



PATEL ENGINEERING LIMITED

August 24, 2026

To,
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

The National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra - Kurla Complex
Mumbai – 400 051

Scrip Code No. 531120

Company Code No. PATELENG

Dear Sir(s),

Sub – Notice of 77th Annual General Meeting and Annual Report for the financial year 2025-26

Notice convening the 77th Annual General Meeting ("Notice") of the Company together with the Annual Report for the financial year 2025-26, is being sent electronically to all the members and debenture holders whose e-mail addresses is registered with the Company / Company's Registrar and Transfer Agent / Depository Participants / Depositories.

The Notice and Annual Report are attached herewith and the same are also available on the Company's website.

Further, pursuant to Regulation 36(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a letter containing the web-link to access the Annual Report is also being sent to those members and the debenture holders of the Company who have not registered their e-mail address.

You are requested to take the same on record.

Thanking you.

For Patel Engineering Limited

SHOBHA
RANJIT
SHETTY

Digitally signed by
SHOBHA RANJIT SHETTY
Date: 2026.08.24 14:46:13
+05'30'

Shobha Shetty
Company Secretary and Compliance Officer
Membership No. F10047

Encl.: as above

Notice

NOTICE is hereby given that the 77th Annual General Meeting of the Members of Patel Engineering Limited will be held on Friday, September 18, 2026 at 11:30 am through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") facility to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2026, together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2026, together with the Report of the Auditors thereon.
3. To appoint a director in place of Ms. Kavita Shirvaikar (DIN: 07737376), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

SPECIAL BUSINESS:

4. Ratification of Cost Auditor's Remuneration for FY 2025-26.

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

"Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 50,000 (Rupees Fifty thousand only) plus applicable taxes payable to **M/s. Rahul Jain & Associates**, Cost Accountants, (Firm Registration No. 101515), who are appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records maintained by the Company for the financial year ended March 31, 2026.

Resolved further that the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts, deeds, things and take

all such steps as may be necessary, proper or expedient to give effect to this resolution.

5. Payment of Remuneration by way of Commission to Ms. Janky Patel (DIN: 00032464), Non-Executive Director.

*To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution**:*

"Resolved that pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with the applicable rules made thereunder and the Articles of Association of the Company, and Regulation 17(6)(a) and 17(6)(ca) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the approval of the members of the Company be and is hereby accorded by way of a special resolution for the payment of remuneration in the form of commission not exceeding ₹ 2.25 crore (Rupees two crores twenty-five lakhs only) to Ms. Janky Patel, Non-Executive Director (DIN: 00032464) of the Company, for the financial year 2025-26, as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors.

Resolved further that the Board (including any Committee thereof) be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to this resolution, including filing necessary returns with the Registrar of Companies and making disclosures in the Board's report as required under the Act."

By Order of the Board of Directors
August 10, 2026 **Patel Engineering Ltd**

Registered Office:
Patel Estate Road
Jogeshwari (West),
Mumbai - 400 102

Sd/-
Shobha Shetty
Company Secretary and
Compliance Officer
(FCS10047)

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in respect of the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto. Further, the relevant details pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are provided in **Annexure-I** to this Notice.

2. **Meeting through VC/OAVM:** Pursuant to the General Circular No. 20/2020 dated May 05, 2020 and subsequent circulars issued in this regard, the latest one being General Circular No. 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs ("MCA"), Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024, issued by the Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as "the Circulars"), the Companies are allowed to hold AGM through VC/OAVM, without the physical presence of Members at a common venue. Accordingly, as per MCA Circulars and the applicable provisions of the Act, the 77th AGM of the Company shall be conducted through VC/OAVM on Friday, September 18, 2026, at 11:30 am (IST). The registered office of the Company shall be deemed to be the venue for the AGM.

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

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on Friday, September 11, 2026 ("cut-off date") will be entitled to vote during the AGM.

Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for this AGM and hence, the proxy form, attendance slip and route map of AGM are not annexed to this Notice.

3. The Members are provided with the facility to join the AGM through the VC/OAVM mode 30 minutes before

the scheduled time of the commencement of the AGM and the same shall be kept open until 15 minutes after the scheduled time of commencement. The Members will be able to view the live proceedings by logging into the National Securities Depository Limited's ('NSDL') e-voting website at www.evoting.nsdl.com. The Members are requested to follow the procedure/Instructions mentioned in the Notice.

4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.pateleng.com. The Notice can also be accessed on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

Additionally, the Company will also send a letter to shareholders providing the web-link for accessing the Annual Report to those Members who have not registered their email address with the Company or RTA or the Depositories.

5. **Attendance and voting by Authorized Representative:** Institutional shareholders/Corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board Resolution/ Power of Attorney/ Authority Letter etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/ Authorisation shall be sent to the Scrutinizer by email from their registered email address at scrutinisers@mmjc.in with a copy marked to evoting@nsdl.com. Institutional shareholders/Corporate shareholders can also upload their Board Resolution/ Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-voting" tab in their login.

Dispatch of Annual Report in Electronic Form: In accordance with the MCA and the SEBI Circulars, the Annual Report 2025-26 (including the Financial Statements, Board's Report, Auditor's report or other documents required to be attached thereto) and the Notice of the AGM, are being sent in electronic mode to Members and other persons entitled to receive the Notice, whose email address is registered with the Company or the Depository Participant(s).

6. The Statutory Registers under the Act and documents, if any, referred to in the Notice and Explanatory Statement will be available electronically for inspection by the

Members up to the date of the AGM. Members seeking to inspect such documents can send their requests to the Company at investors@pateleng.com.

7. The Board of Directors of the Company has appointed Mr. Vaibhav Dandawate failing him Ms. Deepti Kulkarni, Partners of M/s. Makarand M. Joshi & Co., Practicing Company Secretaries as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. The Scrutinizer's decision on the e-voting shall be final.
8. The Scrutinizer shall within two working days from the conclusion of the AGM submit a Report of the total votes cast in favour or against, if any, to the Chairperson or any person authorized by her in writing, who shall countersign the same and declare the result of the voting forthwith. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.pateleng.com and on the website of NSDL e-voting viz. www.evoting.nsdl.com after the declaration of result by the Chairperson or a person authorized by her in writing. The result will simultaneously be communicated to the Stock Exchanges and will also be displayed at the registered office of the Company.

9. Important note to Members:

- a. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), Bank mandates details, nominations, power of attorney etc.:
 - i. **For shares held in electronic form:** to their Depository Participants (DPs).
 - ii. **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February, 2026.

The Company has also sent letters for furnishing the required details. The said forms are available on the Company's website at www.pateleng.com and on the website of the Company's Registrar and Transfer Agents, MUFG Intime India Private Limited ("MUFG") (formerly known as Link Intime India Private Limited) at www.in.mpms.mufg.com.

- b. **Dematerialization of Shares:** Members may please note that SEBI Master Circular No. SEBI/HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February, 2026 has mandated the listed companies to issue securities in dematerialized

form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.pateleng.com and on the website of the Company's Registrar and Transfer Agent, MUFG at www.in.mpms.mufg.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.

With effect from April 2, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Company/RTA while processing service request. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid demat account details along with the latest Client Master List.

Request for transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same, to eliminate all risks associated with physical shares and to avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company/RTA for assistance in this regard.

- c. **Nomination Facility:** As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record a fresh nomination, he may submit Form SH-14. Members who are either not desiring to register nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The Members are requested to submit the said form to their Depository (DP) in case the shares are held in electronic form and to the Company/ Registrar and Transfer Agents in case the shares are held in physical form.
- d. **Special Window for lodgement of physical share transfer requests:** In terms of SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, a special window is available up to February 4, 2027, to

facilitate lodgement of transfer requests executed before April 1, 2019 that were either not lodged for transfer or were lodged and subsequently rejected, returned or not attended due to deficiencies in the documents. Eligible shareholders are requested to submit the requisite documents before February 4, 2027 to Company/RTA. Securities transferred through this mechanism shall be credited only in dematerialized form and will remain under a one year lock in, during which they cannot be transferred, lien marked, or pledged. The Company has communicated the opening of this special window through newspaper advertisements.

- e. **Dispute Resolution:** In terms of SEBI Master Circular No. HO/38/13/ (4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, SEBI has made available an online dispute resolution mechanism through the SMART ODR Portal for investors to raise disputes arising in the Indian Securities Market. After exhausting the options to resolve their grievances directly with the Company/RTA and through the SCORES platform, investors can initiate dispute resolution through the SMART ODR Portal. Link to access SMART ODR Portal is <https://smartodr.in/login>.
- f. Members may note that as per SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/ 2024/37 dated May 7, 2024, it is mandatory for all holders of physical securities in listed entities to update their KYC and choice of Nomination with the Registrar and Share Transfer Agent ('RTA'), in case they have not updated the same.

As per the SEBI Circular, effective from April 1, 2024, RTA i.e. Registrar and Share Transfer Agents will attend to all service requests of the shareholders with respect to transmission, dividend, etc., only after updating the above details in the records. As per the aforesaid SEBI Circular, members holding securities in physical form may note that any future dividend payable against their shareholding cannot be disbursed if their KYC and choice of Nomination are not updated with the RTA.

For the purpose of updation of KYC and choice of Nomination, members are requested to send the necessary forms (ISR-1, ISR-2 and SH-13) along with the necessary attachments mentioned in the said Forms to the Company at its Registered Office or to RTA at MUFG Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India, Tel.: +91 810811 6767 / 1800 1020 878.

Alternatively, members may send the documents by email to the Company at investor@pateleng.com or to RTA at helpdesk@in.mpms.mufg.com.

10. **Procedure for Registration of Email IDs with the Depositories for procuring User ID and Password and for e-voting on the Resolutions set out in this Notice:**

- a. In case the shares are held in physical mode, shareholders are requested to provide Folio No., Name of shareholders, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN and Aadhar card by email to the Company at investors@pateleng.com
- b. In case the shares are held in demat mode, please provide DPID & CLID, Name, self-attested scanned copy of client master or copy of Consolidated Account statement, PAN and Aadhar to the respective Depository Participants.
- c. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 11(g) i.e. Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.
- d. Alternatively, shareholders/Members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

11. **Procedure for Remote E-Voting and E-voting during the AGM:**

- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the MCA, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as e-voting during AGM will be provided by NSDL having its office at Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

- b. The Members are requested to carefully read the instructions on e-voting given in point no. 11(g) before casting their vote electronically.
- c. **The e-voting period begins on Monday, September 14, 2026 at 9 A.M. and ends on Thursday, September 17, 2026 at 5 P.M. (remote e-voting period). During the remote e-voting period, the Members of the Company holding shares either in physical form or in dematerialized form, as on Friday, September 11, 2026, the cut-off date, may cast their vote electronically. This remote e-voting shall be disabled by NSDL for voting thereafter. The voting right of the Members shall be in proportion to their equity shares held in the total paid-up equity share capital of the Company as on the cut-off date.**
- d. The Members who have not cast their votes during the aforementioned period, can cast their votes during the AGM by following the same process as applicable for remote e-voting. E-voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- e. Once the vote on a resolution is cast, the Members shall not be allowed to change it subsequently or cast the vote again.
- f. The Member who had cast their votes by remote e-voting prior to the AGM may attend the AGM. However, they shall not be entitled to cast their vote again. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at www.evoting.nsdl.com
- g. **Procedure for e-voting as prescribed by NSDL:**
How do I vote electronically using NSDL e-Voting system?
The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	- If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



App Store



Google Play



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

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

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

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

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

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

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

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

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

- (v) Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
- (vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- (vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (viii) Now, you will have to click on "Login" button.
- (ix) After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinisers@mmjc.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will

be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mahatre at evoting@nsdl.com

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

- a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@pateleng.com.
- b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@pateleng.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- c) Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
- d) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Instruction for members for e-voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast

their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for members for attending the AGM through VC/OAVM are as under:

- a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- b) Members are encouraged to join the Meeting through Laptops for better experience.
- c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e) In order to enable smooth conduct of AGM, the Members who would like to express their views during the AGM may register themselves as Speaker by sending an email to investors@pateleng.com, along with your name and DP/CLIENT ID on or before Monday, September 14, 2026.

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

Annexure to the Notice dated August 10, 2026

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("the Act")

Item No. 4 - Ratification of Cost Auditor's Remuneration for FY 2025-26.

In pursuance of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for the products/services covered under the Companies (Cost Records and Audit) Rules, 2014. The Board, based on the recommendation of the Audit Committee, has approved the appointment of M/s. Rahul Jain & Associates, Cost Accountants, (Firm Registration No. 101515), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ended March 31, 2026, at a remuneration of ₹ 50,000 plus applicable taxes.

In accordance with Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in the Notice for ratification of the remuneration payable to the Cost Auditors, for the financial year ending March 31, 2026.

None of the Directors, Key Managerial Personnel, or their relatives, are in any way concerned or interested in the resolution.

The Board recommends the Ordinary resolution as set out in item no. 4 of the Notice for the consideration and approval of the members.

Item No. 5- Payment of Remuneration by way of Commission to Ms. Janky Patel (DIN: 00032464), Non-Executive Director.

Ms. Janky Patel, Promoter Non-executive Director of the Company continues to play a vital role in shaping the Company's way forward and representing the Company in key external engagements. Further her unwavering commitment and assurance to all employees following the unfortunate demise of late Rupen Patel has been instrumental in ensuring continuity and stability across the Company and its project sites, preventing any disruption or uncertainty.

Though she is not involved in the daily routine operations but actively engaged with all the business heads. She also plays an instrumental role in HR for leadership hiring and motivation of all employees and ensure continuity of employees especially amongst the senior employees.

Promoter's association with the Company is of substantial importance, extending beyond customary remit of non-

executive role. She has also extended personal commitment in guaranteeing various debt obligations of the Company.

Her involvement reflects a sustained commitment to the Company's financial stability and governance, with responsibility that carry a level of accountability not ordinarily expected of non- executive Directors.

It is pertinent to note that no remuneration is proposed for the other non-executive directors of the Company who are independent directors. The present proposal is specific to the Promoter, in recognition of her distinctive contributions and responsibilities she has assumed in supporting the Company's long term credit worthiness and operational resilience.

The remuneration proposed is not merely symbolic but it acknowledges her contributions and personal risk undertaken for the Company's benefit and is modest and well within industry norms for similar roles.

In recognition of her continued service and strategic contributions, the Nomination and Remuneration Committee, the Audit Committee and subsequently the Board of Directors at its meeting held on May 14, 2026, recommended and approved respectively payment of remuneration in the form of commission of ₹ 2.25 crore (Rupees two crores twenty-five lakhs only) to Ms. Janky Patel for the financial year 2025-26, subject to shareholders' approval. The commission is proposed to be paid from the net profits of the Company calculated as per Section 198 of the Companies Act, 2013, and in accordance with Section 197 thereof.

In terms of Regulation 17(6)(a) and 17 (ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders by special resolution is also required where the annual remuneration payable to a single non-executive director exceeds fifty percent of the total annual remuneration payable to all non-executive directors. Accordingly, approval of the members is sought via special resolution.

None of the Directors, Key Managerial Personnel, or their relatives, except Ms. Janky Patel and her relatives, are in any way concerned or interested in the resolution.

The Board recommends the Special Resolution as set out in item no. 5 of the Notice for the consideration and approval of the members.

By Order of the Board of Directors

August 10, 2026

Patel Engineering Ltd

Registered Office:

Patel Estate Road
Jogeshwari (West),
Mumbai – 400 102

Sd/-

Shobha Shetty
Company Secretary and
Compliance Officer
(FCS10047)

Annexure I

Statement pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with Information as per and Clause 1.2.5 of Secretarial Standard – 2 on General Meeting is as follows

Name of Director	Ms. Kavita Shirvaikar	Ms. Janky Patel
DIN	07737376	00032464
Date of Birth and Age	June 1, 1972 and (54 years)	July 23, 1975 (51 years)
Date of First Appointment	April 1, 2017	July 6, 2024
Qualification	Qualified Chartered Accountant and a Graduate of the Institute of Cost & Works Accountants of India.	Arts Graduate from University of Mumbai
Expertise in specific functional areas	Ms. Kavita Shirvaikar specialises in accounting, tax, audit, banking, finance and fund management. Her responsibility now also covers Risk Management, Investor Relations, Implementation of Debt Realignment plans of Patel Group and review & implement operational best practices. She is one of the key member on the Board to assist formulating the Company's future direction and implementation of the strategic business plan.	Ms. Janky Patel will bring in a kind of continuity and support to the management team/employees/ stakeholders.
Details of Remuneration last drawn (FY 2025-26)	₹ 47.79 million	₹ 22.5 million
Number of Board meeting attended during the financial year 2025-26	6 (Six)	6 (Six)
Directorship held in other Companies	- West Kameng Energy Private Limited - Digin Hydro Power Private Limited - Meyong Hydro Power Private Limited - Saskang Rong Energy Private Limited - Patel KNR Infrastructures Limited - Patel KNR Heavy Infrastructures Limited - Bellona Estate Developers Limited - Patel Renewables Private Limited	- Landview India Private Limited - Raahitya Constructions Private Limited - Aabha Land Projects Private Limited
Memberships / Chairmanships of committees of other Companies	Audit Committee Patel KNR Infrastructures Limited - Member Nomination and Remuneration Committee Patel KNR Heavy Infrastructures Limited - Member	NIL
Listed Entities from which resigned as Director in past 3 years	NIL	NIL
Shareholding in the Company	3,14,001 equity shares	3,08,26,733 equity shares
Disclosure of relationships between Directors inter-se	There is no inter se relationship between her and any other member of the Board and other KMPs	There is no inter se relationship between her and any other member of the Board and other KMPs

August 10, 2026

Registered Office:

Patel Estate Road
Jogeshwari (West),
Mumbai – 400102

By Order of the Board of Directors

Patel Engineering Ltd

Sd/-

Shobha Shetty
Company Secretary and Compliance Officer
(FCS10047)



DETERMINED
TO DELIVER

ANNUAL REPORT
2025-26

In Loving Memory of



Pravin Patel

CHAIRMAN EMERITUS

03-01-1937 — 01-07-2025

Every enduring institution is built on courage,
conviction and character.

Mr. Pravin Patel laid the foundation of Patel Engineering Ltd. with an unwavering belief that engineering has the power to transform lives and build nations. His vision, entrepreneurial spirit and uncompromising commitment to excellence shaped the values that continue to guide the Company today. His legacy lives on in every milestone achieved, every structure created and every generation inspired by his ideals.

We honour his remarkable life, celebrate his enduring legacy, and remain committed to carrying forward the vision he so passionately created.

In Loving Memory of



Rupen Patel

CHAIRMAN AND MANAGING DIRECTOR

22-08-1966 — 05-07-2024

Leadership is measured not only by achievements,
but by the legacy it leaves behind.

Mr. Rupen Patel was instrumental in strengthening Patel Engineering Ltd. through his foresight, dedication and relentless pursuit of quality. His passion for innovation, integrity and nation-building helped shape the Company's journey into one of India's respected infrastructure enterprises. His values continue to inspire our people and guide our aspirations for the future.

We remember him with profound respect and gratitude, and remain steadfast in building upon the strong foundation he helped create.

A MILESTONE THAT MADE HISTORY

812 Meters
One Month
One National Record



Records
are achieved.
Benchmarks are set.
Excellence endures.”

In January 2026, we achieved 812 meters of TBM tunneling in a single month —setting a new national record and reaching the breakthrough milestone over three months ahead of the planned schedule. The milestone reflects our engineering excellence, disciplined execution and capability to deliver complex underground infrastructure with precision, safety and speed.

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This Annual Report can be downloaded from our website at: <https://pateleng.com/investors.php>

Forward Looking Statement

In this Annual Report, we might have disclosed forward-looking statements that set out anticipated results based on the management's plans and assumptions. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and inaccurate assumptions. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



812 Meters

January 2026

National Record

CIDCO Treated Water Tunnel Package-II

Chairperson’s Message

Building the Arteries of a New India



As we enter our 77th year, strengthened by the lowest debt in a decade and driven by a transformative hydropower opportunity, we are building more than infrastructure—we are creating the foundations of a Viksit Bharat. ”

Dear Shareholders,

As I write to you at the close of FY 2025–26 — our **77th year of nation-building** — India stands at one of the most consequential moments in its modern economic history. The country is the world’s fastest-growing major economy, and infrastructure has become the single most powerful instrument through which growth is being translated into the everyday lives of its people: into electricity that reaches the

remotest valley, water that reaches the farthest field, and connectivity that collapses the distance between aspiration and opportunity.

For more than seven decades, your Company has been a quiet but indispensable participant in this national progress. The dams that store our water, the tunnels that pierce our mountains, and the powerhouses that light our homes form a

legacy built on the founding values of integrity, perseverance, and engineering courage — values that continue to guide every decision your Board and leadership take today. It is a privilege to carry that legacy forward, and a greater privilege still to do so at a moment when the opportunity before us is as vast as it has ever been.

The Union Budget 2026–27 reaffirmed the Government’s conviction that infrastructure is the engine of a developed India, with a record capital outlay of ₹12.2 trillion. Every theme the Government has prioritised — hydropower, pumped storage, river interlinking, metro and high-speed rail, and water security — sits squarely within your Company’s core competence.

Nowhere is this alignment clearer than in hydropower. The Government of Arunachal Pradesh has declared 2025–2035 the **“Decade of Hydropower,”** and Arunachal Pradesh alone — now recognised as the hydropower capital of India — holds an estimated potential of 56,000 MW. The Central Electricity Authority’s roadmap for **100 GW of pumped storage capacity by 2035–36** opens an entirely new frontier as the nation integrates ever-larger volumes of solar and wind into its grid. Simultaneously, the National River Linking Programme has moved into active execution. For a company that has spent its life mastering the hardest problems in water and power, this is a generational runway.

The past year has reaffirmed the strength of your Company as an institution built on resilience, engineering excellence and disciplined leadership. Across our diverse project portfolio, our teams have continued to deliver complex infrastructure solutions under challenging conditions, reinforcing the confidence that clients, partners and stakeholders have placed in us over the past seven decades. These accomplishments are not defined by any single project or milestone; they reflect the collective capability, commitment and values that have shaped your Company over generations.

As Non-Executive Chairperson, I view the Company’s progress not only through the lens of annual performance, but through the enduring strength of its governance, culture and people. While the Board provides strategic direction and independent oversight, it is our leadership team, engineers, professionals and employees across project sites who bring that vision to life every single day. Together, they have built an organisation that balances ambition with prudence, embraces change while remaining anchored in its core values and consistently creates long-term value for all stakeholders.

I am proud of the collaborative spirit between the Board and management, which has enabled us to uphold stakeholder trust while driving long term value. Strong governance remains the cornerstone of our Company’s success. We have embedded sustainability into our long-term strategy, treating

environmental responsibility and social impact as integral to value creation.

Hydropower is among the cleanest, most reliable forms of renewable energy, and every megawatt your Company helps bring online displaces fossil generation and strengthens India’s journey towards its 500 GW non-fossil target by 2030 and net-zero by 2070. Our irrigation and water projects safeguard the most precious resource of all, while our growing focus on pumped storage will be central to firming up the renewable grid of the future.

Innovation extends well beyond engineering methods. It is equally about building organisational capability, nurturing talent, strengthening knowledge systems and embracing digital transformation across the company. This commitment to excellence was recognised externally during the year, including the Quality Innovation Award 2025 from the Institution of Engineers (India) and recognition as the “Fastest Growing Construction Company” at the 23rd Construction Times Global Awards.

Behind every milestone achieved this year stands the dedication of our people. Across some of the country’s most challenging terrains and engineering environments, our employees, engineers, project teams and support functions have demonstrated exceptional resilience, professionalism and integrity. Their unwavering commitment to quality and execution excellence has earned the confidence of our clients and partners and continues to strengthen your Company’s reputation as one of India’s most trusted infrastructure companies. On behalf of the Board, I extend my sincere appreciation to every member of the Patel Engineering family for their invaluable contribution.

As we enter FY 2026–27, I am confident that Patel Engineering has never been better positioned. We carry forward a strong order book, a fortified balance sheet, a workforce of over 13,000 dedicated personnel including contractual labour and a near to medium-term opportunity pipeline that runs into billions. The structural tailwinds in hydropower, water, and urban infrastructure align almost perfectly with the capabilities we have spent generations building.

On behalf of the Board, I thank you — our shareholders — for your enduring faith, and our employees, clients, lenders, and partners for their trust and commitment. Together, we will continue to build infrastructure that transforms lives, empowers communities, and contributes to a stronger, more self-reliant India.

With warm regards,
Janky Patel
Chairperson

Managing Director’s Message

A Year of Disciplined Execution and Balance-Sheet Transformation



At Patel Engineering, every challenge is an opportunity to redefine what is possible. FY26 reflected the power of expertise, disciplined execution, and a commitment to building infrastructure that creates lasting value. ”

Dear Shareholders,

FY 2025–26 tested the infrastructure sector with intense competition on large tenders, an evolving geopolitical backdrop, and continued pressure on working capital across the industry. Against that backdrop, your Company chose discipline over volume — prioritising margin-accretive, technically complex projects, strengthening our balance sheet decisively, and converting our order book into steady, profitable execution. The result was a year in which our operational excellence, financial discipline and capital allocation moved firmly in the same direction, resulting in one of the strongest years in the Company’s recent history. More importantly, the foundations we have strengthened this year position us well for the next phase of sustainable growth.

“FY26 was the year we proved that disciplined execution and a fortress balance sheet are not competing goals — they are the same goal.”

Our focus throughout the year remained centred on four strategic priorities:

- Timely execution of our existing project portfolio
- Selective acquisition of quality orders
- Strengthening profitability and cash flows
- Enhancing balance sheet efficiency

Financial Performance

On a consolidated basis, we delivered our highest-ever revenue of **₹51,027 Mn**, crossing the ₹50,000 Mn milestone we had guided towards. Operating EBITDA stood at **₹6,840 Mn, at a margin of 13.4%**, and net profit attributable to owners of the parent grew **21.6%** to **₹2,945 Mn**, with diluted EPS of **₹2.84**. Momentum built steadily through the year, with the fourth quarter delivering the strongest sequential growth.

Crucially, profitability improved even as the top line held steady, reflecting a leaner cost structure and a materially lower interest burden — **finance costs declined 8.1% to ₹2,964 Mn**. On a standalone basis, revenue was ₹50,666 Mn with PAT of ₹3,194 Mn, up from ₹2,595 Mn in the previous year.

Our full-year revenue mix reflects our deliberate focus on high-entry-

barrier segments: **Hydropower 55%, Irrigation 23%, Tunneling 17%, and Roads, Urban Infrastructure & Others 5%** — precisely the segments where engineering depth limits competition and protects margins.

Beyond the headline numbers, the quality of our earnings improved meaningfully during the year. Better project execution, disciplined cost management and a lower interest burden contributed to stronger profitability. These improvements reflect the structural changes we have made over the past few years and provide a stronger platform to pursue sustainable, profitable growth in the years ahead.

Transforming the Balance Sheet

Balance-sheet strength was the defining achievement of the year. We reduced total gross debt by **₹4,155 Mn to ₹11,870 Mn** — the lowest level in a decade — and improved our Debt-to-Equity ratio to **0.27x from 0.43x** a year earlier. The debt mix is now healthier too, comprising **₹8,469 Mn of working-capital debt and ₹3,401 Mn of term debt**, with the balance obligations, including outstanding OCDs, on a clear path to repayment by FY 2027–28.

This was enabled by our successful **₹4,000 Mn rights issue (subscribed 1.15x)**, the proceeds of which were prioritised towards repaying the most expensive debt on our books. The discipline behind this journey is best captured in our credit rating, which has steadily climbed from BBB- to **A (Stable)** over recent years. Net working capital stood at approximately 120 days (106 days adjusted), and we remain focused on tightening the cash-conversion cycle further.

“We cut our debt by nearly a third and brought our debt-equity ratio down to 0.27x — the strongest our balance sheet has looked in a decade.”

Capital Discipline & Monetisation

In line with our annual target of ₹1,500–2,000 Mn, we monetised approximately **₹1,850 Mn of non-core assets in FY26** — ₹1,350 Mn through land sales and ₹500 Mn through arbitration recoveries.

We expect to continue to monetize non-core assets in coming financial years as well. Schemes like Vivaad Se Vishwas, Niti Aayog guidelines for withdrawal of arbitration awards against bank guarantee, settlement of claims under CCI guidelines, independent engineers

and similar schemes in future shall enable the company to improve liquidity by monetization of claims and variations at a faster pace and hence easing out working capital cycle which is the key for timely execution of projects and improving cash realization from projects.

Operational Excellence

FY26 was a landmark year for execution. Across our major sites, we completed more than 1.35 Mn cubic meters of concreting and nearly 60,000 metric tonnes of reinforcement work. The headline achievements:

Subansiri Lower HEP (2,000 MW) — With the commissioning of Unit 4, four of eight units are now operational, supplying 1,000 MW of clean energy to the grid. Civil works are complete up to Unit 6, and we expect all eight units to be operational during FY 2026–27.

CIDCO Treated Water Tunnel — A national record of 812 meters of TBM tunneling in a single month (January 2026), with a successful breakthrough achieved months ahead of schedule and 6.2 km of tunneling completed.

Arun-III (900 MW) — Head race tunnel and 3 units of the Machine Hall slab were completed.

Kiru (624 MW) & Kwar (540 MW) — Concreting and underground works progressed at full scale, with key tunnel and powerhouse breakthroughs achieved during the year.

Order Book and Pipeline

Our order book stood at ₹1,51,193 Mn as of March 31, 2026, a Book-to-Bill ratio of 2.96x, spread across 53 projects in 14 states and internationally in Nepal and Bhutan. During the year we secured well-diversified new orders of approximately ₹44,000 Mn, including the Kondhane Dam (~₹13,000 Mn), Renuka Ji Dam (~₹9,000 Mn), HEO Hydropower (~₹7,000 Mn), the Dorjilung Hydropower Project (~₹2,300 Mn) in Bhutan, Teesta V Power Station (~₹2,400 Mn) in Sikkim and coal-mining packages (~₹8,000 Mn) in Madhya Pradesh. Bhutan’s ambitious hydropower expansion programme presents a compelling long-term opportunity, and the Dorjilung hydropower project reinforces our strategic presence in this important market. Backed by decades of experience in delivering complex hydropower projects across the Himalayan region, we see significant potential to expand our footprint and secure a larger share of the country’s future hydropower investments.

Beyond the Indian subcontinent, we are also evaluating opportunities in select Middle Eastern markets. As governments across the region accelerate investments in reconstruction, water infrastructure, transportation, and energy assets in the evolving post-conflict environment, we believe our proven capabilities in complex civil engineering, tunneling and hydropower position us well to participate in these opportunities. We will continue to pursue such international prospects with the same disciplined approach that has guided our growth, focusing on projects that align with our technical strengths and return expectations.

Looking ahead, FY27 presents an unprecedented pipeline of opportunities across India’s infrastructure landscape. The Jal Jeevan Mission (JJM) which has been extended up to December 2028 has allocated around ₹6,76,700 Mn towards water supply and irrigation projects. Investments in high-speed rail corridors, exceeding ₹1.2 trillion, will require extensive tunneling and civil engineering works — areas where we have proven capabilities. Around 30 River-linking projects have been planned, with an estimated cost of nearly ₹8 trillion, are expected to create large-scale irrigation and water transfer opportunities, directly aligning with our strengths in the medium term. Metro rail expansions across Tier-1 and Tier-2 cities, with significant tunneling and underground works that play to our

engineering excellence. The long-term outlook for hydropower and pumped storage projects is equally encouraging. With over 50 GW of identified hydropower and pumped storage development potential to support India’s renewable energy ambitions, the sector is expected to witness substantial investments over the coming decade. Given our established leadership in hydropower construction, underground works and tunneling, we are well positioned to participate in this growth cycle. Collectively, these allocations represent a multi-trillion opportunity base, and the Company is strategically positioned to capture a meaningful share through disciplined bidding, execution excellence, and financial prudence.

Strategic Evolution: From Builder to Value Creator

Perhaps the most significant strategic development of the year was the signing of a Memorandum of Understanding for the 144 MW Gongri Hydropower Project under a Build-Own-Operate model. With a four-year construction horizon and a 40-year power-sale agreement, Gongri marks a deliberate step from pure EPC contracting towards owning long-life power-generation assets. As pumped storage emerges as a major opportunity — with a national target of 100 GW by 2035–36 — our hydro expertise positions us to participate both as a contractor of choice and, selectively, as an asset owner.

“A national tunneling record, 1,000 MW flowing to the grid, and our first owned hydro asset — FY26 was a year of firsts that compound.”

Building the Patel Engineering of Tomorrow

FY26 was not merely a year of stronger financial performance—it marked another important step in the evolution of Patel Engineering. As infrastructure projects become larger, technologically more complex and increasingly sustainability-driven, our strategy is to position the Company where our engineering capabilities create the greatest competitive advantage.

We are building a more agile, technology-enabled and financially resilient organisation that is capable of delivering complex infrastructure solutions while creating sustainable long-term value. Our ambition is not simply to execute more projects, but to strengthen Patel Engineering’s position as one of India’s most respected specialised infrastructure companies.

Building a Future-Ready Workforce

Our people remain our greatest competitive advantage. Across challenging geographies and complex engineering environments, our employees, engineers, project teams and contract workforce continue to demonstrate exceptional technical expertise, resilience and commitment. Their ability to execute complex infrastructure projects efficiently and with uncompromising quality remains the foundation of our success. As we prepare for the next phase of growth, we will continue investing in capability building, leadership development, safety excellence and digital skills to ensure Patel Engineering remains future-ready.

Outlook

Driven by a stronger balance sheet, vast pipeline, and improving execution, we anticipate sustained revenue growth while remaining committed to disciplined bidding, operational excellence, and deleveraging.

I extend my heartfelt gratitude to our shareholders, Board Members, clients, partners, and every member of the Patel Engineering family. Together, we are building not just infrastructure, but a legacy of excellence that will endure for generations.

Warm regards,
Kavita Shirvaikar
Managing Director

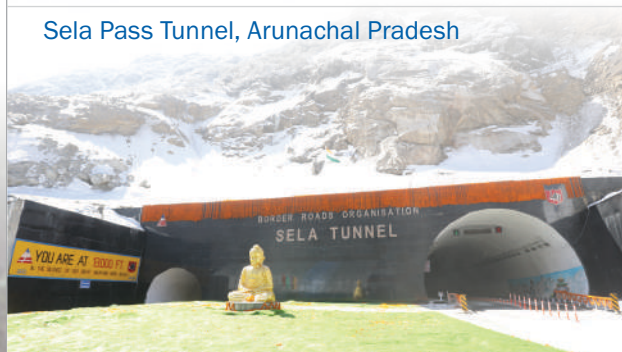
Unique In Its Own Way

The projects we take on are truly one of a kind — in scale, complexity, or innovation. Here are some of the engineering milestones that define our legacy.

World's Longest

Bi-Lane Road Tunnel

Sela Pass Tunnel, Arunachal Pradesh

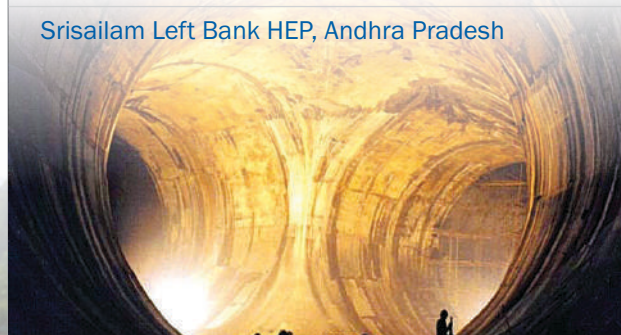


Completed under Project VARTAK for BRO — the world's longest bi-lane road tunnel at 13,000 ft. altitude, inaugurated by the Hon'ble Prime Minister in March 2024.

Among Asia's Largest

Underground Caverns

Srisaillam Left Bank HEP, Andhra Pradesh



One of Asia's largest underground powerhouse caverns deep beneath the Nallamala Hills.

Asia's First

Underwater Double Lake Tapping

Koyna HEP, Maharashtra



Pioneered the technique of tapping two separate lakes underwater for hydropower generation — an engineering first in the continent.

India's First

Roller Compacted Concrete (RCC) Dam

Ghatghar Pumped Storage HEP, Maharashtra



India's first RCC dam using rapid-placement concrete, redefining construction efficiency.

India's First

Piano Key Weir Project

Sawrukdu HEP, Himachal Pradesh



India's first piano key weir — an advanced overflow structure that maximizes discharge capacity within a compact footprint.

India's Largest

Hydropower Project Nearing Completion

2000 MW Subansiri Lower HEP, Arunachal Pradesh



Units 1, 2, 3 & 4 commissioned — 1,000 MW of clean energy added. Remaining units on scheduled to be completed in FY27.

First Indian Company

MicroTunneling & HDD Technology

MCGM Water Supply Project, Maharashtra



Became the first Indian company to execute a Micro-tunneling and Horizontal Directional Drilling (HDD) project for urban water infrastructure.

Among Asia's Largest

Surge Shaft With 38m Diameter

412 MW Rampur HEP, Himachal Pradesh



Engineered a 38-metre-diameter, 150-metre-deep open-air surge shaft, built to withstand extreme hydraulic pressures.

