact Assessment (EIA) report. Meanwhile, following a petition filed by local affected parties, the Hon'ble High Court of Kerala ordered that this matter be considered jointly with similar pending petitions in the Mahe–Valapattanam stretch.

- **Preparation of a Concept Plan for Transit Oriented Development of West Coast Canal and Identification of Economic Development Opportunities:**
  Your Company has been entrusted with preparing a Concept Plan for Transit-Oriented Development (TOD) and identifying Economic Development Opportunities (EDO) along the 610-km West Coast Canal (WCC). To stimulate large-scale economic activity and employment, the waterway has been divided into 13 reaches. The Government has accorded in-principle approval for the EDO studies and land acquisition, backed by KIIFB financial assistance of ₹300 crore.

  Progress across the reaches is as follows:

  - **Reaches 2 & 8 (Akkulam–Kollam, 30 km & Mannattampara–Kallayi, 60 km):** EDO studies have been completed and approved by KIIFB. Consequently, a financial sanction of Rs.93.5 crore was granted for Phase-1 land acquisitions, and the Government has issued revenue orders for land acquisition in Thiruvananthapuram and Malappuram districts, respectively.
  - **Reaches 4 & 6 (Thottappally–Thanneermukkom, 44 km & Kottappuram–Chavakkad, 60 km):** EDO studies have been successfully completed.
  - **Reaches 3 & 5 (Kollam–Thottappally, 54 km & Thanneermukkom–Kottappuram, 70 km):** Studies are currently in their final stages.
  - **Reaches 10 & 12 (Eranhikkal–Mahe, 60 km & Valapattanam–Nileswaram, 65 km):** Studies for these navigable reaches have been tendered, and appointed consultants have commenced preliminary data collection.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act 2013:

a) in the preparation of the annual accounts for the period ended 31st March 2026, the applicable accounting standards and the instructions provided under Schedule III of the Companies Act 2013 have been followed and there are no material departures from the same;

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 as at 31st March 2026 and of the 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 the Companies Act 2013 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;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

DIVIDEND AND TRANSFER TO RESERVE

Considering the financial results of the Company for 2025 – 26, the Company is unable to declare a dividend for the current year, and no amounts have been transferred or is proposed to be transferred to reserves / Other Equity Account.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Directors of the Company, as on date are given below:

Sl. No.	DIN	Name of the Director	Designation
1	01907262	Sri. Pinarayi Vijayan	Chairman
2	08540981	Sri. S.Suhas IAS	Director
3	10697849	Smt. Sreekala C.K	Director
4	01581503	Sri. Saji K George	Director

The Company has to comply with the provisions of section 149(4) of the Companies Act 2013 read with Rule 4 of Companies (Appointment and Qualification of Directors) Rules 2014 regarding the appointment of Independent Directors. The Company has requested Government of Kerala to identify suitable persons for the appointment of Independent Directors. Further, the Company has yet to appoint a Managing Director, Chief Financial Officer and Company Secretary.

In terms of the provisions of Sub Section 6 of Section 152 of the Companies Act 2013, two – third of the total number of Directors excluding Independent Directors and non-rotational directors, are liable to retire by rotation and out of which one third has to retire by rotation at every Annual General Meeting. Sri. Saji K George (DIN:01581503) is therefore liable to retire by rotation during the current Annual General Meeting. Sri. Saji K George (DIN:01581503) is eligible, offers himself for reappointment. The Board therefore recommends his re-appointment as Director of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

There were no changes in the Board of Directors during the financial year 2025 - 26 and thereafter.

DISCLOSURES

Audit Committee

Pursuant to Section 177 of Companies Act 2013, the company has to constitute an Audit Committee. Immediately after the appointment of Independent Directors the company shall take necessary steps to constitute an Audit Committee complying with the provisions of section 177 of the Companies Act 2013.

Nomination and Remuneration Committee

As per the provisions of Section 178(1) of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board & its Powers) Rules 2014, the company has to constitute a Nomination and Remuneration Committee. Immediately after the appointment of Independent Directors, the company shall take necessary steps to constitute the Nomination and Remuneration Committee complying with the provisions of Section 178(1) of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board & its Powers) Rules 2014.

MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the period under review, on 02nd July 2025, 27th September 2025, 16th December 2025 and 27th March 2026. The composition and category of the Directors along with their attendance at Board Meetings as on 31st March 2026 are given below:

Sl. No.	Name of the Director	Category of Director	No: of Board Meetings	
			Held during the tenure	Attended
1.	Sri. Pinarayi Vijayan	Chairman (Non-Executive)	4	1
2.	Sri. S.Suhas	Director	4	4
3.	Smt. Sreekala C.K	Director	4	3
4.	Sri. Saji K George	Director	4	4

STATUTORY AUDITORS

M/s. Nayar & Menon, Chartered Accountants, Ernakulam (Firm Registration No: 002454S) were appointed as the Statutory Auditors of the Company at the 7th Annual General Meeting held on 01st August 2024, for a tenure of 3 years to hold office until the conclusion of the Annual General Meeting for the Financial Year 2026–27. They have confirmed their eligibility under Section 139 of the Companies Act 2013, and that they remain free from any disqualifications to continue as Statutory Auditors for FY 2026–27. Explanations by the Board on every qualification, reservation or adverse remark made by the Statutory Auditors in their report are given below:

Statutory Auditor's Observation	Board's Reply
We draw attention to the Note 5 of the financial statements where Company has recognised a receivable from Kerala Infrastructure Investment Fund Board (KIIFB) amounting to ₹89,743.98 ('000s), against which an impairment provision of ₹65,519.88 ('000s) has been recognised, resulting in a net carrying amount of ₹24,224.10 ('000s) In accordance with the Standards on Auditing, we sought direct external confirmation of the aforesaid receivable. However, no confirmation was received from the KIIFB despite repeated follow-ups. Further, the alternative audit procedures performed by us did not enable us to obtain sufficient appropriate audit evidence regarding the existence, rights, recoverability and valuation of the receivable or the adequacy of the impairment allowance recognised by the management.	The Management is actively following up with the Kerala Infrastructure Investment Fund Board (KIIFB) to obtain the required balance confirmation and to expedite the reimbursement of the outstanding amounts.

Accordingly, we were unable to obtain sufficient appropriate audit evidence to determine whether any adjustments were necessary to the carrying amount of the receivable disclosed in Note 5, the related impairment provision, and any consequential effects on the Statement of Profit and Loss, the Statement of Changes in Equity, the Statement of Cash Flows, and the related disclosures forming part of the financial statements.	
Non-Compliance with provisions of Companies Act 2013 During the FY 2025-26, the Company has not appointed Independent Directors as required under the provisions of the Companies Act 2013 and Company continues to be non-complaint with the constitution of Audit Committee, Nomination and Remuneration Committee, and other committees mandated as per the provisions of the Companies Act 2013. The Financial statements for the year ended 31st March 2026 were not reviewed by Audit committee in accordance with Section 177 of the Companies Act 2013.	The Company is in the process of identifying suitable people as Independent Directors of the Company. Immediately after the appointment of Independent Directors, the company shall take necessary steps to constitute the Audit Committee, the Nomination and Remuneration Committee and such other statutory committee(s) and will comply with the provisions of Section 177, Section 178(1) of the Companies Act 2013 read with the Companies (Meetings of Board & its Powers) Rules 2014.