Our

Strategy in Action

One Milestone at a Time

A snapshot of Patel Engineering’s defining year — record revenues, disciplined deleveraging, and an order book that underwrites three years of revenue visibility.



Finance

Sustained Operational Performance & Improving Profitability

₹51,027 Mn
FY26 Revenue

₹6,840 Mn
FY26 Operating EBITDA

₹2,945 Mn
FY26 Net Profit Attributable to Owners of Parent



Orderbook

Multi Year Revenue Visibility

₹1,51,193 Mn
Order Book (March 2026)

2.96×
Book-to-Bill Ratio

₹44,009 Mn
FY26 Diversified Order Inflow



Debt

Improved Financial Health & Stronger Lender Confidence

₹11,870 Mn
FY26 Debt

0.27x
Debt-to-Equity Ratio

₹4,155 Mn
FY26 Debt Reduction



Stewardship

Enhanced Flexibility for Future Growth

₹4,000 Mn
Rights Issue (1.15× Subscribed)

₹1,835 Mn
FY26 Asset Monetization

A
Long Term Credit Rating - June 2026

Company at a Glance

Founded in 1949 and headquartered in Mumbai, Patel Engineering Limited is one of India's leading infrastructure companies with over seven decades of engineering and construction excellence. Throughout its history, the Company has delivered some of the nation's most complex and technically demanding infrastructure projects across hydropower, dams, tunnels, micro tunneling, irrigation systems, transportation infrastructure, industrial structures and urban development. Its expertise spans the entire project lifecycle—from engineering and construction to commissioning—supported by a steadfast commitment to quality, safety and execution excellence.

Patel Engineering has established a distinct position in specialized infrastructure segments where engineering complexity, technical expertise and execution capability are critical to project success. The Company possesses deep domain knowledge across hydropower, tunneling, irrigation, water supply and transportation infrastructure, supported by advanced construction methodologies, specialized equipment and an experienced technical workforce. This combination of engineering capability and disciplined project execution enables Patel Engineering to deliver technically challenging projects in complex geological conditions while consistently meeting the highest standards of quality, reliability and operational performance.

While India remains Patel Engineering's principal market, the Company has, over the course of its history, successfully executed projects across 12 countries spanning four continents, reflecting the breadth of its engineering expertise and international experience.

Today, the Company's execution footprint extends across India, Nepal and Bhutan, where it continues to deliver strategically significant infrastructure projects. Long-standing relationships with central and state governments and public sector undertakings, complemented by a strong regional presence and proven execution capabilities, have enabled the Company to consistently deliver infrastructure that supports economic growth and national development.

Having successfully completed more than 350 projects, Patel Engineering has established itself as a recognized leader in the hydropower and tunneling sectors, contributing to several landmark infrastructure developments that have strengthened India's energy, water and transportation ecosystems. Its multidisciplinary teams of engineers, geologists and project specialists, supported by a trusted network of partners and subcontractors, combine technical expertise with robust project management capabilities to execute large-scale infrastructure projects with precision and reliability.

Today, Patel Engineering continues to build on its legacy of engineering excellence while strengthening its capabilities for the future. Backed by a diversified project portfolio, strong execution credentials and an unwavering commitment to operational excellence, the Company remains focused on creating long-term stakeholder value through the delivery of infrastructure that supports sustainable development, strengthens national priorities and enhances the quality of life for communities it serves.

Key Facts & Figures

 7+ decades Experience	 300+ Kms of Tunnels
 14 States Current Domestic Presence	 5.5+ Lakhs Acres Irrigated
 15,000+ MW Hydro Project	 1,200+ Kms Road
 87+ Dams	 53 Ongoing Projects

Vision



Deliver comprehensive and effective solutions to clients through our profound experience and technological prowess, while continuously creating opportunities and values for employees, stake-holders and society.

Mission



To be the pioneers in the industry and a market-driven organization known for its commitment towards excellence, quality, performance and reliability.

Board of Directors



A diverse board of accomplished professionals spanning engineering, finance, economics, legal affairs and corporate governance.”

Ms. Janky Patel

Chairperson | Non-Executive Director

- The promoter non-executive director continues to play a vital role in shaping the Company’s way forward and representing the Company in key external engagements.
- Her unwavering commitments and assurance to all employees following the unfortunate demise of Mr. Rupen Patel has been instrumental in ensuring continuity and stability across the Company and its project sites, preventing any disruption/ uncertainty.

Ms. Kavita Shirvaikar

Managing Director

- CA | Graduate of ICWAI.
- Pragmatic leadership. Deep industry insight.
- With over 28 years in finance, infrastructure, and strategy, Ms. Shirvaikar has been the architect of Patel Engineering’s financial turnaround. From debt restructuring to fund management and project execution, her elevation to the Board in 2017 marked a defining chapter — driven by integrity, foresight, and resilience.

Mr. Kishan Lal Daga

Whole Time Director

- Civil Engineer | 50+ Years Experience.
- Where technical excellence meets contractual precision.
- A stalwart of the industry, Mr. Daga brings over five decades of domestic and international expertise. As head of the Contracts in the Company, he oversees all contractual, legal and arbitration matters across the Company’s project portfolio — bridging technical, commercial, and human resource dimensions.

Mr. RVR Kishore

Whole Time Director - Operations

- B.E. Construction, Shivaji University | Diploma Masters-Construction Management, NICMAR, Mumbai.
- A senior infrastructure leader with 35+ years across tunneling, marine, power, EPC, BOT & PPP Projects.
- Recognized for P&L leadership, strategic growth, project delivery with strong track record of building high-performance team and sustainable growth. Previously held CXO-level roles in infrastructure peers.
- Successfully managed a portfolio of ₹400+ billion of project work, delivering constant top lines and bottom lines results.

Ms. Sudha Navandar

Independent Director

- CA | CPA (USA) | Insolvency Professional | Diploma in Information Systems Audit (DISA).
- Brings her deep understanding of finance and corporate governance to the Organization.
- With 30+ years spanning audit, insolvency, and corporate advisory, Ms. Navandar brings rigorous financial oversight and governance discipline to the Board ensuring the Company operates within the highest standards of integrity while mitigating risk and enabling fostering growth.

Ms. Jana Chatra

Independent Director

- MMS (MBA), Narsee Monjee Institute of Management Studies | B.Sc. (Chemistry), Women’s Christian College.
- Two decades of strategic and governance leadership.
- Ms. Chatra brings over 20 years of expertise in corporate strategy, risk management, compliance, and process transformation across banking, manufacturing, and services sectors. She offers strong governance oversight and compliance support to the Board.

Mr. Shambhu Singh

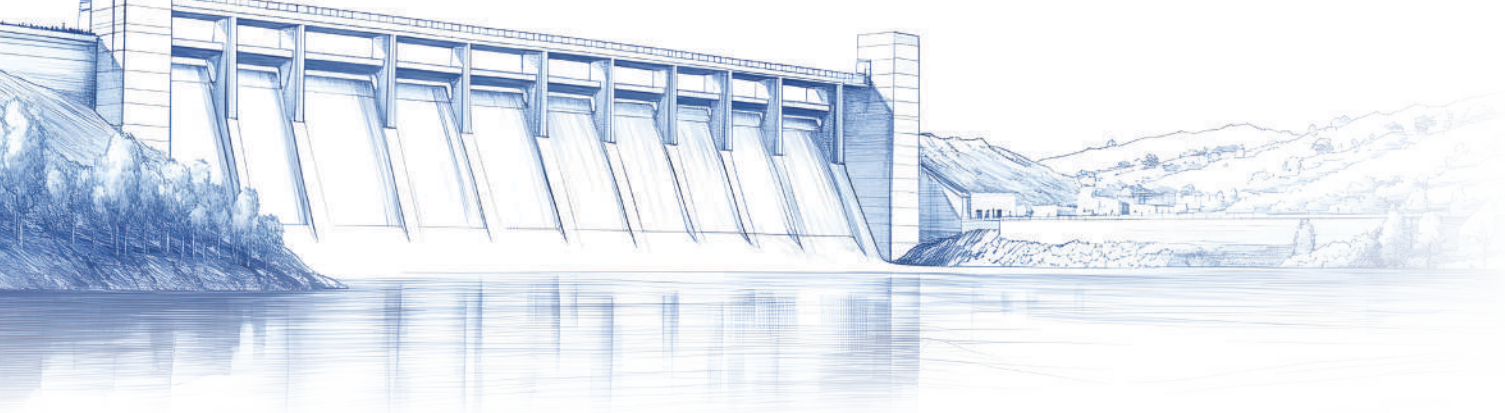
Independent Director

- M.A. Economics, Patna University | Retired IAS Officer.
- Institutional knowledge. Public accountability. Strategic governance.
- With 30+ years in public administration, Mr. Singh has served across the Ministry of Road Transport & Highways, Shipping Corporation of India, Dredging Corporation of India & ITDC. His regulatory expertise and commitment to transparency bring invaluable institutional balance to the Board.

Dr. Emandi Sankara Rao

Independent Director

- Ph.D. IIT Bombay | M.Tech IIT Kharagpur | B.E. Andhra University | PGDBA Pondicherry.
- Where engineering depth meets financial strategy.
- Dr. Rao’s 30+ years span infrastructure finance, engineering, and academia. As former MD & CEO of IFCI Ltd. under the Ministry of Finance, and having led institutions like IDBI, IDFC & IIFCL, he brings a rare fusion of technical and financial expertise driving strategic direction and long-term value creation to the Company.



Key Financial Highlights

Years of Financial Strength **Built for What’s Next.**

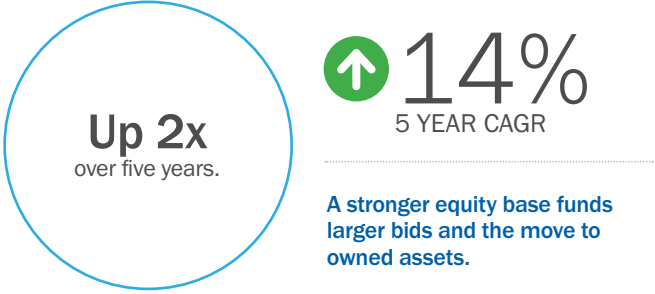
Revenue from Operations

	(₹ Mn)
FY 26	51,027
FY 25	50,934
FY 24	45,441
FY 23	38,911
FY 22	33,803
FY 21	19,948



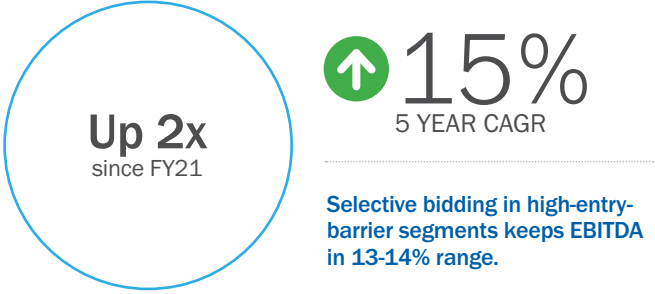
Net Worth

	(₹ Mn)
FY 26	44,400
FY 25	37,847
FY 24	31,536
FY 23	28,880
FY 22	23,837
FY 21	23,196



Operating EBITDA

	(₹ Mn)
FY 26	6,840
FY 25	7,332
FY 24	6,903
FY 23	5,616
FY 22	5,277
FY 21	3,438



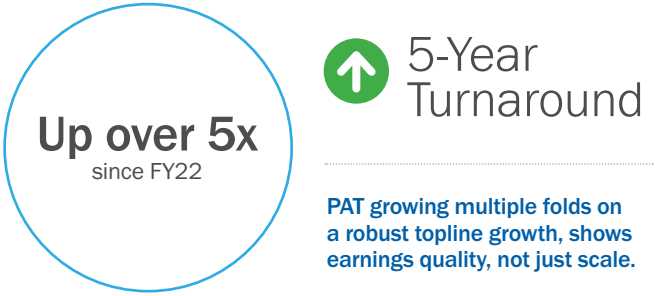
Total Debt

	(₹ Mn)
FY 26	11,870
FY 25	16,025
FY 24	18,932
FY 23	17,521
FY 22	22,616
FY 21	22,664



Reported Net Profit (PAT)

	(₹ Mn)
FY 26	2,945
FY 25	2,422
FY 24	2,641
FY 23	1,548
FY 22	550
FY 21	(2,862)



Diluted EPS

	(₹)
FY 26	2.84
FY 25	2.80
FY 24	3.54
FY 23	2.03
FY 22	1.49
FY 21	(6.78)



Order Book Overview - FY26



₹1,51,193 Mn

Total Order Book



53

Total Ongoing Projects



₹44,009 Mn

FY26 Order Inflow



Key Highlights:

Multi-year revenue visibility backed by a diversified project mix, strong government client relationships, and a strategic focus on technically complex, higher-margin segments.

Segment-wise Order Book

- 

Hydropower:

₹94,730 Mn (62.67%)

18 projects
- 

Irrigation:

₹24,485 Mn (16.19%)

21 projects
- 

Tunnel:

₹7,202 Mn (4.76%)

4 projects
- 

Road:

₹2,153 Mn (1.42%)

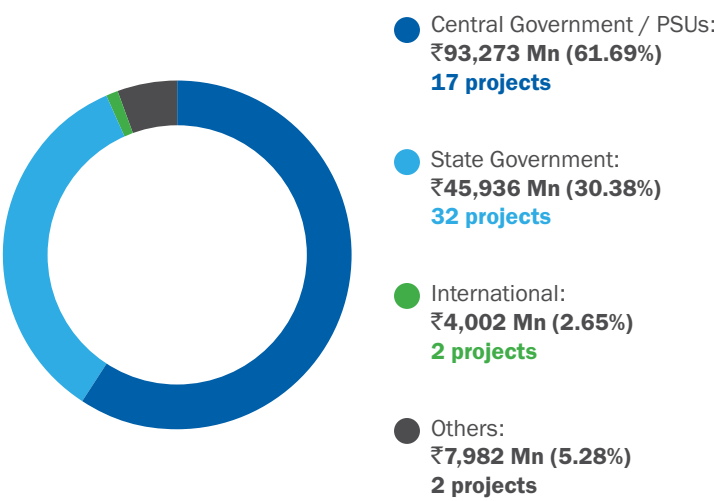
5 projects
- 

Urban Infrastructure & Others:

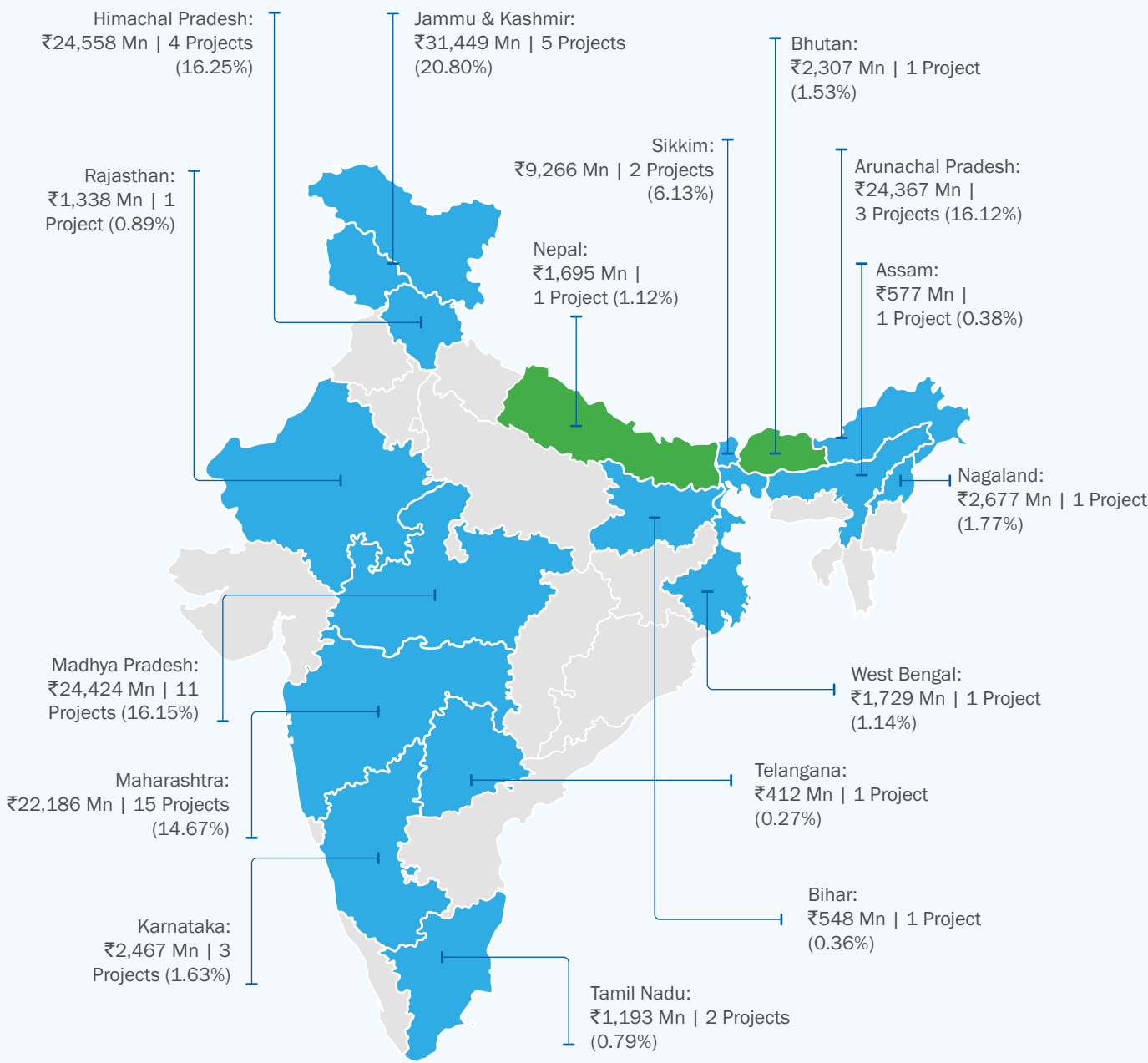
₹22,623 Mn (14.96%)

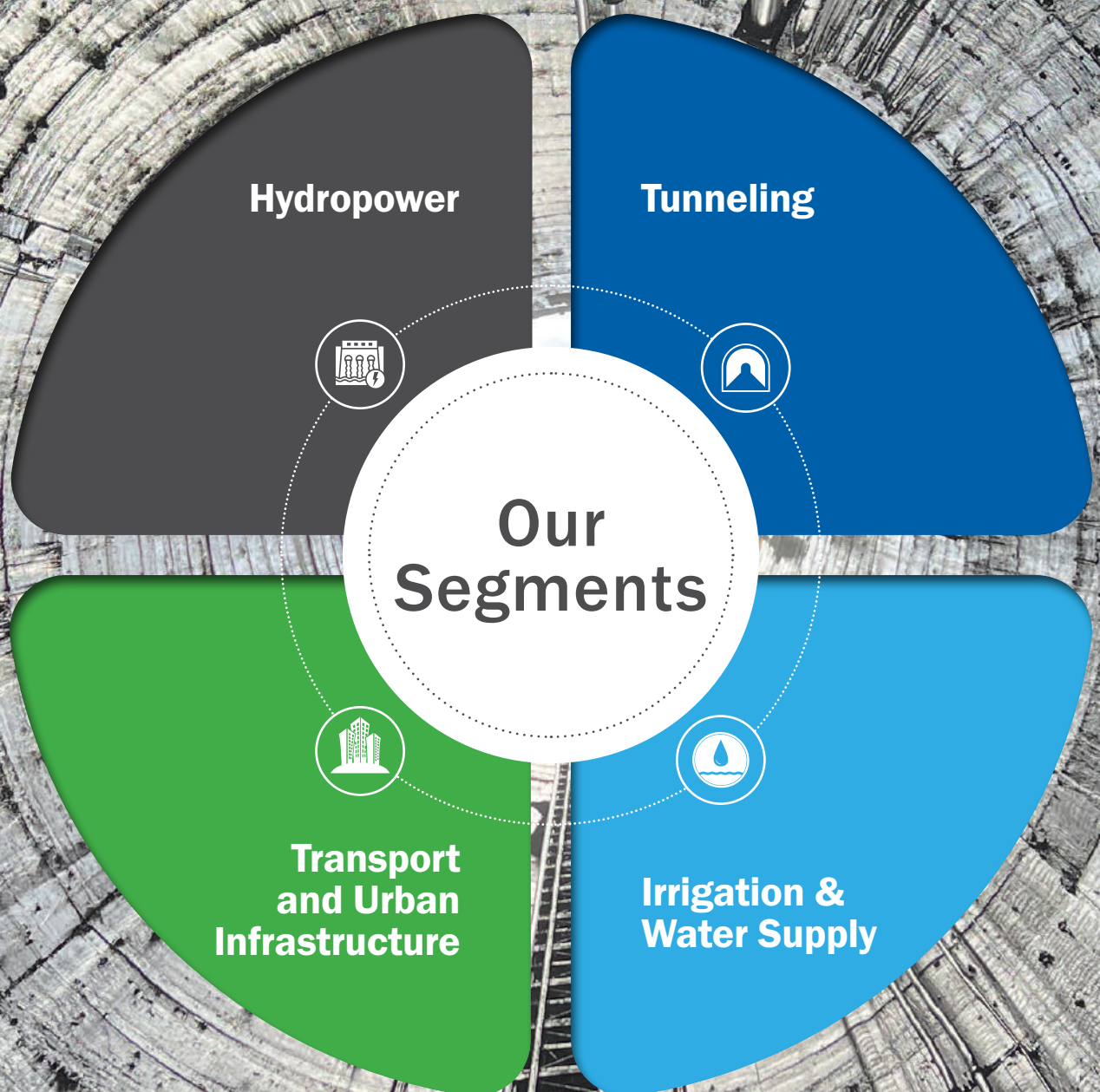
5 projects

Client-wise Order Book



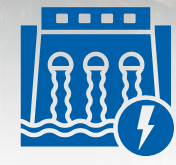
State-wise Order Book





HYDROPOWER

Harnessing Clean Energy Powering Progress



The Company has established an undisputed leadership position in India’s hydropower sector, with capabilities spanning projects from **3 MW** to **over 2,800 MW** across India and neighbouring countries. The Company delivers integrated civil construction solutions encompassing surface, underground, and sub-surface powerhouses, along with critical infrastructure including intake structures, penstocks, pressure shafts, tunnels, switchyards, and access systems.

With proven expertise in executing large-scale, technically complex projects in geologically challenging Himalayan and sub-Himalayan terrains, the Company plays a pivotal role in transforming India’s vast hydropower potential into operational clean energy assets.



Landmark Project
Subansiri HEP (2,000 MW)
One of the largest hydropower projects in India, showcasing the Company’s expertise in executing large-scale hydro infrastructure in challenging terrains.

15,000+ MW

Involved in the civil construction

8,000+ MW

Under execution

87+

Dams constructed

4,000+

Meters of shafts drilled

Key Projects Under Execution	
Subansiri HEP	2,000 MW
Dibang Multipurpose Project	2,880 MW
Arun-III HEP	900 MW
Kiru HEP	624 MW
Kwar HEP	540 MW
Teesta VI HEP	500 MW
Shongtong HEP	450 MW
HEO HEP	240 MW
Luhri HEP	210 MW

Major Projects Completed	
Koyna HEP	1,880 MW
Srisaillam HEP	1,670 MW
Parbati HEP	1,320 MW
Kameng HEP	600 MW
Tapovan HEP	520 MW
Teesta HEP	510 MW
Balimela HEP	480 MW
Rampur HEP	412 MW
Koteswar HEP	400 MW
Tons HEP	375 MW



TUNNELING

Engineering the impossible,
Beneath the Surface.

The Company possesses deep, differentiated expertise in executing tunneling projects across high-altitude, urban, and geologically complex terrains. Capabilities span road, rail, and water conveyance tunnels, supported by advanced technologies including Tunnel Boring Machines (TBM), the New Austrian Tunneling Method (NATM), and drill-and-blast techniques adapted to diverse geological conditions.

With an unwavering focus on safety, geological precision, and execution excellence — exemplified by the National Record of 812 meters of TBM tunneling in a single month at CIDCO TWT-II — the Company consistently delivers critical underground infrastructure in some of the world’s most challenging environments.



IRRIGATION & WATER SUPPLY

Building Resilient
Water Infrastructure for Tomorrow.

The Company plays a vital role in advancing India’s irrigation and water supply infrastructure through the construction of dams, canals, lift irrigation systems, pipe distribution networks, and micro-irrigation solutions. Its projects are closely aligned with national priorities of enhancing water security, agricultural productivity, and rural livelihoods.

Leveraging advanced construction techniques including micro-tunneling, large-diameter TBM deployment, and modern pipeline systems, the Company delivers efficient and sustainable water distribution infrastructure across diverse terrains — from arid Rajasthan to the river basins of Madhya Pradesh and Maharashtra.



Landmark Project

Sela Pass Tunnel

Awarded the Prestigious ASSOCHAM Achievers Award, 2024 in the Strategically Important Category, highlighting the Company’s capabilities in executing critical infrastructure in high-altitude regions.



Landmark Project

Sleemanabad Irrigation Project

The Sleemanabad Irrigation Project in Madhya Pradesh, one of India’s largest irrigation tunnel projects, achieved a major milestone with the successful TBM breakthrough. Executed using one of India’s largest 10-metre diameter Tunnel Boring Machines, the project is now nearing completion, underscoring Patel Engineering’s expertise in delivering complex underground infrastructure.

300+ km
of tunneling completed

Execution experience
at elevations exceeding 13,000 ft.

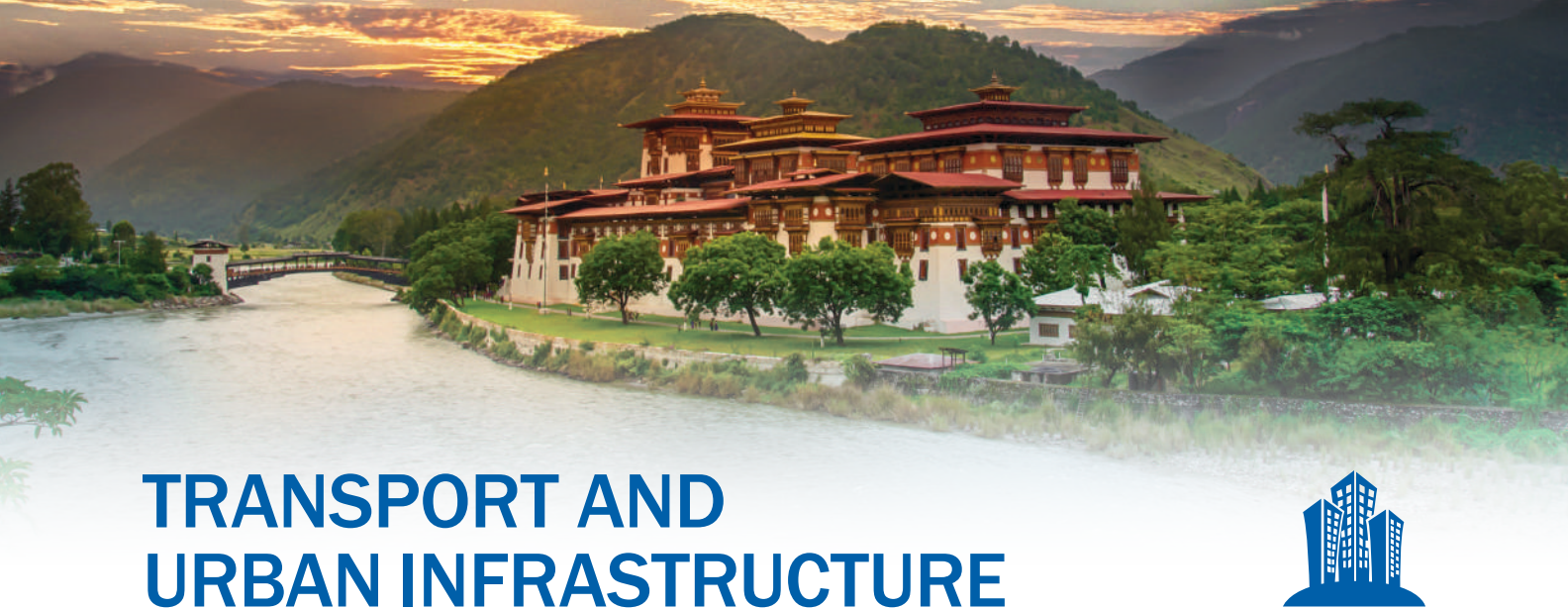
Enabled irrigation across **5.5+ lakh** acres, supporting agricultural output and rural livelihoods

Key Projects Under Execution
CIDCO Water Tunnel (Navi Mumbai)
Powai–Ghatkopar Tunnel Remaining Works (Mumbai)
Tunnel T-7 (West Bengal and Sikkim)
Single BG Line Tunnel No.10 (Nagaland)

Major Projects Completed
USBRL Tunnel Packages - T1, T2, T4, T15 and Part Tunnel T14 (Jammu & Kashmir)
Amarmahal to Trombay Tunnel – Package II (Mumbai)
Sela Tunnel (Arunachal Pradesh)
Water Supply Tunnel - Veravali–Yari Road (Mumbai)

Key Projects Under Execution
Rihand Micro Irrigation Project (Madhya Pradesh)
Sleemanabad Carrier Canal (Madhya Pradesh)
Morand & Ganjal Dam (Madhya Pradesh)
Sher Irrigation Project (Madhya Pradesh)
Nira Deoghar Right Bank Main Canal – Various Packages (Maharashtra)
Khalwa Micro Lift Irrigation (Madhya Pradesh)
Jigaon Lift Irrigation (Maharashtra)
Parbati Irrigation Project (Madhya Pradesh)

Major Projects Completed
Polavaram Canal Project (Andhra Pradesh)
Jawahar Lift Irrigation Project (Telangana)
Bhima Lift Irrigation Project (Telangana)
Indira Sagar Project (Andhra Pradesh)
SRSP Flood Flow Canal Project (Andhra Pradesh)
Kalwakurty Lift Irrigation Project (Telangana)
PLGC Canal Project (Uttar Pradesh)



TRANSPORT AND URBAN INFRASTRUCTURE

Shaping Urban Landscapes. Strengthening Connectivity

Patel Engineering strengthens India’s transportation and urban infrastructure through the execution of complex EPC projects that enhance connectivity, support urbanization and drive economic development. Leveraging decades of engineering expertise, the Company delivers roads, highways, railways and public infrastructure across diverse terrains, including remote and high-altitude regions, contributing to strategic national connectivity programmes.

The Company also executes residential and commercial developments, hospitals, hotels, government buildings, railway infrastructure and water supply schemes. Its multidisciplinary EPC capabilities enable the successful delivery of technically demanding projects, reflecting engineering excellence, execution versatility and a commitment to building sustainable infrastructure that supports urban growth and enhances community well-being.

1,200+ km
of roads
constructed



Landmark Project

High Altitude Road Project, Jammu & Kashmir

Executed in extreme climatic and high-altitude conditions, reflecting the Company’s engineering resilience and expertise in strategic connectivity projects.

Parliament Building, Bhutan

A prestigious international project reflecting the Company’s capabilities in executing landmark institutional infrastructure with architectural significance.



ASSET OWNERSHIP

Private sector asset ownership in infrastructure serves a dual purpose — it eases the burden on the public exchequer while enabling the introduction of newer technologies and accelerated project execution. Patel Engineering has strategically participated in this model through BOT and DBFOT road concessions, creating stable, long-term revenue streams.

The Company currently holds equity stakes in three operational road infrastructure assets under BOT/DBFOT models. These assets generate stable, recurring revenue

streams through semi-annuity payments and toll collections, complementing the core EPC business and enhancing earnings visibility.

With the Gongri HEP MoA marking entry into hydropower asset ownership under a Build-Own-Operate-Transfer model, the Company’s asset portfolio is poised for strategic expansion — from road concessions to clean energy generation, supporting sustainable long-term value creation.

Operational Infrastructure Assets



AP-07, Andhra Pradesh

- **SPV:** Patel KNR Heavy Infrastructures Limited (PKHIL)
- **Company Stake:** 42%
- **Authority:** NHAI

Project Details

Design, construction, development, operation, and maintenance of Islam Nagar (km 230) to Kadthalh (km 278) of the Nagpur Hyderabad section on NH-7 in Andhra Pradesh, on BOT semiannual annuity basis.

Revenue

Fixed Semi-annuity of ₹443.7 million.

Concession Period

The Concession Agreement was signed in Sept 2008 with a concession period of 20 years, including a 2-year implementation period.

Commencement Date

June 2010



KNT-01, Karnataka

- **SPV:** Patel KNR Infrastructures Limited (PKIL)
- **Company Stake:** 60%
- **Authority:** NHAI

Project Details

Development and operation of the annuity road asset of approx. 60.4 km four-lane road between Karnataka border and Avathi Village on BOT semi-annuity basis.

Revenue

Fixed Semi-annuity of ₹329.4 million

Concession Period

The Concession Agreement was signed in Sept 2008 with a concession period of 20 years, including a 2-year implementation period.

Commencement Date

December 2009



Varanasi–Shaktinagar, Uttar Pradesh

- **SPV:** ACP Tollways Private Limited (ATPL)
- **Company Stake:** 32%
- **Authority:** Uttar Pradesh State Highway Authority (UPSHA)

Project Details

Four and six laning of VaranasiShaktinagar Road from Narayanpur to Hathinala section in Uttar Pradesh (SH-05A) from 0.00 Km to 115 Km on Design, Build, Finance, Operate, and Transfer (DBFOT) basis.

Revenue

Based on Toll Collection from vehicular movement. Toll revenue has been consistently increasing year on year with the traffic growth.

Concession Period

The concession period is 20 years (including a construction period of 900 days) from the appointed date, i.e. February 05, 2013.

Commencement Date

October 2015



Key Projects Under Execution

Kondhane Dam Project (Maharashtra)

Jhiria West Open Cast Coal Mining Project for South Eastern Coalfields Limited (Madhya Pradesh)

Katraj–Kondwa Road (Maharashtra)

Ramban–Banihal Road (Jammu & Kashmir)

Upgradation – Pimpla Junction (Maharashtra)

New BG Line - Yavatmal Rail Line for RVNL (Maharashtra)



Major Projects Completed

Hathipali - Hosur (NH-7) (Tamil Nadu)

Neotown Residential Complex (Karnataka)

BYTCO Hospital (Maharashtra)

Mantalai Tourist Facility Centre (Jammu & Kashmir)

Road from Ramwadi to New PMC Limit under JNNURM Project (Maharashtra)

Four Laning of NH-37, Nagaon to Dharamtul & Nagaon Bypass (Assam)

Four Lane Sangrur- Punjab/Haryana Border Section of NH – 71 (Phase –I) (Punjab)

FY26 - MAJOR OPERATIONAL HIGHLIGHTS

Subansiri Lower Hydropower Project (SLHEP)

Civil Works of Power House Complex

Construction of Balance Civil Works of Power House Complex from Head Race Tunnel (HRT) Intake Structures to Tail Race Channel

Location
Bordering Districts of Assam & Arunachal Pradesh

Client: NHPC | **Capacity:** 2000 MW

Salient Components:

- Power Intake Structures
8 independent surface type intakes
- Head Race Tunnels
8 HRTs with a total length of over 7,000 meters
- Surge Tunnels
8 surge tunnels with a total length of over 3,500 meters
- Vertical & Horizontal Pressure Shafts
8 shafts with total length of over 1,000 meters
- Surface Power House
Comprising 8 generating units of 250 MW each
- Tail Race Channel
35 meters long and 206 meters wide



Execution Status

- Structural civil works fully completed for 6 out of 8 units of the Power house
- Leading to the commissioning of 4 out of the 8 power generating units
- Excavation and wall-reinforcement for the project's underground water tunnels have achieved significant advancement
- Execution of mass concreting exceeding 6.5 lakh cubic meters across project components
- Effective implementation of rock support systems including anchoring, concreting, and grouting to prevent landslides

Ongoing Activities

- Finalizing construction of the machine halls for Power Generation Units 7 and 8
- Executing architectural finishes and managing the integration of electrical and mechanical systems
- Completing the concrete lining and structural grouting for the remaining surge tunnel access
- Concluding the final phases of all remaining underground excavation and structural works

Strategic & Economic Impact

Clean Energy at Scale	Powering 18 States Across India	Strengthening National Energy Security
Accelerating India's Net Zero Journey	Catalysing Regional Economic Transformation	Generating Employment & Livelihoods

FY26 - MAJOR OPERATIONAL HIGHLIGHTS





Kiru Hydropower Project



Location:
Jammu & Kashmir



Client: **CVPPL**
(JV of NHPC and JKSPDC)



Capacity:
624 MW

Operational Highlights:

- Over 11,50,000 cubic meters of dam concreting completed.
- Unit 3 and 4 of Power Intake structure completed.
- Power house units 1, 2 and 3 completed.