Except for the matter described above, the notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

Cost Audit

Cost Audit under Section 148(1) is not applicable to the company. The company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013.

Risk Management

The Company has developed and implemented a risk management policy. The Company has adequate system of business risk evaluation and management, to ensure stable & sustainable business growth and to promote pro-active approach in evaluating and resolving the risks associated with the business. The Company has identified the potential risks such as financial risk, legal & statutory risks and the internal process risk and has put in place appropriate measures for its mitigation. At present, the Company has not identified any element of risk which may threaten the existence of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE ACT

There were no Loans, investments and guarantees made by the Company under Section 186 of the Companies Act 2013 during the period under review other than as disclosed in Note No:5.

ANNUAL RETURN

The Annual Return of the Company as on 31st March 2026 is available on the Company's website and can be accessed at https://www.keralawil.com/UserFiles/keralawil/file/KWIL-Annual-Return-2026.pdf

RELATED PARTY TRANSACTIONS

Related Party Transactions in terms of Ind AS 24 are set out in the Notes forming part of the accounts. These transactions are not likely to have a conflict with the interest of the Company. All the related party transactions are negotiated on arm's length basis and are intended to protect the interest of the Company. Disclosures of particulars of contracts / arrangements entered into by the Company with related parties are given in e-Form AOC-2 as Annexure A to Directors' Report.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under the Act, are provided in Annexure B to this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Personnel and industrial relations were cordial and satisfactory during the period under review. There were no employees of the company who have drawn remuneration in excess of the limits set out under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

GENERAL

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 period under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Change in the nature of the business of the company.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. There were no material changes and commitments affecting the financial position of the Company which occurred during the period and the date of this report.
7. The Company has no subsidiaries, joint ventures or associate companies. During the period under review, there were no companies which had become or ceased to become subsidiaries, joint ventures or associate companies.
8. 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 - Not applicable

The Company has an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013. An Internal Complaints Committee (ICC) has been set up under the said Act, to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

The following is a summary of sexual harassment complaints received and disposed of during the year 2025-26:

No. of complaints of sexual harassment received in the year	: Nil
No. of complaints disposed of during the year	: Nil
No. of cases pending for more than ninety days	: Nil

Your Directors wish to state that during the period under review no fraud was reported by the Auditors of the Company. The Company is in compliance with the provisions relating to the Maternity Benefit Act 1961.

Number of employees as on the closure of financial year

Female	:	0
Male	:	3
Transgender	:	0

Proceedings under Insolvency and Bankruptcy Code 2016
No application was made, nor any proceeding pending under the Insolvency and Bankruptcy Code 2016 during the year.

Corporate Social Responsibility
The provisions of Corporate Social Responsibility do not apply to the Company.

ACKNOWLEDGEMENTS
Your Directors would like to express their sincere appreciation for the assistance and cooperation received from Central and State Governments, KIIFB, Financial Institutions, Banks, CIAL and CIAL Infrastructures Limited during the period under review. Your Directors are grateful to the Company's valued shareholders for their unstinted support and patronage and look forward to receive the same in equal measures in the years to come.

By the order of the Board
for **and on behalf of the Board of Directors**

	sd/-	sd/-
	S.Suhas IAS	**Saji K.George**
Date : 21st August 2026	Director	Director
Place : Ernakulam	(DIN: 0854098)	(DIN: 01581503)

Annexure A

Form No. AOC -2

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

[Pursuant to clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules 2014]

All fields marked in * are mandatory

*Name of the Company: **KERALA WATERWAYS AND INFRASTRUCTURES LIMITED**

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

*Number of contracts or arrangements or transactions not at arm's length basis: Nil

Block-1	
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	Nil
Name(s) of the related party	Nil
Nature of relationship	Nil
Nature of contracts/ arrangements/ transactions	Nil
Duration of the contracts / arrangements/ transactions	Nil
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Nil
Justification for entering into such contracts or arrangements or transactions	Nil
Date of approval by the Board (DD/MM/YYYY)	N.A
Amount paid as advances, if any	Nil
Date on which the resolution was passed in general meeting as required under first proviso to section 188 (DD/MM/YYYY)	Nil
SRN of MGT-14	Nil

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

Number of material contracts or arrangements or transactions at arm's length basis: Nil

Block-1	
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	Nil
Name(s) of the related party	Nil
Nature of relationship	Nil
Nature of contracts / arrangements / transactions	Nil
Duration of the contracts / arrangements / transactions	Nil
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Nil
Date of approval by the Board (DD/MM/YYYY)	N.A.
Amount paid as advances, if any	Nil

By the order of the Board
for **and on behalf of the Board of Directors**

sd/-	sd/-
S.Suhas IAS	**Saji K.George**
Director	Director
(DIN: 0854098)	(DIN: 01581503)

Date : 21st August 2026
Place : Ernakulam

Annexure B

Energy Conservation initiatives by Kerala Waterways and Infrastructures Limited

1. High efficiency air conditioner system with scroll compressor has been used in the administrative office at airport premises, instead of conventional rotary type systems.
2. Vertical blinds are provided for entire glass area for reducing heat load, which in turn reduces capacity of air conditioning system.
3. High luminous efficiency LEDs are used for lightings at offices.

There are no activities relating to technology absorption in connection with operations of the Company.

(Rs. in thousands)

Foreign Exchange Earnings and outgoings (receipts and payments in USD)	**2025-26**	**2024-25**
CIF value of Imports	Nil	Nil
Foreign Exchange Earnings	Nil	Nil
Expenditure in foreign currency	Nil	NIl
Amount remitted during the year in foreign currency	Nil	Nil

By the order of the Board
for **and on behalf of the Board of Directors**

sd/-
S.Suhas IAS
Director
(DIN: 0854098)

sd/-
Saji K.George
Director
(DIN: 01581503)

Date : 21st August 2026
Place : Ernakulam

NAYAR & MENON
Chartered Accountants

Phone: 0484-4045254 Mob: 9447214011
1st Floor, Mangalam, Chittoor Road, Opp. Gowardhan Apts, Kochi-682 035
Email: gjkamath@yahoo.com

INDEPENDENT AUDITOR'S REPORT

To the Members of KERALA WATERWAYS AND INFRASTRUCTURES LIMITED
Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of **KERALA WATERWAYS AND INFRASTRUCTURES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March 2026**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

Basis for Qualified Opinion

We draw attention to the Note 5 of the financial statements where Company has recognised a receivable from Kerala Infrastructure Investment Fund Board (KIIFB) amounting to ₹89,743.98 ('000s), against which an impairment provision of ₹65,519.88 ('000s) has been recognised, resulting in a net carrying amount of ₹24,224.10 ('000s)

In accordance with the Standards on Auditing, we sought direct external confirmation of the aforesaid receivable. However, no confirmation was received from the KIIFB despite repeated follow-ups. Further, the alternative audit procedures performed by us did not enable us to obtain sufficient appropriate audit evidence regarding the existence, rights, recoverability and valuation of the receivable or the adequacy of the impairment allowance recognised by the management.