FY26 - MAJOR OPERATIONAL HIGHLIGHTS





Kundah Pumped Storage Project (PSP)



Location:
Tamil Nadu



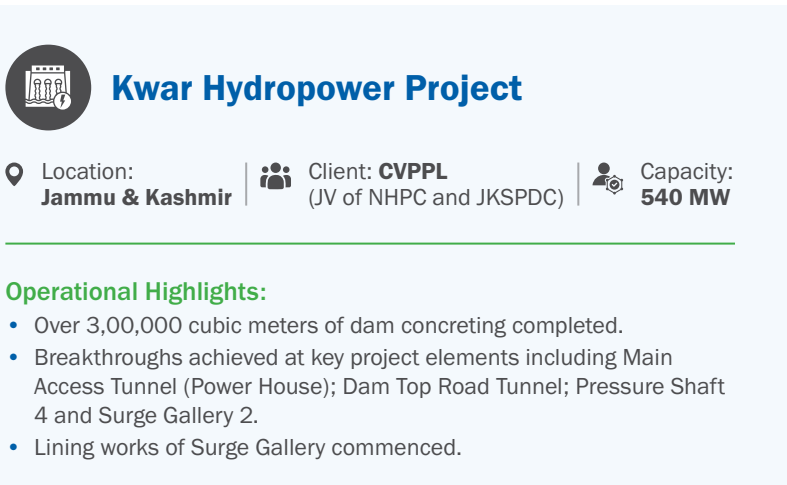
Client: **Tamil Nadu Green Energy Corporation Ltd**



Capacity:
500 MW

Operational Highlights:

- Breakthrough achieved of 969.11 meters Tail Race Tunnel towards the Lower Intake.
- Powerhouse and Surge chamber civil works completed.
- Upper Intake Structure Completed.





Kwar Hydropower Project



Location:
Jammu & Kashmir



Client: **CVPPL**
(JV of NHPC and JKSPDC)

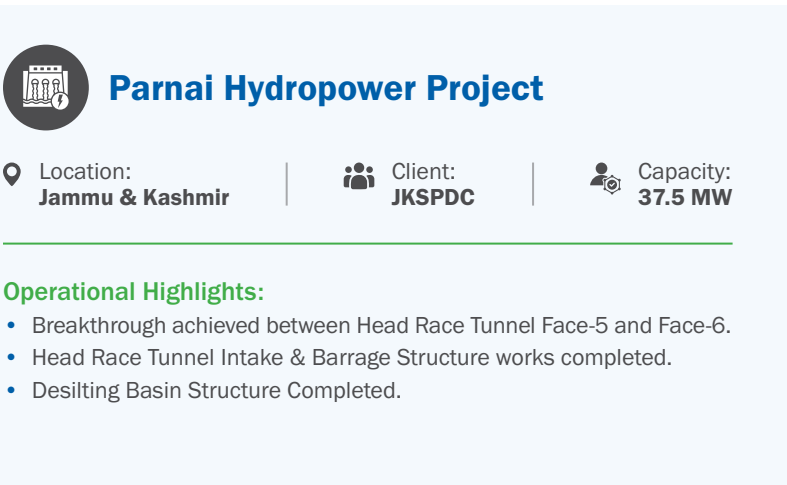


Capacity:
540 MW

Operational Highlights:

- Over 3,00,000 cubic meters of dam concreting completed.
- Breakthroughs achieved at key project elements including Main Access Tunnel (Power House); Dam Top Road Tunnel; Pressure Shaft 4 and Surge Gallery 2.
- Lining works of Surge Gallery commenced.







Parnai Hydropower Project



Location:
Jammu & Kashmir



Client: **JKSPDC**



Capacity:
37.5 MW

Operational Highlights:

- Breakthrough achieved between Head Race Tunnel Face-5 and Face-6.
- Head Race Tunnel Intake & Barrage Structure works completed.
- Desilting Basin Structure Completed.







Arun III Hydropower Project



Location:
Nepal



Client: **SAPDC** (A wholly owned subsidiary of SJVN Ltd.)



Capacity:
900 MW

Operational Highlights:

- Unit 1, 2, and 3 Machine Hall Slab completed.
- Head Race Tunnel works completed.
- Surge Shaft lining works completed.





Tunnel T-7 Project



Location:
West Bengal & Sikkim



Client: **Ircon International Ltd**



Tunnel Length:
3.08 Km

Operational Highlights:

- Concrete lining works completed.
- Station Slab concreting works commenced.

FY26 - MAJOR OPERATIONAL HIGHLIGHTS





PGRW Water Tunnel Project



Location:
Maharashtra



Client: **Municipal Corporation of Greater Mumbai (MCGM)**

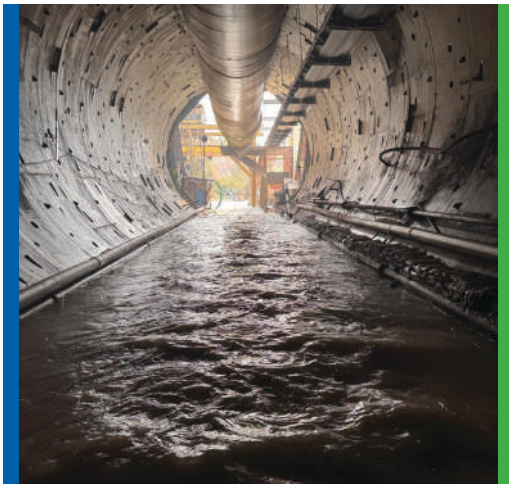


Tunnel Length:
2.7 Km

Operational Highlights:

- Breakthrough achieved for both: ~400 meters NATM and ~2.7 km TBM section.
- Tunnel excavation works and lining works for 3.5 kms completed out of 3.9 kms.

FY26 - MAJOR OPERATIONAL HIGHLIGHTS





Sleemanabad Irrigation Project



Location:
Madhya Pradesh



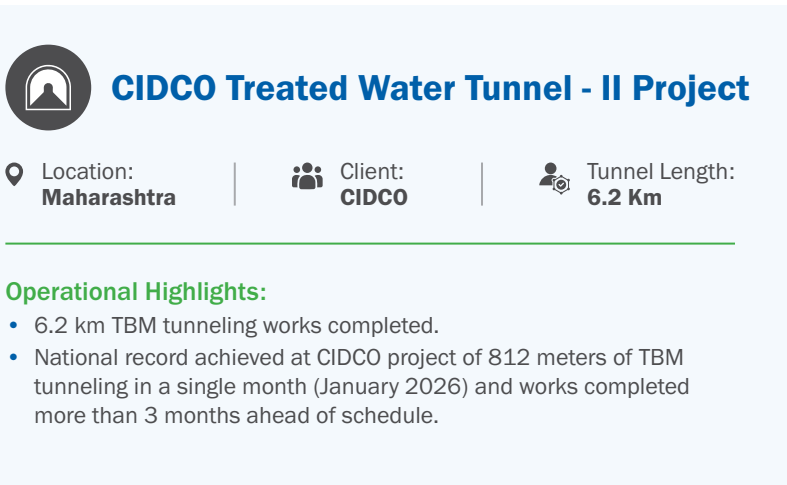
Client: **Narmada Valley Development Authority**



Tunnel Length:
12 Km

Operational Highlights:

- Tunneling works for 11.7 kms out of 12 kms completed with subsequent breakthrough achieved post year end.
- Connection of downstream Tunnel and Canal Sections using the Cut & Cover Technique spanning 750 meters completed.





CIDCO Treated Water Tunnel - II Project



Location:
Maharashtra



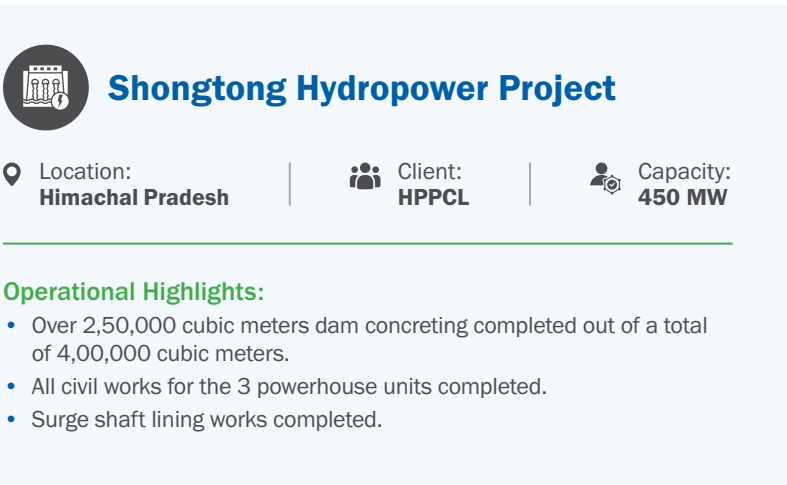
Client: **CIDCO**



Tunnel Length:
6.2 Km

Operational Highlights:

- 6.2 km TBM tunneling works completed.
- National record achieved at CIDCO project of 812 meters of TBM tunneling in a single month (January 2026) and works completed more than 3 months ahead of schedule.





Shongtong Hydropower Project



Location:
Himachal Pradesh



Client: **HPPCL**



Capacity:
450 MW

Operational Highlights:

- Over 2,50,000 cubic meters dam concreting completed out of a total of 4,00,000 cubic meters.
- All civil works for the 3 powerhouse units completed.
- Surge shaft lining works completed.





Teesta VI Hydropower Project



Location:
Sikkim



Client: **NHPC**



Capacity:
500 MW

Operational Highlights:

- Breakthrough Achieved between Head Race Tunnel Face 5A and Face 6A.
- Surge shaft I and II both Stage 1 lining works completed.
- Transformer Cavern Concreting works till Gas Insulated Switchgear (GIS) Slab Completed.





Rihand Micro Irrigation Project



Location:
Madhya Pradesh



Client: **Water Resource Department, Govt. of Madhya Pradesh**



Culturable Command Area:
38,000 Ha

Operational Highlights:

- High-density polyethylene (HDPE) Pipeline works 99% completed.
- Ductile Iron (DI) Pipeline works 54% completed.
- Mild steel (MS) Pipeline works 33% completed.

CSR initiatives

Creating Lasting Value Beyond Infrastructure

At Patel Engineering Limited, we believe that infrastructure development extends beyond engineering excellence to creating lasting value for the communities where we operate. Our Corporate Social Responsibility (CSR) initiatives are driven by the principles of sustainable development, inclusivity, and responsible corporate citizenship. Through focused interventions across our project locations, we endeavour to address local developmental priorities while improving the quality of life of surrounding communities.

During FY 2025-26, the Company implemented CSR initiatives across key project locations including Parnai HEP, Lower Subansiri HEP, Shongtong Karcham HEP, Kiru HEP, Kwar HEP, CIDCO Water Tunnel Project, Powai-Ghatkopar Tunnel Project, and through support extended to the Kai Laxmanrao Mankar Smruti Trust. The initiatives were undertaken in accordance with Schedule VII of the Companies Act, 2013, with a focus on education, healthcare and community well-being, rural and community development, disaster preparedness and social welfare, community welfare, cultural preservation, and sanitation.

Healthcare and Community Well-being

Healthcare remained an important area of intervention during the year. The Company supported:

- Ambulance Services For Local Villagers.
- Improving Access To Emergency Medical Assistance In Remote Locations.
- Community Health And Hygiene Were Further Strengthened Through The Provision Of Safe Drinking Water Facilities, Including Drinking Water Arrangements And Water Purification Systems At Project Locations And Educational Institutions.
- Mobile Toilet Facilities Were Also Provided During An Annual Yatra, Contributing To Improved Sanitation And Public Convenience For Pilgrims.



Rural and Community Development

The Company undertook several initiatives to strengthen community infrastructure and improve essential public amenities. Rural development activities included the following. These initiatives contributed to improved connectivity, accessibility, sanitation, and quality of life in the surrounding communities.

- The Construction Of Road Crossings And Footpaths.
- Water Pipeline Works, Village Road Construction, And Other Rural Infrastructure Improvements.
- Water Tanker Services Were Provided To Address Local Water Requirements, While Drinking Water Facilities To The Locals.



Disaster Preparedness and Social Welfare

Recognising the importance of strengthening community resilience, the Company supported following initiatives aimed at enhancing disaster preparedness and emergency response capabilities. These interventions reinforced the Company's commitment to supporting vulnerable communities during emergencies.

- Tents were provided to the Red Cross Society, Kishtwar, for use as temporary shelters and relief camps during natural disasters such as floods, landslides, and earthquakes.
- Under the Powai-Ghatkopar Tunnel Project, CSR support was extended towards disaster management, including relief, rehabilitation, and reconstruction activities.



Cultural and Community Engagement

The Company also contributed towards preserving local culture and promoting community participation by supporting the Boori Boot Cultural Festival in Arunachal Pradesh. Such initiatives help preserve traditional heritage, strengthen social cohesion, and encourage inclusive community development alongside infrastructure growth.



Education

The Company continued to strengthen educational infrastructure and improve learning opportunities in project-affected regions. Significant initiatives included:

- The Establishment Of Fabricated School Infrastructure
- Construction Of An Astronomy Laboratory Along With Repair And Renovation Works And Infrastructure Development Work In Government Higher Secondary Schools.
- Additional Educational Support Included The Distribution Of Interactive Panels, Led Screens, Water Purifiers, Water Coolers, And Other Learning Facilities In Schools.
- Through The Kai Laxmanrao Mankar Smruti Trust, The Company Supported Educational And Empowerment Initiatives Aimed At promoting education, vocational skills, and livelihood enhancement among children, women, senior citizens, and differently abled individuals.



Human Capital

Creating Lasting Value Beyond Infrastructure

People are at the heart of everything the Company builds. With a workforce of over 13,000 professionals and workers deployed across 14 states, Patel Engineering continues to invest in talent development, workplace safety, and employee engagement to strengthen organisational capabilities at every level.

13,299 Total employees	4,364 Permanent employees	8,935 Non-permanent employees
2,806 Technical employees	1,558 Non-technical employees	Led by a senior management team with over 300 years of collective industry experience, including more than a century of dedicated tenure at PEL <i>(Sr. Management includes BOD, KMP & SMP)</i>

Work Place Safety Trainings

14,804 No of Training sessions	179,665 HSE Training Hours
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- Monthly Safety Themes - Safety activities carried out according to the theme.
- Weekly Site Safety Walkthrough by project manager and site HOD for reviewing safety arrangements.
- Fire Fighting and First aid training.
- Environmental Compliance – Dust Suppression, Tunnel Gas Monitoring (Oxygen + Hazardous Gas), Emission monitoring by third parties, ambient air monitoring, drinking water test.
- Self-developed rating forms for Feedback from clients.





Safe Man Hours

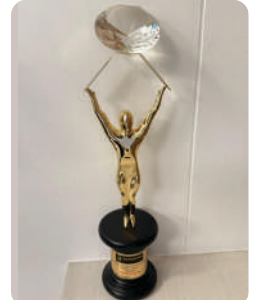
Parnai Hydropower Project has achieved 11 Million Safe Man Hours, during activity execution in barrage, desilting basin, HRT (Inlet, Adit-1,2, Outlet), Penstock & Power-House.




Employee Engagement

Team Building Activities 	Women's Day Celebrations 	Festival Celebrations 
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Awards Received by the company

 Quality Innovation Award 2025 The Institution of Engineers (India), Safety & Quality Forum.	 India's 3rd Fastest Growing Construction Company (Medium Category) Construction World Global Awards, 2025.
 Best Emerging Economy - Infrastructure Enterprise of India 10th Atal Shastra MarkEnomy Awards.	 Strategically Significant Infrastructure Project – USBRL Tunnels T15 & Part T14 ASSOCHAM Achiever's Award 2026

Management Discussion & Analysis

Global Economic Context

The Global Economy in FY2025–26: Resilience Tested Anew

The IMF's January 2026 World Economic Outlook Update had originally projected global growth at 3.3% for calendar year 2026, broadly unchanged from 2025, supported by technology investment, accommodative financial conditions, and private sector adaptability. This picture changed materially in the second half of the last financial year, as a new conflict in the Middle East introduced a significant exogenous shock to the global outlook. The IMF's April 2026 World Economic Outlook, titled Global Economy in the Shadow of War, revised the global growth projection downward to 3.1% for 2026. Global headline inflation was simultaneously revised upward to 4.4% for 2026, a departure from the declining trajectory that had characterized the preceding two years.

The impact of the conflict has been uneven across geographies. Advanced economies face comparatively moderate effects. Emerging market and developing economies, particularly commodity-importing nations with pre-existing fiscal vulnerabilities, face more pronounced headwinds through three transmission channels: higher energy and food prices, persistence in wage and price inflation, and a confidence shock weighing on investment and consumption. As the IMF Chief Economist noted at the April 2026 Spring Meetings, downside risks to the outlook remain decisively dominant, with a broader or prolonged conflict, renewed trade tensions, or a reassessment of AI-driven productivity gains each capable of weakening global growth materially further.

For India, and for companies operating in the infrastructure sector domestically, this global backdrop is important to contextualize but does not fundamentally alter the domestic investment cycle. India's economy remains substantially driven by public capital expenditure, domestic consumption, and structural reform momentum, factors that are largely insulated from the external shocks now weighing on commodity-import dependent emerging markets. If anything,

energy price volatility reinforces the strategic imperative for India and for other large developing nations to accelerate the build-out of domestic renewable energy capacity and reduce dependence on imported fossil fuels, a dynamic that directly benefits the infrastructure construction sector.

Infrastructure: A Global Structural Super cycle

Notwithstanding near-term macroeconomic uncertainty, the structural outlook for global infrastructure investment remains compelling and historically unprecedented in scale. According to PwC's Global Infrastructure Outlook 2025–50, published in April 2026, annual global infrastructure spending is forecast to rise from approximately US\$4.4 trillion in 2024 to US\$6.9 trillion by 2050, with cumulative investment over the 25-year period reaching US\$151.1 trillion. In real terms, this represents roughly double the infrastructure investment of the preceding two decades. The study covers nine sectors, 20 subsectors and 45 countries representing 88% of global economic output, making it the most comprehensive long-term forecast available.

McKinsey's 2026 Global Infrastructure Report independently estimates that a cumulative US\$106 trillion in infrastructure investment will be required through 2040 alone with energy and digital infrastructure accounting for approximately 40% of the total. Private capital's role in bridging this gap is expanding rapidly: global infrastructure fundraising reached a record of nearly US\$200 billion in 2025, surpassing the previous high of US\$180 billion in 2022. The scale of capital being mobilized reflects institutional recognition that infrastructure investment, across its expanding range of asset types, offers durable and differentiated returns.

Critically for the water and energy infrastructure segments in which our company operates, the growing integration of variable renewable energy into global power grids is creating structural and accelerating demand for storage and balancing infrastructure. Pumped storage hydropower is central to this dynamic. Globally, according to the IEA's Renewables 2025 report, annual additions of pumped storage hydropower capacity are forecast to double to 16.5 GW per year by 2030, driven by the need for grid flexibility as variable renewables

scale rapidly. The IEA additionally forecasts that renewables will surpass coal to become the largest single source of global electricity generation by mid-2026. As of end-2025, global renewable power capacity stood at 5,149 GW, having grown by 692 GW, or 15.5%, in 2025 alone, according to International Renewable Energy Agency (IRENA's) Renewable Capacity Statistics 2026. This acceleration underscores the scale of the energy transition underway and its downstream demand for hydropower and tunneling-intensive construction capability of the kind PEL specializes in.

Global Outlook

Looking ahead, the global economy is expected to continue expanding at a moderate pace, supported by easing inflation, gradual monetary policy normalization and sustained public investment in infrastructure. While risks associated with geopolitical tensions, trade fragmentation, sovereign debt and climate change remain, long-term structural drivers—including urbanization, energy transition, digitalization and water security—are expected to underpin continued demand for infrastructure development.

For the engineering and construction sector, these trends reinforce the importance of specialized capabilities in hydropower, water infrastructure, tunneling and climate-resilient assets. Companies with strong technical expertise, disciplined execution, sound balance sheets and the ability to deliver complex EPC projects are expected to be well positioned to benefit from the expanding global infrastructure pipeline.

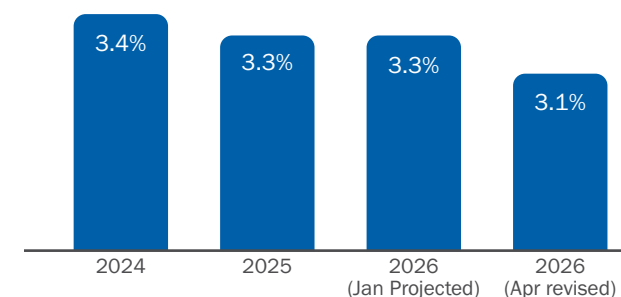
Relevance for Patel Engineering

The global context is relevant to PEL's business through two primary pathways. First, the energy transition super cycle creates enduring demand for hydropower and pumped storage construction segments in which PEL holds a leadership position in India, and the Company has also started entering into international markets in Nepal and Bhutan as both these regions hold immense untapped hydropower potential. Second, the premium being placed globally on energy security heightened further by Middle East conflict risks, reinforces political commitment across South and Southeast Asia to accelerate domestic energy capacity

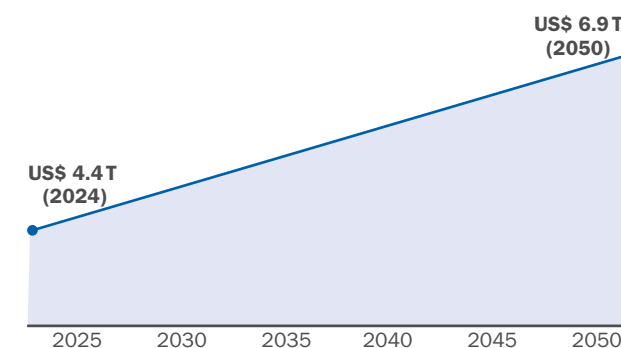
addition, particularly from renewable and storage-based sources. India's hydropower ambitions, discussed in the following section, are being pursued within this global context of energy security imperatives and climate commitments, giving the policy support behind domestic infrastructure investment a structural durability that transcends any individual budget cycle.

Global growth revised down to 3.1% for 2026 amid the Middle East conflict.

Pre Pandemic: Avg 3.7%



Global Infrastructure Spending: A Structural Supercycle



Source: PwC Global Infrastructure Outlook 2025-50 (Apr – 2026)

Cumulative global infrastructure investment of US\$151.1 trillion is forecast over 2024–2050.

Indian Economy & Infrastructure Policy

India's Macroeconomic Resilience in FY2025–26

India's economy delivered a robust performance in FY2025–26, reinforcing its position as the world's fastest-growing major economy against a backdrop of global uncertainty. According to Provisional Estimates released by the Ministry of Statistics and Programme Implementation (MoSPI) in June 2026, real GDP grew at 7.7% for the full year, an acceleration from the 7.1% recorded in FY2024–25.

Unlike many developed economies that continued to grapple with subdued growth and investment moderation, India benefited from a diversified growth model anchored by resilient domestic consumption, robust government capital expenditure, increasing private sector investments, expanding manufacturing capabilities and a thriving services sector. This broad-based economic momentum enabled the country to maintain macroeconomic stability while simultaneously accelerating its long-term development agenda.

This performance was broad-based across key demand and supply indicators. Gross Fixed Capital Formation, the primary measure of domestic investment grew at 8.2%, signaling continued expansion in both public and private investment activity. The Construction sector, which directly encompasses the infrastructure EPC segment, also recorded healthy growth as public capital expenditure maintained its record trajectory.

India's growth story is increasingly underpinned by structural reforms undertaken over the past decade. Landmark initiatives focused on improving ease of doing business, strengthening the financial sector, enhancing digital governance, modernizing logistics infrastructure and promoting domestic manufacturing have significantly improved the country's competitiveness and investment attractiveness. These reforms have not only strengthened economic resilience but have also laid the foundation for sustained medium-term growth.

The Government's continued emphasis on infrastructure-led development has emerged as one of the defining pillars of India's economic strategy. Record public capital expenditure, coupled with an expanding pipeline of transportation, energy, water, irrigation and urban infrastructure projects, is creating a virtuous investment cycle that is stimulating employment, enhancing productivity and crowding in private sector participation.

India also continues to benefit from favorable demographic fundamentals. With one of the world's youngest populations, rising urbanization, expanding middle-income households and increasing formalization of the economy, domestic demand remains a significant engine of growth. Growing disposable incomes, rapid digital adoption and rising aspirations are further supporting consumption across multiple sectors while encouraging investments in housing, transportation, utilities and public infrastructure.

At the same time, India's emergence as a strategic global manufacturing destination is reshaping the country's economic landscape. Global supply chain diversification, supportive industrial policies and Production Linked Incentive (PLI) schemes have encouraged investments across electronics, semiconductors, defense manufacturing, renewable energy equipment, automotive components and advanced manufacturing. These developments are strengthening industrial output while creating additional demand for industrial corridors, logistics infrastructure, power generation and water resources.

Macroeconomic stability has remained another cornerstone of India's growth trajectory. Inflationary pressures moderated during the year, supported by prudent monetary policy, easing commodity prices and improved supply chain conditions. The Reserve Bank of India continued to maintain a balanced policy approach, safeguarding price stability while supporting economic growth. Simultaneously, India's strong foreign exchange reserves, stable banking system and improving corporate balance sheets enhanced the economy's resilience against external shocks.

The country's fiscal strategy has increasingly shifted towards productive capital formation rather than consumption-led expenditure. Government investments in roads, railways, metro systems, airports, ports, renewable energy, water supply, irrigation networks, urban development and digital infrastructure continue to generate significant multiplier effects across the economy. Such investments not only improve national competitiveness but also stimulate demand across core industries including steel, cement, engineering, construction equipment and heavy civil construction.

India's infrastructure ambitions have become increasingly aligned with its broader developmental priorities. Programmes such as PM Gati Shakti, the National Infrastructure Pipeline, Bharatmala Pariyojana, Sagarmala, Dedicated Freight Corridors, Jal Jeevan Mission, Smart Cities Mission and large-scale renewable energy initiatives collectively represent one of the world's most comprehensive public investment programmes. These initiatives are transforming connectivity, improving logistics efficiency, strengthening water security and enhancing energy resilience while generating substantial opportunities for engineering and construction companies.

The energy transition is also emerging as a significant driver of infrastructure investment. As India advances towards its long-term decarbonization objectives, investments in renewable energy generation, hydropower, pumped storage projects, transmission networks and grid modernization are expected to accelerate substantially. Hydropower, in particular, is gaining renewed strategic importance owing to its ability to provide clean, flexible and reliable power that complements the rapid expansion of solar and wind energy. This evolving energy landscape presents significant long-term opportunities for specialized engineering companies possessing expertise in complex hydropower works,

underground tunneling and dam construction.

Water security has likewise become a national priority in response to increasing urbanization, climate variability and rising agricultural demand. Large-scale investments in irrigation systems, reservoirs, river-linking projects, urban water supply, wastewater treatment and flood management infrastructure are expected to remain integral to India's long-term development strategy. These investments are expected to strengthen agricultural productivity, improve climate resilience and ensure sustainable management of water resources while creating sustained demand for specialized civil engineering capabilities.

Outlook

Looking ahead, the Economic Survey 2025–26 projects real GDP growth in FY27 in the range of 6.8% to 7.2%, reflecting continued strong momentum while accounting for some moderation given the global headwinds from the Middle East conflict and associated energy price volatility. India's macroeconomic fundamentals, anchored by fiscal discipline, a declining current account deficit, moderating inflation, and a structural reform programme provide a stable environment for continued infrastructure investment at scale.

The Union Budget 2026–27: Deepening Infrastructure Commitment

The Union Budget for FY2026–27, reaffirmed the Government of India's foundational commitment to infrastructure-led growth, while marking a meaningful evolution in approach, shifting from pure asset creation toward building a comprehensive ecosystem for infrastructure financing, de-risking, and monetization.

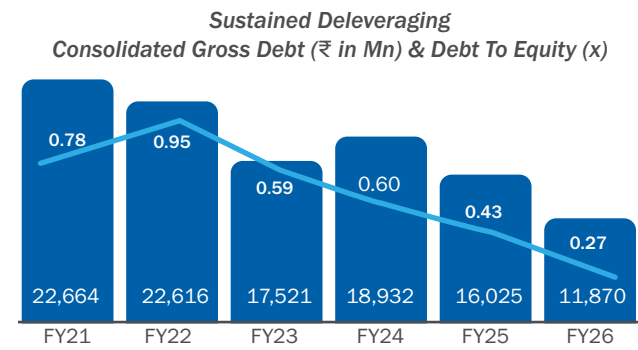
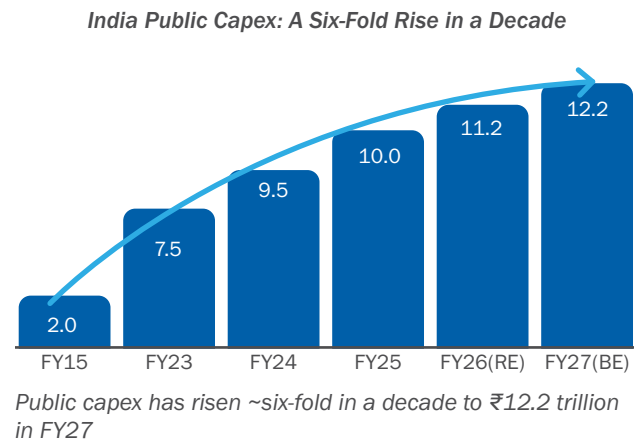
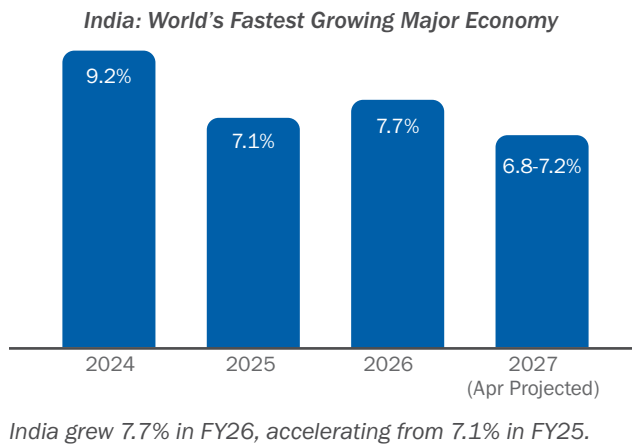
Public capital expenditure for FY27 was raised to 12.2 trillion equivalent to approximately 3.1% of GDP, representing an 11.5% increase from the revised estimate of 11 trillion for FY26. This continues an extraordinary multi-year trajectory: public capital expenditure has grown from approximately 2 trillion in FY2014–15 to 12.2 trillion in FY27, a six-fold increase over a decade. Effective capital expenditure, which includes grants for capital asset creation by states, reaches 17.15 trillion, or approximately 4.4% of GDP.

Several infrastructure-specific announcements in the Budget are of direct relevance to our operating environment

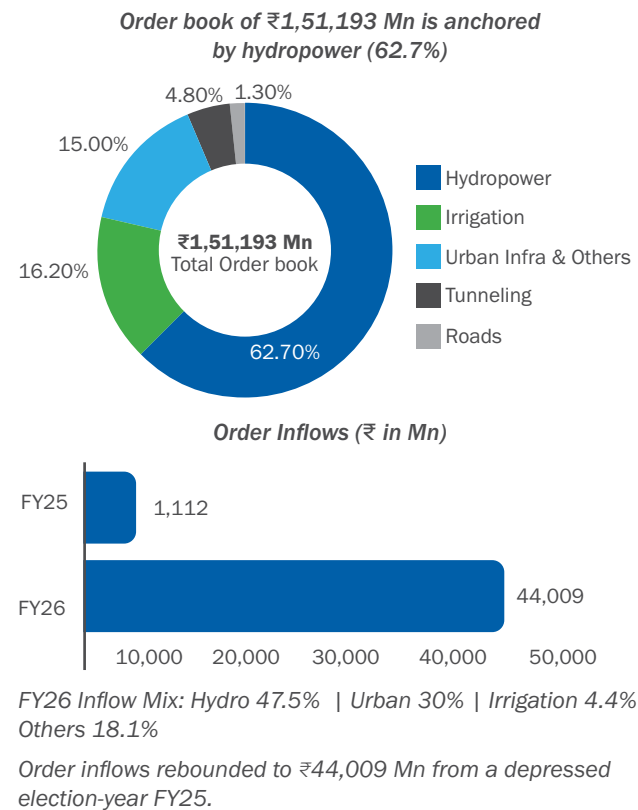
- **The Infrastructure Risk Guarantee Fund** — a new instrument announced in the Budget which is designed to provide partial credit guarantees to private infrastructure developers, reducing risk exposure during the construction phase and crowding in private capital. This structural de-risking of the infrastructure sector is expected to increase project viability and accelerate tendering activity across segments including hydropower, tunneling, and urban water infrastructure.

- **The announcement of seven High-Speed Rail Corridors** — spanning routes including Mumbai–Pune, Hyderabad–Bengaluru, Chennai–Bengaluru, Delhi–Varanasi, and Varanasi–Siliguri, represents a major new pipeline of complex civil infrastructure requiring tunneling, elevated structures, and underground engineering of the kind PEL has demonstrated expertise in.
- **The Ministry of Road Transport and Highways received an allocation of 3.09 trillion** — an 8% increase, while the National Highways Authority of India's allocation rose to 1.87 trillion, sustaining the momentum in road and connected infrastructure.
- **The Ministry of New and Renewable Energy received an allocation of 3,29,140 MN**, up from 2,65,490 MN in FY26, reinforcing the Government's commitment to renewable energy capacity addition, particularly relevant for the hydropower and pumped storage projects in which PEL is involved.
- **Restructuring of Power Finance Corporation (PFC) and Rural Electrification Corporation (REC) as long-term infrastructure financiers for the power sector** — alongside the Infrastructure Risk Guarantee Fund signals a maturing institutional framework for infrastructure project financing, improving the long-term bankability of complex hydropower and energy storage projects.

Beyond the headline capex number, it is the policy architecture that defines FY27's significance for infrastructure EPC companies: the combination of institutional de-risking through the Infrastructure Risk Guarantee Fund, and the renewed push for urban mobility through metro, RRTS, and high-speed rail together create an investment environment of exceptional depth and durability. What binds these allocations together is a coherent strategic vision of a nation building simultaneously for energy security, urban mobility, water sufficiency, and border connectivity. For specialist infrastructure contractors operating across these segments, the Budget's import is less about any single line item and more about the sustained, broad-based commitment to capital formation that underpins order visibility across a multi-year horizon. Regional Rapid Transit Systems received a specific boost in the Union Budget 2026–27, with 80,000 Mn allocated for expanding the Delhi–Meerut model and conducting feasibility studies for corridors such as Bengaluru–Mysuru and Hyderabad–Warangal. The Budget also sanctioned 22,000 million as grants to the National Capital Region Transport Corporation for implementation of RRTS projects in NCR. The government's metro push has already seen 38 metro rail projects sanctioned covering 1,051 km with an estimated cost of 3.44 trillion, and India's metro network has grown to cover 26 cities crossing 1,000 km — the third largest in the world. Together, the metro and RRTS programmes represent a substantial and growing pipeline of tunneling-intensive civil construction of the kind Patel Engineering specializes in — a theme developed further in the Transportation & Urban Infrastructure segment outlook.



Order Book and Inflows - The Company ended FY26 with a total order book of ₹1,51,193 million across 53 ongoing projects spread across 14 states domestically and international presence in Nepal and Bhutan. During FY26, the Company achieved order inflows of ₹44,009 million, a dramatic recovery from the ₹1,112 million recorded in FY25, which was heavily impacted by the general elections. The FY26 order intake was diversified across hydropower (47.5%), urban infrastructure (30%), irrigation (4.4%), and others (18.1%). The order book composition at year-end reflects the Company's core strengths, with hydropower projects accounting for 62.7%, followed by irrigation at 16.2%, urban infrastructure and others at 15.0%, tunneling at 4.8%, and roads at 1.30%.



Execution Excellence - FY26 was marked by a series of landmark site-level achievements that reinforced PEL's reputation for complex, precision execution. At the Subansiri Lower Hydropower Project — one of India's largest hydropower endeavors at 2,000 MW — 4 of the 8 units were successfully commissioned and are now supplying 1,000 MW of clean energy to the national grid, with civil works completed up to unit 6. At the CIDCO Treated Water Tunnel project in Maharashtra, PEL set a new national benchmark in TBM tunneling, completing 812 meters of tunneling in a single month in January 2026, with the TBM breakthrough achieved more than 3 months ahead of schedule. Across the broader portfolio, meaningful progress was recorded at the Kiru HEP (68% complete), Shongtong HEP (73%), Kwar HEP (37%), Arun-III HEP (98%), Kundah PSP (83%), Sleemanabad Irrigation Project (95%), and multiple other ongoing sites — reflecting the depth and consistency of execution across diverse geographies and project types.

Strategic Initiatives - The year saw PEL take deliberate steps to build for the long term. A Memorandum of Agreement was signed with the Government of Arunachal Pradesh for the development of the 144 MW Gongri Hydropower Project on a BOOT (Build-Own-Operate-Transfer) basis with a 40-year concession — a measured entry into asset ownership in a segment where the Company has unmatched construction expertise. The Company also expanded its international geographic footprint meaningfully, securing the Dorjilung Hydropower Power Project in Bhutan (₹2,307 million) during Q4 FY26, adding to its existing project in Nepal and establishing active construction operations across two international markets. Post year-end, the Company was declared lowest bidder (L1) for the Lower Arun Hydropower Project in Nepal valued at ₹15,931 million, which, once awarded, would represent a significant expansion of the international portfolio.