Accordingly, we were unable to obtain sufficient appropriate audit evidence to determine whether any adjustments were necessary to the carrying amount of the receivable disclosed in Note 5, the related impairment provision, and any consequential effects on the Statement of Profit and Loss, the Statement of Changes in Equity, the Statement of Cash Flows, and the related disclosures forming part of the financial statements.

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

NAYAR & MENON
Chartered Accountants

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Other matter

Non-Compliance with provisions of Companies Act 2013

During the FY 2025-26, the Company has not appointed Independent Directors as required under the provisions of the Companies Act 2013 and Company continues to be non-complaint with the constitution of Audit Committee, Nomination and Remuneration Committee, and other committees mandated as per the provisions of the Companies Act 2013. The Financial statements for the year ended 31st March 2026 were not reviewed by Audit committee in accordance with Section 177 of the Companies Act 2013.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the matters stated in Basis of Qualified Opinion

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account except for the matters stated in the Basis for Qualified Opinion.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

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

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

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year in accordance with the provisions of Section 197 of the Act.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigation which would impact its financial position in its financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable loses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds)

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by the Company to or in any other person or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid the dividend during the year and is in compliance with section 123 of the Companies Act 2013.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account 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, and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for **NAYAR & MENON**
Chartered Accountants
(FRN: 002454S)

sd/-
CA. SIVANGI V PAI, ACA
Partner (M. No.250365)
UDIN: 26250365FVKABL3138

Place : Kochi
Date : 28.07.2026

NAYAR & MENON
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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KERALA WATERWAYS AND INFRASTRUCTURES LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **KERALA WATERWAYS AND INFRASTRUCTURES LIMITED** ("the Company") as of **31st March 2026** in conjunction with our audit of the financial statements of the Company for the year ended on that date**.**

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2026, 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

for **NAYAR & MENON**
Chartered Accountants
(FRN: 002454S)

sd/-
CA. SIVANGI V PAI, ACA
Partner (M. No.250365)
UDIN: 26250365FVKABL3138

Place : Kochi
Date : 28.07.2026

NAYAR & MENON
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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KERALA WATERWAYS AND INFRASTRUCTURES LIMITED of even date)

i) a) (i) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(ii) According to the information and explanations given to us and the records of the Company examined by us,the Company doesn't have any intangible assets and hence no reporting is required in this regard.

b) According to the information and explanations given to us and the records of the Company examined by us, the Company has a program of physical verification to cover all the items of Property, Plant and Equipment, the frequency of which, in our opinion, is reasonable having regard to the size of the Company and the nature of its business. According to the information and explanations given to us, no material discrepancies have been noticed upon such verification.

c) According to the information and explanations given to us and the records of the Company examined by us ,the Company does not hold any immovable property and hence no reporting is required in this regard.

d) According to the information and explanations given to us and the records of the Company examined by us, the Company has not revalued any of its Property, Plant and Equipment during the year and hence the reporting requirements under the Clause (i)(d) of Para 3 of the Order is not applicable at this stage.

e) According to the information and explanations given to us and the records of the Company examined by us, there are no proceedings initiated or pending against the Company as at 31st March 2026 for holding any benami property under the Prohibition of Benami Property Transactions Act 1988 (as amended in 2016) and rules made thereunder.

ii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company does not hold any inventory and hence no reporting is required in this regard.

(b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not been sanctioned working capital limits in excess of Rs. 500 lakhs in aggregate, from banks of financial institutions based on the security of current assets during the year and hence no reporting is required in this regard.

iii) According to the information and explanations given to us and the records of the Company examined by us, the company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms or other parties covered in register maintained under Section 189 of the Companies Act 2013 and hence reporting under clause 3(iii)a of the Order is not applicable.

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iv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted any loans or given any security or guarantee for which the provisions of Section 185 of the Act are applicable. Also no loan or investment has been made by the Company for which provisions of Section 186 of the Act is applicable.

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

vi) According to the information and explanations given to us, the Company is not required to maintain cost records as prescribed in Section 148(1) of the Act. Accordingly, clause 3(vi) of the Order is not applicable.

vii) a) As per the information and explanations furnished to us, and according to our examination of the records of the Company, the Company has been generally regular in depositing the undisputed statutory dues including Goods and Service Tax, Income Tax, other material statutory dues, as applicable to the Company with the appropriate authorities during the year except the following undisputed amounts in respect of material statutory dues were in arrears as at 31st March 2026 for a period of more than six months from the date they became payable.

Name of the statue	Nature of the dues	Amount ('000s)
Income tax Act 1961	Tax not deducted at source under Section 194J	Rs. 469.5

b) As per the information and explanations furnished to us, and according to our examination of the records of the Company, there has been no statutory dues which has not been deposited on account of dispute.

viii) As per the information and explanations furnished to us, and according to our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (43 of 1961). Hence, reporting under clause 3(viii) of the Order is not applicable.

ix) a) As per the information and explanations furnished to us, and according to our examination of the records of the Company, The company has not availed any loan or other borrowing and is not liable to pay any interest hence reporting under Clause 3(ix)(a) of the Order is not applicable.

b) As per the information and explanations furnished to us, and according to our examination of the records of the Company, has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) As per the information and explanations furnished to us, and according to our examination of the records of the Company doesn't have any term loan and hence we are not required to comment upon the utilisation of the same.

d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of it subsidiaries, associates or Joint ventures.

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

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x) As per the information and explanations furnished to us, and according to our examination of the records of the Company,

(a) The Company has not made any initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi) As per the information and explanations furnished to us, and according to our examination of the records of the Company,

a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b. No report under Sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government, during the year and up to the date of this report.

c. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable

xiii) According to the information and explanations given to us and based on the records of the Company examined by us, transactions with related parties, if any, to the extent identified by the management and made known to us during the course of our audit have been disclosed in the financial statements and are in compliance with Section 188 of the Companies Act. However, the Company has not appointed an Audit Committee as required under Section 177 of the Companies Act 2013.

xiv) According to Section 138 of the Companies Act 2013 the Company is not required to have an internal audit system.

xv) According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not entered into any non-cash transactions with Directors or persons connected with the Directors and hence, reporting under clause 3(xv) of the Order is not applicable.

xvi) According to the information and explanations given to us and the records of the Company examined by us,

a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.

xvii) The Company has incurred a cash loss of Rs.2,722.20 (‘000s) during the financial year covered by our audit (Previous year: 0), based on the financial statements. Our report on the standalone financial statements contains a Qualified Opinion in respect of a matter that may have consequential effects on the Statement of Profit and Loss. Accordingly, the above cash loss should be read in conjunction with the Basis for Qualified Opinion paragraph in our Independent Auditor’s Report.