Recognition - During the year, Patel Engineering received external validation of its operational and institutional progress through multiple industry recognitions, including being named the Fastest Growing Construction Company (Medium Category) at the 23rd Construction Times Global Awards 2025, receiving the Quality Innovation Award 2025 from the Institution of Engineers (India) Safety & Quality Forum, and being recognized as the Best Emerging Economy – Infrastructure Enterprise of India at the 10th Shastra MarkEnomy Awards 2025.

Outlook - The Company enters FY27 with a robust order book providing strong revenue visibility, a significantly improved balance sheet with debt-to-equity at 0.27x and finance costs on a declining trajectory, and India's infrastructure investment cycle at record scale with the Union Budget 2026-27 allocating ₹12.2 trillion for capital expenditure. The near-term pipeline across hydropower, pumped storage, tunneling, and urban water infrastructure, all segments in which PEL holds deep technical expertise and an established competitive position, is amongst the most favorable in the Company's history.

Patel Engineering — FY 2025–26 At A Glance

FY 2025–26 was a year of disciplined execution, meaningful balance sheet improvement, and strategic consolidation for Patel Engineering Limited. While revenue growth was broadly flat relative to FY25, a year in which the Company surpassed the ₹50,000 million milestone for the first time in its history, FY26 was defined by material progress on profitability, a sharp reduction in financial leverage, landmark operational achievements, and a purposeful expansion of the Company's strategic footprint. The year reinforced PEL's standing as India's foremost specialist infrastructure contractor in high-complexity, high-entry-barrier segments.

₹51,027 Mn

Revenue from operations

₹2,945 Mn

Net profit after Minority (+21.6% YoY)

0.27x

Debt-to-equity (from 0.43x)

₹1,51,193 Mn

Order book (53 projects)

Revenue and Profitability - Consolidated revenue from operations for FY26 stood at ₹51,027 million, a marginal increase of 0.18% over ₹50,934 million in FY25. While topline growth was muted, reflecting the natural progression of an order book where several large projects are still ramping up, the more significant story was one of improving profitability quality. Net profit attributable to the owners of the parent grew by 21.61% year-on-year to ₹2,945 million, with the PAT margin improving by 102 basis points to 5.77%. This improvement was driven in substantial part by an 8.1% reduction in finance costs to ₹2,964 million, a direct outcome of the sustained debt reduction programme that has been underway since the last few years. The full-year EBITDA margin stood at 13.40%, demonstrating the underlying operational efficiency of the business as execution intensity rises across the portfolio.

Strengthening the Balance Sheet - A defining theme of FY26 was continued and accelerating deleveraging. Consolidated gross debt reduced to ₹11,870 million at year end, down from ₹16,025 million in FY25 — a reduction of approximately ₹4,155 million within the year alone, and a decline of over 48% in the last five years from ₹22,664 million in FY21. The debt-to-equity ratio improved markedly to 0.27x from 0.43x in FY25, reflecting both debt reduction and equity expansion from the rights issue completed during Q3 FY26, which raised approximately ₹4,000 million and demonstrated strong shareholder confidence in the Company's trajectory. Additionally, approximately ₹1,850 million was generated through the monetization of non-core assets during the year. The Company's credit rating was further upgraded to A post year-end, consistent with the multi-year upgrade journey from B+ in FY21 — a testament to the structural improvement in financial health. The Company also carries a robust book-to-bill ratio of 2.96x, reflecting strong revenue visibility relative to annual throughput.

Sector Deep Dives —
Industry Outlook By Segment

PART I

Hydropower & Pumped Storage
Projects Infrastructure

Sector Positioning and Strategic Importance

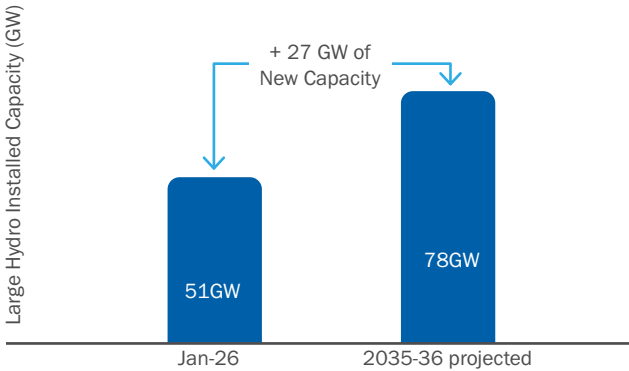
Hydropower occupies a uniquely privileged position in India's energy transition narrative. Unlike solar and wind which have achieved dramatic scale in recent years but remain intermittent and non-dispatchable hydropower offers clean, controllable, and flexible electricity generation that can ramp up or down within minutes to meet peak demand and counterbalance grid variability. It carries no fuel cost, has negligible long-term operating expenditure, and is not exposed to commodity price inflation. These structural advantages have translated into decisive policy support, making hydropower both conventional run-of-river and reservoir-based, and the rapidly growing pumped storage variant the single most important growth segment in India's infrastructure investment pipeline over the next decade.

For Patel Engineering, this is the home ground. With more than 75 years of specialized experience, over 87 dams constructed, involvement in more than 15,000 MW of hydropower project capacity, and a demonstrated track record across some of India's most complex underground powerhouses and high-altitude tunneling environments, the Company is structurally positioned to benefit from what is, by any measure, the most favorable macro environment for hydropower EPC work in a generation.

India's Hydropower Installed Base and National Capacity Trajectory

India's hydropower installed base has grown steadily, with large hydro capacity reaching approximately 51 GW as of January 2026, according to the CEA's Long-Term National Resource Adequacy Plan published in March 2026. India's total installed electricity generation capacity crossed 513 GW by end-2025, with renewable sources including large hydro accounting for nearly half the total, as per the latest Central Electricity Authority data. FY26 saw meaningful new capacity enter commercial operation: the CEA's January 2026 Executive Summary confirms commissioning of Parbati-II HPS Unit 4 (200 MW), Tehri PSP Units 1 and 3 (250 MW each), multiple units of Pinnapuram pumped storage project (totaling 1,200 MW), and Kutehr Hydropower Project Units 1–3 (240 MW combined). The CEA's adequacy plan further projects large hydro capacity growing from approximately 51 GW currently to nearly 78 GW by 2035–36, underscoring the scale of construction work that lies ahead.

India Large Hydro: A Decade of Build – Out Ahead



Source: CEA Long-Term National Resource Adequacy Plan (Mar 2026)

The most symbolically significant commissioning of FY26 and one in which Patel Engineering has been a core civil construction partner was the phased commissioning of the Subansiri Lower Hydropower Project, India's largest hydropower facility. NHPC's Subansiri Lower HEP Unit 1 to 4 (250 MW each) was added to the grid, bringing the project's total operational capacity to 1,000 MW half of its planned 2,000 MW capacity, with Units 5 through 8 all in advanced stages of construction scheduled to be commissioned in phases by the end of this year. Upon full commissioning, the 2,000 MW Subansiri Lower project will make a significant contribution to India's renewable energy capacity and enhance national grid resilience. Patel Engineering, as the civil construction partner for the project's power-house and associated works, has participated directly in this milestone, one of the most consequential in India's hydropower history.

The Near-Term Tendering Pipeline: An Unprecedented Opportunity

Beyond the projects currently under construction, the near-term bidding pipeline for large hydropower EPC work is of an unprecedented scale. Several major projects are expected to come up for competitive tendering in the near term, including Upper Karnali (900 MW), Kalai-II (1,200 MW), Kamala (1,720 MW), Sawalkote (1,856 MW), Subansiri Upper (~1,600 MW), Kirthai-II (820 MW), and Etalin (3,097 MW) — representing a combined capacity of over 11,000 MW of new projects requiring specialist EPC capability. Each of these projects involves complex geology, high-altitude construction environments, large underground powerhouse caverns and pressure shafts, and multi-year execution timelines, the precise project characteristics in which PEL has accumulated unmatched depth of experience.

For Sawalkote specifically a 1,856 MW project on the Chenab in J&K, the project received long-awaited environmental clearance in October 2025 and a renewed budget of ₹3,13,800 Mn, having been stalled for years prior. This is emblematic of a broader acceleration: the suspension of the Indus Waters Treaty with Pakistan in April 2025, following the Pahalgam terrorist attack, has fundamentally changed the regulatory and strategic environment for hydropower development in Jammu & Kashmir.

The Indus Waters Treaty: A Structural Inflection for J&K Hydropower

- The Union Territory of J&K has an estimated hydropower potential of approximately 18,000 MW, of which only about 3,000–3,500 MW has been developed so far. Of the 18,000 MW total, approximately 14,867 MW has been identified, comprising 11,283 MW in the Chenab basin, 3,084 MW in the Jhelum basin, and 500 MW in the Ravi basin. The Chief Minister further stated that with planned additions, total generation is expected to rise to nearly 7,000 MW, and detailed project reports for harnessing the remaining 11,000 MW would be prepared in coordination with the Central Government over the next 10 years or so.

Patel Engineering's current order book includes ~₹31,000 million of project value in J&K — the largest state-level concentration in the Company's portfolio — spanning three major ongoing hydropower projects: the Kiru HEP (624 MW), the Kwar HEP (540 MW), and the Parnai HEP (37.5 MW). The post-Indus Water Treaty acceleration in J&K thus directly benefits execution timelines, regulatory clearance speeds, and the forward tendering pipeline from which PEL is well-positioned to benefit.

Arunachal Pradesh: India's Hydropower Capital

Arunachal Pradesh has been formally designated the hydropower capital of India, with an estimated potential of 56,000 MW — the highest of any state in the country. The Government has declared 2025–35 the "Decade of Hydropower" for the state, with an explicit aim of harnessing this potential at scale. Patel Engineering has meaningful and growing project presence in Arunachal Pradesh, with four ongoing projects in the state. The major projects include the 240 MW HEO Hydropower Project, awarded by North Eastern Electric Power Corporation (NEEPCO) for ₹7,113 million and located in the Shi Yomi district — a project that, per NEEPCO, is expected to generate 1,000 million units of energy annually. The second project is the Dibang Multipurpose project (2,880 MW) being developed by NHPC Ltd, and the third project in the state is the Subansiri Lower HEP civil works package (2,000 MW) located on the Arunachal Pradesh–Assam border. Additionally, the Company has entered into a Memorandum of Agreement with the Government of Arunachal Pradesh for the 144 MW Gongri Hydropower Project in West Kameng district on a BOOT basis

with a 40-year concession — a measured entry into asset ownership in a state where the Company has unmatched construction experience and where the Government's designation of a Decade of Hydropower points to a multi-decade opportunity pipeline.

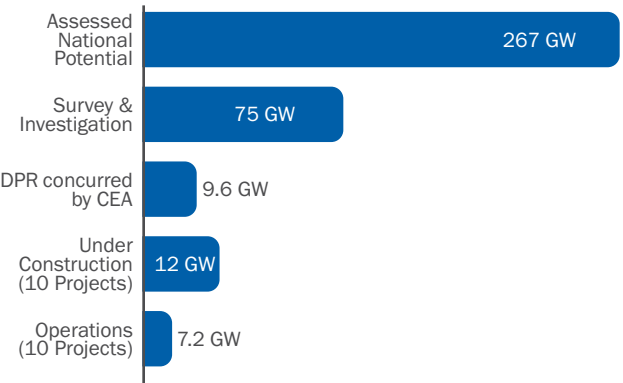
Pumped Hydropower Storage: The Defining Growth Frontier

Within the broader hydropower segment, pumped storage has emerged as the single fastest-growing sub-segment — driven by the structural necessity of providing long-duration, dispatchable storage as India's grid becomes increasingly dominated by variable solar and wind generation. India's non-fossil installed capacity crossed 50% of total installed capacity in 2025, five years ahead of schedule, creating a structural and accelerating demand for storage-based balancing infrastructure that neither batteries — suitable for 2–4 hours of storage — nor gas peakers can adequately address at the scale and duration required.

The Central Electricity Authority's January 2026 roadmap targets 100 GW of pumped storage capacity by 2035-36, requiring estimated investment of ₹5–6 trillion (approximately US\$60–72 billion). Thirty-nine projects totaling 50.67 GW have already been allocated by states for commissioning by 2032, while a further 131 projects totaling 154.9 GW are in the environmental clearance pipeline.

As of December 2025, 10 PSPs with a combined capacity of 6,195.6 MW are operational, eight with a combined capacity of 8,500 MW are under construction, five totaling 5,780 MW have been accorded CEA concurrence, and two with a combined capacity of 2,240 MW are under examination.

Pumped Storage Pipeline: Target of 100 GW by 2035-36



Source CEA "Roadmap to 110 GW of PSPs by 2035-36"(Jan 2026)

Target Investment ₹ 5.8 trillion; ~9 GW annual additions

The pumped-storage pipeline far exceeds installed capacity, against a 100 GW target by 2035–36.

The strategic shift in India's PSP programme toward off-stream, closed-loop projects — which operate independently of river flows, carry shorter construction timelines of approximately four years, and face lower environmental and land acquisition complexity — is expanding the geographic spread of viable PSP sites beyond the traditional Himalayan belt into peninsular states including Andhra Pradesh, Maharashtra, Karnataka, and Gujarat. India's total assessed pumped storage potential has grown to approximately 267 GW, with off-stream closed-loop projects now representing more than three-quarters of the national potential.

Pumped storage EPC work is technically aligned with conventional hydropower construction — requiring the same underground engineering, cavern excavation, pressure shaft, and dam construction capabilities that define PEL's core competency. PEL's ongoing Kundah Pumped Storage Project (500 MW, now 83% complete) in Tamil Nadu is the Company's live reference project in this emerging sub-segment.

PEL's credentials in pumped storage construction extend well beyond Kundah. The Company has previously executed two landmark PSP projects that together constitute some of India's most technically demanding underground construction achievements. At the Srisaillam Left Bank Hydropower Project in Andhra Pradesh — a pumped storage scheme installed with six reversible pump-turbine units — PEL executed Asia's largest underground cavern at the time, measuring 236 meters by 25 meters by 53 meters, along with 9,614 meters of pressure tunnels ranging from 6 to 16 meters in diameter, a surge cavern, and a transformer cavern. At the Ghatghar Pumped Storage Scheme in Maharashtra — the first Roller Compacted Concrete (RCC) dam in Asia — PEL executed a 250 MW underground powerhouse with two reversible pump-turbine units, an 86-metre lower dam, upper and saddle dams, and a 696-metre pressure shaft, with a vertical head of over 400 meters between the upper and lower reservoirs. These executed projects demonstrate that PEL's capabilities in pumped storage EPC are not aspirational — they are proven at scale, and position the Company as one of the most credible domestic bidders for the extensive PSP pipeline that will reach tendering stage over FY27–FY32.

Competitive Dynamics and PEL's Positioning

The hydropower EPC segment is characterized by high entry barriers. Qualifying for large hydropower tenders requires demonstrable prior experience in underground powerhouses, high-head tunneling, and large dam construction — project types that take decades to accumulate and cannot be replicated quickly by generalist contractors. The pool of credible bidders for projects above ₹10,000 Mn in value is narrow, providing a structural advantage to established specialists and supporting rational pricing discipline in competitive bidding.

PEL's order book composition — with 18 hydropower projects carrying a combined backlog of ₹94,730 million majorly across J&K, Arunachal Pradesh, Himachal Pradesh, Sikkim, Bhutan and Nepal — is the direct expression of this

competitive positioning. The Company's track record across landmark national projects including the Subansiri Lower HEP (2,000 MW), Kiru HEP (624 MW), Kwar HEP (540 MW), Shongtong HEP (450 MW), and Arun-III HEP (900 MW in Nepal) provides the qualification credentials that are prerequisite to bidding on the next generation of large-scale hydropower work. As the Government of India's pipeline from survey and investigation into tendering and award accelerates through FY27 and FY28, Patel Engineering is among the most qualified and best-positioned domestic contractors to capture a meaningful share of what will be one of the largest EPC opportunities sets in Indian infrastructure history.

PART II

Irrigation & Water Infrastructure

Sector Context: Water Security as a National Imperative

India's irrigation and water infrastructure sector occupies a foundational position in the country's development agenda, sitting at the intersection of agricultural productivity, rural livelihoods, drinking water security, and climate resilience. Unlike hydropower, where the investment case is driven primarily by energy transition economics, irrigation infrastructure investment is driven by a more fundamental imperative: nearly half of India's net sown area remains dependent on rainfall rather than assured irrigation, leaving farm incomes and food security exposed to monsoon variability. Closing this gap has been a sustained, multi-decade policy priority, executed primarily through the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) and a series of large state-level canal, lift irrigation, and dam projects of the kind in which Patel Engineering has built a seven-decade track record.

PMKSY and the Modernization Agenda

The Union Budget allocated ₹65,870 Mn to PMKSY in 2026-27, reinforcing the Government's commitment to enhancing irrigation facilities and improving water-use efficiency across India's agriculture sector. Beyond headline allocations, the programme's emphasis has shifted meaningfully in recent years from pure asset creation toward modernization and efficiency. In April 2025, the Union Cabinet approved the Modernization of Command Area Development and Water Management (M-CADWM) aimed at delivering water from existing canals and other sources directly to farm gates through underground pressurized piped irrigation, supported by SCADA and Internet of Things-based water accounting systems. Based on learnings from these pilot projects, a comprehensive National Plan for Command Area Development and Water Management is scheduled to launch from April 2026, covering the 16th Finance Commission period.

The Union Budget 2026–27 reflects a maturing of the PMKSY agenda. As the India Water Portal's budget analysis notes, irrigation policy in the 2026–27 budget is shaped less by entirely new canal projects and more by the link between energy, water, and agriculture, with large and medium irrigation projects continuing under existing commitments

mainly through PMKSY. This represents an important nuance for EPC contractors in the segment: the pipeline of large greenfield canal and dam projects is moderating somewhat in favor of completing and modernizing the substantial base of projects already underway — a dynamic visible directly in PEL's own order book, where several large legacy irrigation projects are now in their final stages of completion.

River Interlinking: A Multi-Decade Construction Opportunity

Among the most consequential long-term developments in India's water infrastructure landscape is the renewed momentum behind the National Perspective Plan (NPP) for the Interlinking of Rivers (ILR) — a programme to transfer water from surplus river basins to water-deficient regions, and one that represents what is likely the single largest civil construction opportunity in Indian water infrastructure history once it moves to scale.

A total of 30 ILR projects have been identified under the NPP, comprising 14 link projects under the Himalayan Component and 16 under the Peninsular Component. As of July 2025, Pre-Feasibility Reports had been completed for all 30 projects, Feasibility Reports for 26 projects, and Detailed Project Reports for 11 link projects. The programme, in aggregate, aims to transfer water from surplus to deficit regions, with the potential to irrigate up to 30 million hectares and generate 20,000–25,000 MW of additional hydropower capacity — a scale of ambition that, if realized even partially, would generate sustained EPC demand across dam construction, tunneling, and canal works for decades.

The Ken-Betwa Link Project (KBLP) is the first and furthest-advanced project under the NPP, and offers a useful template for how subsequent links are likely to be executed. The project, approved at an estimated cost of ₹4,46,050 Mn with ₹3,93,170 Mn of central support through the Ken-Betwa Link Project Authority, is scheduled for completion by 2030. Its main component, the Daudhan Dam, has already been awarded for construction, and the project envisages irrigation for 0.63 Mn hectares annually, drinking water supply for 6.2 Mn people, and 100 MW of hydropower generation alongside 27 MW of solar capacity. Out of the budgetary provision of ₹44,694 Mn allocated for KBLP, actual expenditure over the preceding three financial years has reached ₹39,698 Mn, reflecting steady, if measured, progress on execution.

Beyond Ken-Betwa, several other priority links are progressing through pre-construction stages, including the Godavari–Krishna, Krishna–Pennar, and Pennar–Cauvery links in the Peninsular Component, and the Modified Parbati–Kalisindh–Chambal link integrated with the Eastern Rajasthan Canal Project. While inter-state water-sharing consensus and environmental clearances remain the principal bottlenecks to faster execution — a recurring theme across nearly all 30 identified links — the steady progression of DPRs and the precedent being established at Ken-Betwa suggest that the 2027–2032 period is likely to see additional river-linking projects move from planning into active construction. For

a specialist contractor such as Patel Engineering, with demonstrated capability across large dams, long-distance tunneling, and canal construction — the precise mix of works that river-linking projects demand — this programme represents a structural, multi-decade pipeline opportunity.

Jal Jeevan Mission (JJM): Transforming Rural Water Infrastructure

Among India's most transformative infrastructure programmes, the Jal Jeevan Mission (JJM) has fundamentally reshaped rural drinking water infrastructure by shifting the focus from community-based water sources to universal household tap water connectivity.

Launched in August 2019 under the Ministry of Jal Shakti, the Mission seeks to provide every rural household with a Functional Household Tap Connection (FHTC) delivering 55 litres per capita per day (LPCD) of potable water conforming to national drinking water quality standards. Beyond infrastructure creation, the Mission also emphasizes long-term sustainability through source strengthening, groundwater recharge, rainwater harvesting, greywater management, community participation and water quality surveillance.

The programme has delivered one of the fastest expansions of rural water infrastructure globally. At its launch in August 2019, only 32.3 Mn rural households (approximately 16.7%) had access to functional tap water connections. By March 2026, more than 158.2 Mn rural households, representing over 81.7% of all rural households in India, had been provided with tap water connections, reflecting an increase of nearly 126 Mn additional households within six years.

The scale of implementation has been equally significant at the village level. As of the latest official updates, over 0.25 Mn villages and 189 districts have achieved "Har Ghar Jal" status, indicating that every rural household within these administrative units has access to a functional household tap connection following prescribed verification procedures.

Recognizing the substantial progress achieved and the need to complete remaining works while ensuring long-term service sustainability, the Government has extended the Mission through 2028 under a restructured implementation framework. The extension places greater emphasis on operational sustainability, source augmentation, village-level operation and maintenance systems, water quality monitoring and asset lifecycle management in addition to creating new infrastructure.

From an infrastructure perspective, the Jal Jeevan Mission represents far more than a household water connection programme. It has created one of the country's largest rural engineering initiatives, involving the construction of intake wells, water treatment plants, clear water reservoirs, elevated service reservoirs, pumping stations, transmission mains, distribution pipelines, village storage facilities, pumping machinery, electrical infrastructure, automation systems and extensive underground pipeline networks. The programme

has also accelerated the adoption of smart monitoring systems, SCADA-based control mechanisms, GIS mapping and digital asset management to improve operational efficiency and service reliability.

For engineering and EPC companies, the Mission has generated a substantial pipeline of opportunities spanning design, procurement, construction, commissioning and long-term operation of rural water supply infrastructure. Increasingly, projects are evolving from standalone village schemes towards integrated regional and multi-village water supply systems capable of serving larger populations with enhanced operational efficiency.

Beyond infrastructure development, the Mission is expected to generate significant socio-economic benefits. Improved access to safe drinking water contributes to better public health outcomes, reduces the incidence of water-borne diseases, lowers healthcare expenditure and significantly decreases the time spent—particularly by women and children—in collecting water from distant sources. The availability of reliable household water supply is also expected to enhance educational outcomes, improve workforce productivity and strengthen rural livelihoods, thereby contributing to inclusive economic development.

Looking ahead, India's continued emphasis on drinking water security, coupled with increasing investments in integrated water resource management, urban water supply, wastewater treatment and climate-resilient infrastructure, is expected to sustain long-term demand for specialized water infrastructure projects. For companies with demonstrated expertise in complex hydraulic structures, dams, tunnels, pumping systems and integrated water supply schemes, these structural trends present a significant and enduring growth opportunity.

The Sleemanabad Carrier Canal: A Defining Engineering Legacy

No project better illustrates Patel Engineering's depth of capability in complex water infrastructure than the Sleemanabad Carrier Canal — a project the Company has now been associated for a while is finally nearing completion.

The Sleemanabad Carrier Canal forms part of the Bargi Diversion Project for the Narmada Valley Development Authority, designed to transfer water from the Bargi Dam on the Narmada River across a 197 km trans-valley canal to the drought-prone districts of Jabalpur, Katni, Panna, Satna, Maihar and Rewa in Madhya Pradesh, ultimately irrigating over 2,45,000 hectares of land. The scheme will also supply 284 million litres of domestic and industrial water per day to the city of Jabalpur and the town of Katni. At the heart of the project lies a 12 km tunnel — breakthrough of which has already been achieved, and now stands as the country's first water tunnel of this length and diameter — being constructed by a Patel Engineering-led consortium.

The technical difficulty of this tunnel can scarcely be overstated, and is itself an instructive case study of PEL's engineering depth. The geology along the tunnel alignment

changes frequently, comprising compact residual soils, silts, alluvium, highly weathered limestone and dolomite, with stretches of slate, massive crystalline limestone, and fresh marble — with rock strength reaching unconfined compressive strength values as high as 180 MPa. A highly permeable boulder horizon acts as a conduit for groundwater located just 2–3 meters above the tunnel crown for the initial 2.7 km of the alignment, with the water table remaining above the tunnel for the entire length of the drive. Initial project execution featured the deployment of a 10-metre diameter Hybrid EPB Tunnel Boring Machine, from the down-stream end. When the project subsequently encountered highly complex geological and hydrogeological conditions, a second similar TBM was brought in to overcome the challenges, deployed from the up-stream end. Working in tandem, both machines possess the capability to operate as a hard rock Single Shield TBM or a pressurised soft-ground EPB machine, adapting dynamically to changing ground conditions in real time.

The project's difficulty translated directly into an arduous construction timeline and the project has come on the verge of completion by deploying 2 TBMs from both downstream and upstream and multiple changes in strategy with cut and cover procedures as well— a sobering illustration of how mixed-face geology, with frequent transitions between soft and hard material, can defeat conventional tunneling assumptions and demands continuous engineering adaptation.

This long and difficult history makes the project's current status all the more significant. The Sleemanabad Irrigation Project is now 95% complete, with the connection of downstream tunnel and canal sections using the cut-and-cover technique (spanning 750 meters) completed, and 12 km tunnel alignment finished. The project stands on the threshold of delivering, after long sustained effort through extraordinarily difficult ground conditions, water security to a region of Madhya Pradesh that has waited for it across multiple election cycles. For Patel Engineering, Sleemanabad is more than a single project nearing completion — it is a living demonstration of the Company's ability to sustain technical commitment and engineering ingenuity through some of the most geologically hostile tunneling conditions encountered anywhere in Indian infrastructure, and it directly underpins the credibility the Company brings to bidding on the next generation of large-diameter water transfer tunnels that programmes like river interlinking will require.

PEL's Irrigation Order Book and Positioning

Patel Engineering's irrigation and water infrastructure order book stood at ₹24,485 million across 21 ongoing projects as of March 31, 2026, with revenue from the segment at ₹11,387 million in FY26. The segment's portfolio mix — 64.4% executed and 35.6% unexecuted — reflects a base of mature projects, including Sleemanabad, now moving toward completion, alongside newer wins such as the Nira Deoghar Right Bank Main Canal in Maharashtra (awarded in FY26) and the Tasgaon Lift Irrigation project for the Krishna Valley

Development Corporation. The Company's demonstrated capability across canal construction, lift irrigation, large-diameter tunneling, and mass-scale earthwork — validated over decades at projects including Sleemanabad, the Jigaon Lift Irrigation Scheme, and the Rihand Micro Irrigation Project — positions it credibly to participate in both the continuing PMKSY-driven project pipeline and, over the coming decade, the river interlinking programme as individual links progress from planning into construction.

PART III

Tunneling Infrastructure: Enabling India's Next Phase of Development

Sector Overview: From Specialized Domain to Mainstream Infrastructure

What was once a specialized engineering domain limited largely to hydropower headrace tunnels and select mountain road projects has, over the past decade, become a mainstream infrastructure solution at the heart of India's expansion. Underground construction now serves as a critical enabler across five end-markets simultaneously — hydropower, urban water supply, metro rail, high-speed rail, and strategic road and railway connectivity — creating a breadth and depth of demand with no precedent in India's construction history.

As of mid-2025, India's tunneling pipeline across projects at planning and bidding stages exceeded 1,840 km spanning more than 1,350 projects. Hydropower leads with approximately 790 km or roughly 40% of the total, metro and rail represent approximately 30%, roads approximately 20%, and water supply and sewerage approximately 10%. More than 100 km of tunnels were completed across sectors in the twelve months between June 2024 and May 2025 alone. India currently has over 480 km of operational road tunnels, 300 km of metro tunnels, and 2,300 km of completed hydro tunnels — with over 85 Tunnel Boring Machines active simultaneously.

The tunneling segment features entry barriers that are among the highest in Indian infrastructure construction. Qualifying for large tunneling contracts requires demonstrable prior experience across multiple tunneling methods — Drill-and-Blast NATM, hard rock single-shield TBM, soft-ground Earth Pressure Balance TBM, and hybrid mixed-face machines — in addition to proven capability across complex ground conditions including high water pressure, mixed geological profiles, fault zones, and squeezing rock. These qualifications take decades to accumulate, translate directly into rational pricing discipline and stronger margins relative to surface civil works, and mean that the pool of credible domestic bidders for large-diameter tunneling contracts above ₹5,000 Mn is narrow.

PEL's Tunneling Track Record: Depth Across Methods and Environments

Patel Engineering has accumulated over 300 km of completed tunnel construction across its project history — a

body of experience spanning every major tunneling method, a wide range of geologies, and some of the most operationally demanding environments in which tunneling has ever been attempted in India.

In the drill-and-blast NATM domain, PEL's executed portfolio spans both Himalayan and peninsular geologies. In the Himalayas, the Company's track record includes underground powerhouses and headrace tunnels at the Subansiri Lower HEP in Arunachal Pradesh and Rampur HEP in Himachal Pradesh — the latter featuring one of Asia's largest surge shaft with a 38 meters diameter. In the peninsular domain, the Srisaillam Left Bank Hydropower Project in Telangana — a landmark pumped storage project on the Krishna River — stands as one of PEL's most technically distinguished executed works. The Company constructed one of Asia's largest man-made underground powerhouse cavern at Srisaillam, measuring 236 meters in length, 25 meters in width, and 53 meters in height, along with 9,614 meters of pressure tunnels ranging from 6 to 16 meters in diameter, a surge cavern, and a transformer cavern — an underground complex of exceptional scale and engineering ambition.

In strategic railway tunneling, PEL has delivered two projects of historic significance. On the Udhampur–Srinagar–Baramulla Rail Link (USBRL) — declared a National Project in 2002 and one of the most challenging railway construction endeavors ever undertaken in the subcontinent, given the unpredictable geology of the young Himalayas — PEL executed two critical packages: Tunnel T-2 on the Udhampur–Katra section, where the Company set a national record of 775 meters of arch lining in a single month, and Tunnel T-15 and Part Tunnel T-14 on the Katra–Banihal section, involving a 14.3 km main tunnel and a parallel 14.3 km escape tunnel. The USBRL, now fully operational as of June 2025, has reduced travel time between Jammu and Srinagar from seven hours to three and carries major geostrategic significance for the Indian armed forces' logistics along the Line of Control.

On the Sivok–Rangpo Railway Project — the 44.96 km broad-gauge line that will bring rail connectivity to Sikkim for the first time, running through the foothills of the Kanchenjunga range along the Teesta river valley — PEL is executing works for Tunnel T-7, a 3,082-meters main tunnel. Within this tunnel lies a milestone of national significance: the Teesta Bazar underground railway station — India's first underground station on the broad-gauge rail network — featuring a 650-meters cavern with a single platform, six cross-passages, 800 meters of adit, and integrated ventilation systems.

In urban soft-ground and mixed-face TBM tunneling, PEL's benchmarks include the national record of 812 meters of TBM tunneling in a single month at the CIDCO Treated Water Tunnel in January 2026, with the TBM breakthrough achieved three months ahead of schedule. The PGRW Tunnel has seen breakthroughs across both NATM and TBM sections totaling approximately 3.2 km.

Order Book and Positioning

As of March 31, 2026, PEL's Tunneling & Underground

Engineering order book stood at ₹7,202 million across 4 ongoing projects, with FY26 segment revenue of ₹8,384 million — the strongest year in the four-year period since FY23, and a sharp recovery from the FY25 revenue of ₹5,351 million. This order book deliberately understates PEL's practical tunneling capacity: it captures only contracts where tunneling is the primary scope, without reflecting the significant underground engineering content — headrace tunnels, pressure shafts, underground powerhouses, surge chambers — embedded within hydropower contracts, and the large-diameter water transfer tunnels within urban infrastructure projects. As the national tunneling pipeline of 1,840 km at planning and bidding stages advances toward construction and competitive tendering — across metro, RRTS, high-speed rail, hydropower, and urban water programmes — PEL's proven, multi-method, multi-environment tunneling expertise positions it as one of the most credible and technically qualified contractors to capture a meaningful share of this expanding opportunity.

Sizing the Opportunity

The metro, RRTS, and high-speed rail pipeline translates into a substantial underground construction opportunity. India's metro network has grown to cover 26 cities and cross 1,000 km of route length — the third largest in the world — with 38 metro rail projects sanctioned covering 1,051 km at an estimated cost of ₹3.44 trillion. A meaningful and growing share of this expansion is now underground, driven by urban density constraints in city cores. The Regional Rapid Transit System programme, with ₹80,000 Mn allocated in the Union Budget 2026–27 to expand the Delhi–Meerut model and fund feasibility studies for new corridors, adds a further category of tunneling-intensive opportunity, particularly at interchange stations and city-center alignments where elevated viaducts are not feasible.

Most significant in scale, however, is the High-Speed Rail programme. On the Mumbai–Ahmedabad corridor, the single most technically demanding segment is a 21-kilometre tunnel between Bandra-Kurla Complex and Shilphata, including India's first undersea rail tunnel beneath Thane Creek, with geology descending 25 to 65 meters below ground and combining soft soil, basalt, and high-water pressure within a single alignment. With the Union Budget 2026–27 announcing seven new High-Speed Rail corridors — spanning Mumbai–Pune, Hyderabad–Bengaluru, Chennai–Bengaluru, Delhi–Varanasi, and Varanasi–Siliguri — the cumulative tunneling content embedded across these corridors as they progress from planning into construction represents a substantial opportunity set over FY28–FY35, as competitive tendering for underground packages begins.

Technological Advancements Transforming Tunnel Construction

Rapid technological advancements are reshaping tunnel engineering globally. Mechanized excavation methods, Tunnel Boring Machines (TBMs), New Austrian Tunneling Method (NATM), drill-and-blast techniques, digital geological mapping,

Building Information Modelling (BIM), laser scanning, drone-based monitoring and artificial intelligence are significantly improving construction efficiency, safety and quality.

Real-time geotechnical instrumentation, remote monitoring systems, digital twins and predictive analytics are enabling proactive risk management and more effective decision-making throughout project execution.

The increasing adoption of these technologies is helping optimize excavation rates, improve worker safety, reduce construction timelines and enhance lifecycle performance of underground assets.

PART IV

Roads & Urban Infrastructure: Building for Inclusive, Sustainable Growth

India's roads and urban infrastructure sectors continue to serve as the backbone of the country's economic transformation, enabling improved connectivity, enhanced productivity, regional integration and sustainable urban development. As one of the world's fastest urbanizing economies, India is witnessing unprecedented investments in highways, expressways, urban mobility, smart cities, water supply, sewerage, stormwater drainage and integrated urban infrastructure. These investments are not only strengthening the country's logistics ecosystem but are also improving the quality of life for millions of citizens while supporting long-term economic competitiveness.

The Government of India's continued emphasis on infrastructure-led growth has positioned roads and urban development among the largest recipients of public capital expenditure. Supported by flagship programmes such as Bharatmala Pariyojana, PM Gati Shakti National Master Plan, Smart Cities Mission, AMRUT (Atal Mission for Rejuvenation and Urban Transformation), metro rail expansion and various state-level urban infrastructure initiatives, India is creating a modern, integrated and resilient infrastructure network capable of supporting future economic growth.

Road Infrastructure: Enhancing National Connectivity

India possesses one of the world's largest road networks, spanning over 6.7 million kilometers, carrying nearly 64% of freight traffic and approximately 90% of passenger traffic across the country. Roads continue to remain the primary mode of transportation, facilitating movement of goods, improving market accessibility, strengthening supply chains and supporting regional economic integration.

Recognizing the strategic importance of road connectivity, the Government has significantly increased investments in the development of national highways, economic corridors, greenfield expressways, border roads, coastal roads and multi-modal logistics corridors. The expansion of high-speed corridors is improving travel efficiency, reducing logistics costs and enhancing connectivity between manufacturing centers, ports, airports and industrial clusters.

The Bharatmala Pariyojana programme remains one of

India's largest highway development initiatives, focusing on the creation of economic corridors, feeder routes, border connectivity roads, coastal roads and port connectivity infrastructure. The programme aims to optimize freight movement, reduce logistics costs and improve last-mile connectivity, thereby supporting industrial growth and enhancing India's global competitiveness.

Complementing these initiatives is the PM Gati Shakti National Master Plan, which integrates planning across multiple infrastructure ministries through a GIS-enabled digital platform. By enabling coordinated planning of roads, railways, ports, airports, logistics parks and industrial corridors, the programme seeks to eliminate infrastructure bottlenecks, improve project execution and maximize the economic impact of public investments.

Simultaneously, state governments continue to invest substantially in rural roads, district roads, urban road widening, flyovers, grade separators, ring roads and bridge infrastructure. These investments are improving accessibility, reducing travel time and facilitating balanced regional development.