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

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph relating to the recoverability / existence of Other Financial Assets, 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 the Company is not capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to comply with Section 135 of the Companies Act 2013 and hence no reporting is required under Clause 3(xx) of the Order

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

for **NAYAR & MENON**
Chartered Accountants
(FRN: 002454S)

sd/-
CA. SIVANGI V PAI, ACA
Partner (M. No.250365)
UDIN: 26250365FVKABL3138

Place : Kochi
Date : 28.07.2026

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

CIN: U61200KL2017PLC050586

BALANCE SHEET AS AT 31st MARCH 2026

(Rupees in '000)

Particulars	Note No.	As at 31.03.2026	As at 31.03.2025
I. ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	435.98	654.11
Financial assets			
Other Financial assets	5	24,324.10	86,735.18
Deferred tax asset	6	2,207.88	2,186.96
Other non-current assets	7	12,426.97	14,509.65
Current Assets			
Financial assets			
(i) Cash & Cash equivalents	8	20,559.98	20,737.30
(ii) Bank Balances other than (i)	9	49,025.00	46,644.00
(iii) Other Financial assets	10	47.48	218.84
Current Tax Assets	11	434.58	766.46
Total Assets		**109,461.98**	**172,452.49**
II. EQUITY & LIABILITIES			
Equity			
Equity share capital	12	176,400.07	176,400.07
Other equity	13	(74,733.24)	(6,055.20)
Total Equity		**101,666.83**	**170,344.87**
Liabilities			
Current Liabilities			
Financial Liabilities			
Trade Payables due to:			
- Micro and Small Enterprises		1,731.75	-
- Other than micro enterprises and small enterprises	14	4,400.48	321.31
Other current liabilities	15	1,474.29	1,786.31
Provision	16	188.64	-
Total Liabilities		**7,795.15**	**2,107.62**
Total Equity and Liabilities		**1,09,461.98**	**1,72,452.49**
See accompanying notes forming part of the financial statements.	1 - 38		

For and on behalf of the Board of Directors

sd/-
S. Suhas IAS
Director
DIN:0008540981

sd/-
Saji K George
Director
DIN:0001581503

In terms of our report of even date attached

for **NAYAR & MENON**
Chartered Accountants (FRN: 002454S)

Sd/-
CA. SIVANGI V PAI, ACA
Partner (M. No.250365)
UDIN: 26250365FVKABL3138
Date : 28.07.2026

Place: Ernakulam
Date : 24.07.2026

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

CIN: U61200KL2017PLC050586

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2026

(Rupees in '000)

	Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
I	**Income:**			
	Revenue from operations	17	-	3,638.54
	Other income	18	4,774.96	4,069.68
	Total Income		**4,774.96**	**7,708.22**
II	**Expenses**			
	Employee Benefits	19	957.12	962.14
	Finance Cost		37.11	0.99
	Depreciation and amortization expense	4	218.13	350.76
	Other expenses	20	72,261.57	4,948.05
	Total expenses		**73,473.92**	**6,261.94**
III	**Profit / (Loss) before exceptional items and tax**		**(68,698.96)**	**1,446.28**
IV	Exceptional items		-	1,467.82
V	**Profit / (Loss) before tax**		**(68,698.96)**	**(21.54)**
VI	**Tax expense:**			
	(a) (i) Current tax		-	-
	(ii) MAT credit		-	-
	(b) Deferred tax		(20.92)	(5.60)
	Total tax expenses		**(20.92)**	**(5.60)**
VII	**Profit / (Loss) after tax for the year**		**(68,678.04)**	**(15.94)**
VIII	**Other Comprehensive income**			
	- Item that will not be reclassified to profit or loss		**-**	**-**
	- Income tax relating to items that will not be reclassified to profit or loss		**-**	**-**
IX	**Total comprehensive income for the period (Profit / (loss) + other comprehensive income)**		**(68,678.04)**	**(15.94)**
X	**Earning per equity share**			
	Basic & Diluted (in Rs.)	19	(3.893)	0.001

For and on behalf of the Board of Directors

sd/-
S. Suhas IAS
Director
DIN:0008540981

sd/-
Saji K George
Director
DIN:0001581503

Place: Ernakulam
Date : 24.07.2026

In terms of our report of even date attached

for **NAYAR & MENON**
Chartered Accountants (FRN: 002454S)

Sd/-
CA. SIVANGI V PAI, ACA
Partner (M. No.250365)
UDIN: 26250365FVKABL3138
Date : 28.07.2026

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2026

A Equity Share Capital **(Rupees in '000)**

Particulars	Note	Amount	Number of Equity Shares (Thousands)
Balance at 31st March 2024		1,76,400.07	17,640.007
Changes in equity share capital during the year			
(a) Shares Issued during the year		-	-
Balance at 31st March 2025	**12**	**1,76,400.07**	**17,640.007**
Changes in equity share capital during the year			
(a) Shares Issued during the year		-	-
Balance at 31st March 2026		**1,76,400.07**	**17,640.007**

B Other Equity **(Rupees in '000)**

Particulars	Retained Earnings	Share application money pending allotment	Other Comprehensive Income	Total
Balance as on 31st March 2024	**(6,039.26)**	**-**	**-**	**(6,039.26)**
Add: Profit / (Loss) for the year as per Statement of Profit and Loss	(15.94)	-	-	(15.94)
Less: DTA for unabsorbed losses of previous years created during the year adjusted to retained earning	-	-	-	-
Add: Share application money received during the year	-	-	-	-
Less: Share allotment made during the year	-	-	-	-
Balance as on 31st March 2025	**(6,055.20)**	**-**	**-**	**(6,055.20)**
Add: Profit / (Loss) for the year as per Statement of Profit and Loss	(68,678.04)	-	-	(68,678.04)
Less: DTA for unabsorbed losses of previous years created during the year adjusted to retained earnings	-	-	-	-
Add: Share application money received during the year	-	-	-	-
Less: Share allotment made during the year	-	-	-	-
Balance as on 31st March 2026	(74,733.24)	**-**		(74,733.24)

For and on behalf of the Board of Directors

sd/-
S. Suhas IAS
Director
DIN:0008540981

sd/-
Saji K George
Director
DIN:0001581503

Place: Ernakulam
Date : 24.07.2026

In terms of our report of even date attached

for **NAYAR & MENON**
Chartered Accountants (FRN: 002454S)

Sd/-
CA. SIVANGI V PAI, ACA
Partner (M. No.250365)
UDIN: 26250365FVKABL3138
Date : 28.07.2026

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2026

(Rupees in '000)

	Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
A	**Cash Flow from Operating Activities**		
	Net Profit before Tax	**(68,698.96)**	**(21.54)**
	Adjustments for:		
	Depreciation and Amortisation	218.13	350.76
	Finance Cost	-	-
	Interest Income	(4,732.80)	(4,040.18)
	Profit on sale of fixed assets	-	-
	Operating Profit before Working Capital Changes	**(73,213.63)**	**(3,710.96)**
	Adjustments for:		
	Increase / (Decrease) in other Liabilities and Provisions	5,687.53	(6,831.12)
	(Increase) / Decrease in Trade Receivables	-	-
	(Increase) / Decrease in prepayments and Other Receivables	64,712.58	2,373.24
	(Increase) / Decrease in Inventories	-	-
	Cash generated from Operations	**70,400.11**	**(4,457.88)**
	Tax Paid	331.88	431.74
	Net Cash Flow from Operating Activities	**(2,481.64)**	**(7,737.10)**
B	**Cash Flow from Investing Activities**		
	Acquisition of Fixed Assets	-	-
	Sale of Fixed Asset	-	-
	Interest Received	4,685.32	3,967.59
	Security Deposits	-	-
	Net Cash Flow from Investing Activities	**4,685.32**	**3,967.59**
C	**Cash Flow from Financing Activities**		
	Proceeds from issue of Share Capital	-	-
	Proceeds from Long Term Borrowings	-	-
	Repayment of Long Term Borrowings	-	-
	Dividend Paid / Transferred to IEPF	-	-
	Interest Paid	-	-
	Net Cash Flow from Financing Activities	**-**	**-**
	Net increase / (decrease) in cash and cash equivalents	**2,203.68**	**(3,769.51)**
	Cash and cash equivalents at the beginning of the period	**67,381.30**	**71,150.81**
	Cash and cash equivalents at the end of the period	**69,584.98**	**67,381.30**
	Cash and cash equivalents as per above comprises of the following:		
	Cash and Cash Equivalents (Note 7)	20,559.98	20,737.30
	Balances with bank (Note 8)	49,025.00	46,644.00
	Balance as per Statement of Cash flows	**69,584.98**	**67,381.30**

For and on behalf of the Board of Directors

sd/-
S. Suhas IAS
Director
DIN:0008540981

sd/-
Saji K George
Director
DIN:0001581503

Place: Ernakulam
Date : 24.07.2026

In terms of our report of even date attached

for **NAYAR & MENON**
Chartered Accountants (FRN: 002454S)

Sd/-
CA. SIVANGI V PAI, ACA
Partner (M. No.250365)
UDIN: 26250365FVKABL3138
Date : 28.07.2026

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

Regd. Office:XI/318E, Cochin International Airport Buildings, Nedumbassery
Kochi Airport P.O.,Ernakulam - 683 111, Tel No: +91 484 2991032;
e-mail: cs@keralawil.com; Website: www.keralawil.com, CIN: U61200KL2017PLC050586

Notes forming part of the financial statements

1 Corporate Information

Kerala Waterways and Infrastructures Limited (‘KWIL’ or ‘the Company’) is a Public Company limited by shares, incorporated and domiciled in India. The company is a Special Purpose Vehicle (SPV) jointly promoted by Cochin International Airport Limited (CIAL) and the Government of Kerala and has its registered office at XI/318E, Cochin International Airport Buildings, Kochi Airport P O, Nedumbassery, Ernakulam - 683 111.

Main objects of the Company is to establish, organise, manage, and operate water based infrastructure facilities for transporting passengers, goods, articles, cargo on all routes and lines on rivers, canals, backwaters, waterways, roads, subject to law in force, through all sorts of carriers like vessels, boats, house boats, barges, etc.

The financial statements were approved for issue by the Company’s Board of Directors on 24th July 2026.

2 Material Accounting Policies

This note provide a list of significant accounting policies adopted in the preparation of these financial statement.

a Compliance with Ind AS

The financial statement comply with Indian Accounting Standard (Ind AS) notified under Section 133 of The Companies Act 2013 ('the Act'), Companies Indian Accounting Standards Rules amended from time to time.

b Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the Ind AS.

Historical cost is generally based on the fair value at the end of each reporting period.

The Company’s presentation and functional currency is Indian Rupees (INR). All values are rounded to nearest thousand as per the requirement of Schedule III, unless otherwise stated.

c Use of estimates and Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumption that affect the reported balance sheet of assets and liabilities, disclosure related to contingent liabilities as at the date of the financial statement and reported amounts of income and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual result may vary from these estimates.

d Current & non-current classification

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered and time elapsed between deployment of resource and realization in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

e Revenue recognition

Interest income is accrued on a time proportion basis using the effective interests rate. Revenue from sale of tender documents is recognized on effecting the delivery of the same. Centage charges is recognised at the point of completion of agreed services.

f Property, plant and equipment

a) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

b) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use.

The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Category	Useful Life
Furniture and Fixtures	10 Years
Computer and Accessories	3 Years
Electrical equipments	10 Years
Vehicles	13 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

g Provisions and Contingent Liabilities

The company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

A disclosure for a contingent liability is made when there is a possible obligation that may but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

h Taxes on income

Current tax is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act 1961.

Deferred tax is recognised on timing differences between taxable and accounting income/expenditure that originates in one period and are capable of reversal in one or more subsequent period(s). Deferred Tax Asset is recognised on the basis of virtual / reasonable certainty about its realisability. Since there was no virtual certainty on the generation of profits by the Company for earlier FYs, no deferred tax asset / liability had been recognised upto FY 2020-21. However since there is certainty that the Company shall be generating profit in the subsequent years, Deferred tax asset / liability has been created. For the FY 2025-26, deferred tax assets are recognised to the extent of temporary difference in relation of property, plant and equipment.

i Earnings per share

The earnings considered in ascertaining the company's earnings per share comprise of the net profit after tax. The number of shares used in computing the 'Basic earnings per share' is the weighted average number of equity shares outstanding during the year. The number of shares used in computing the 'Diluted earnings per share' comprises the weighted average shares considered for deriving the basic earning per share and also the weighted average number of any shares, which would have been issued on the conversion of all dilutive potential equity shares.

j Cash Flow Statement

Cash Flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

k Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

l Cash and cash equivalents

Cash and cash equivalents comprise of cash and cash on deposit with banks and financial institutions. Fixed Deposit with banks is split into up to 3 months, between 3 to 12 months and more than 12 months is shown under other Bank balances.

m Government Grants

In accordance with Ind AS 20 Accounting for Government Grants and disclosure of Government assistance, Government Grant is recognised on net basis in the Book of accounts. Expenses are netted off against the Grant received on completion of applicable conditions.

3 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. This amendment does not have any impact on Company's financial statements. Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. This amendment does not have any impact on Company's classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f. April 1, 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation it does not have any impact in its financial statements.
3. Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This amendment does not have any impact on Company's financial statements.

4 Property, Plant and Equipment **(Rupees in Thousands)**

	Cost				Depreciation				Net Carrying Amount	
	Cost as on 01.04.2025	Additions	Sales / Adjustment	Cost as on 31.03.2026	Upto 01.04.2025	For the year	Sales / Adjustment	Upto 31.03.2026	As at 31.03.2026	As at 31.03.2025
Electrical Equipment	86.58	-	-	86.58	17.62	8.23	-	25.84	60.75	80.66
Computers & Accessories	927.44	-	-	927.44	758.01	158.49	-	916.50	10.94	157.73
Furniture & Fixtures	483.73	-	-	483.73	131.34	45.96	-	177.30	306.44	352.40
Vehicles	74.69	-	-	74.69	11.37	5.46	-	16.83	57.86	63.32
Total	**1,572.44**	**-**	**-**	**1,572.44**	**918.34**	**218.13**	**-**	**1,136.46**	**435.98**	**654.11**
Previous Year	**1,572.44**	-	-	1,572.44	567.57	350.76	-	918.33	654.11	1,004.88

5 Other Financial assets (Non Current) **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Due from KIIFB	89,743.98	86,635.18
Less: Provision for impairment	(65,519.88)	-
	24,224.10	86,635.18
Security Deposit	100.00	100.00
Total	**24,324.10**	**86,735.18**

KWIL, a Special Purpose Vehicle (SPV) jointly promoted by CIAL and the Government of Kerala, has been entrusted with the development of the West Coast Canal. Pursuant to G.O.(Ms) No. 11/2023/CSIND dated 10.11.2023, expenses incurred for EDO studies are reimbursable by KIIFB. During FY 2025–26, total disbursements included contractor payments amounting to Rs.6,655 thousand (P.Y.: Rs.16,490 thousand). Receipts from KIIFB stood at Rs.9,086 thousand (P.Y.: Rs.15,752 thousand), while an additional Rs.5,540 thousand remains receivable towards project study expenses. No amount was written off as project expenses during the year (P.Y.: Rs.1,467 thousand). Furthermore, as approved by Board of Directors, a impairment provision of Rs.65,519.88 thousand (P.Y.: Rs.Nil) has been duly recognized.

6 Deferred Tax Asset **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Deferred tax asset	2,203.35	2,182.43
MAT credit entitlement	4.53	4.53
Total	**2,207.88**	**2,186.96**

Deferred Tax Asset (net)

Particulars	31st March 2026	31st March 2025
A. Deferred Tax Assets		
On property, plant and Equipment	28.82	7.90
On others	2,174.53	2,174.53
B. Deferred Tax Liabilities		
On Provisions	-	-
On others	-	-
Deferred Tax Assets (Net)	**2,203.35**	**2,182.43**

7 Other Non-Current assets **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Balances with Indirect Taxes and customs & other Authorities	12,426.97	14,509.65
Total	**12,426.97**	**14,509.65**

8 Cash and cash equivalents **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Balances with Banks-		
In Current Accounts	952.30	1,987.92
In Savings Bank Accounts	713.27	380.97
In Deposit Accounts (Original maturity < 3 months)	18,884.31	18,365.23
Cash in hand	10.10	3.18
Total	**20,559.98**	**20,737.30**

9 Bank Balances other than cash and cash equivalents **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Balances with Banks-		
In Deposit Accounts		
(i) maturity 3-12 months	49,025.00	46,644.00
(ii) maturity >12 months	-	-
Total	**49,025.00**	**46,644.00**

a. Deposits include Rs.49,025 lakhs with original maturity more than 3 months but less than 12 months

10 Other Financial Assets (Current) **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Others		
Advances	-	146.24
Interest Accrued on Deposits	47.48	72.60
Total	**47.48**	**218.84**

11 Current Tax Assets **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Tax Assets (net)	434.58	766.46
Total	**434.58**	**766.46**

12 Equity share capital **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
(a) Authorised Share capital		
2,00,00,000 Equity shares of par value of Rs.10 each (PY: 2,00,00,000 Equity Shares)	200,000.00	200,000.00
(b) Issued, Subscribed & Paid Up Share Capital		
1,76,40,007 Equity shares of par value of Rs.10 each (PY: 1,76,40,007 Equity Shares)	176,400.07	176,400.07
Total	**176,400.07**	**176,400.07**

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

Particulars	31st March 2026	31st March 2025
Number of Shares at the beginning	17,640,007.00	17,640,007.00
Value of Shares at the beginning	176,400,070.00	176,400,070.00
Add: Shares issued during the year (number)	-	-
(value)	-	-
Number of Shares at the end	17,640,007.00	17,640,007.00
Value of Shares at the end	**176,400,070.00**	**176,400,070.00**

(ii) Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Particulars of shareholders holding more than 5% share in the Company

Particulars	%	31st March 2026 (No. of shares)	31st March 2025 (No. of shares)
Governor, His Excellency	49.99%	8,820,000.00	8,820,000.00
Cochin International Airport Limited	49.99%	8,820,000.00	8,820,000.00

(iv) Shareholding of promoters at the end of year

Shares held by promoters at the end of 2026 & 2025			
Sl. No	Promoter name	No. of Shares	% of total shares
1	Cochin International Airport Limited	8,820,000.00	49.99%
2	Sunil Chacko	2.00	0.001%
3	Saji Kodankandath George	1.00	0.001%
4	Jose Thomas Periappuram	1.00	0.001%
5	Joseph Peter Painunkal	1.00	0.001%
6	Jayarajan Viswanathan	1.00	0.001%
7	Sankar Venkidakrishnan	1.00	0.001%

(v) Share holding of promoters at the end of year

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

13 Other Equity **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Reserves & Surplus		
(a) Retained earnings		
Opening balance	(6,055.20)	(6,039.26)
Add: Profit / (Loss) for the year	(68,678.04)	(15.94)
Closing Balance	**(74,733.24)**	**(6,055.20)**

14 Trade Payable **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Total outstanding due to Micro Enterprises and Small Enterprises (MSME)	1,731.75	-
Sub -Total (a)	**1,731.75**	**-**
Total outstanding dues of creditors other than MSME:-		
Amount due to related parties	-	-
Amount due to external parties	4,400.48	321.31
Sub -Total (b)	**4,400.48**	**321.31**
Total (a + b)	**6,132.23**	**321.31**

Trade payables ageing schedule for the year ended as on March 31, 2026 and March 31, 2025

Particulars	Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	2-3 years
(i) MSME	1,731.75	-	-
(ii) Others	4,400.48	-	-
(iii) Disputed dues - MSME	-	-	-
(iv) Disputed dues - Others	-	-	-
Previous year	321.31	-	-

15 Other Current Liabilites **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Statutory Dues	570.98	935.29
Dues to Related Parties	-	-
Dues to External Parties-	-	-
towards Employees	-	-
towards Others	903.31	851.02
Total	**1,474.29**	**1,786.31**

Statutory dues include Rs.333.14 ('000s) payable towards demand order from Goods and Service Tax authorities.