The road construction ecosystem is also undergoing rapid technological transformation. Digital surveying, Building Information Modelling (BIM), drone-based monitoring, intelligent construction equipment, automated quality control systems and advanced pavement technologies are increasingly being deployed to improve construction efficiency, optimize project management and enhance lifecycle performance of road assets.

Urban Water Infrastructure: A Deepening and Widening Opportunity

Urban water infrastructure is emerging as one of the most significant and sustained growth drivers in India's construction sector. India's per capita water availability has declined from approximately 1,800 cubic meters in 2001 to nearly 1,400 cubic meters in 2025, and is projected to decline further to 1,200 cubic meters by 2050. At the same time, rapid urbanization is concentrating water demand in cities that are already managing ageing distribution networks and widening demand-supply gaps. Non-revenue water — the proportion of water lost to leakage, theft, and metering inefficiencies — is estimated at 35–40% in many Indian cities, compounding the supply challenge.

The response is a multi-front investment programme spanning new source development, raw water conveyance, treatment capacity, and distribution network modernization. AMRUT 2.0, with a comprehensive outlay of ₹2.99 trillion over its five-year programme period through FY26, has approved as of August 2025 a total of 586 sewerage projects with 6,964 million liters per day of sewage treatment capacity and 3,571 water supply projects. The programme is complemented by the Jal Jeevan Mission's extension to 2028 and a quadrupled budget allocation in FY27 against FY26's revised estimates — placing emphasis on functionality,

source sustainability, and quality of supply rather than merely connection count.

Critically for PEL, the most capital-intensive and technically demanding component of urban water infrastructure is the large-diameter raw water and treated water tunnel — the underground conveyance system that carries water from source to treatment plant, or from treatment plant to city distribution networks, across urban and peri-urban geographies where surface alignment is infeasible. CIDCO's water supply programme for Navi Mumbai — with projected demand of 1,257 million liters per day by 2050 — illustrates the scale and continuity of this opportunity. Beyond the CIDCO Treated Water Tunnel (TWT-II) where PEL has set a national benchmark in execution, CIDCO has simultaneously launched other packages indicating that the agency's water infrastructure investment programme will generate multiple successive tunneling packages over the next four to five years. The Kondhane Dam itself, which will ultimately supply 350 MLD to Navi Mumbai, has been awarded to our Company for civil construction (₹13,189 million, awarded in FY26) — making our Company a participant at multiple nodes of the same integrated water supply system, a position that demonstrates the value of deep client relationships and established technical credentials.

Water supply and wastewater management remain integral components of urban infrastructure development. Rising urban populations and increasing industrial activity are driving investments in water treatment plants, transmission pipelines, underground reservoirs, pumping stations, sewerage systems, wastewater recycling facilities and stormwater drainage networks. These projects are critical for ensuring reliable water supply, improving sanitation and enhancing climate resilience.

Climate-Resilient and Sustainable Urban Development

Sustainability has become a defining principle of India's urban infrastructure strategy. Cities are increasingly integrating green infrastructure, renewable energy, water conservation, flood management and climate adaptation measures into urban planning frameworks. Investments in permeable pavements, rainwater harvesting, green buildings, urban forests and energy-efficient public infrastructure are helping improve environmental performance while enhancing resilience against climate-related risks.

The increasing frequency of extreme weather events has also accelerated investments in flood mitigation, drainage modernization, riverfront development and resilient urban utilities. Infrastructure planning is progressively incorporating climate risk assessments to ensure long-term sustainability and operational reliability.

Opportunities for Engineering and Infrastructure Companies

India's sustained focus on roads and urban infrastructure presents significant long-term opportunities for engineering and construction companies. The scale of planned

investments across highways, bridges, tunnels, elevated corridors, metro systems, water supply, sewerage, drainage, riverfront development and urban utilities is expected to generate a robust pipeline of EPC projects over the coming decade.

Increasing project complexity, coupled with higher quality standards and greater emphasis on timely execution, is driving demand for contractors with proven engineering capabilities, advanced mechanization, integrated project management expertise and strong execution track records.

Furthermore, the convergence of transportation infrastructure with urban development, digital technologies and sustainability objectives is expanding opportunities for companies capable of delivering multidisciplinary infrastructure solutions.

Outlook

India's roads and urban infrastructure sectors are expected to remain among the principal drivers of the country's infrastructure investment cycle. Continued policy support, increasing public capital expenditure, expanding private sector participation and long-term urbanization trends provide a favorable outlook for sustained infrastructure development.

As India progresses towards becoming a developed economy, investments in integrated transportation networks, modern urban utilities, climate-resilient infrastructure and smart city solutions will continue to play a pivotal role in enhancing productivity, improving quality of life and supporting inclusive economic growth. For engineering companies with expertise in complex civil construction, underground infrastructure, bridges, tunnels, water systems and integrated EPC execution, the evolving infrastructure landscape presents substantial opportunities to participate in the country's next phase of development.

Roads: A Smaller Footprint for PEL, Anchored in Tunneling-Enabled Connectivity

Roads is not expected to be a primary growth driver for Patel Engineering going forward, reflected in the segment's modest 1.42% share of the Company's current order book. Where PEL has historically engaged with the roads sector, it has done so not as a generalist highway EPC contractor competing on flat, low-complexity terrain, but at the specific intersection of roads and tunneling — in projects where conventional highway construction is not feasible due to extreme terrain, altitude, or strategic considerations, and where the Company's underground engineering capability becomes the differentiating factor.

The defining example of this positioning is the Sela Tunnel Project in Arunachal Pradesh. Sela Tunnel is a road tunnel on NH-13 at 13,000 ft. altitude that ensures all-weather connectivity between Guwahati in Assam and Tawang in Arunachal Pradesh, and stands as the longest bi-lane tunnel in the world at 13,000 feet, situated 400 meters below

the Sela Pass. Constructed under Project VARTAK by the Border Roads Organisation, the project was executed by Patel Engineering and comprises main tunnel T1 spanning 1,003.34 meters, main tunnel T2 spanning 1,594.38 meters, an escape tunnel of 1,584.38 meters, and approximately 8.7 km of connecting road.

The execution conditions were extraordinarily demanding. Weather in the region was severe enough that temperatures plummeted to as low as -20° C, causing diesel to freeze, while heavy snowfall and landslides on the Balipara-Chariduar-Tawang Road posed additional challenges throughout construction.

The strategic significance of the completed project extends well beyond its engineering achievement. The tunnel bolsters all-weather connectivity and enables swift troop movement along the Line of Actual Control with China, while also ending the historic isolation of local communities in Arunachal Pradesh during winter months, when the region was previously cut off from the rest of India. The completed tunnel reduces travel time by one hour and travel distance by at least 10 km between Bomdila and Tawang, while bypassing the treacherous hairpin bends and high-altitude conditions of the original Sela Pass route. Inaugurated by the Prime Minister in March 2024, Sela stands as a powerful reference project for PEL's capability to execute nationally significant, technically extreme infrastructure in India's most strategically sensitive border regions — capability that remains directly relevant as India's Himalayan frontier infrastructure programme continues in the years ahead.

PEL's Transportation & Urban Infrastructure Order Book and Positioning

The Transportation, Urban Infrastructure & Others segment carried an order book of ₹24,776 million across 10 ongoing projects as of March 31, 2026, with FY26 segment revenue of ₹3,111 million. The revenue figure — lower than the segment's FY23–FY25 trajectory of ₹5,486 million, ₹6,372 million, and ₹7,739 million respectively — reflects the completion of several legacy road and transportation projects and the early-stage ramp-up of newly awarded urban infrastructure work rather than any structural weakening. Notably, the Kondhane Dam project (₹13,189 million) — an urban water supply project of significant scale and complexity — was awarded in FY26 and will be a primary driver of segment revenue growth in FY27 and FY28. The segment's project portfolio shows 57.6% unexecuted backlog, indicating a healthy forward revenue runway.

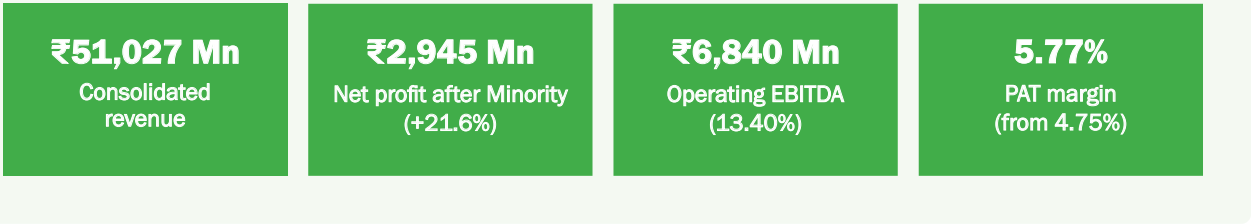
The PEL urban infrastructure portfolio today is anchored at the intersection of water infrastructure and tunneling — precisely the segment of urban construction that is technically most demanding, most competitively defensible, and most aligned with the Government's investment priorities as AMRUT 2.0 reaches its final phase and a new urban infrastructure programme takes shape. As the urban water

tunnel model pioneered at CIDCO's TWT-II expands to other cities — Mumbai, Pune, Hyderabad, Bengaluru, and Chennai all have identified large-diameter water tunnel requirements in their 20-year water master plans — PEL's national-record execution credentials at CIDCO position the Company as

the benchmark contractor for the next generation of urban water tunnels, a market that does not yet fully appear in the Company's current order book but will become a meaningful source of order inflows through FY27 and beyond.

The Company’s Financial Performance Review — FY26

FY2025–26 was a year defined not by headline revenue growth, but by the quality of earnings and the strength of the balance sheet. Following a landmark FY25 in which the Company surpassed the ₹50,000 million revenue milestone for the first time in its history, FY26 consolidated the gains of that breakthrough year: revenue was sustained at record levels, profitability improved materially, finance costs continued their multi-year decline, and the Company closed the year a structurally stronger and more financially resilient enterprise than at any point in the preceding decade.



Revenue from Operations

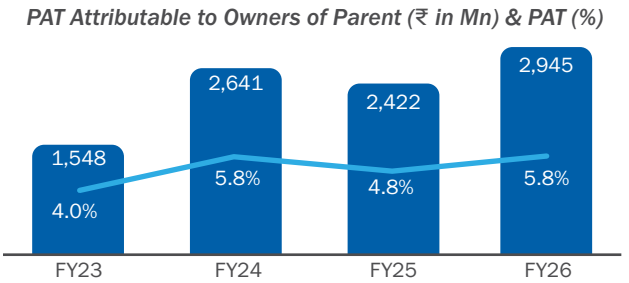
Having crossed the ₹50,000 million threshold for the first time in FY25, the Company held its revenue at that record level through FY26 despite a demanding execution environment. On a consolidated basis, revenue from operations stood at ₹51,027.42 million in FY26, marginally higher than ₹50,933.59 million in FY25. On a standalone basis, revenue from operations was approximately ₹50,666 million, compared with ₹50,076 million in FY25.

The broadly flat topline is best understood as a function of order-book phasing rather than any weakening of underlying activity. Several large projects awarded during FY26 — most notably the Kondhane Dam project (₹13,189 million) and the 240 MW HEO Hydropower Project (₹7,113 million) — are in their early mobilisation and ramp-up stages and will contribute meaningfully to revenue only from FY27 onwards. At the same time, several mature, high-revenue legacy projects, including the Sleemanabad Irrigation Project (now 95% complete) and the Subansiri Lower civil works package (99% complete), moved into their final stages of execution during the year. The combination of maturing legacy revenue and early-stage new awards produced a natural, temporary plateau in reported revenue — one that the Company's book-to-bill ratio of 2.96x indicates is set to give way to renewed growth as the newer projects scale.

Operating EBITDA

On a consolidated basis, Operating EBITDA for FY26 was ₹6,840.3 million, at a margin of 13.40%. The full-year margin reflects the mix of projects executed during the year and the earlier-stage nature of several newly mobilized sites, where

margins typically build as execution intensity rises. The trajectory through the year was firmly positive, demonstrating the underlying operational efficiency of the business as project execution gathered pace toward the close of the year. We believe we would continue achieving a blended EBITDA margin in the 13–14% range, consistent with the Company's disciplined, margin-led approach to bidding on complex, high-entry-barrier work.



Profit Before Tax and Finance Costs

The most significant driver of FY26's improved profitability was the sustained reduction in finance costs, the direct outcome of a multi-year deleveraging programme underway since FY22. Consolidated finance costs declined by approximately 8.1% to ₹2,964 million during the year, easing the burden on the Company's bottom line and translating operational performance more fully into profit. This reduction reflects both the lower absolute quantum of debt outstanding and the improved cost of borrowing that has accompanied the Company's steadily rising credit rating. With gross debt reduced to ₹11,870 million at year-end and the credit rating

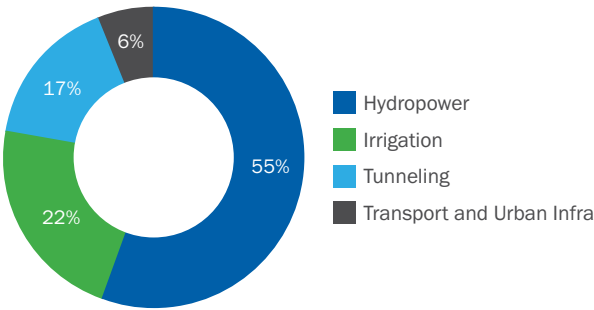
upgraded to ‘A’ post year-end, the finance-cost tailwind is expected to persist into FY27, providing continued support to pre-tax profitability.

Net Profit

On a consolidated basis, profit after tax attributable to the owners of the parent grew by 21.6% to ₹2,945 million, up from ₹2,421.74 million in FY25. The net profit margin improved by approximately 102 basis points to 5.77%, from 4.75% in the prior year.

Segment-Wise Revenue Composition

Consistent with the Company’s strategic positioning as a specialist in high-complexity, high-entry-barrier segments, FY26 revenue remained anchored by the hydropower business. On the basis of segment revenue reported through the year, hydropower remained the dominant contributor at approximately 55% of revenue, followed by irrigation at approximately 22%, tunneling at approximately 17%, and roads and urban infrastructure and others at approximately 6% combined.



The revenue mix reinforces the deliberate portfolio shift the Company has pursued in recent years — toward technology-intensive segments where the pool of credible bidders is narrow, pricing discipline is stronger, and the Company’s seven-decade track record confers a durable competitive advantage. The order-book composition at year-end, weighted still more heavily toward hydropower at 62.7%, indicates that this segment mix will persist and, if anything, deepen over the coming execution cycle as the large hydropower and pumped-storage awards in the pipeline convert into revenue.

Financial Strategies Implemented By The Company In FY26

FY26 marked another year of deliberate and disciplined balance-sheet strengthening. Building on the transformational financial actions of FY25 — which included a QIP, large-scale arbitration settlements, and the first breach of the ₹50,000 million revenue mark — the Company in FY26 sustained its multi-pronged strategy of deleveraging, capital raising, and non-core asset monetization. The cumulative effect was a materially stronger capital structure, a lower cost of capital, and a further upgrade in the Company’s credit rating.

Asset Monetization via Sale of Non-Core Assets

The Company continued its programme of monetizing non-core assets to release capital and strengthen liquidity. During FY26, approximately ₹1,850 million was generated through the monetization of non-core assets, the proceeds from which are being deployed toward debt reduction and to support execution across the Company’s active project portfolio, consistent with the strategy pursued in prior years.

Raising of Funds via Rights Issue

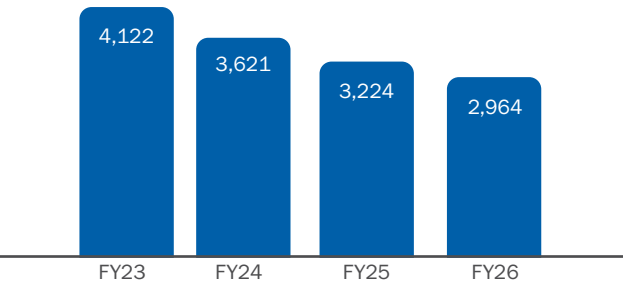
During FY26, the Company raised approximately ₹4,000 million (₹3,989.68 million) through a Rights Issue, which was oversubscribed at 1.15 times — a clear reaffirmation of shareholder confidence in the Company’s trajectory and strategic direction. By directing the majority of proceeds to debt reduction, the Rights Issue directly reinforced the Company’s deleveraging objective and further improved the equity base, contributing to the sharp improvement in the debt-to-equity ratio during the year.

Continued Reduction in Debt

The Company sustained its multi-year deleveraging programme through FY26. As of March 31, 2026, consolidated gross debt stood at ₹11,870 million, down from ₹16,025 million as of March 31, 2025 — a reduction of approximately ₹4,155 million, or about 26%, within the year alone, and a decline of over 48% in the last five years from ₹22,962 million in FY21. This reduction was achieved through a combination of equity, non-core asset monetization, and surplus generated from operations.

As a direct consequence of lower debt and an expanded equity base, the debt-to-equity ratio improved markedly to 0.27x as of March 31, 2026, from 0.43x a year earlier. The Company’s deleveraging also translated into a tangible reduction in interest outflow: consolidated finance costs declined by approximately 8.1% to ₹2,964 million in FY26, from ₹3,224.18 million in FY25 — a reduction of roughly ₹260 million that flowed directly to the bottom line. The residual term debt is expected to be settled progressively over the next two to three years through a combination of continued non-core asset monetization and surplus generated from operations.

Finance Costs on a Steady Multi-Year Decline (₹ in Mn)



Credit Rating Update

The sustained improvement in the Company’s financial health received external validation during the year through a further credit-rating upgrade. Infomerics Valuation and Rating upgraded the Company’s long-term rating to ‘IVR A / Stable’ from ‘IVR A-’, and its short-term rating to ‘IVR A1’ from ‘IVR A2+’, with effect from June 2026, on the basis of the audited FY26 performance. This upgrade continues the Company’s multi-year rating journey — from ‘B+’ in FY21 to ‘A’ post-FY26 — and reflects the Company’s consistent operational execution, disciplined financial management, improved liquidity profile, and strengthened balance sheet. A higher rating is expected to further reduce the Company’s cost of borrowing, enhance access to capital markets, and provide greater financial flexibility to pursue larger infrastructure projects.

Key Financial Ratios

In compliance with the requirements of the Listing Regulations, the key financial ratios on a consolidated basis are provided below.

Ratio	FY26	FY25	Change (%)
Debtor Turnover (Times)	7.55	7.79	-3.08%
Interest Coverage Ratio (Times)	1.97	2.01	-1.99%
Current Ratio (Times)	1.45	1.36	6.62%
Debt to Equity Ratio (Times)	0.27	0.43	37.21%
Debt to Operating EBITDA (Times)	1.74	2.19	20.55%
Operating Profit Margin (%)	13.41	14.40	-6.88%
Net Profit Margin (%)	5.27	4.87	8.21%

Principal Risks at a Glance

Risk Area	Nature of Exposure	Mitigation Posture
Project Execution	Geological uncertainty, adverse weather, equipment breakdown, and unforeseen site conditions across 53 concurrent projects in challenging geographies — particularly high-altitude Himalayan and underground environments — can affect timelines, costs, and delivery quality.	75+ years of complex project experience; dedicated on-site project management teams; contractual price escalation, force majeure, and extension-of-time protections; advanced equipment investment; proactive site-level engineering adaptation validated by the 11 million safe man-hours milestone at Parnai HEP.
Order Inflow and Revenue Concentration	Dependence on government tendering cycles creates lumpiness in order inflows — evidenced by FY25’s collapse to ₹1,112 million due to the election-year freeze. Over 62% of the order book is concentrated in hydropower, a single government-funded segment susceptible to policy and clearance delays.	Order book of ₹1,51,193 million provides a 2.96x book-to-bill revenue coverage; segment diversification across four verticals; geographic spread across 14 states and 2 countries; Central Government/PSU client concentration of 61.7% by value ensures payment security; near-term bidding pipeline of ₹6,00,000+ million provides FY27 inflow visibility. FY25 was one off due to Election year and Company saw ~ ₹44,000 million order inflow in FY26.

Ratio	FY26	FY25	Change (%)
Return on Equity – ROE (%)	6.06	6.55	-7.48%
Return on Capital Employed – ROCE (%)	13.25	14.94	-11.31%

Note: Considering the nature of industry in which the Group is operating, Inventory turnover ratio is not material. The explanation for significant change along with reasons have been captured in the notes to financial statements.

Risks, Concerns & Risk Management

Patel Engineering Limited operates at the intersection of large-scale, technically complex infrastructure and a dynamic macroeconomic and regulatory environment. With over seven decades of domain expertise and a geographically diverse portfolio spanning the Himalayan frontier, peninsular India, and international markets in Nepal and Bhutan, the Company is well-versed in the risk landscape that accompanies its business. The Company recognizes that sustained, long-term value creation depends not merely on capturing opportunity, but on the disciplined anticipation, assessment, and mitigation of a broad spectrum of strategic, operational, financial, environmental, and technological risks.

The Company has instituted a comprehensive, board-overseen risk management framework that is embedded across the entire project lifecycle — from the pre-bid evaluation stage, through mobilization and execution, to project closure and defect-liability. This framework operates through clearly defined escalation protocols, structured compliance oversight, and robust internal control systems, enabling the Company to respond with agility to emerging challenges while safeguarding stakeholder interests. The principal risks identified by management, together with the corresponding mitigation strategies, are set out below.

Risk Area	Nature of Exposure	Mitigation Posture
Financial and Liquidity	Working-capital-intensive business model with multi-year project timelines creates potential for billing-collection mismatches and liquidity pressure. Adjusted net working capital stood at 106 days in FY26.	Working capital is actively managed and remains within the normal operating range of approximately 3–4 months for large infrastructure EPC projects, where the initial mobilization phase of 6–8 months typically precedes milestone-based billing and cash inflows. The Company maintains a ~95% receivables collection efficiency against revenue, reflecting disciplined execution and strong client collections. During FY26, the balance sheet strengthened significantly with gross debt reducing to ₹11,870 million, debt-to-equity improving to a five-year low of 0.27x, cash and cash equivalents of ₹3,796 million, and ~₹4,000 million of equity capital raised through the Rights Issue. The Company's A (Stable) credit rating which was recently upgraded, diversified banking relationships and adequate working capital facilities further provide financial flexibility and support liquidity requirements across the project lifecycle.
Commodity and Input Cost	Infrastructure EPC projects consume significant cement, steel, fuel, and explosives — commodities exposed to global price volatility. Under fixed-price contracts, unexpected cost increases compress margins. Heightened Middle East conflict risk adds energy price uncertainty through FY27.	Most of the Company's projects include contractual price escalation clauses, allowing fluctuations in key commodity and input costs to be passed through to clients. This, together with prudent procurement and project-specific sourcing strategies, significantly mitigates the impact of input cost inflation on profitability.
Regulatory, Environmental and Clearance	Large hydropower and tunneling projects in ecologically sensitive Himalayan and river-valley geographies require complex multi-stage statutory clearances. Mid-construction policy changes, forest rights issues, or judicial intervention can stall projects and increase costs.	Clearance risk sits primarily with Government/PSU project developers (NHPC, SJVN, CVPL, etc.) rather than PEL as EPC contractor; contractual extension-of-time and cost-variation provisions protect against clearance-driven delays; Gati Shakti framework expected to reduce clearance timelines for new projects going forward. Increasingly, projects are being awarded only after the requisite major clearances are in place, reducing execution risk compared with earlier years.
Geological and Ground	Underground and tunneling projects carry inherent risk of actual ground conditions differing from design assumptions — particularly in young Himalayan geology characterized by complex faulting, high water inflows, and squeezing rock. Sleemanabad Carrier Canal's near two-decade construction history illustrates the extreme impact of adverse geological conditions.	300+ km of completed tunnels across NATM, TBM, EPB, and hybrid mixed-face methods in Himalayan, peninsular, and urban geologies; state-of-the-art equipment including hybrid EPB machines and multi-mode TBMs; institutional knowledge base for recognizing and adapting to adverse conditions that is unmatched among domestic EPC contractors.
Competitive Intensity	The infrastructure EPC sector is characterized by competitive bidding, particularly in irrigation and other conventional civil infrastructure projects, which may exert pressure on order inflows and margins.	The Company maintains a strong competitive position in specialized segments such as hydropower and complex tunneling, where technical expertise, execution capability and qualification requirements limit the competitive landscape. While competition is relatively higher in the irrigation segment, the Company's disciplined bidding approach, established execution track record and long-standing client relationships support healthy win rates and sustainable margins. With the vast opportunity of infrastructure works in the pipeline in each segment, Company expects to meet its order inflow target with ease without major competition impact.
International Operations	Active projects in Nepal and Bhutan (₹4,002 million, 2.6% of order book) expose the Company to cross-border currency, geopolitical, regulatory, and logistical risks distinct from the domestic portfolio. Post-year-end L1 declaration on Lower Arun HEP in Nepal (₹15,931 million), once formalized, would materially increase international exposure.	Geographic and operational familiarity with Himalayan terrain adjoining Nepal and Bhutan; international contracts benchmarked to hard currencies with exchange rate adjustment mechanisms; Government-backed PSU client profiles in all current international markets; disciplined approach to international bidding maintained consistent with overall risk appetite.

Outlook

As India's infrastructure investment cycle continues to accelerate, project complexity and stakeholder expectations are expected to increase simultaneously. The Company remains committed to maintaining a proactive risk management culture supported by robust governance, technical excellence, financial discipline and operational agility.

By continuously strengthening its project management capabilities, investing in advanced technologies, enhancing safety standards, improving financial resilience and maintaining strong customer relationships, Patel Engineering is well positioned to effectively manage evolving business risks while creating sustainable long-term value for its shareholders and other stakeholders.

Asset Ownership & Strategic Investments

Beyond its core Engineering & Construction (EPC) business, the Company holds a portfolio of strategic assets and equity investments accumulated over its operating history. Consistent with its stated strategy of sharpening focus on the high-return, high-entry-barrier EPC business, the Company continues to evaluate each of these holdings on the twin criteria of strategic fit and monetization potential — retaining those that generate stable, predictable cash flows and progressively monetizing those that are non-core.

Hydropower Assets

The Company holds a limited number of hydropower development licenses, principally in Arunachal Pradesh — a state designated the “hydropower capital of India” with an estimated 56,000 MW of potential and a Government of Arunachal-declared “Decade of Hydropower” spanning 2025–35. Government policy toward hydropower development in

the state continues to evolve, and the Company is evaluating the revised policy conditions before determining the future of the licenses obtained in the past. During FY26, the Company took a measured, capital-light step into asset ownership by signing a Memorandum of Agreement with the Government of Arunachal Pradesh for the 144 MW Gongri Hydropower Project in West Kameng district, to be developed on a Build-Own-Operate-Transfer (BOOT) basis under a 40-year concession — a project valued at approximately ₹17,000 Mn with expected revenue of the order of ₹30,000 Mn per annum post-commissioning. Development activities, including statutory approvals, detailed investigations, design and pre-construction works, are expected to commence during the current financial year, marking the initial phase of project implementation.

Thermal Power Assets

Through its subsidiaries, the Company had, in an earlier phase, acquired land in Tamil Nadu for the proposed development of a thermal power plant. In line with the structural shift in India's energy market toward renewable and storage-based generation, and in view of evolving environmental considerations, the project has been placed on hold, and there are currently no active development activities associated with these assets. The Company is actively evaluating multiple options to monetize the land parcel acquired for the project, consistent with its broader programme of releasing capital from non-core holdings.

Road BOT Projects

The Company holds strategic equity interests in three road-infrastructure projects developed on Build-Operate-Transfer (BOT) annuity and toll models. These investments have historically provided stable and predictable revenue streams that complement the Company's EPC execution portfolio. Details of the three projects are set out below.

Project (SPV)	Stake	Scope & Corridor	Model / Revenue
Patel KNR Infrastructures Ltd. (PKIL)	60.00%	60.40 km, NH-7 Karnataka (KNT-1); with KNR Constructions; commenced Dec 2009	Annuity — fixed semi-annual payments from NHAI aggregating ₹658.80 Mn p.a.
Patel KNR Heavy Infrastructures Ltd. (PKHIL)	42.00%	53.02 km four-laning, Nagpur–Hyderabad NH-7 (Islam Nagar–Kadtal), Andhra Pradesh; commenced Jun 2010	Annuity — fixed annual annuity of ₹887.40 Mn from NHAI
ACP Tollways Pvt. Ltd. (ATPL)	32.00%	Toll road, Varanasi–Shakti Nagar, Uttar Pradesh; operational since Oct 2015	Toll — revenue from vehicular movement

In line with its non-core monetization strategy, the Board during FY26 approved the sale of the Company's entire 32% stake in ACP Tollways Pvt. Ltd. The two annuity-based road SPVs — PKIL and PKHIL — continue to provide the Company with stable, NHAI-backed semi-annual and annual cash flows that complement the project-linked revenues of the core EPC business.

Real Estate

The Company continues to hold a portfolio of strategically located land parcels, concentrated principally in and around major metropolitan regions including Mumbai, Hyderabad and Bengaluru. These assets were originally earmarked for residential development and continue to represent meaningful monetization potential, whether through outright sale or through strategic development partnerships. The Company's stated approach is to monetize these holdings in a phased and value-maximizing manner, releasing capital to support the core Engineering & Construction business while avoiding distressed or hurried disposals.

During FY2025-26, the Company successfully completed the sale of one of its land parcels in Chennai, realizing approximately ₹1,350 million. The proceeds from the monetization of land bank have further strengthened the Company's liquidity position, supported ongoing debt optimization efforts and enhanced financial flexibility, enabling greater capital allocation towards its growing EPC order book and core infrastructure business. In Hyderabad, the Company's residential project, Smondo Gachibowli, handover of possession to homeowners substantially concluded. Going forward, the Company will continue to evaluate monetization opportunities across its land bank, while maintaining its strategic focus on the core EPC business.

Corporate Social Responsibility

During the financial year, the Company remained committed to its Corporate Social Responsibility (CSR) objectives by undertaking initiatives that create sustainable value for communities while supporting inclusive development. Our CSR programmes were focused on key areas such as education, healthcare, rural development, sanitation, environmental sustainability, disaster preparedness, and community welfare across the Company's project locations.

The Company implemented a wide range of CSR initiatives across project sites viz Subansiri Lower HEP, Shongtong Karcham HEP, Kiru HEP, Kwar HEP, Parnai HEP, CIDCO Water Tunnel Project, Powai-Ghatkopar Tunnel Project, and through educational and livelihood enhancement initiatives under the Kai Laxmanrao Mankar Smruti programme.

Key Projects conducted at Company's Project sites:

Subansiri Lower HEP–Arunachal Pradesh

- Supported the construction of an astronomy laboratory along with repair and renovation works at Government Higher Secondary Schools in Dhemaji district to strengthen educational infrastructure.
- Promoted and preserved local culture through support to the Boori Boot Cultural Festival in Arunachal Pradesh.

Shongtong Karcham HEP – Himachal Pradesh

- Installed drinking water facilities in the villages to promote hygiene and public health.

Kiru HEP – Jammu and Kashmir

- Established fabricated halls for Kendriya Vidyalaya to improve educational facilities in Kishtwar district.
- Continued ambulance services for local villagers residing near the project area.
- Supported the Red Cross Society by providing disaster relief tents to strengthen emergency preparedness.
- Installed mobile toilet facilities for devotees during the Annual Shri Machail Mata Yatra.

Kwar HEP – Jammu and Kashmir

- Continued ambulance services for neighbouring communities.
- Improved infrastructure at Government Higher Secondary School, Nagseni district.
- Supported disaster preparedness through provision of relief tents to the Red Cross Society.
- Installed RO water purifiers, water coolers, and other facilities in schools.

Parnai HEP– Jammu and Kashmir

- Undertook rural development works for the benefit of local communities, including construction and improvement of road crossings, footpaths, and other essential public infrastructure to enhance connectivity, accessibility, and safety for residents in the project vicinity.
- Arranged water tanker services to address drinking water requirements of local villagers.

CIDCO Water Tunnel Project - Maharashtra

- Undertook rural development initiatives including water pipeline works and internal road development.
- Supported schools by providing interactive panels, LED screens, and water purification systems.

Powai-Ghatkopar Tunnel Project- Maharashtra

- Contributed towards disaster management, relief, rehabilitation, and reconstruction activities for affected communities.

Kai Laxmanrao Mankar Smruti

- Supported educational, skill development, livelihood enhancement, and empowerment initiatives for children, women, senior citizens, and differently abled persons.

All CSR activities were undertaken in accordance with Section 135 of the Companies Act, 2013 and the Company's CSR Policy approved by the Board. Our CSR initiatives reflect the Company's commitment to creating a positive social impact, strengthening relationships with local communities, and contributing to sustainable and inclusive development.

You can read more about Patel's CSR initiatives on page 77 of the Annual Report 2026.

Governance, Systems & People

Internal Financial Controls

The Company has established a robust framework of internal financial controls, commensurate with the scale, complexity, and geographic spread of its operations, with particular reference to the preparation and presentation of its financial statements. These controls are designed to provide reasonable assurance regarding the reliability of financial reporting, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information. During the year under review, the effectiveness of these controls are evaluated by experts and no reportable material weaknesses in their design or operation were identified.

Management Systems

During FY 2025–26, the Company reinforced its commitment to operational excellence by accelerating its transformation into a performance-driven organization. Building upon the strong foundation established in previous years, we strengthened our Integrated Management System (IMS), enhanced digital capabilities, and promoted a culture of continuous improvement across quality, environment, occupational health & safety, engineering, project controls, and project execution.

Our Integrated Management System (IMS), aligned with internationally recognized ISO standards, continued to serve as the cornerstone of our governance framework. Digital document management, workflow automation, and centralized information systems implemented enabled faster decision-making and seamless collaboration across project sites and corporate functions.

The Company made significant progress in strengthening its digital project management ecosystem through real-time project monitoring tools, and integrated reporting platforms providing management with timely visibility into project progress, productivity, cost performance, resource utilization, procurement status, equipment deployment, thereby enabling informed and proactive decision-making.

A major focus during the year was enhancing project financial governance through structured budget monitoring and cost control mechanisms. Standardized budget tracking systems, periodic cost reviews, variance analysis, and forecasting processes were further strengthened to improve financial discipline and early identification of cost deviations, improved profitability and commercial performance.

Quality management remained a strategic priority, with greater emphasis on preventive quality assurance, digital inspection records, structured non-conformance management, and data-driven root cause analysis. These initiatives strengthened audit preparedness, improved process consistency, and enhanced customer confidence across ongoing projects.

Safety continued to remain our foremost operational value. The Company further strengthened its proactive safety culture through risk-based planning, behavioral safety initiatives, enhanced site surveillance, periodic emergency preparedness drills, and competency-based training programmes.

Environmental stewardship continued to be integrated into project planning and execution. The Company expanded its focus on sustainable construction practices through efficient resource utilization, waste minimization, energy conservation initiatives, environmental monitoring, and awareness programmes to support regulatory compliance while reinforcing our commitment to responsible infrastructure development.

Digital transformation gained further momentum through the adoption of IoT-enabled monitoring systems for fleet movement, equipment utilization, fuel consumption, and selected project operations, providing real-time visibility for improved planning, productivity, and cost optimization.

Looking ahead, the Company will continue to accelerate the adoption of predictive project controls, digital engineering, SAP-driven enterprise integration, and intelligent project monitoring systems to enhance operational efficiency, improve decision-making capabilities, strengthen governance, and support the delivery of sustainable, high-quality infrastructure projects.

Through these initiatives, the Company remains committed to building a future-ready organization that combines technological innovation, operational excellence, financial discipline, sustainability, and strong governance to create long-term value for customers, employees, shareholders, and the communities we serve.

Information Technology

Digital Transformation: Rewiring Our Operating Model for the Intelligence Age

As society rapidly digitalizes, the demand to process, analyse, and secure data is accelerating. We are living through a pivotal turning point as the world moves deeper into the Intelligence Age, where advances in data and artificial intelligence are fundamentally shifting how value is created. At PEL, smart technologies are redefining every stage of our business—from project planning, safety, and compliance through to operations and financial disclosure. By bringing together multidisciplinary perspectives and next-level digital tools, we are enabling our teams to navigate complexity and create sustainable value across all our projects.

A key cornerstone of our digital strategy is the significant enhancement of our Information and Communications Technology (ICT) infrastructure, even in our most remote and challenging environments. We have successfully extended robust connectivity deep into underground tunnels and isolated project sites, facilitating live data transmission and continuous digital monitoring. Deploying these digital tools during the design and planning phases allows us to capture critical insights into material allocation, energy usage,

transport, and equipment needs, fundamentally boosting productivity, enhancing cost efficiency, and elevating safety standard on the ground.

At the same time, our AI initiatives are actively underway as we embed artificial intelligence into our core operating model. We are currently developing and piloting targeted digital solutions across AI, IoT, and HR systems to drive immediate efficiency and transform the employee experience. These forward-looking efforts are balanced with disciplined governance. Major technology implementations, such as Enterprise Resource Planning (ERP) systems, are meticulously planned to minimize risk. Governed by our Information Technology Policy and backed by regularly tested Business Continuity Plans, we ensure robust system stability and seamless operations, capturing the opportunities of innovation while protecting what matters most.