16 Provision **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Provision on Interest to MSME creditors	188.64	-
Total	**188.64**	**-**

17 Centage Charges **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Centage Charges	-	3,638.54
Total	**-**	**3,638.54**

18 Other Income **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Sale of Tender Documents	-	4.00
Interest on Income Tax Refund	42.16	25.50
Interest Income	4,732.80	4,040.18
Total	**4,774.96**	**4,069.68**

19 Employee Benefits **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Salary & Wages	957.12	962.14
Total	**957.12**	**962.14**

20 Other Expenses **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Advertisement & Publicity Expenses	-	29.07
Audit Fee	75.00	50.00
Provision against amount due from KIIFB	65,519.88	-
Project Expenses	958.94	356.31
Consultancy Services	1,849.86	2,088.07
Rates & Tax	1,628.25	17.32
Power, Water, Fuel	8.56	65.22
Lease Rent	-	273.28
Office Expenses	59.18	79.69
Hiring Charges	1,645.41	1,628.29
Printing & Stationery	65.12	83.13
Postage & Telephone	23.96	29.21
Professional Charges	176.25	102.50
Repair & Maintenance	34.36	144.26
Travelling Expenses	28.16	1.70
Interest accrued	188.64	-
Total	**72,261.57**	**4,948.05**

21 Disclosure as per Ind AS 33 - Earnings per Share **(Rupees in Thousands)**

Particulars	31st March 2026	31st March 2025
Earnings per share		
Net profit / (loss) for the year from continuing operations	(68,678.04)	(456.56)
Weighted average number of equity shares	17,640	17,640
Earnings per share: Basic & Diluted (Rs)	**(3.893)**	**(0.03)**

Funds from KIIFB

Kerala Waterways and Infrastructures Limited (KWIL) is a Special Purpose Vehicle (SPV) jointly promoted by Cochin International Airport Limited (CIAL) and the Government of Kerala. Pursuant to the guidelines issued by the Government of Kerala vide G.O. (Ms) No. 315/2016/Fin dated 08 August 2016, which prohibit the direct disbursement of funds to Government Departments by the Kerala Infrastructure Investment Fund Board (KIIFB), all project funding is systematically routed through the Company as an approved SPV.

Accordingly, during the financial year, the Company received an aggregate sum of Rs.18,97,55,772/- from KIIFB to facilitate payments to various government departments. In addition, an amount of Rs.7,24,47,713/- has been released on behalf of ULCCS as per the tripartite agreement executed among KIIFB, ULCCS, and KWIL. This amount will be adjusted against the next Running Account (RA) Bill of ULCCS.

Project category	Department/Entity	Amount transferred (FY 2025-26)	Amount transferred (FY 2024-25)
Rehabilitation of families in connection with development of West Coast canal	Executive Engineer, Inland Navigation Department, Kollam	110,993,340.00	456,844,826.00
Towards Remuneration of Project Management Unit constituted for rehabilitation of families on the banks of West Coast Canal	Fisheries Department	4,232,439.00	4,478,476.00
Land Acquisition Hosdurg - Bekal	Special Tahsildar Kasargod	-	5,000,000.00

22 Related Party Disclosures

Related Parties and nature of relationship

Disclosure of transaction with related parties as required by Indian Accounting Standard - 24 on Related party disclosures

A. Name of the related party and nature of relationship

a) Enterprise with significant influence

Cochin International Airport Limited

b) Enterprises where significant influence of Key Management Personnel or their relatives exists:

CIAL Charitable Trust

Air Kerala International Services Limited

Cochin International Aviation Services Limited

CIAL Dutyfree & Retail Services Limited

CIAL Infrastructures Limited

c) Key Managerial Personnel

Mr. Pinarayi Vijayan - Chairman
Mr. S.Suhas IAS - Director
Mr. Saji K George - Director
Ms. Sreekala C.K - Director

B. Transactions with related parties as per the books of account during the year (Rupees in Thousands)

Nature of Transactions	31.03.2026	31.03.2025
Cochin International Airport Limited		
Usage Charges Paid	-	50.26
Expenses reimbursed to CIAL	-	-
CIAL Infrastructures Limited		
Expenses reimbursed to CIAL Infrastructures Limited	-	-

C. Outstanding payables as on Balance Sheet date **(Rupees in Thousands)**

Particulars	31.03.2026	31.03.2025
Cochin International Airport Limited	-	-

23 Contingent Liabilities & Commitments (to the extent not provided for)

(Rupees in Thousands)

Particulars	31.03.2026	31.03.2025
a. Contingent Liabilities		
Claims against the company not acknowledged as debt	Nil	Nil
b. Commitments		
Estimated amount of contracts remaining to be executed	31,250.00	36,890.00

24 Payment to the Auditor **(Rupees in Thousands)**

Particulars	31.03.2026	31.03.2025
a. Statutory Audit Fees	75.00	50.00
b. Other Services	-	-
Total	**75.00**	**50.00**

25 The Income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Current Year (Rupees in '000)	Previous Year (Rupees in '000)
Profit before tax	(68,698.96)	(21.54)
Income tax expense calculated at 26%	-	-
Effect of expense that are not deductible in determining taxable profit	-	-
Effect on deferred tax balance due to change in income tax rate	-	-
Effect of decrease in Retained Earnings due to Ind AS adjustment	-	-
Effect of Interest included in tax Expense	-	-
Effect of Non Taxable subsidiaries and effect of differential tax rate	-	-
Effect of Unused tax credits	-	-
Others	-	-
Adjustments recognised in the current year in relation to current tax of prior years	-	-
Income tax expense recognised in profit or loss		

26 Exceptional Items

The exceptional item of Nil (PY: Rs.1467.82)(000's) represents expenses incurred in prior years for the cleaning of the Canoli Canal, Paravathy Puthenar and EDO studies. These costs have been written off during the current year following a directive from KIIFB that they must be met from the company's centage charges. Hence charged off to P&L.

27 Significant Ratios

Particulars	Numerator	Denominator	31.03.2026	31.03.2025
Current Ratio	Current Assets	Current Liabilities	8.99	32.44
Return on Equity Ratio	Net profit after taxes	Share holder's Equity (Weighted average)	-0.5050	-0.0001
Trade payables Turnover Ratio	Purchase of service and other expenses	Average Accounts payable	11.4831	5.6455
Net Profit Ratio	Net Profit	Net Sales	-14.3830	-0.0021
Return on Capital Employed	EBIT	Capital Employed (Weighted average)	-0.5051	-0.0001

a. The significant reduction in the current ratio (-72%) reflects the deployment of short-term funds into project execution. In FY 2024-25, the company held substantial idle current assets (likely cash or bank balances) with minimal short-term obligations. During FY 2025-26, these funds were transitioned into capital expenditure/capital work-in-progress, paired with a natural rise in current project liabilities, bringing the ratio down to a more realistic but still highly secure level.

b. Variation in Return on Equity ratio and Return on Capital employed ratio (504900%) is due to an increase in net losses after taxes against a stable Shareholder’s Equity base. In the previous year, operations were minimal (resulting in a near-zero loss). In FY 2025-26, Company had provided provision against amounts due from KIIFB which resulted in erosion of around half of the capital employed.

c. Variation in Trade payable ratio(103%) is because Company had included payables due on the year end against which expenses are not recorded by the Company and netted off against other Financial assets in the Balance sheet in the FY 2025-26

d. Variation is Net profit ratio (505000%) is due to huge loss recorded by the Company in the FY 2025-26

28 Disclosure under Ind AS 108 - Operating Segments

The Company is operating in one single segment of infrastructure development. Hence segment wise classification of revenue and expenditure is not carried out.