Looking ahead, we are cementing this momentum by placing innovation and digital transformation under the remit of a newly established corporate department. This dedicated function is charged with modernizing our enterprise infrastructure, developing custom AI solutions, and driving lasting efficiency gains across the business to create a fully connected, future-proof organization. As our network expands across mobile platforms, cloud services, and ecosystem partners, securing our infrastructure remains paramount. By combining rigorous cybersecurity with advanced tech capabilities, we are building measurable digital trust with our clients and stakeholders—protecting our operations today while powering the growth of tomorrow.

Human Resources

Empowering People, Driving Purpose, and Shaping the Future

At PEL, our people are our most vital asset. The expertise, dedication, and ingenuity of our workforce form the cornerstone of our business success and power our overarching corporate strategy. In an increasingly competitive labour market, PEL continues to successfully meet its demand for highly qualified professionals by fostering an environment where talent can thrive, innovate, and make a lasting difference. Our human resources strategy is anchored around three primary pillars: attracting top talent, investing in continuous training, and systematically retaining key expertise.

To drive continuous reinvention and market leadership, we actively recruit both rising young professionals and seasoned industry experts. We are committed to building a strong, inclusive employer brand that resonates across diverse candidate profiles and technical backgrounds. Combined with a culture rooted in active caring and inclusion, we offer a dynamic working environment where engineers and specialists are empowered to contribute meaningfully from day one.

Unlocking the full potential of our workforce requires an ecosystem built for continuous learning and modern ways of working. We are optimizing our core HR platforms and talent management systems to enable smarter, more efficient digital solutions across the enterprise. Furthermore, as part of our strategic focus on driving reinvention with Artificial Intelligence, we are launching an integrated, central learning initiative that combines cutting-edge tools, platforms, and role-based learning pathways. By promoting shared expertise and internal talent mobility, we operate as one cohesive organization, consistently enhancing the quality and impact of our work.

Long-term organizational growth relies heavily on our ability to nurture and retain critical leadership and specialized technical capabilities. We actively focus on identifying and developing high-potential leaders—particularly in high-demand roles with limited talent pools—to ensure seamless business continuity and strong institutional capability. By supporting our people in achieving both their personal and professional aspirations, we build a resilient workforce capable of adapting to evolving market needs. Together as one unified team, backed by strong core values and a clear purpose, we look to the future with confidence, resilience, and dynamism.

Cautionary Statement

This Management Discussion and Analysis contains certain forward-looking statements — including management’s objectives, estimates, expectations, and projections — intended to help investors understand the Company’s future prospects and make informed decisions. These statements, whether written or oral, are based on management’s current assumptions and plans. Wherever possible, such statements are identified by words such as “anticipates,” “estimates,” “expects,” “projects,” “intends,” “plans,” “believes,” and other expressions of similar meaning. While these forward-looking statements reflect prudent assumptions, actual outcomes may differ materially owing to a range of risks and uncertainties — including changes in political or economic conditions, fluctuations in exchange rates or tax laws, litigation, labour dynamics, interest-rate movements, and sector-specific developments in infrastructure. Accordingly, the Company makes no assurance regarding the realisation of these statements and undertakes no obligation to publicly update any forward-looking information in light of new data, future events, or otherwise.

Corporate Information

BOARD OF DIRECTORS

Ms. Janky Patel, Chairperson
Ms. Kavita Shirvaikar, Managing Director
Mr. Kishan Lal Daga, Whole-Time Director
Mr. R V R Kishore, Whole-Time Director
Mr. Shambhu Singh, Independent Director
Dr. Emandi Sankara Rao, Independent Director
Ms. Jana Chatra, Independent Director
Ms. Sudha Navandar, Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Rahul Agarwal, Chief Financial Officer
Ms. Shobha Shetty, Company Secretary and Compliance Officer

AUDITORS

Vatsaraj & Co.
Chartered Accountants
204-205, Inizio Business Centre,
Cardinal Gracious Road,
Chakala, Andheri East,
Mumbai – 400099.
Tel No.: +91 22 6978 3900
E-mail: admin@vatsarajco.com
Website: www.vatsarajco.com

REGISTERED OFFICE

Patel Estate Road, Jogeshwari (West),
Mumbai - 400 102.
Tel: +91 22 267 67500/ 22 698 23500
Email: investors@pateleng.com
Website: www.pateleng.com

REGISTRAR & TRANSFER AGENT

MUFG Intime India Pvt Limited
(formerly known as Link Intime India Pvt Limited)
C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai -
400083, Maharashtra, India
Tel No: +91 810 811 6767
Email: investor.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com

LENDERS

Bank of Baroda
ICICI Bank Ltd.
Bank of India
Canara Bank Ltd.
IDBI Bank Ltd.
Union Bank of India
State Bank of India
Axis Bank Ltd.
Standard Chartered Bank
Bank of Maharashtra
DBS Bank India Ltd.
RBL Bank Ltd.
IndusInd Bank Ltd.
SREI Equipment Finance Ltd.
Export- Import Bank of India
Yes Bank Ltd.
Indian Overseas Bank
Life Insurance Corporation of India (LIC)
General Insurance Corporation (GIC)

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited

Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai – 400001
Tel: +91-22-4080 7000
Email: itsl@idbitrustee.com
Website: www.idbitrustee.com

Catalyst Trusteeship Limited

Unit No. 901, 9th Floor,
Tower-B, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel (W),
Mumbai - 400013
Tel: +91 22 4922 0555
Email: ComplianceCTL-Mumbai@ctltrustee.com
Website: www.catalysttrustee.com

Board’s Report

To the Members of Patel Engineering Limited,

Your Directors hereby present the 77th Board’s Report on the business, operations and state of affairs of the Company together with the audited financial statements for the year ended March 31, 2026:

FINANCIAL PERFORMANCE

Standalone and Consolidated

(₹ in million)				
Particulars	Consolidated		Standalone	
	2025-26	2024-25	2025-26	2024-25
Total Income	52,685.04	52,596.24	52,202.11	52,162.07
Revenue from operations	51,027.42	50,933.59	50,665.64	50,076.45
Total Operating Expenses	48,188.18	47,823.73	48,062.88	47,344.21
Operating EBITDA	6,840.33	7,331.90	6,594.35	6,912.58
Depreciation and amortization expense	1,036.66	997.86	1,085.46	992.50
Finance Cost	2,964.44	3,224.18	2,906.13	3,187.84
Exceptional Item	1,620.54	1,515.80	1,175.68	1,417.95
Profit / (Loss) before tax	2,876.32	3,256.71	2,963.55	3,399.91
Tax expenses	177.13	895.12	113.95	777.82
Share in profit / (loss) in associates (net)	(7.54)	116.93	-	-
Net Profit / (Loss) after tax from continuing operations	2,691.65	2,478.52	2,849.60	2622.10
Other Comprehensive Income (Net)	337.64	0.66	344.57	(27.18)
Total comprehensive income for the year	3,029.29	2,479.18	3,194.17	2,594.92
Non-controlling interest	84.34	57.44	-	-
Net Profit for owners	2,944.95	2,421.74	3,194.17	2,594.92
Earnings per equity shares ₹ (face value ₹ 1 each)				
- Basic	2.92	2.81	3.19	3.04
- Diluted	2.84	2.80	3.09	3.01

Consolidated:

The Consolidated total income for FY 2026 stood at ₹ 52,685.04 million as against ₹ 52,596.24 million for the previous year. The Net profit for the year ended March 31, 2026 was at ₹ 2,691.65 million as against Net profit of ₹ 2,478.52 million for the previous year.

Standalone:

On Standalone basis, the total income for FY 2026 stood at ₹ 52,202.11 million as against ₹ 52,162.07 million for the previous year. The Net Profit for the year ended March 31, 2026 was at ₹ 2,849.60 million as against Net profit of ₹ 2,622.1 million for the previous year.

Amount to be carried to reserves

The Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the year under review.

Dividend

The Directors have not recommended payment of dividend for the financial year 2025-26, as the profits are expected to be reinvested in business for future growth.

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Dividend Distribution Policy is available on the website of the Company at the link: <https://tinyurl.com/54cvkwz9>

Information on state of affairs of the Company and future outlook

Information on the operational and financial performance, among others, is given in the Management Discussion and Analysis Report, forming part of the Annual Report and is in accordance with the Listing Regulations.

Changes in Share Capital – Rights Issue

During the year under review, 14,77,65,820 Equity Shares of face value ₹ 1 each were allotted on Rights Basis to eligible shareholders of the Company on December 22, 2025 at an issue price of ₹ 27.00 each, aggregating to ₹ 3,989.68 million.

Consequently, as at March 31, 2026, the total paid up share capital of the Company stood at ₹ 99,21,41,937 divided into 99,21,41,937 equity shares of ₹ 1 each.

Issue of Equity shares with differential rights

During the year under review, Company has not issued any shares with differential rights. Hence, disclosures to be given as per Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014) are not required to be given.

Issue of Sweat Equity Shares

During the year under review, Company has not issued any Sweat Equity Shares. Hence, disclosures to be given as per Rule 8(13) of Companies (Share Capital and Debenture Rules, 2014) are not required to be given.

Issue of Debentures

The Company on August 26, 2025 allotted 10.25% 9,000 Senior, Secured, Rated, Listed, Redeemable, Taxable, Transferrable, Non-convertible Debentures having a face value of ₹ 1,00,000 each, aggregating ₹ 90 crores, on private placement basis.

Borrowing

On standalone basis, the total borrowings stood at ₹ 11,644.55 million as on March 31, 2026 as against ₹ 14,905.96 million as on March 31, 2025.

Credit Rating

During the period under review, the Company has obtained Credit Ratings from the reputed Credit Rating agencies. For brief details of credit ratings refer Report on Corporate Governance.

Change in the Nature of Business

The Board of Directors hereby confirms that there has been no change in the nature of the business of the Company and its subsidiaries during the financial year 2025-26.

Particulars of Loans given, Investment made, Guarantees given and Securities provided

The members may note that the Company is engaged in providing infrastructural facilities and hence, as per Section 186(11) of Companies Act, 2013, nothing in Section 186 shall apply to the Company except sub-section (1) of Section 186. Accordingly, a separate disclosure has not been given in the financial statements as required under Section 186(4) with regard to particulars of loan given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security.

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

The Company has not made any one-time settlement, therefore, the same is not applicable.

Details of Directors and Key Managerial Personnel

i. Independent Directors

Subject to approval of Shareholder's, the Board appointed Ms. Sudha Navandar (DIN: 02804964) and Ms. Jana Chatra (DIN: 07149281) as Additional Independent Directors for a period of 3 years effective from March 16, 2026 and April 15, 2026, respectively.

The necessary declarations with respect to independence have been received from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and have complied with the Code for Independent Directors as set out in Schedule IV to the Act. The Board also confirms that the Company has in place Code of Conduct for Directors and senior management personnel and that the same has been duly complied with.

Dr. Sunanda Rajendran (DIN 00381885) and Mr. Ashwin Parmar (DIN: 00055591), ceased to be Independent Directors of the Company effective from March 23, 2026 and April 19, 2026, respectively, on account of completion of their terms as an Independent Director. The Board expressed deep appreciation and gratitude for their extensive contribution and stewardship.

ii. Other Directors / Key Managerial Personnel

During the year under review, the following changes in the composition of Executive Directors/KMPs took place:

- Mr. Dimitrius D'Mello (DIN: 00837714) resigned as Whole Time Director of Company effective from May 31, 2025.

- Mr. R V R Kishore (DIN: 07402969) was appointed as an Additional and Whole Time Director on the Board of Company in the meeting held on September 12, 2025 for a period of 3 years effective from September 22, 2025. The approval of members was obtained by way of postal ballot on December 18, 2025.

Ms. Kavita Shirvaikar (DIN: 07737376)- Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Some of the KMPs of the Company are also the Directors/KMPs of the subsidiaries.

Number of Board Meetings

During the year ended March 31, 2026, the Board met 6 times. The meeting of the Board of Directors of the Company were held on May 13, 2025, July 03, 2025, August 11, 2025, September 12, 2025, November 13, 2025 and February 14, 2026 respectively.

Nomination & Remuneration Committee:

The NRC Committee presently comprises of:

Ms. Sudha Navandar – Independent Director (Chairperson)

Ms. Janky Patel – Non-Executive Non-Independent Director

Ms. Jana Chatra – Independent Director

Nomination and Remuneration Policy

The Company has formulated a Nomination and Remuneration Policy pursuant Section 178 of the Companies Act, 2013 and the Listing Regulations. The salient features of the Policy are enclosed as Annexure II to the Boards’ Report.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance, its Directors and that of its Committees.

Based on Boards’ Evaluation Policy, the performance of the Board of Directors, its Committees, Chairman/ Chairperson, Executive Directors, Non-Executive Director and Independent Directors were evaluated pursuant to the provisions of Companies Act, 2013 and the Listing Regulations.

A separate meeting of independent Directors was held on February 14, 2026 during the year under review wherein, the Independent Directors evaluated the performance of the non-independent directors, the Board as a whole and the Chairperson of the Company.

Audit Committee

The Audit Committee presently comprises of:

Ms. Jana Chatra – Independent Director (Chairperson)

Ms. Kavita Shirvaikar – Managing Director

Ms. Sudha Navandar – Independent Director

The Board of Directors hereby confirms that all recommendations made by the Audit Committee during the financial year under review were accepted.

Whistle Blower Policy

The Whistle Blower Policy adopted by the Company provides a formal mechanism for director(s) / stakeholder(s) to report concerns about unethical behavior, actual or suspected fraud or violation of the Company’s Ethics and Code of Conduct.

This Policy provides for adequate safeguards against victimization of director(s) /stakeholder(s) and provides opportunity to director(s)/ stakeholder(s) to access in good faith, to the ABMS (Anti Bribery Management System) Committee in case they observe Unethical and Improper Practices or any other wrongful conduct in the Company.

The vigil mechanism is overseen by the Audit Committee. There are no complaints / grievances received from any Directors/stakeholders of the Company under this policy.

The Policy is uploaded on the Company’s website at the link <https://tinyurl.com/4wp9nf9n>

Stakeholders Relationship Committee

The Stakeholders Relationship Committee presently comprises of:

Dr. Emandi Sankara Rao - Independent Director (Chairman)

Ms. Kavita Shirvaikar - Managing Director

Ms. Jana Chatra - Independent Director

The Committee oversees and reviews all matters relating to the redressal of complaints from shareholders, debenture holders, and other stakeholders, and ensures that grievances are addressed in a timely and satisfactory manner. During the financial year, the Committee monitored the receipt, resolution, and status of complaints received from investors.

Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Companies Act, 2013 (the Act), the Board of Directors of the Company has constituted the Corporate Social

Responsibility Committee (CSR Committee) presently comprising of the following Directors as its members:

Ms. Jana Chatra – Independent Director (Chairperson)

Ms. Kavita Shirvaikar – Managing Director

Ms. Janky Patel – Non-executive Director

The Company’s CSR Policy as uploaded on the Company’s website at the link: <https://tinyurl.com/ptvdfbs3>

Pursuant to Clause (o) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8 of Companies (Corporate Social Responsibility Rules, 2014, the CSR Report forms part of the Board Report as **Annexure III**. The Company has spent on CSR activities as detailed in the CSR Report.

Directors’ Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013, the Directors confirm that:

- in preparation of the annual accounts, the applicable accounting standards have been followed;
- such accounting policies have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended March 31, 2026;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- internal financial controls were followed by the Company and the same are adequate and were operating effectively; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls and Risk Management

The Company has established robust internal financial controls commensurate with the scale and complexity of its operations, particularly with reference to the preparation and presentation of its financial statements.

The effectiveness of these controls are evaluated by experts and no reportable material weaknesses in their design or operation were identified.

Pursuant to SEBI (Listing Obligation and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Risk Management Committee was reconstituted to frame, implement and monitor the risk management policy for the Company. The Committee shall be responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions shall be systematically addressed through mitigating actions on a continuing basis.

Subsidiaries/Associates/Joint Ventures

As on March 31, 2026, the Company has 39 subsidiaries.

Hera Realcon Private Limited (“HRPL”) and Energy Design Private Limited (“EDPL”), the wholly owned subsidiaries of the Company were struck off effective from May 8, 2025 and May 28, 2025, respectively, vide order of Centre for Processing Accelerated Corporate Exit.

The Company’s 12 Mozambique non-operative subsidiaries namely, Patel Mining Privilege Lda; Patel Mining Assignment Lda; Patel Infrastructure, Lda (Patel Mining Division), Lda, Quest Mining Activities, Lda (Patel Mining Activities), Fortune Mines Concession, Lda, Chivarro Mines Mozambique, Lda, Omini Mines Enterprises Lda, Netcore Mining Operations Lda, Trend Mining Projects Lda, Accord Mines Venture Lda, Enrich Mining Vision Lda and Metallic Mine Works Lda, were struck off/closed effective from February 28, 2026.

Highlights of performance of key subsidiaries/ Associates:

Dirang Energy Private Limited (Dirang), is a Special Purpose Company for development of 144MW Gongri Hydroelectric Power Project in West Kameng District in Arunachal Pradesh. The GoAP has accorded in-principal approval to the Company for restoration of Gongri Hydro Electric Project and accordingly the Company and GoAP entered into MOA dated 18th December, 2025. Other works related to the project like DPR approval, TEV study etc. are initiated.

Patel KNR Infrastructures Ltd and Patel KNR Heavy Infrastructures Limited continue to hold the assets of Road Projects. The Company holds substantial stake in these road project companies. Both the NHAI annuity projects are under operation and the respective

companies are receiving the annuity on semi-annual basis. The respective Companies are maintaining the assets as per the contract conditions.

PBSR Developers Private Limited, is developing the project consisting two residential towers (each tower having 20 floors) comprising of residential units of 2 BHK, 2.5 BHK and 3 BHK and one tower of serviced apartments (19 floors). The residential towers have 12 flats per floor and service apartment block have 11 units per floor. PBSR has applied for the Occupation Certificate (OC) for Smondo Gachibowli project to Greater Hyderabad Municipal Corporation (GHMC) and started handing over of the flats to buyers by end of March 2026 the Company has already handed over about 75% apartments out of the total sold apartments.

The salient features of the financial statement of each of the subsidiaries, associates and Joint Venture as required under the Companies Act, 2013 is provided in **Annexure I** of the Boards’ Report. Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of the subsidiaries are available on the website of the Company at www.pateleng.com.

In terms of the Listing Regulations, the Company has formulated a policy for determining ‘material’ subsidiaries and the same has been disclosed on Company’s website at the following link: <https://tinyurl.com/yc22y5x4>

Related Party Transactions

All contracts/arrangement/transactions entered into by the Company during FY 26 with related parties were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations.

All related party transactions entered into during FY 26 were on an arm’s length basis and in the ordinary course of business of the Company under the Act and not material under the Listing Regulations. None of the transactions required members’ prior approval under the Act or the Listing Regulations.

Details of transactions with related parties during FY 26 are provided in the notes to the financial statements. There were no transactions requiring disclosure under section 134(3) of the Companies Act, 2013. Hence, the prescribed Form AOC–2 does not form a part of this report.

In accordance with the provisions of the Listing Regulations, the Company has formulated the Related Party Transactions policy and the same is uploaded

on Company’s website at the link: <https://tinyurl.com/2769n9v>

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/ Outgo

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings / Outgo is provided as **Annexure IV** to this Report.

Auditors :

Statutory Auditor

M/s Vatsaraj & Co. (FRN: 111327W), the Statutory Auditors of the Company hold office until the conclusion of the 78th AGM to be held in the year 2027. The Auditors have confirmed that they are not disqualified from continuing as the Auditors of the Company.

The Notes on financial statement referred to in the Auditors’ Report are self-explanatory and do not call for any further comments. The Auditors’ Report does not contain any qualification, reservation, adverse remark or disclaimer.

Branch Auditors

- In accordance with the provisions of Section 139 and 143(8) of the Companies Act, 2013 M/s. N. H. Karnesh & Associates has been appointed as Branch Auditor for the Realty Division of the Company for a term of 5 years to hold office until the conclusion of the 77th AGM to be held in the year 2026.
- The Company has appointed M/s. P. Biswas & Associates, Chartered Accountants, as Branch Auditor of the Company for Arun 3 H.E. Project, Nepal for FY 2025-26.

Secretarial Auditor

The Board of Directors appointed M/s. Makarand M Joshi & Co, Practicing Company Secretary to conduct Secretarial Audit of the Company for a term of five years commencing from April 1, 2025 to March 31, 2030.

The Secretarial Audit report is provided as **Annexure V** to this Report. The Secretarial Audit Report contains following remarks/qualifications and explanation on the same.

1. There was a slight delay (by 4 days) in intimation of the record date to the National Stock Exchange of India Limited (the “NSE”) for the payment of interest for

the month of September 2025 and resulted in non-compliance of Regulation 60 (2) of the Listing Regulation due to administrative oversight. Consequently, the Company received a notice from NSE imposing a penalty of ₹ 10,000, which has been duly paid by the Company

The Board of the Directors of the Company at its meeting held on November 13, 2025 took the note of the same and has advised to take corrective steps to prevent recurrence.

2. The Audit Committee of the Company is duly constituted as required under the law. However, at the Audit Committee Meeting held on Nov 13, 2025, one of the Independent Director failed to attend the meeting due to unforeseen circumstances, hence, there was non-compliance with respect to requirement of presence of quorum under Regulation 18(2)(d) of the Listing Regulations.

Accordingly, all the business items transacted in the said meeting was ratified and confirmed in the next Audit Committee meeting held on February 14, 2026. The Board of Directors of the Company also took the note of the same at its meeting held on February 14, 2026.

Cost Auditor

As per Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Rahul Jain & Associates., a firm of Cost Accountants in Practice (Registration No. 101515) as the Cost Auditors of the Company to conduct cost audits under the Companies (Cost Records and Audit) Rules, 2014 for the year ending March 31, 2026. The Board on recommendations of the Audit Committee have approved the remuneration payable to the Cost Auditor subject to ratification of their remuneration by the Members at the forthcoming AGM. M/s Rahul Jain & Associates have, under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for appointment.

The cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1) of Act.

Prevention of Sexual Harassment

The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace and the same is uploaded on the website of the Company link: <https://tinyurl.com/44ucmswr>

In terms of notification of Ministry of Corporate Affairs (MCA) dated May 30, 2025, details as required under report on Sexual harassment complaints is as following:

Sr No.	Particulars	Remarks
1.	Number of complaints of sexual harassment received in the year	Nil
2.	Number of complaints disposed off during the year	Nil
3.	Number of cases pending for more than ninety days	Nil

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Maternity Benefit

The Company is in compliance with the provisions relating to the Maternity Benefit Act, 1961.

Annual Return

Pursuant to Section 92 and 134 of the Companies Act, the Annual Return as at March 31, 2026 in Form MGT-7, is available on the website of the Company at the link <https://tinyurl.com/4uz2kpiy>

Disclosure under Section 197 of the Companies Act, 2013

In accordance with the provisions of Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of the employees are set out in the annexure to this Report. In terms of the provisions of Section 136 of the Act, the Report is being sent to the Members of the Company excluding the annexure. Any member interested in obtaining a copy of the annexure may write to the Company Secretary at the Registered Office of the Company.

Further, disclosures on managerial remuneration as required under Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as **Annexure VI** to this Report.

Corporate Governance Report

Pursuant to the Listing Regulations, the Report on Corporate Governance together with the certificate issued by M/s. Makarand M. Joshi & Co., Practicing Company Secretaries of the Company, on compliance in this regard forms part of the Annual Report.

Employee Stock Option / General Benefits Scheme

The Company currently has two Schemes for its employees viz Patel Engineering Employee Stock Option Plan 2007 and Patel Engineering General Employee Benefits Scheme 2015.

The applicable disclosure under SEBI (share Based employee Benefits) Regulations, 2014 (“the ESOP Regulations”) as at March 31, 2026 is uploaded on the Company’s website at the link <https://tinyurl.com/335s98sc>

A Certificate from the Secretarial Auditors of the Company in terms of Regulation 13 of ESOP Regulations would be available at the ensuing AGM.

Other Disclosures

- i)

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Boards’ report.
- ii)

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company’s operations in future during the year under review.
- iii)

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the said Act or the details of deposits which are not in compliance with the Chapter V of the said Act is not applicable.
- iv)

The Company has complied with the Secretarial Standard issued by the Institute of Company Secretaries of India.

- v)

No fraud has been reported by the Auditors to the Audit Committee and the Board.
- vi)

The Company has not initiated any proceeding under the Insolvency and Bankruptcy Code, 2016 (IBC). There were 3 proceedings pending before the NCLT Mumbai during the FY 2025-2026 which are pending for hearing and final disposal against our Company under IBC which do not materially impact the business of the Company.

Business Responsibility and Sustainability Report

In terms of regulation 34(2)(f) of the Listing Regulations, 2015 read with SEBI circular no. SEBI/HO/CFD/CFD-SEC- 2/P/CIR/2023/122 dated 12 July 2023 (‘the SEBI circular’), the Company has included a detailed BRSR for the FY 2025-26 in the updated format prescribed by the SEBI circular as part of this Annual Report.

As a green initiative, the same has been hosted on Company’s website and can be accessed at <https://tinyurl.com/43zv7y62>

Acknowledgements

The Board of Directors wish to place on record their appreciation for continued support and co-operation by Shareholders, Financial Institutions, Banks, Government Authorities and other Stakeholders. Your Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

For and on behalf of the Board of Directors,
Patel Engineering Limited

May 14, 2026
Mumbai

Kavita Shirvaikar
Managing Director
DIN: 07737376

Kishan Lal Daga
Whole Time Director
DIN: 00083103

Annexure I
Form NO. AOC - I
Statement containing the salient features of the financial statements of Subsidiaries
(pursuant to first provisio of sub section (3) of Section 129 of the Companies Act, 2013, read with rule 5 of the Company (Accounts) Rules, 2014)
PART A: SUBSIDIARIES

Sl. No.	Name of the Companies	Date since Subsidiary was acquired	Reporting Period for Subsidiary concerned, if different from the Holding Company's Reporting Period.	Exchange rate	Issued and subscribed share capital	Reserves	Total Liabilities	Total Assets	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	Country	Investments by PEL (Directly/Indirectly)	% of Shareholding
DIRECT SUBSIDIARIES																	
1	Friends Nirman Pvt. Ltd.	14-Jun-2010	-	INR	0.33	21.05	21.67	21.67	-	-	(0.23)	-	(0.23)	NIL	India	0.33	100.00
2	Shreemant Constructions Private Limited	10-Dec-2005	-	INR	0.10	(52.69)	40.92	40.92	-	-	14.44	10.10	4.34	NIL	India	0.10	100.00
3	Patel Engineering Infrastructure Ltd.	30-Jun-2006	-	INR	100.00	8.62	815.76	815.76	100.06	-	(0.05)	-	(0.05)	NIL	India	100.00	100.00
4	Patel Parlor Pvt. Ltd.	28-Jun-2012	-	INR	140.70	53.44	194.87	194.87	193.10	-	(0.12)	-	(0.12)	NIL	India	140.70	100.00
5	Vismaya Constructions Pvt. Ltd.	21-May-2007	-	INR	55.10	52.93	109.80	109.80	102.70	-	(0.05)	-	(0.05)	NIL	India	55.10	100.00
6	Bhoorna Realities Pvt. Ltd.	22-May-2007	-	INR	72.10	(153.13)	193.56	193.56	-	-	(3.97)	(0.98)	(2.99)	NIL	India	72.10	100.00
7	Shashat Land Projects Pvt. Ltd.	21-Jun-2007	-	INR	78.80	(107.33)	450.47	450.47	-	-	(0.08)	-	(0.08)	NIL	India	78.80	100.00
8	Patel INR Infrastructures Limited	26-Jun-2006	-	INR	288.22	471.68	1,455.60	1,455.60	78.17	324.18	251.55	43.95	207.60	NIL	India	172.93	60.00
9	Hampus Infrastructures Limited	27-Mar-2018	-	INR	0.10	(0.58)	-	-	-	-	(0.04)	-	(0.04)	Nil	India	0.10	100.00
10	PBSR Developers Pvt. Ltd.	1-Feb-2012	-	INR	0.10	(446.72)	1,063.63	1,063.63	-	187.08	86.05	9.10	76.94	NIL	India	0.10	100.00
11	Arsen Infra Pvt. Ltd.	5-Sep-2006	-	INR	0.50	(12.92)	7.20	7.20	5.00	-	0.32	-	0.32	NIL	India	0.50	100.00
12	Patel Energy Ltd.	17-Sep-1996	-	INR	186.45	(6.11)	1,200.67	1,200.67	-	-	(0.29)	-	(0.29)	NIL	India	186.43	99.99
13	Direng Energy Pvt. Ltd.	23-Jun-2008	-	INR	710.00	(20.21)	714.86	714.86	-	-	(13.04)	-	(13.04)	NIL	India	710.00	100.00
14	West Kameng Energy Pvt. Ltd.	26-Jun-2008	-	INR	0.10	(3.53)	0.03	0.03	-	-	221.79	-	221.79	NIL	India	0.10	100.00
15	Meyong Hyiro Power Pvt. Ltd.	26-Jun-2008	-	INR	0.73	(4.51)	0.04	0.04	-	-	(4.49)	-	(4.49)	NIL	India	0.73	100.00
16	Digin Hyiro Power Pvt. Ltd.	2-Jul-2008	-	INR	0.10	(3.24)	0.00	0.00	-	-	(3.20)	-	(3.20)	NIL	India	0.10	100.00
17	Saskang Rong Energy Pvt. Ltd.	19-Aug-2008	-	INR	4.78	(0.06)	229.15	229.15	-	-	(0.05)	-	(0.05)	NIL	India	4.78	100.00
18	Belona Estate Developers Ltd.	19-Aug-2023	-	INR	5.10	(537.49)	0.59	0.59	-	-	(0.20)	-	(0.20)	NIL	India	4.74	100.00
19	Waterfront Developers Ltd.*	18-Jan-2007	-	1 USD = 93.8708 INR	0.16	(2.85)	0.26	0.26	-	-	(0.00)	-	(0.00)	NIL	Mauritius	0.16	100.00
20	Patel Engineering (Singapore) Pte Ltd.* (Standalone)	29-Aug-2007	-	1 USD = 93.8708 INR	202.13	40.18	2.41	2.41	-	-	1.36	-	1.36	NIL	Singapore	202.13	100.00
21	Patel Engineering (Mauritius) Ltd.* (Standalone)	18-Jan-2007	-	1 USD = 93.8708 INR	46.94	(6.47)	43.71	43.71	-	-	15.33	-	15.33	NIL	Mauritius	46.94	100.00
22	Patel Engineering Inc.*	30-Sep-1999	-	1 USD = 93.8708 INR	794.84	(694.22)	100.62	100.62	-	-	0.07	-	0.07	NIL	USA	794.84	100.00
23	Patel Engineering Lanka (Pvt.) Ltd.	16-Jan-2012	-	1 LKR = 0.297600 INR	11.90	(39.59)	0.04	0.04	-	-	(0.10)	-	(0.10)	NIL	Sri Lanka	11.90	100.00

Sl. No.	Name of the Companies	Date since Subsidiary was acquired	Reporting Period for Subsidiary concerned, if different from the Holding Company's Reporting Period.	Exchange rate	Issued and subscribed share capital	Reserves	Total Liabilities	Total Assets	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	Country	Investments by PEL (Directly/ Indirectly)	₹ in Million	% of Shareholding
SUBSIDIARY OF PATEL PATRON PVT. LTD. & ASSOCIATE OF VISMAYA CONSTRUCTIONS PVT. LTD																		
24	Pandora Infra Pvt. Ltd.	28-Jun-2012	-	INR	365.80	(270.68)	586.59	586.59	-	-	(0.08)	-	(0.08)	NIL	India	365.80	100.00	
SUBSIDIARY OF ARSEN INFRA PVT. LTD.																		
25	Lucina Realtors Pvt. Ltd.	30-Dec-2006	-	INR	5.50	(0.63)	4.92	4.92	4.35	-	(74.97)	-	(74.97)	NIL	India	5.50	100.00	
SUBSIDIARY OF WATERFRONT DEVELOPERS LTD																		
26	Les Salines Development Ltd.*	28-Mar-2008	-	1 USD = 93.8708 INR	0.13	(197.55)	0.46	0.46	-	-	158.45	-	158.45	NIL	Mauritius	0.13	100.00	
SUBSIDIARY OF LES SALINES DEVELOPMENT LIMITED																		
27	La Bourgade Development Ltd.*	14-Jul-2008	-	1 USD = 93.8708 INR	0.00	(0.27)	0.05	0.05	-	-	3.52	-	3.52	NIL	Mauritius	0.00	100.00	
28	Ville Magnifique Development Ltd.*	14-Jul-2008	-	1 USD = 93.8708 INR	-	-	-	-	-	-	3.52	-	3.52	NIL	Mauritius	-	100.00	
29	Sur La Plage Development Ltd.*	18-Jul-2008	-	1 USD = 93.8708 INR	-	-	-	-	-	-	3.85	-	3.85	NIL	Mauritius	-	100.00	
SUBSIDIARIES OF PATEL ENGINEERING (SINGAPORE) PTE LTD.																		
30	PT Patel Surya Jaya *	10-Oct-2008	-	1 IDR = 0.00555 INR	15.23	(197.77)	987.81	987.81	-	-	(11.39)	-	(11.39)	NIL	Indonesia	9.14	60.00	
31	PT Patel Surya Minerals *	12-Nov-2008	-	1 IDR = 0.00555 INR	15.20	63.20	220.05	220.05	-	-	(0.32)	-	(0.32)	NIL	Indonesia	9.12	60.00	
32	PT Surpat Geo Minerals *	7-Apr-2011	-	1 IDR = 0.00555 INR	30.61	(30.86)	0.31	0.31	-	-	(0.00)	-	(0.00)	NIL	Indonesia	18.37	60.00	
33	PT PEL Minerals Resources *	3-Feb-2009	-	1 USD = 93.8708 INR	15.25	(40.37)	42.84	42.84	30.19	-	(0.30)	-	(0.30)	NIL	Indonesia	15.25	100.00	
SUBSIDIARY OF PATEL SURYA (SINGAPORE) PTE LTD																		
34	PT Surya Geo Minerals *	23-May-2011	-	1 IDR = 0.00555 INR	30.61	185.25	305.70	305.70	-	-	4.81	-	4.81	NIL	Indonesia	18.37	60.00	
SUBSIDIARY OF PT PEL MINERAL RESOURCES																		
35	PT Patel Engineering Indonesia *	23-May-2011	-	1 IDR = 0.00555 INR	30.61	(19.22)	43.10	43.10	-	-	(0.63)	-	(0.63)	NIL	Indonesia	30.61	100.00	
SUBSIDIARY OF PATEL ENGINEERING (MAURITIUS) LTD																		
36	Patel Mining (Mauritius) Ltd.*	12-Jun-2008	-	1 USD = 93.8708 INR	43.65	(42.04)	4.02	4.02	-	-	(0.77)	-	(0.77)	NIL	Mauritius	43.65	100.00	
SUBSIDIARY OF PATEL MINING (MAURITIUS) LTD**																		
37	Accord Mines Venture Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	6.72	-	6.72	NIL	Mozambique	0.04	100.00	
38	Patel Assignment Mozambique, Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	5.52	-	5.52	NIL	Mozambique	0.04	100.00	
39	Chivaro Mines Mozambique Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	3.90	-	3.90	NIL	Mozambique	0.04	100.00	
40	Enrich Mining Vision Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	7.51	-	7.51	NIL	Mozambique	0.04	100.00	
41	Fortune Mines Concession Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	22.32	-	22.32	NIL	Mozambique	0.04	100.00	
42	Metalline Mines Works Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	5.72	-	5.72	NIL	Mozambique	0.04	100.00	
43	Nebore Mining Operations Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	1.43	-	1.43	NIL	Mozambique	0.04	100.00	
44	Omini Mines Enterprises Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	1.46	-	1.46	NIL	Mozambique	0.04	100.00	
45	Patel Infrastructure, Lda *	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	15.27	-	15.27	NIL	Mozambique	0.04	100.00	

Sl. No.	Name of the Companies	Date since Subsidiary was acquired	Reporting Period for Subsidiary concerned, if different from the Holding Company's Reporting Period.	Exchange rate	Issued and subscribed share capital	Reserves	Total Liabilities	Total Assets	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	Country	Investments by PEL (Directly/ Indirectly)	₹ in Million	% of Shareholding
46	Patel Mining Privledge, Lda*	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	12.60	-	12.60	NIL	Mozambique	0.04	100.00	
47	Quest Mining Activities, Lda*	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	1.45	-	1.45	NIL	Mozambique	0.04	100.00	
48	Trend Mining Projects Lda*	7-Jul-2007	-	1 MZN = 1.46313 INR	0.04	(0.04)	-	-	-	-	8.48	-	8.48	NIL	Mozambique	0.04	100.00	
SUBSIDIARY OF PATEL ENGINEERING INC.																		
49	ASI Global LLC*	15-Aug-2009	-	1 USD = 93.8708 INR	-	(0.67)	-	-	-	-	(0.12)	-	(0.12)	Nil	USA	-	-	

* Financial information is based on unaudited results

**the 12 mozambique subsidiaries of Patel Mining (Mauritius) are closed effective from February 28, 2026

Note

- the Financial year for all the subsidiaries is March 31
- proposed dividend from any of the subsidiaries is nil
- ASI Constructors Inc have not been considered in the above Table as the same have not been consolidated as per Ind AS-110
- PEL Nirmana Private Limited has not been considered since the Company has no transaction yet.

For and on behalf of the Board of Directors
Patel Engineering Limited

Kavita Shirvaikar Managing Director DIN : 07737376	Kishan Lal Daga Whole Time Director DIN : 00083103	RVR Kishore Whole Time Director-Operations DIN: 07402969
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Rahul Agarwal Chief Financial Officer	Shobha Shetty Company Secretary and Compliance Officer Mem No.: F10047
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Date: May 14, 2026
Place: Mumbai



PART B: ASSOCIATES AND JOINT VENTURES

Statement containing the salient features of the financial statements of Associates companies/Joint Ventures

NAME OF ASSOCIATES AND JOINT VENTURES		JOINT VENTURES												₹ in Million	
		Hitodi Infrastructure Pvt. Ltd.#	ACP Tollways Pvt. Ltd.#	Age Patel JV	Patel Michigan JV	Patel SEW JV	Patel Avantika-Deepika-BHEL Consortium	Patel - Varks - Precision	Patel - Varks - JV	Cico Patel JV	Patel KNR JV	Patel KNR JV	Era Patel Advance JV**		
1.	Latest Audited Balance Sheet Date	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-25
2.	Date on which the Associate or Joint Venture was associated or acquired	14-Jun-17	05-Dec-11	31-Mar-16	12-Jul-06	23-Jan-08	30-Sep-08	18-Dec-08	06-Dec-07	27-Mar-13	12-Jun-01	06-Jan-01	10-Jul-06		
3.	Shares of Associate or Joint Ventures held by the company on the year end:														
	No.	24,019,600	8,495,040	-	-	-	-	-	-	-	-	-	-	-	-
	Amount of Investment in Associates or Joint Venture (₹ in Million)	240.20	849.50	(135.34)	2.61	1,556.41	21.19	1.24	1.75	61.42	(68.18)	48.50	0.43		
	Extent of Holding (in percentage)	49.00%	32%	49%	10%	60%	52.83%	60%	65%	99.90%	50%	49%	30%		
4.	Description of how there is significant influence	Associate	Associate	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control		
5.	Reason why the associate/joint venture is not consolidated	Not Applicable													
6.	Networth attributable to shareholding as per latest audited Balance Sheet	(21,692.12)	2,477.60	(135.34)	2.61	1,556.41	21.19	1.24	1.75	61.42	(68.18)	48.50	0.43		
7.	Profit or Loss for the year: (i+ii)	Nil*	188.35	2.53	-0.01	40.70	(0.01)	0.02	(0.01)	0.51	5.96	(0.01)	-		
	i. Considered in Consolidation	Nil*	188.35	2.53	-0.01	40.70	(0.01)	0.02	(0.01)	0.51	5.96	(0.01)			
	ii. Not Considered in Consolidation	Not Applicable													

NAME OF ASSOCIATES AND JOINT VENTURES		JOINT VENTURES												₹ in Million	
		Patel Apco JV**	Soma JV**	Patel - UEIPL JV	HCPL JV	Patel PEL-PPCPL- JV	Patel G ond JV	Parbati JV	PEL JV	HES Suthaliya JV	NEC PEL JV	Era Patel Advance Kiran JV**	Onycon Enterprise	Patel Siddhivinayak JV**	Patel VI JV
1.	Latest Audited Balance Sheet Date	31-Mar-25	31-Mar-25	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-25	31-Mar-25	31-Mar-25	31-Mar-26
2.	Date on which the Associate or Joint Venture was associated or acquired	04-Dec-12	25-Feb-05	20-Apr-17	10-Dec-14	13-Nov-18	30-Apr-19	30-Apr-19	07-Nov-19	30-Apr-19	04-Jan-07	01-Oct-18	12-Jun-08	21-Jan-18	
3.	Shares of Associate or Joint Ventures held by the company on the year end:														
	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount of Investment in Associates or Joint Venture (₹ in Million)	-	127.74	-	-	0.39	(0.06)	(0.05)	1.24	1.61	8.08	0.77	(2.17)		
	Extent of Holding (in percentage)	50%	50%	51%	60%	45%	52%	45%	45%	47.06%	60%	51%	51%		
4.	Description of how there is significant influence	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control
5.	Reason why the associate/joint venture is not consolidated	Not Applicable													
6.	Networth attributable to shareholding as per latest audited Balance Sheet	-	127.74	-	-	0.39	(0.06)	(0.05)	1.24	1.61	8.08	0.77	(2.17)		
7.	Profit or Loss for the year: (i+ii)	-	(0.00)	5.05	-	-	-	-	1.49	-	(0.01)	-	-	-	-
	i. Considered in Consolidation	(0.00)	(0.00)	5.05	-	-	-	-	1.49	-	(0.01)	-	-	-	-
	ii. Not Considered in Consolidation	Not Applicable													

NAME OF ASSOCIATES AND JOINT VENTURES		JOINT VENTURES											₹ in Million
	PEL Ghodke JV	Patel SA JV	Patel Prathamesh JV	ISC Projects PEL JV	Patel -Civet-Chaitra Micro(KA) JV**	Ceigali - PEL (JV)**	Patel Advance JV #	VPRPL- PEL JV	Mokhabardi Micro Irrigation Project JV**	DK Joint Venture LLP	PEL-PC JV	Patel Raman JV	
1.	Latest Audited Balance Sheet Date	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	
2.	Date on which the Associate or Joint Venture was associated or acquired	11-Jun-19	06-Feb-06	08-Jan-21	02-Dec-20	28-Jun-21	02-Jul-21	19-Mar-10	26-May-21	11-Aug-22	07-Oct-22	13-Sep-22	
3.	Shares of Associate or Joint Ventures held by the company on the year end:												
	No.	-	-	-	-	-	-	N.A.	-	-	-	-	
	Amount of Investment in Associates or Joint Venture (₹ in Million)	-	3.50	-	-	0.11	6.24	-	-	(0.05)	0.15	-	
	Extent of Holding (in percentage)	51%	75%	50%	49%	51%	40%	49%	51%	51%	80%	35%	
4.	Description of how there is significant influence	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	
5.	Reason why the associate/ joint venture is not consolidated	Not Applicable											
6.	Networth attributable to shareholding as per latest audited Balance Sheet	-	3.50	-	-	0.11	6.24	173.00	-	-	-	-	
7.	Profit or Loss for the year: (i+ii)	-	1.00	-	-	-	2.62	5.16	-	-	-	2.93	
	i. Considered in Consolidation	-	1.00	-	-	-	2.62	5.16	-	-	-	2.93	
	ii. Not Considered in Consolidation	Not Applicable											

NAME OF ASSOCIATES AND JOINT VENTURES		JOINT VENTURES										₹ in Million
	Patel Civet JV for TBC Pck - III V& Munneru **	VKMCPL PEL JV	Raj Infra Deoghhar JV	Constructions PEL JV	Jai Sai	VIDPL LIS1 JV	Raj Path Nira JV**	DBL PEL JV	Power (Lot4) Consortium JV**	Dibang Structures JV	Shiva Deoghar Pkg-2 JV	Raj Infra
1.	Latest Audited Balance Sheet Date	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
2.	Date on which the Associate or Joint Venture was associated or acquired	15-Feb-23	06-Jan-23	11-Aug-23	14-Sep-22	14-Sep-22	10-Aug-23	18-Jul-23	25-Feb-22	23-Oct-24	12-Apr-24	
3.	Shares of Associate or Joint Ventures held by the company on the year end:											
	No.	-	-	-	-	-	-	-	-	-	-	-
	Amount of Investment in Associates or Joint Venture (₹ in Million)	-	-	-	-	-	-	0.25	-	-	-	-
	Extent of Holding (in percentage)	51%	35%	40%	60%	51%	40%	35%	50%	40%	20%	
4.	Description of how there is significant influence	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control
5.	Reason why the associate/joint venture is not consolidated	Not Applicable										
6.	Networth attributable to shareholding as per latest audited Balance Sheet	-	-	-	-	-	-	0.25	-	-	-	-
7.	Profit or Loss for the year: (i+ii)	-	-	-	-	-	-	0.06	-	-	-	(0.00)
	i. Considered in Consolidation	-	-	-	-	-	-	0.06	-	-	-	(0.00)
	ii. Not Considered in Consolidation	Not Applicable										

For and on behalf of the Board of Directors
Patel Engineering Limited

Kavita Shirvaikar Managing Director DIN : 07737376	Kishan Lal Daga Whole Time Director DIN : 00083103	RVR Kishore Whole Time Director-Operations DIN: 07402969
Rahul Agarwal Chief Financial Officer	Shobha Shetty Company Secretary and Compliance Officer Mem No.: F10047	

Date: May 14, 2026
Place: Mumbai

Annexure II

Nomination and Remuneration Policy

Introduction

Patel Engineering Limited (‘the Company’) has adopted this Policy drafted by the Nomination and Remuneration Committee, upon the recommendation of the Board and the said Policy is in compliance with the requirements of Section 178 of the Companies Act, 2013 and rules thereunder(‘the Act’) and Regulation 19 of the SEBI LODR, 2015.

Objective

The key objective of the policy would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management in accordance with the criteria laid down;
- b) To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees;
- c) Formulation of criteria for evaluation of Independent Director and the Board;
- d) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board and to advise Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- e) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- f) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations;
- g) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- h) To devise a policy on Board diversity;
- i) To develop a succession plan for the Board and to regularly review the plan.

Scope and Applicability

The policy shall apply to

- a) Directors (Executive, Non-Executive and Independent);
- b) Key Managerial person;

- c) Senior management personnel.

Term/Tenure

a) Term for Managing Director/Whole time Director

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Term for Independent Director

- i) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- ii) No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- iii) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director.

Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

The Committee shall evaluate the performance of Directors taking into account the various parameters such as:

- Attendance at Board Meeting
- Participation in discussion
- Contribution in decision making

While evaluation is been done, the Director who is been evaluated shall not participate in the discussion. The recommendations of the Committee will be sent to the Board for its review.

Retirement

The Director/ KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP and Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Removal

The Committee may recommend, to the Board with reasons recorded in writing, removal of Director, KMP or Senior Management Personnel subject to the provisions of the Act and the rules made thereunder and all other applicable Acts, Rules and Regulations, if any.

Policy for Remuneration of Director/KMP/Senior Management personnel

Remuneration for Executive and Whole time Directors

The remuneration payable to the whole time directors shall be determined by the Company as per the Articles of the Company and the provisions of the Act and the rules made thereunder. The remuneration so determined shall be proposed to the board for approval and shall be subject to the approval of the shareholders/central government as applicable, wherever required.

Increments to the remuneration shall be recommended by the committee to the board which shall be well within the slabs as approved by the shareholders for the whole time director.

Remuneration for Non-Executive Directors

The remuneration to Non-Executive Directors shall be as per the provisions of the Companies Act, 2013. The Non-Executive of the Company shall in addition to the remuneration will be entitled to Sitting Fees subject to the ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

Remuneration may be paid to Non-Executive Director(s) either by monthly, quarterly or annually payment or at a specified percentage of net profits of the Company or partly by one way or partly, in compliance with laws.

Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Criteria for making payments to Non-Executive Directors:

Criteria of making payments to Non-Executive Directors will be decided by the Board, it can be on the basis of:

- Higher profits and financial stability.
- Level of participation and quality contribution made during the Meeting.
- Value of insights or recommendations provided during the Meeting
- Level of involvement in committees, governance and key decision making.
- Engagement with the Company in shaping and influencing its key strategic decisions.

Heads under which payments can be made

Any fee/remuneration payable to the Non- Executive Directors of the Company shall be in following manner.

Remuneration

Remuneration may be paid to Non-Executive Director(s) either by monthly, quarterly or annually payment or at a specified percentage of net profits of the Company or partly by one way or partly, in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure) Regulations, 2015 and subject to recommendation of NRC and approval of Board and subject to approval shareholders, where required.

Sitting Fee

In addition to remuneration, Non-Executive Director(s) are entitled to Sitting Fees for attending the Meetings of Board/ Committee of the Company in terms of Companies Act, 2013, SEBI LODR, 2015 or other applicable law or for any other purpose whatsoever as may be decided by the Board.

Remuneration and Commission

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its Executive Director(s) either by way of a monthly payment or at a specified percentage of the net profits of the Company.

Further, the section 197 of the Act provides that the remuneration payable to directors who are neither managing directors nor whole time directors, shall not exceed-

- (i) one percent of the net profits of the Company, if there is a managing or whole time director or manager,
- (ii) three percent of the net profits in any other case.

Additional commission, apart from remuneration referred above, may be paid to Non-Executive Directors as may be decided by the Board of Directors of the Company from time to time, depending on the extra time and effort as may be devoted and contribution as may be made by the Non-Executive Directors.

Remuneration to Key Management Personnel and Senior Management Personnel

The remuneration of the Key Management Personnel and Senior Management Personnel shall be drafted by the Human resource team of the Company and shall be presented to the committee for its perusal and accordingly the policy needs to be modified.

Conclusion

The committee shall have authority to modify or waive any procedural requirements of this policy.

In the event of any conflict between the provisions of this Policy and provisions of the SEBI LODR, 2015 or the Act and

Rules framed thereunder or any other applicable laws for the time being in force, the later shall prevail over the Policy.

This Policy or the relevant provisions of this policy shall be disseminated to all concerned employees of the Company and shall also be uploaded on the intra-net and website of the Company.

The policy shall be amended as required from time to time in case of any changes in the SEBI LODR, 2015 or/and the Act and the rules made thereunder.

For and on behalf of the Board of Directors,
Patel Engineering Limited

May 14, 2026 Mumbai	Kavita Shirvaikar Managing Director DIN: 07737376	Kishan Lal Daga Whole Time Director DIN: 00083103
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Annexure III

Annual report on Corporate Social Responsibility (CSR) for the financial year 2025-26

1. Brief outline on CSR Policy of the Company

To lay down the guidelines for Patel Engineering Limited to enhance its relationship with society by way of social and economic contribution and by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies. The Company prepares list of activities, programmes and projects to be undertaken during the implementation year, specifying modalities of execution and implementation schedules for the same.

In FY 2025-26, the Company had undertaken CSR activities at its project sites. The CSR initiatives of the Company are provided in detail under the Report of CSR forming part of the Board's report. Major CSR initiatives undertaken by the Company during FY 2025-26 are local area development in and around the project site through Ambulance facilities for Local Villagers, construction of road, drains, Educational Aid to the kids under BPL families, Infrastructure Development of Schools.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	*Mr. Ashwin Parmar	Independent Director-Chairman of the Committee	03	02
2.	Ms. Kavita Shirvaikar	Managing Director-Member of the Committee	03	03
3.	Ms. Janky Patel	Non-Executive, Director-Member of the Committee	03	03
4.	^Ms. Jana Chatra	Independent Director-Chairperson of the Committee	NA	NA

*ceased to be Chairman of Committee effective April 19, 2026

^inducted as Chairperson of Committee effective April 20, 2026

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

CSR committee: <https://tinyurl.com/2p7c38ck>

CSR Policy: <https://tinyurl.com/ydrfpm2r>

CSR projects approved by the Board: <https://tinyurl.com/v6tcvwh3>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in million)	Amount required to be set-off for the financial year, if any (₹ in million)
1.	2022-23	15.80	15.80
2.	2023-24	2.66	2.26

6. Average net profit of the Company as per section 135(5): ₹ 1,651.96 million

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 33.04 million
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: ₹ 18.06 million
- (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 14.98 million
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ in million)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
14.98	NIL	NA	NIL	NIL	NA

- (b) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ In million)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
As mentioned under in Annexure III (a)									

- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable: NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 14.98 million
- (g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹ In million)
(i)	Two percent of average net profit of the Company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(₹ In Million)					
Sl. No.	Particular	3	2	1	
1.	Preceding Financial Year.	2024-25	2023-24	2022-23	Total
2.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Nil	Nil	Nil	Nil
3.	Amount spent in the reporting Financial Year (in ₹)	13.08	14.33	15.79	48.07
4.	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.				
	i. Name of the Fund				
	ii. Amount (in ₹)				
	iii. Date of transfer	Nil	Nil	Nil	Nil
5.	Amount remaining to be spent in succeeding financial years. (in ₹)	Nil	Nil	Nil	Nil

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project	
								Completed	Ongoing
Not Applicable									

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a)	Date of creation or acquisition of the capital asset(s).	NA
(b)	Amount of CSR spent for creation or acquisition of capital asset.	
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):
Not Applicable

Sd/-
Kavita Shirvaikar
(Managing Director)
DIN: 07737376

Sd/-
Jana Chatra
(Chairperson - CSR Committee & Independent Director)
DIN: 07149281

May 14, 2026
Mumbai

Annexure III(a)

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project	Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency	CSR registration No.
I Subansiri Lower HEP								
i	Construction of Astronomy laboratory along with repair and renovation works at various Govt. Higher Secondary schools in Dhemaji district	ii	Yes	Lower Subansiri, Arunachal Pradesh	263,270	Yes	NA	NA
ii	To support the Boori Boot cultural festival in Arunachal Pradesh	v			350,000			
Total (I)					613,270			
II Kwar HEP (540 MW)								
i	Infrastructure development of Government Higher Secondary School, Nagseni, Dist - Kishtwar.	ii	Yes	Kishtwar, Jammu & Kashmir	79,984	Yes	NA	NA
ii	Provision for tents for Red cross society, Kishtwar. These tents will be utilized for setting up temporary shelters, relief camps and emergency during disaster. This will enhance the disaster preparedness and response capabilities, since Kishtwar district is prone to natural disasters like floods, landslides and earthquakes	xii			514,230			
iii	Infrastructure developments, providing RO (water purifier), Water Cooler and other facilities in School	i			361,850			
iv	Ambulance service for local villagers	i			329,204			
v	Water tanker service for local villagers	i			370,762			
Total (II)					1,656,030			

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project	Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/ No)	Name of implementing agency	CSR registration No.
III KIRU HEP								
i	Establishment of fabricated halls for functioning of Kandriya Vidyalay school at Dist Kishtwar to enhance educational facility in the village.	ii	Yes	Kishtwar, Jammu & Kashmir	3,335,584	Yes	NA	NA
ii	Ambulance service for local villagers	i			349,292			
iii	Provision for tents for Red cross society, Kishtwar. These tents will be utilized for setting up temporary shelters, relief camps and emergency during disaster. This will enhance the disaster preparedness and response capabilities, since Kishtwar district is prone to natural disasters like floods, landslides and earthquakes	xii			416,600			
iv	Providing of 1 no. of mobile toilet having 3 gents and 3 ladies compartments for Annual Shree Machail Mata Yatra 2025	i			210,508			
Total (III)					4,311,984			
IV CIDCO Project								
i	Rural development projects	X	Yes	Mumbai, Maharashtra	123,910	Yes	NA	NA
a	Water pipeline work				702,290			
b	Distribution of interactive panel, LED screens, water purifiers etc in schools				141,500			
c	Road works				4,402,161			
Total (IV)					5,369,861			
V Parnai								
i	To undertake Rural Development Project such as Road Crossing, footpath etc. for General Public.	x	Yes	Poonch, Jammu & Kashmir	497,771	Yes	NA	NA
Total (V)					497,771			

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project	Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency	
							District & State	Name CSR registration No.
VI Powai - Ghatkopar Tunnel Projects								
i	disaster management, including relief, rehabilitation and reconstruction activities.	xii	Yes	Mumbai, Maharashtra	449,880	Yes	NA	NA
Total (VI)					449,880			
VII Shongtong Karcham HE Project.								
i	To provide dustbins & drinkable water at various work front.	i	Yes	Kinnaur, Himachal Pradesh	83,853	Yes	NA	NA
Total (VII)					83,853			
VIII Kai Lamanrao Mankar Smruti								
i	Educational and Empowerment Initiatives- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	ii	Yes	Nagpur & Mumbai, Maharashtra	2,000,000	No	Kailaswasi Laxmanrao Mankar Smruti Sanstha	CSR00020635
Total (VIII)					2,000,000			
TOTAL (I+II+III+IV+V+VI+VII+VIII)					14,982,649			

Annexure IV

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/ Outgo

Information as per section 134 read with Rule 8 of the Companies (Accounts) Rules, 2014 for the financial year ended March 31, 2026.

(A) Conservation of Energy

- “Energy conservation” means reduction in consumption of energy that is used for different purposes. Company is continuing with the following measures towards energy saving along with utilization of alternate sources of energy.
- Implementation of digital energy monitoring systems, including smart metering and centralized dashboards, to track and optimize energy consumption across sites and facilities.
 - Periodic energy audits and internal benchmarking to identify improvement opportunities and replicate best practices.
 - Integration of energy efficiency considerations into project planning, equipment selection, and execution strategies.
 - Strengthening governance through data-driven monitoring and reporting mechanisms.
 - Gradual transition towards electrification of construction equipment, wherever technically feasible, to reduce dependence on fossil fuels.
 - Deployment of energy-efficient, hybrid, and battery-operated machinery to reduce dependence on fossil fuels and CO₂ emissions.
 - Standardization of equipment selection based on lifecycle energy performance and applicable emission norms (Bharat Stage 6)
 - Continuous modernization and retrofitting of existing machinery to enhance operational efficiency.
 - Adoption of high-efficiency motors (IE3/IE4) and Variable Frequency Drives (VFDs) for optimized energy consumption – Ventilation fans, EOT and gantry cranes.
 - Optimization of compressed air systems through appropriate sizing, leak reduction, and demand-based operation.
- Adoption of optimized ventilation design with customized flexible ducts to reduce power
 - Efficient design and operation of ventilation systems to minimize power losses.
 - Use of decentralized and application-specific systems to avoid unnecessary energy usage.
 - Implementation of load management practices, including staggered operation of high-load equipment and balancing of electrical loads.
 - Installation of Automatic Power Factor Controller (APFC) panels to maintain optimal power factor and reduce energy losses.
 - Optimization of electrical distribution systems and minimization of transmission losses.
 - Continuous monitoring and maintenance of electrical infrastructure to ensure efficient performance.
 - Prioritization of grid power usage to reduce reliance on diesel-based generation. Presently sites are planned to operate under 90% grid.
 - Deployment of efficient and synchronized DG systems for optimized load sharing and reduced energy losses.
 - Monitoring and control of fuel consumption across equipment and power sources.
 - Evaluation and phased adoption of renewable energy solutions, including solar and other low-carbon technologies for construction operations.
 - Assessment of feasibility for renewable integration across project sites.
 - Optimization of construction sequencing, logistics, and material movement to reduce energy consumption.
 - Increased adoption of prefabrication and modular construction techniques.
 - Reduction of equipment idle time through improved planning and preventive maintenance.
 - Optimization of pumping, dewatering, and material handling systems for energy efficiency
 - Use of passive design strategies such as natural ventilation, daylighting, and insulation.

- Development of energy-efficient temporary and permanent infrastructure.
- Adoption of sustainable construction materials and practices like flyash etc.
- Use of conveyor belt systems via dedicated tunnels for material and concrete transportation indirectly eliminating requirement of loading equipment significantly reducing energy consumption, costs, dust, and CO₂ emissions.
- Integration of conveyor-based systems with tower belt concrete placement technologies for efficient material handling.
- Regular energy awareness and training programs for employees, workers, and stakeholders focusing on responsible energy use, sustainable construction techniques, and environmental stewardship.
- Promotion of behavioral practices such as switching off lights and monitors when not in use, adoption of energy-efficient lighting systems, including LED solutions, and utilization of advanced power management features.

(B) Technology Absorption

Efforts made towards technology absorption during last three years.

i. Research and Development (R&D)

R&D is a continuous process and the Company has benefitted immensely though it is difficult to assess the benefits in direct monetary terms. Some of the efforts on R&D undertaken during the period related are as follows.

- Adoption of Building Information Modelling (BIM) for improved design coordination, clash detection, and enhanced constructability.
- Integration of digital tools across project lifecycle for enhanced efficiency. Digitalization of weigh bridges and integration with systems at Heo & Teesta V.
- Deployment of IoT-based systems for monitoring equipment performance and environmental parameters.
- Use of drone-based technologies for surveying, inspection.
- Continuous improvement in tunneling and construction techniques. Deployment of slip-form / jump-form shuttering systems to enhance construction speed and quality at

Arun-3, Kundah, Teesta VI and Shongtong sites.

- Use of analytical tools such as Finite Element Method (FEM) for design optimization and structural analysis.
- Development and adoption of sustainable construction materials and optimized mix designs.
- Reuse and recycling of materials to reduce environmental impact - Utilization of processed crushing waste to minimize environmental impact and material wastage.
- Efficient material processing and waste minimization practices - Maximum reuse of excavated spoils as coarse and fine aggregates for concreting and as filling material for low-lying areas
- Deployment of digital safety systems and monitoring tools. Use of advanced visualization and training technologies.
- Increased mechanization and automation to improve safety and productivity.
- Implementation of environmentally responsible practices for waste handling and site management.
- Dust control measures, stabilization, and ecological protection initiatives - Dust suppression systems at crusher plant areas. Crusher plants are operated under covered environment and provided with water sprinkler system.

ii. Benefits derived from technology absorption

- Improved project efficiency and predictability.
- Enhanced sustainability and reduced environmental footprint.
- Improved safety performance and risk mitigation.
- Optimized resource utilization and cost efficiency.
- Strengthened coordination and data-driven decision-making.

iii. Technology absorption

- Application of Finite Element Method (FEM) for optimized design of various project components across multiple projects

- Shongtong–Karcham Hydroelectric Project, Luhri Hydroelectric Project, Parnai Hydroelectric Project.
- Adoption of Earth Pressure Balancing Tunnel Boring Machine (TBM) technology for tunnelling works at the Sleemnabad Carrier Canal & Tunnel Project (technology adoption ongoing since 2011).
- Reduction in shotcrete rebound losses through deployment of robotic shotcrete machines, improving material efficiency and workplace safety.
- Adoption of Steel Fiber Reinforced Concrete (SFRC) in tunnel linings in place of conventional reinforced cement concrete, resulting in savings in steel, construction time, and cost.
- Use of Non-Destructive Testing (NDT) methods for geological assessment, material evaluation, and quality assurance of already cast concrete structures.

(C) Foreign exchange earnings and outgo

Foreign Exchange Earnings and Outgo are as under: -

(in million)		
Particulars	FY 2025-26 (in ₹)	FY 2024-25 (in ₹)
Foreign Exchange Earnings	1.36	Nil
Foreign Exchange Outgo	497.08	238.08

For and on behalf of the Board of Directors,
Patel Engineering Limited

	Kavita Shirvaikar	Kishan Lal Daga
May 14, 2026	Managing Director	Whole Time Director
Mumbai	DIN: 07737376	DIN: 00083103

Annexure V

FORM NO. MR.3
SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Patel Engineering Limited
Patel Estates Road, Jogeshwari (West)
Mumbai- 400 102, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Patel Engineering Limited** (hereinafter called ‘the Company’). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor’s Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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

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

- (i) The Companies Act, 2013 (‘the Act’) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment; **(Foreign Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.

- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. (‘Listing Regulations’)

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above except the followings:

1. There was a delay in intimating the record date for payment of interest to the National Stock Exchange of India Limited (‘NSE’), as required under Regulation 60(2) of the Listing Regulations. Consequently, the Company received a notice from NSE imposing a penalty of ₹ 10,000, which has been duly paid by the Company.
2. The requisite quorum was not present in the Audit Committee meeting held on November 13, 2025, in accordance with Regulation 18(2)(b) of the Listing Regulations. However, the agendas have been ratified in next Audit committee Meeting.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with The Real Estate (Regulations and development) Act, 2016 which is specifically applicable to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in one cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions) and a system exists for seeking and obtaining further information and clarifications on

the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines. The adequacy and efficacy of the same shall be read in the context of remarks made in this report.

We further report that during the audit period, the Company has:

- a) issued and allotted 9,000 senior, secured, rated, listed and transferable Non-Convertible Debentures having a face value of ₹ 1,00,000 each, aggregating upto ₹ 90,00,00,000/- through private placement.
- b) issued and allotted 14,77,65,820 equity shares of the face value of ₹ 1 each issued at a price of ₹ 27 per Equity Share (including premium of ₹ 26 per Equity Share) by way of a rights issue.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Deepti Joshi
Partner
FCS No.: 8167
CP No.: 8968
UDIN: F008167H000364006

Date: May 14, 2026
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

‘Annexure A’

To,
The Members,
Patel Engineering Limited
Patel Estates Road, Jogeshwari (West)
Mumbai- 400 102, Maharashtra, India

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Deepti Joshi
Partner
FCS No.: 8167
CP No.: 8968
UDIN: F008167H000364006

Date: May 14, 2026
Place: Mumbai

Annexure VI- Particulars of Employees

a) **Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The ratio of the remuneration of each Director to the median employee’s remuneration and other details in terms of Sub-section 12 of Section 197 of The Companies ACT, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

Sr. No.	Disclosure Requirement	Disclosure details		
1	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.	Directors	Title	Ratio
		Ms. Kavita Shirvaikar	Managing Director	93.28
		Mr. Kishan Lal Daga	Whole Time Director	41.05
		Mr. Dimitrius John D'Mello	Whole Time Director	9.56
		Mr. RVR Kishore	Whole Time Director-Operations	34.28
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any, in the financial year.	Directors/KMP's	Title	% increase in remuneration
		Ms. Kavita Shirvaikar	Managing Director	13.05
		Mr. Kishan Lal Daga	Whole Time Director	31.45
		Mr. Dimitrius John D'mello*	Whole Time Director	57.01
		Ms. Shobha Shetty	Company Secretary	3.77
		Mr. Rahul Agarwal	Chief Financial Officer and Compliance Officer	21.01
3	Percentage increase in the median remuneration of employees in the financial year.	4.23		
4	Number of permanent employees on the rolls of the Company at the end of the year.	4,364 as on March 31, 2026		
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	While the increase in Directors' remuneration for 24-25 over 2025-26 is 0.7%, the corresponding average remuneration increase for the other employees is 10.99%		
6	Affirmations that the remuneration is as per the Remuneration Policy of the Company.	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.		

**Mr. D'Mello ceased to be in the employment of the Company on May 31, 2025; accordingly, the increase in remuneration has been computed based on the proportionate remuneration for the previous year.*

For and on behalf of the Board of Directors,
Patel Engineering Limited

May 14, 2026
Mumbai

Kavita Shirvaikar
Managing Director
DIN: 07737376

Kishan Lal Daga
Whole Time Director
DIN: 00083103

Report on Corporate Governance

(1) Company’s philosophy on Code of Governance

Corporate Governance is the combination of voluntary practice and compliance of laws and regulations leading to effective control and management of the affairs of the Company. Our Company assigns responsibility and authority to the Board of Directors, its Committees, Senior Management, and Employees etc. The Company believes that good governance provides appropriate framework for the Board, its Committee and Management to carry out its objectives and balance the interest of all stockholders and satisfy the tests of accountability, transparency and fair play.

(2) Board of Directors

- The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors.
- As on March 31, 2026, the Board comprised of 8 Directors out of which 4 were independent Directors. This is in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Companies Act, 2013 ("the Act").
- The names and categories of the Directors on the Board, their attendance at Board meetings held during the FY 2025-26 and at the last Annual General Meeting (AGM), as also the number of directorships and committee positions held by them in other public limited companies are as under:

Name and DIN of the Directors	Category of Director	No. of Board Meetings		Attendance at the last AGM held on September 12, 2025	No. of directorships in other Companies	Name of other listed entities where directorship held & category	⁽¹⁾ Committee Positions	
		Held during tenure	Attended				Chairman	Member
Ms. Janky Patel (DIN: 00032464)	Chairperson, Non-Executive (Promoter)	6	6	Yes	2	Nil	Nil	Nil
Ms. Kavita Shirvaikar (DIN: 07737376)	Managing Director	6	6	Yes	8	1. Patel KNR Infrastructures Limited – Executive Director 2. Patel KNR Heavy Infrastructures Limited Non-Executive Director	Nil	2
Mr. Kishan Lal Daga (DIN: 00083103)	Executive	6	6	Yes	7	Nil	Nil	Nil
⁽²⁾ Dr. Sunanda Rajendran (DIN: 00381885)	Independent Non-executive	6	6	Yes	4	1. Patel KNR Infrastructures Limited – Independent Director	Nil	2
Mr. Shambhu Singh (DIN: 01219193)	Independent Non-executive	6	6	Yes	8	1. C.E. Info Systems Limited – Independent Director	1	1
Mr. Ashwin Parmar (DIN: 00055591)	Independent Non-executive	6	5	Yes	1	Nil	Nil	2
⁽³⁾ Mr. Dimitrius John D'Mello (DIN: 00837714)	Executive	1	1	NA	2	Nil	Nil	Nil
Dr. Emandi Sankara Rao (DIN: 05184747)	Independent Non-executive	6	6	Yes	10	1. GMR Airports Limited Independent Director. 2. GMR Power And Urban Infra Limited Independent Director 3. Coastal Corporation Limited Independent Director	Nil	11
⁽⁴⁾ Mr. R. V. R. Kishore (DIN: 07402969)	Executive Director	2	2	NA	Nil	Nil	Nil	Nil

Name and DIN of the Directors	Category of Director	No. of Board Meetings		Attendance at the last AGM held on September 12, 2025	No. of directorships in other Companies	Name of other listed entities where directorship held & category	⁽¹⁾ Committee Positions	
		Held during tenure	Attended				Chairman	Member
⁽⁵⁾ Ms. Sudha Navandar (DIN: 02804964)	Independent Non-executive	0	0	NA	9	1. Tribhovandas Bhimji Zaveri Ltd. – Independent Director 2. Yasho Industries Ltd. – Independent Director 3. Sudarshan Chemical Industries Ltd. – Independent Director 4. Anand Rathi Share and Stock Brokers Ltd. – Independent Director 5. Sudarshan Colorants India Ltd. – Independent Director	5	7

⁽¹⁾ only Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee in other public limited companies, have been considered for the Committee positions.

⁽²⁾ Dr. Sunanda Rajendran ceased be to an Independent Director of the Company effective from March 23, 2026 due to completion of tenure.

⁽³⁾ Mr. Dimitrius D'Mello resigned from the Company effective from May 31, 2025.

⁽⁴⁾ Mr. R V R Kishore appointed as Whole-Time Director of the company effective from September 22, 2025.

⁽⁵⁾ Ms. Sudha Navandar was appointed as an Independent Director of the Company effective from March 16, 2026.

- The Board met 6 times during the FY 2025-26 i.e., on May 13, 2025, July 03, 2025, August 11, 2025, September 12, 2025, November 13, 2025 and February 14, 2026.
- None of Directors listed above are related to each other.
- All the Directors of the Company have confirmed that they are not disqualified for being appointed as Directors pursuant to Section 164 of the Companies Act, 2013.
- Except, Mr. Ashwin Parmar – Independent Director and Ms. Janky Patel – Chairperson, Non-Executive Director of the company who hold 25,908 and 3,08,26,733 equity shares, respectively in the company, other Non-Executive directors neither hold any convertible instruments nor any equity shares in the Company as on March 31, 2026.
- Familiarization Programme: The Independent Directors are familiarized with their roles, rights, responsibilities etc. in relation to the nature of the business, Company's performance/business model. The details are uploaded on the website of the Company at <https://tinyurl.com/3chzy8ky>
- Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of Independence as prescribed under the Listing Regulations and that they are independent of the management.
- A Certificate from M/s. Makarand M. Joshi & Co., Company Secretaries has been obtained confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Board / Ministry of Corporate Affairs or any such statutory authority.

- Board Skill Matrix

The Board has identified the following parameters with respect to the skills / expertise / competence that are available with the Board in the context of the business and sector for it to function effectively:

Sr. No.	Experience / Expertise / Attribute	Comments
1.	Industry Knowledge	Should demonstrate sound knowledge & possess thorough working experience of the industry in which the organization operates with specific reference to the relevant laws, rules, regulation policies applicable to the organisation/ industry/ sector and level/ status of compliances; the best corporate governance practices, relevant governance codes, governance structure, processes and practices; business ethics, ethical policies, codes and practices of the organization; the structures and systems which enable the organisation to effectively identify, asses and manage risks and crises and bench mark global practices.
2.	Functional Expertise	Should possess ability to obtain, analyse, interpret and use data/ information effectively to develop plans and take appropriate decisions with respect to interpretation of financial statements and accounts in order to assess the financial health of an organization; build operational excellence by constantly focusing on upgrading methods, technology, costs, quality. Monitor/review performance for better results and focus on a culture for zero tolerance; maximize technology usage to create robust processes, minimize ambiguity & encourage inter-dependence and seamless working across departments and assess the costs & risks involved with regard to existing & potential business proposition, while evaluating the sources of finance available to an organization vis-à-vis their related merits and risks.
3.	Behavioural Competencies	Should display highest standards of values & personal conduct, ability to assume ownership & accountability for own performance, working effectively, respectfully & inclusively with people from different backgrounds with different perspectives, while remaining calm & optimistic even under adverse circumstances & taking tough decisions when necessary.
4.	Strategic Orientation	Ability to identify vision and value creation and seize opportunities for short & long-term business growth, bring in new insights & innovative ways to build robust execution plans for implementing.
5.	Leadership	Should continuously monitor activities and operations of the Board and should ensure that they are efficient and effective. There should be approach of Openness and transparency among the members of the Board. Report information about the company in accurate and in a timely manner. Should be individually and collectively accountable for actions and decisions of the Board.
6.	Corporate Governance	Corporate governance refers to the rules, practices and processes used to govern a company by the Board. An Individual should be accountable for decision-making and work practices of the Board. To ensure that all stakeholders are protected.