29 Willful Defaulter and Transaction with struck off Companies

The company is not declared as wilful defaulter by any bank or financial institution during the year. The management confirm that the company had no transaction with any struck off companies during the year. Details of charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as on the balance sheet date is Nil (Previous year: Nil).

30 Financial Risk Management

The Board of Directors (‘Board’) oversee the management of these financial risks. The Company’s financial risk management is an integral part of how its business strategies are planned and executed. The following disclosures summarize the Company’s exposure to financial risks.

i) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Company is having the practice of maintaining security deposits and bank guarantees equal to the credit period extended to parties and the said security deposit limit is reviewed periodically, depending upon the increase in volume of business with each customer. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the Statement of Profit and Loss. With respect to Other Financial assets, please refer Note no 5.

ii) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

a) Maturity pattern of Trade payables

As at 31st March 2026	0-3 months	3-6 months	6-12 months	Beyond 12 months	Total
Trade Payables	592.13	5540.1	-	-	6132.23

As at 31st March 2025	0-3 months	3-6 months	6-12 months	Beyond 12 months	Total
Trade Payables	321.31	-	-	-	321.31

iii) Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Such changes in the values of the financial instruments may result from changes in the foreign currency exchange rates, interest rates, and other market changes.

31 Capital Management

Capital managed by the Company comprises issued share capital and equity reserves. The principal objective of managing capital is to ensure business continuity and maintain financial stability for seamless project implementation.

The Company maintains a debt-free capital structure with no financial leverage or borrowings. Project funding and capital expenditures are met through equity capital and project fund releases from the Kerala Infrastructure Investment Fund Board (KIIFB) as per statutory / project approvals. Capital funding needs are periodically assessed against project budgets to ensure efficient liquidity management.

32 Undisclosed Income:

There are no transaction recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961.

33 Details of Crypto Currency or Virtual Currency:

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

34 Disclosure as per Section 22 of the Micro Small and Medium Enterprises Development Act 2006

The Principal amount and interest due thereon remaining unpaid to any supplier: (Rs.'000)

Principal Amount	**Rs. 1731.75**
Interest thereon	Nil
The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed date	Nil
The amount of interest due and payable for the period of delay in making payment but without adding interest specified under this	Nil
The amount of interest accrued and remaining unpaid	188.64

35 Disclosure on Litigation

The Company do not have any pending litigations.

36 Disclosure on Contracts

The Company do not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

37 The company has not made any investments, accordingly disclosure requirements for compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules 2017 is not applicable.

38 Previous Figures have been regrouped / reclassified wherever necessary to suit the current year's layout.

For and on behalf of the Board of Directors

sd/-
S. Suhas IAS
Director
DIN:0008540981

sd/-
Saji K George
Director
DIN:0001581503

Place: Ernakulam
Date : 24.07.2026

In terms of our report of even date attached

for **NAYAR & MENON**
Chartered Accountants (FRN: 002454S)

Sd/-
CA. SIVANGI V PAI, ACA
Partner (M. No.250365)
UDIN: 26250365FVKABL3138
Date : 28.07.2026

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

Regd. Office:XI/318E, Cochin International Airport Buildings, Nedumbassery
Kochi Airport P.O.,Ernakulam - 683 111, Tel No: +91 484 2991032;
e-mail: cs@keralawil.com; Website: www.keralawil.com, CIN: U61200KL2017PLC050586

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	**U61200KL2017PLC050586**		
Name of the Company	**Kerala Waterways and Infrastructures Limited**		
Registered Office	**Kerala Waterways and Infrastructures Limited Regd. Office:XI/318E, Cochin International Airport Buildings, Nedumbassery, Kochi Airport P.O.,Ernakulam – 683 111**		
Name of the Member(s)			
Registered Address			
e-mail ID			
Folio No / Client ID		DP ID	

I / We, being the member(s) of ----------------------- shares of the above named company, hereby appoint

1.	Name		
	Address		
	e-mail ID		
	or failing him		Signature
2.	Name		
	Address		
	e-mail ID		
	or failing him		Signature
3.	Name		
	Address		
	e-mail ID		Signature

as my/our proxy to attend and vote (on poll) for me/us and on my or our behalf at the 09th Annual General Meeting of the Company to be held on **Friday, the 18th day of September 2026 at 3.30 p.m. at XI/318E, Cochin International Airport Buildings, Nedumbassery, Kochi Airport P.O., Ernakulam - 683 111,** the registered office of the Company and at any adjournment thereof in respect of such resolution as are indicated below:

Resolutions

Sl.No.	Resolutions	For	Against
1	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2026, the Statement of Profit and Loss for the year ended on that date, Annexures and Schedules thereto and the report of the Directors and Auditors of the Company.		
2	To appoint a Director in the place of Sri. Saji K. George (DIN: 01581503), who retires by rotation and being eligible, offers himself for re-appointment.		

Signed this ------ day of -------------------- 2026

affix Rs.1 revenue stamp

Signature of shareholder: ---

Signature of Proxy holder(s):--

Note: The 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 the commencement of the meeting.

CUT HERE

KERALA WATERWAYS AND INFRASTRUCTURES LIMITED

Regd. Office:XI/318E, Cochin International Airport Buildings, Nedumbassery
Kochi Airport P.O.,Ernakulam - 683 111, Tel No: +91 484 2991032;
e-mail: cs@keralawil.com; Website: www.keralawil.com, CIN: U61200KL2017PLC050586

ATTENDANCE SLIP

09th ANNUAL GENERAL MEETING

Date : Friday, 18th September 2026
Time : 3.30 P.M.
Venue : XI/318E, Cochin International Airport Buildings, Nedumbassery, Kochi Airport P.O., Ernakulam – 683 111, the Registered Office of the Company

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Folio No. : ....

DP ID & Client ID : ....

Name of the Member : ....

Address : ....

....

No. of Shares held : ....

I/We hereby record my/our presence at the 09th Annual General Meeting of Kerala Waterways and Infrastructures Limited held on Friday, 18th September 2026 at 3.30 P.M. at the Registered Office of the Company at XI/318E, Cochin International Airport Buildings, Nedumbassery, Kochi Airport P.O., Ernakulam - 683 111.

Signature of the Member/Proxy : ....

Name of the Member/Proxy : ....