List of Core competencies, Skills and Expertise of the Individual Directors:

Name of Director	Skills/Expertise/Competencies					Corporate Governance
	Industry Knowledge	Functional Expertise	Behavioural Competencies	Strategic Orientation	Leadership	
Ms. Janky Patel	✓		✓		✓	✓
Ms. Kavita Shirvaikar	✓	✓	✓	✓	✓	✓
Mr. Kishan Lal Daga	✓	✓	✓	✓	✓	✓
Dr. Sunanda Rajendran	✓		✓		✓	✓
Mr. Shambhu Singh	✓		✓		✓	✓
Mr. Ashwin Parmar	✓	✓	✓		✓	✓
Dr. Emandi Sankara Rao	✓		✓		✓	✓
Mr. R V R Kishore	✓	✓	✓	✓	✓	✓

(3) Audit Committee

(a) Terms of Reference:

- To oversee of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To recommend the appointment, remuneration and terms of appointment of Statutory auditors of the Company;
- To approve the payment to statutory auditors for any other services rendered by the statutory auditors;
- To review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- To review with the management, the quarterly financial statements before submission to the Board for approval;
- To review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- To review and monitor the auditor's independence, performance and effectiveness of audit process;
- To approve the related party transactions or any subsequent modification of such transactions;
- To scrutinize the inter-corporate loans and investments;
- To scrutinize valuation of undertakings or assets of the Company, wherever it is necessary;
- To evaluate internal financial controls and risk management systems;
- To establish a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- To discuss with internal auditors of any significant findings and followup thereon;
- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of whistle blower mechanism;
- To approve the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- To seek information from any employee and to obtain legal and professional advice as and when necessary;
- To discuss the scope of internal audit with internal auditors. To formulate the scope, functioning, periodicity and methodology for conducting internal audit in consultation with the internal auditor;
- To call for comments from the internal auditors about internal control systems, scope of audit including the observations of the auditors;
- To review the appointment, removal and terms of remuneration of the Chief internal auditor;
- To review the utilization of loans and/ or advances from/ investment by the Company in its subsidiary(ies) exceeding rupees 100 crore or 10% of the asset size of the respective subsidiary(ies), whichever is lower including existing loans/ advances/ investments;
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamations etc. on the Company and its shareholders.

(b) Composition, name of members/chairman and number of meetings attended by the members

Composition and Name of members		Number of meetings during the FY 2025-2026	
		Held	Attended
Mr. Ashwin Parmar,	Chairman	4	3
Ms. Kavita Shirvaikar	Member	4	4
*Dr. Sunanda Rajendran	Member	4	4
^Ms. Sudha Navandar	Member	0	0

*Dr. Sunanda Rajendran ceased to be Member of Audit Committee effective March 23, 2026

^Ms. Sudha Navandar was inducted as Member of Audit Committee effective March 24, 2026

The Chairman of the Audit Committee was present at the last Annual General Meeting (AGM) held on September 12, 2025.

All the members of the Committee have financial management expertise. The constitution and terms of reference of the Committee are in compliance with the requirement of Section 177 of the Act and the Listing Regulations.

(c) Audit Committee meetings during the year

The Audit Committee met 4 times during the FY 2025-26 i.e. on May 13, 2025, August 11, 2025, November 13, 2025 and February 14, 2026. The necessary quorum was present for all the meetings of the Committee except for the meeting held on November 13, 2025 for which the quorum was not in term of the provisions of Listing Regulation.

(4) Nomination and Remuneration Committee (“NRC”)

(a) Terms of Reference:

- To identify individuals who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- To formulate criteria for evaluation of independent directors and the performance of the Board;
- To formulate the policy to determine the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

- To devise the policy on the Board diversity;
- To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- To perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;
- To frame suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including – The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- To perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee;
- To recommend to the Board all remuneration, in whatever form, payable to senior management of the Company.

(b) Composition, name of members/chairperson and number of meetings attended by the members:

Composition and Name of members		Number of meetings during the FY 2025-2026	
		Held	Attended
*Dr. Sunanda Rajendran,	Chairperson	4	4
Ms. Janky Patel	Member	4	4
Mr. Ashwin Parmar	Member	4	3
^Ms. Sudha Navandar	Chairperson	0	0

*Dr. Sunanda Rajendran ceased to Chairperson of NRC effective from March 23, 2026

^Ms. Sudha Navandar was inducted as Chairperson of NRC effective from March 24, 2026

The Chairperson of the Nomination and Remuneration Committee was present at the last Annual General Meeting (AGM) held on September 12, 2025.

(c) Nomination and Remuneration Committee Meetings during the FY 2025-26:

The Nomination and Remuneration Committee met four times during the FY 2025-26 i.e. on May 12, 2025, September 12, 2025, November 13, 2025 and February 14, 2026 The necessary quorum was present for the meetings of the Committee.

The Company has Remuneration Policy in place, the brief of the Policy is annexed to the Board’s Report.

(5) Stakeholders’ Relationship Committee (“SRC”)

- (i) The Stakeholders’ Relationship Committee met once during the financial year i.e. on May 13, 2025.

(ii) Composition, name of members/chairman and number of meetings attended by the members.

Composition and Name of members		Number of meetings during the FY 2025-2026	
		Held	Attended
Dr. Emandi Sankara Rao,	Chairman	1	1
Ms. Kavita Shirvaikar	Member	1	1
Mr. Ashwin Parmar	Member	1	1

- (iii) Based on the report received from MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the Registrar & Share Transfer Agent, the Company has received 2 complaints during the year ended March 31, 2026 and the same have been resolved.

- (iv) Number of complaints not solved to the satisfaction of shareholders: Nil

- (v) Number of pending complaints - Nil

(6) Risk Management Committee (RMC)

(a) Terms of Reference of RMC:

- i. To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- ii. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- v. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- vi. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

(b) Composition, name of members/chairperson, meeting & attendance of Risk Management Committee (“RMC”):

The RMC met twice during the FY 2025-26 i.e. on May 12, 2025 and December 05, 2025. The necessary quorum was present for both the meetings of the Committee.

Name of the members		No. of meetings during the FY 2025-2026	
		Held	Attended
Ms. Kavita Shirvaikar	Chairperson	2	2
Mr. Ashwin Parmar	Member	2	1
Mr. Rahul Agarwal	Member	2	2

(7) Senior Management

Particulars of Senior Management Personnel (SMP) including the changes therein since the close of the FY 2025-26.

Sr. No.	Name	Designation
1	Sandeep Shetty	President – Business Development & Corporate Affairs
2	Rahul Agarwal	Chief Financial Officer
3	Shobha Shetty	Company Secretary and Compliance Officer
4	Vinod Chandnani	Chief Information Officer & Head - Human Resource
5	Anuran Ghatak	Vice President_P_E
6	*Sonal Raj	Additional Vice President (Human Resources)
7	#B. R. Sharma	Additional Vice President (Insurance)
8	Amitava Chakraborty	Additional Vice President (Material Management)
9	James Kurian	Vice President (Tendering & Estimation)
10	Sibatosh Debnath	Senior Vice President (Design & Engineering)
11	Hiten Sampat	General Counsel
12	^Rajnish Ved	General Manager (Insurance)

*Ceased to be SMP effective from July 25, 2025 due to resignation.

#Ceased to be SMP effective from April 30, 2025 due to retirement from service.

^Appointed as SMP effective from May 13, 2025.

(8) **Board Evaluation:** A Board evaluation policy (the policy) has been framed for evaluating the performance of the Board as a whole, the Chairman, Managing Director, Executive Directors, Independent Directors and the Non- Executive Directors.

The Policy inter alia provides the criteria for performance evaluation such as Board effectiveness, quality of discussion and contribution at the meetings, assessing the quality, quantity and timeliness of flow of information between the company management and the Board etc.

(9) Remuneration of Directors

- (a) There is no pecuniary relationship or transaction of the non-executive director's vis-à-vis the listed entity.
- (b) The criteria of making payments to Non-Executive Directors are in terms of the Remuneration Policy of the Company and the said Policy is annexed to the Board's Report and also available on the website of the Company by following this link:

The details of sitting fees paid to the directors during FY 2025-26 are as under:

Name	Sitting fees (₹ In millions)
Mr. Ashwin Parmar	0.775
Dr. Sunanda Rajendran	0.85
Mr. Shambhu Singh	0.45
Ms. Janky Patel	0.625
Dr. Emandi Sankara Rao	0.475

In addition to the sitting fees, remuneration by way of profit linked commission for FY 2025-26 amounting to ₹ 2.25 crore or 1 % of the net profits of the Company, whichever is lower, is payable to Ms. Janky Patel subject to approval of shareholders of the Company at the ensuing AGM, as recommended by the Nomination and Remuneration Committee and Board of Directors vide their meetings dated May 14, 2026. The said remuneration is within the limit of 1% of net profits of the Company as on March 31, 2026 as per the provisions of Section 198 of Companies Act, 2013.

(c) Executive Directors

The details of the remuneration paid to the Managing Director and the Executive Directors during the financial year are as under:

	(₹ in millions)			
	Ms. Kavita Shirvaikar, Managing Director	Mr. Kishan Lal Daga, Executive Director	Mr. Dimitrius D'Mello (Up to May 31, 2025)	Mr. R V R Kishore (from September 22, 2025)
Salary	45.47	20.51	4.81	17.22
Perquisites	2.32	0.52	0.09	0.34
Total (Gross Salary)	47.79	21.03	4.9	17.56
Service Contract	13 August, 2024 to 31 March 2027	15-06-2024 to 14-06-2027	13-08-2024 to 12-08-2027	22-09-2025 to 21-09-2028
Notice Period	3 months	3 months	3 months	3 months
Option exercised during the year	NA			

No options were granted during the year to any of the aforementioned directors.

The shareholding of the Directors in the Company as on March 31, 2026 is as under:

Name	Designation	Number of equity shares	% of the paid-up capital
Ms. Kavita Shirvaikar	Managing Director	3,14,001	0.03
Mr. Shambhu Singh	Independent Director	Nil	Nil
Mr. Ashwin Parmar	Independent Director	25,908	Negligible
Mr. Kishan Lal Daga	Whole-time Director	200	Negligible
*Ms. Janky Patel	Chairperson Non-Executive Non-Independent Director	3,08,26,733	3.11
Dr. Emandi Sankara Rao	Independent Director	Nil	Nil
Mr. R V R Kishore	Whole-Time Director	7,100	Negligible
Ms. Sudha Navandar	Independent Director	Nil	Nil

*Mr. Rupen Patel, one of the Promoters of the Company expired on July 5, 2024. Out of his total shareholding of 3,07,85,933 shares in the Company, 1,49,900 shares by way of transmission was transferred to his nominee Ms. Janky Patel on September 13, 2024. Post release of pledge on the balance shareholding of 3,06,36,033 of late Mr. Rupen Patel, 2,92,83,433 and 13,52,600 equity shares were transferred to the nominee Ms. Janky Patel on June 25, 2025 and March 26, 2026, respectively.

(10) General Body meetings

- (a) The date, time and venue of the last three Annual General Meetings are given below:

Financial Year	Date	Time	Venue
2022-23	September 08, 2023	11.30 am	Annual General Meeting held through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)
2023-24	September 13, 2024	11.30 am	
2024-25	September 12, 2025	11.30 am	

- (b) Special resolutions passed in the previous three Annual General Meetings (AGMs) are given below:

i. AGM held on September 08, 2023

- Re-appointment of Mr. Rupen Patel as Managing Director

ii. Extra-Ordinary General Meeting (EGM) held on March 8, 2024

- To consider and approve raising of funds through issuance of Equity Shares to Qualified Institutional Buyers

iii. AGM held on September 13, 2024

- Re-designation of Ms. Kavita Shirvaikar (DIN: 07737376) as Managing Director
- Appointment of Mr. Kishan Lal Daga (DIN: 00083103) as a Whole-Time Director
- Appointment of Mr. Dimitrius D Mello (DIN: 00837714) as a Whole-Time Director
- Appointment of Dr. Emandi Sankara Rao (DIN: 05184747) as an Independent Director
- Approval of special rights to Promoters of the Company
- Alteration of Articles of Association of the Company

iv. AGM held on September 12, 2025

- Payment of remuneration by way of Commission to Ms. Janky Patel (DIN: 00032464), Non- Executive Director

- v. Company has passed Resolutions through Postal Ballot on December 18, 2025 vide notice dated November 13, 2025 for approving following Special Resolution:

- Appointment of Mr. R V R Kishore (DIN: 07402969) as the Whole Time Director
- Enhancement of remuneration limit of Ms. Kavita Shirvaikar, Managing Director (DIN: 07737376)

- vi. The Company follows the procedure as prescribed under the Companies Act, 2013, the Rules framed thereunder and other applicable statutes, if any, for conducting the postal ballot.

(11) Means of communication

- (a) The quarterly/annual financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Regulations.
- (b) The said financials results are published in Business Standard/Economic Times in English Language and Sakal in Marathi Language.
- (c) All the communications are displayed on www.pateleng.com, the website of the Company. The website of the Company also displays official news release immediately upon information to the Stock Exchanges where shares of the Company are listed. The presentation made to the Institutional Investors or to the Analysts, if any, are also uploaded on the website of the Company. The Company has designated email ID investors@pateleng.com exclusively for Investors servicing.

(12) General Shareholder information

- (a) Annual general meeting: – date, time and venue: Friday, September 18, 2026 through Video Conferencing (“VC”) / other Audio-Visual Means (“OAVM”)
- (b) Financial year: April 1, 2025 to March 31, 2026
- (c) Dividend payment date: NA
- (d) The Equity Shares (ISIN: INE244B01030) of the Company are listed on following Stock Exchanges:

Name of the Stock Exchange	Address of the Stock Exchange	Stock codes (Equity Shares): Trading Symbol
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	531120
National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051	PATELENG

The Company confirms payment of annual listing fees to these Stock Exchanges for the financial year 2026-27.

- (e) **Registrar and share transfer agent:** MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) is the Registrar and Share Transfer Agent of the Company.
- (f) **Share Transfer System:** Pursuant to Regulation 40 of Listing Regulations, transfer of securities of the Company shall be processed only in dematerialised form with the depository with effect from April 01, 2019. Further, SEBI vide its Circular dated January 25, 2022, has mandated that securities shall be issued only in dematerialized mode while processing duplicate/unclaimed suspense/ renewal/exchange/endorsement/sub-division/consolidation/ transmission/ transposition service requests received from physical securities holders.

Ms. Shobha Shetty, Company Secretary and Compliance Officer of the Company has been duly authorized by the Board of Directors to approve transfer, transmission of shares of the Company and periodically report the same to the Board.

(g) **Distribution of shareholding as on March 31, 2026:**

No. of shares	No. of Shareholders	% of Shareholders	Number of Shares held	% to Shares held
1-500	3,48,340	73.48	4,85,16,312	4.89
501-1000	53,345	11.25	4,27,56,278	4.31
1001-2000	33,809	7.13	5,11,34,220	5.15
2001-3000	12,689	2.67	3,24,94,958	3.27
3001-4000	6,132	1.29	2,20,17,371	2.22
4001-5000	4,958	1.04	2,33,41,754	2.35
5001-10000	8,120	1.71	5,96,60,903	6.01
Above 10001	6,663	1.40	71,22,20,141	71.79
Grand Total	4,74,056	100	99,21,41,937	100

Category wise shareholding as on March 31, 2026:

Category	No. of shares	% of Total Holding
Promoters	31,23,27,712	31.48
Mutual Funds / Banks / AIFs/ FIs / Insurance Companies / NBFCs	6,12,39,081	6.17
FIIIs/ FPIs	2,83,97,107	2.86
NRIIs/ Foreign Nationals/Foreign Bodies Corporate	1,39,68,742	1.41
Directors & their relatives (excluding independent directors & nominee directors)	3,21,301	0.03
Key Managerial Personnel	20,504	0.00
Public & others	53,87,73,250	54.31
Non-Promoter - Non-Public	3,70,94,240	3.74
GRAND TOTAL	99,21,41,937	100

- (h) **Dematerialization of shares and liquidity:** The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares representing 99.96% of the Company's share capital are dematerialized as on March 31, 2026.

The Company's shares are regularly traded on the National Stock Exchange of India Limited and BSE Limited, in electronic form.

- (i) **The Company has not issued GDRs/ADRs/Warrants during the year.** Company has not made any allotment of GDRs/ADRs/Warrants during FY 2025-26.
- (j) **Commodity price risk or foreign exchange risk and hedging activities:** Price Escalation of most of the materials are passed onto the clients based on contract conditions hence the company doesn't undertake any hedging activities for the same. As regard other foreign currency liabilities are concern, the company decides to undertake hedging after considering amount involved, period and market conditions. Further, the Company has not obtained any foreign currency loans. Hence, the Company is not exposed to any such risks.
- (k) **Plant locations:** Not Applicable
- (l) **Address for correspondence:** For any assistance, request or Instruction regarding transfer or transmission of shares and debentures, dematerialization of shares, change of address, non-receipt of annual report, dividend warrant and any other query relating to the shares and debentures of the Company, the investors may please write to the following address:

The Company Secretary and Compliance Officer Patel Engineering Limited Patel Estate Road, Jogeshwari (West), Mumbai – 400 102. Tel: +91 22 26767500 E-mail: investors@pateleng.com	MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) Unit: Patel Engineering Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Tel No: +91 22 49186000 Fax: +91 22 49186060 E-mail: rnt.helpdesk@in.mpms.mufig.com Website: https://in.mpms.mufig.com/
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(m) **Credit ratings:**

During the period under review, the Company has obtained following Credit Ratings from the reputed Credit Rating agencies as stated below:

- i. Infomerics Ratings:

Facility Type	Rating
Long term facility	IVR A-/Stable
Short term facility	IVR A2 +

- ii. India Ratings and Research Private Limited:

Facility Type	Rating
Fund based facilities (Long/short-term)	IND A-/Stable/IND A2+
Non-fund-based facilities (Long/short-term)	IND A-/Stable/IND A2+
Term loan (Long-term)	IND A-/Stable

(n) **Details of shares lying in the suspense account pursuant to Regulation 39 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015**

Particulars		
I	Aggregate number of shareholders at the beginning of the year	57
Ii	Outstanding shares in the suspense account lying at the beginning of the year	1,085
Iiii	No. of shareholders who approached the company for transfer of shares from suspense account during the year	0
Iv	Number of shareholders to whom shares were transferred from the suspense account during the year	0
V	Aggregate number of shareholders at the end of the year	57
Vi	Outstanding shares in the suspense account at the end of the year	1,085

The voting rights on the outstanding shares shall remain frozen till the rightful owner of such shares claims the shares.

(13) Other Disclosures

- (a) The Company has not entered into any materially significant related party transaction that may have potential conflict with the interest of Company at large. Transactions with the related parties are disclosed in the audited financial statements.
- (b) For FY 2025-26, there were no instances of non-compliance by the listed entity including no penalty, strictures were imposed on the company by the stock exchange(s) or the board or any statutory authority on any matter related to capital markets
- except the fine imposed by NSE for non-compliance of Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit that the Company has paid the imposed fine of ₹11,800 (including GST) to NSE.
- (c) The Company has a Vigil Mechanism (Whistle Blower) Policy for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct or ethics policy and confirms that no personnel have been denied access to Audit Committee. The weblink for Vigil Mechanism Policy: <https://tinyurl.com/bdz3kfk3>

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Patel Engineering Limited
Patel Estates Road, Jogeshwari (West)
Mumbai- 400102, Maharashtra, India

We have examined the compliance of conditions of Corporate Governance by **Patel Engineering Limited (“the Company”)** for the year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“Listing Regulations”].

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations except the requisite quorum not present in the Audit Committee meeting held on November 13, 2025, in accordance with Regulation 18(2)(b) of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Deepti Joshi
Partner
FCS No. 8167
CP No. 8968
UDIN: F008167H000364072

Date: May 14, 2026
Place: Mumbai

- (d) The Company has implemented the mandatory requirements of Corporate Governance as set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(e) There have been no instances where the Board has not accepted recommendation of any Committee of the Board during the financial year.

(f) The Material subsidiaries policy weblink: <https://pateleng.com/pdf/6175Material%20Subsidiary%20policy.pdf>

(g) The related party policy weblink: <https://pateleng.com/pdf/6455Policy%20on%20Related%20Party%20Transaction.pdf>

(h) During the year ended March 31, 2026, a total fees for all services paid by Company on a consolidated basis to the statutory auditor of the Company is ₹ 8.14 million. No service has been provided by M/s. Vatsaraj & Co., the statutory auditor of the Company to Company’s subsidiary/associate/joint venture. Hence no fees have been paid from any such subsidiary/associate/joint venture to the statutory auditor.

(i) During the year, the Company has not received any complaint under the Sexual Harassment at workplace. The Company has Policy on Sexual Harassment at Workplace and the weblink for the same: <https://pateleng.com/pdf/6479POSH.pdf>.

(j) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):**

The Company discloses to the Audit Committee, the uses/application of proceeds/funds raised from Rights Issue and NCDs as part of the quarterly review of financial results whenever applicable.

During the financial year 2025-26, the Company has raised funds by way of Rights Issue aggregating to ₹ 3,989.68 million divided into 14,77,65,820 equity shares at ₹ 27 per share.

(k) The Company and its subsidiaries have not made any loans to firms/companies in which directors are interested.

(l) The Company does not have any material subsidiary.

(m) Disclosures on compliance with corporate governance requirements specified in Regulations

17 to 27 of Listing Regulations have been included in the relevant sections of this report.

(n) The Appropriate information has been placed on the Company’s website pursuant to clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(o) Disclosure of certain types of agreements binding listed entities - Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations. – Not Applicable

(p) The financial statements (both consolidated and standalone) have been prepared in accordance with the accounting standards and policies generally accepted in India.

(q) The CEO and CFO have provided a compliance certificate to the Board under Regulation 17 (8) of the Listing Regulation.

(r) In view of Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has a Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Code lays down guidelines which advise management and employees on handling Unpublished Price Sensitive Information, procedures to be followed and disclosures to be made while dealing with Securities of the Company.

Declaration by the Managing Director under Listing Regulations regarding adherence to the Patel Engineering Code of Conduct

In accordance with SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, it is hereby declared that for the financial year ended March 31, 2026, the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Board of Directors and Senior Management.

On behalf of the Board of Directors,
Patel Engineering Ltd

Kavita Shirvalkar
Managing Director
DIN: 07737376

May 14, 2026
Mumbai

Independent Auditors’ Report

To The Members of Patel Engineering Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Patel Engineering Limited (“the Company”) which includes 43 unincorporated joint operations (Refer Note no. 34 (c) for the list of joint operations) accounted on proportionate basis (the “Parent”) and its subsidiaries, (the Parent and its subsidiaries together referred to as the ”Group”) and the Group’s share of loss in its associates, which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including the of Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year ended on that date, and Notes to the Financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the joint operations, subsidiaries and associates referred to in the Other Matters section below, the aforesaid Consolidated Financial statements give the information required by the Companies Act, 2013, as amended (“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 consolidated state of affairs of the Company as at March 31, 2026, and their consolidated profit, their consolidated comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statement 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 Consolidated Financial Statements section of our report.

We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”), together with the ethical requirements that are relevant to our audit of the Consolidated Financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in term of their reports referred to in paragraph (1) of the “Other Matters” section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to :

The Consolidated Financial Statement of the Group for the year ended March 31, 2026 include the financial statements of the subsidiaries, Shreeanant Construction Private Limited, West Kameng Energy Private Limited, Digin Hydropower Private Limited and Meyong Hydropower Private Limited wherein their auditors, without qualifying their opinion have drawn attention with respect to material uncertainty that exist which may cast significant doubt on the respective company’s ability to continue as going concern. However, the financial statements of these subsidiaries are prepared on going concern basis.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment in our professional judgment and based on the consideration of reports of other auditors on separate financial statement of components audited by them, were of most significance in our audit of the Consolidated Financial Statements of the current financial year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors Response
1	Recognition of contract revenue, contract costs and Valuation of Contract Assets The Group’s revenue primarily arises from construction contracts which, by its nature, is complex given the significant judgements involved in the assessment of identification and satisfaction of performance obligations. Under Ind AS 115, revenue from these contracts is recognised over a period of time using the input method, based on the proportion of contract costs incurred to date relative to the estimated total contract costs at completion. The recognition of contract revenue, total estimated contract costs, and the resulting margins rely heavily on period-end management estimates. In doing so, the management is required to exercise significant judgement in its assessment of the transaction price which may also include variable consideration such as claims raised by the Group and potential exposure to liquidated damages, if any. Further revenue recognised in excess of milestone billings is presented as Contract Assets (unbilled revenue). The valuation and recoverability of contract assets involve significant estimation regarding customer milestone approvals, project performance, and the assumptions used for estimating the expected credit loss in respect of these balances is an area which is influenced by Management’s judgment. Changes in these estimates as contracts progress can result in material adjustments to revenue and balances. Considering high estimation uncertainty, complexities involved and material impact on the financial statement, this area has been considered a key audit matter in the current year audit. Refer notes 1. I and 27 to the Consolidated Financial Statements.	Our audit procedures to address this key audit matter included, but were not limited to the following: • Obtained an understanding of the Group’s revenue recognition processes and evaluated the appropriateness of the Group’s accounting policy for revenue recognition in accordance with Ind AS 115 – Revenue from contracts with customers; • Evaluated the design and tested the operating effectiveness of key internal financial controls including those related to estimation of forecasted contract revenue and contracts costs; • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. • For a sample of contracts, performed the following procedures: - o inspected the underlying documents such as customer contract/ agreement and variation orders, if any, for the significant contract terms and conditions; - o evaluated the identification of performance obligations as per the contract; - o obtained an understanding of and evaluated the reasonableness of the assumptions applied in determining the forecasted revenue and cost to complete; - o tested the existence and valuation of variable consideration with respect to the contractual terms and conditions and other documents; - o reviewed the legal and contracting experts’ note and/ or legal opinion from independent legal counsel obtained by the management, if any; - o For cost incurred to date, tested samples by verifying underlying supporting documents; - o Performing analytical procedures including project profitability analysis for reasonableness of revenue recognized; and • Assessed the information used by the Management to determine the expected credit losses by considering credit risk profile of the customer, contractual terms, project status, past collection experience, uncertainties and delays in recoveries, subsequent realisation, correspondence with the customers, ongoing litigations and disputes, if any.

Sr. No.	Key Audit Matter	Auditors Response
		Evaluated the appropriateness and adequacy of the disclosures related to contract revenue and costs in the standalone Ind AS financial statements in accordance with the applicable accounting standards.
2	Valuation of claims under settlement The Group has certain significant open legal proceedings under arbitration for various complex matters with the Clients and other parties, continuing from earlier years, which are as under: - Non acceptance of certain work by the client. - Cost overruns in certain contracts. - Reimbursement of the cost incurred by the Group for the client. Due to complexity involved in these litigation matters, the recognition of claims/ variations are included in revenues when it is highly probable of recovery based on estimate and assessment of each item by the management based on their experience of recovery. Refer note 1 l and 4 to the Standalone Financial Statements.	 Our audit procedures included the following: - Assessing the procedures implemented by the Group to identify and gather the risks it is exposed to. - Obtaining an understanding of the risk analysis performed by the Group, with the relating supporting documentation, and studying written statements from internal and external legal experts, where applicable. - reviewed the legal and contracting experts' note and/ or legal opinion from independent legal counsel obtained by the management, if any - Discussion with the management on the development in these litigations during the year ended March 31, 2026. Obtaining representation letter from the management on the assessment of these matters as per SA 580 (revised) – Written representations.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements, and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statements of the joint operations, subsidiaries, and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report

Responsibility of Management for the Consolidated 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the Companies included in the Group and of its associates are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial statement that give a true and fair view and are free

from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group and of its associates are responsible for assessing the ability of the respective entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its associates are responsible for overseeing the company's financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

Financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or the business activities with the Group and of its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statement of such entities or business activities included in the Consolidated Financial Statements, which we are the independent auditor. For the other entities included in the Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent

auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

1. We did not audit the financial statements and other financial information in respect of:
 - i. The real estate division, whose financial statements reflect Total assets of ₹ 2,395.25 Million as at March 31, 2026, total revenues of ₹ 55.26 Million, Total Profit after tax (net) ₹ (497.57) Million, total comprehensive income of ₹ (497.57) Million for the year ended March 31, 2026 respectively, as considered in the Consolidated Financial Statement. The financial information of this real estate division has been audited, as applicable, by the branch auditor whose reports have been furnished to us by the Company’s Management, and our opinion in so far as it relates to the amounts and disclosures included in respect of the real estate division and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid real estate division is based solely on the reports of such other auditor and the procedures performed by us as stated under Auditor’s Responsibilities section above.
 - ii. 28 joint operations, whose financial statements reflects total assets of ₹ 2,967.91 Million as at March 31, 2026 and Group’s Share in total income of ₹ 6,780.01 Million, total net profit/(loss) after tax of ₹ 17.28 Million, total comprehensive income of 17.28 Million for year ended March 31, 2026, as considered in the Consolidated Financial Statement. The financial statements of these joint operations have been audited, as applicable, by the

other auditors whose reports have been furnished to us by the Company’s Management, and our opinion and conclusion in so far as it relates to the amounts and disclosures and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid joint operations, is based solely on the reports of such other auditors and the procedures performed by us as stated under Auditor’s Responsibilities section above

- iii. 19 subsidiaries, whose financial information reflect net total assets of ₹ 7,285.67 Million as at March 31, 2026, total income of ₹ 621.70 Million, total net profit/(loss) after tax of ₹ 288.45 Million, total comprehensive income of ₹ 229.54 Million and net cash inflows amounting to ₹ (18.86) Million for the year ended March 31, 2026, as considered in the Consolidated Financial Statement. The financial statements of these subsidiaries have been audited, as applicable, by the other auditors whose reports have been furnished to us by the Company’s Management, and our opinion and conclusion on the Consolidated Financial statement, in so far as it relates to the amounts and disclosures and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries , is based solely on the reports of such other auditors and the procedures performed by us as stated under Auditor’s Responsibilities section above.
2. The accompanying Consolidated Financial Statements include unaudited financial statements and other unaudited financial information in respect of:
 - i. 14 joint operations, whose financial statements/ information reflects total assets of ₹ 3,918.31 Million as at March 31, 2026 and Group’s share in Total income of ₹ 5732.83 Million, total net profit/(loss) after tax of ₹ 2.56 Million, total comprehensive income of ₹ 2.56 Million for the year ended March 31, 2026 respectively, whose financial information has not been audited.
 - ii. 4 subsidiaries, whose financial statements reflects total assets of ₹ 106.75 Million as at March 31, 2026 and total income of ₹ 16.73 Million, total net profit after tax of ₹ 11.55 Million, total comprehensive income of ₹ 28.04 Million for the year ended March 31, 2026 respectively, and net cash flows of ₹ (24.35) Million for the year ended March 31, 2026, as considered in the Consolidated Financial Statement.
 - iii. The Consolidated Financial Statement also includes the Group’s share of total net profit after tax of ₹ 126.46 Million for the year ended March 31, 2026, as considered in the Consolidated Financial

Statement, in respect of 3 associates, whose financial information has not been audited.

These unaudited financial Statements have been furnished to us by the Company’s Management and our opinion and conclusion on the Consolidated Financial Statement, in so far as it relates to the amounts and disclosures included in respect of these joint operations, subsidiaries and associates, is based solely on such unaudited financial information.

Our opinion above on the Consolidated Financial Statements, and our report on other legal and regulatory requirements below, is not modified in respect of the para 1 and 2 of the other matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Company’s Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors’ Report) Order, 2020 (“the Order”) issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in the “Annexure A”, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the joint operations, subsidiaries and associates referred to in the Other Matters section above we report, to the extent applicable, that
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements;
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

- e) On the basis of the written representations received from the directors of the Company as on March 31 , 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its joint operation companies, subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the Internal Financial controls with reference to Consolidated Financial Statement and the operating effectiveness of such controls, refer to our separate Report in “Annexure B” which is based on the auditors’ reports of the Company, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those Companies.
- 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 and based on the auditor’s reports of subsidiary companies and associate companies incorporated in India, the remuneration paid by the Company and such subsidiary companies and associate companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates to the extent determinable/ascertainable (Refer Note 43 & 45 to the Consolidated Financial Statements).
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund during the year
- iv.

(a)

The respective management of the Company and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries, and associates respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company or any of such subsidiaries and associates to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether , directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries and associates (“Ultimate Beneficiaries”) or provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.

(b)

The respective management of the Company and its subsidiaries, and associates which are companies incorporated in India whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries, and associates from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any such subsidiaries, and associates shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (“ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c)

Based on such audit procedures as considered reasonable and appropriate in the circumstances performed by us and those performed by other auditors of subsidiaries, and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice, that has caused us or the other auditor to believe that the representations under sub-clause iv(a) and iv (b) contain any material mis-statement.
- v.

During the year no dividend is declared or paid by the Company, its Subsidiaries and associates.
- vi.

Based on our examination which included test checks and based on the other auditor’s reports of its subsidiary companies and associate companies incorporated in India whose financial statements have been audited under the Act, the Company, its subsidiary companies and associate companies incorporated in India have used accounting software(s) for maintaining their respective books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s).

Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Company, have not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company, its subsidiaries and its associates as per the statutory requirements for record retention.

For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

Dr CA B.K. Vatsaraj
Partner
M. No.:039894
UDIN: 26039894NITCUC8728
Mumbai, 14th May, 2026

Annexure A to the Independent Auditors’ Report on Consolidated Financial Statements of Patel Engineering Limited as on 31st March 2026, referred to in paragraph 1 under “Report on Other Legal and Regulatory requirement” section of our report of even date, we report the following:

With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor’s Report) Order, 2020 (“CARO”/ “the Order”) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Sr. No.	Name of the Company	CIN	Relationship with the Holding Company	Clause number of the CARO report which is qualified or adverse
1	Patel Engineering Limited	L99999MH1949PLC007039	Holding Co.	i(c), vii(b)
2	Friends Nirman Private Limited	U70101MH2004PTC308856	Subsidiary	xvii
3	Bhooma Realities Private Limited	U45400MH2007PTC171064	Subsidiary	xvii
4	Shashvat Land Projects Private Limited	U70102MH2007PTC171886	Subsidiary	xvii
5	Vismaya Constructions Private Limited	U45400MH2007PTC171048	Subsidiary	xvii
6	Shreeanant Construction Private Limited	U45200MH2005PTC158079	Subsidiary	vii(a) &(b), xvii
7	Hampus Infrastructure Private Limited	U74999MH2018PTC374634	Subsidiary	xvii
8	PBSR Developers Private Limited	U45209TG2012PTC078886	Subsidiary	vii(b)
9	Patel Energy Ltd	U70100MH1996PLC102612	Subsidiary	xvii
10	Dirang Energy Pvt Ltd	U40101MH2008PTC330438	Subsidiary	xvii
11	Saskang Rong Energy Pvt Ltd	U40108MH2008PTC185929	Subsidiary	vii(b) & xvii
12	Bellona Estate Developers Limited	U70200MH2007PLC166899	Subsidiary	xvii
13	West Kameng Energy Pvt Ltd	U40101MH2008PTC326589	Subsidiary	Xvii
14	Digin Hydro Power Pvt Ltd	U40102MH2008PTC331818	Subsidiary	Xvii
15	Meyong Hydro power Pvt Ltd	U40104MH2008PTC332887	Subsidiary	Xvii

For Vatsaraj& Co.
Chartered Accountants
FRN: 111327W

Dr CA B.K. Vatsaraj
Partner
M. No.:039894
UDIN: 26039894NITCUC8728
Mumbai, 14th May, 2026

ANNEXURE B to Independent Auditors’ Report on the Consolidated Financial Statement of Patel Engineering Limited.

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

In conjunction with our audit of the Consolidated Financial Statements of the Group as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Patel Engineering Limited (“Company”) and its subsidiary companies and its associates, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its subsidiaries, and associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to the Consolidated Financial Statements based on the internal control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 (hereinafter referred to as “the Act”).

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the Consolidated Financial Statements of the Company, its subsidiary companies and its associates, which are companies incorporated in India, 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 (“SA”) prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those standards and the guidance note require that we comply with ethical requirements and plan

and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 and the audit evidence obtained by other auditors of the Subsidiary companies, joint operation and associate companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements of the Company, its subsidiary companies, its joint operation and its associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Company, its subsidiary companies, and its associates, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls system with reference to the Consolidated Financial Statements and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal control with reference to the Consolidated Financial Statements established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the Consolidated Financial Statements of the Company, in so far as it relates to 1 branch and 19 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and branch incorporated in India.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to 3 associate company, which are companies incorporated in India, whose financial information is unaudited and whose efficacy of internal financial controls with reference to Consolidated Financial Statements is based solely on the Management’s certification provided to us and our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Group is not affected as the financial information of such entities is not material to the Group.

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

For Vatsaraj & Co.

Chartered Accountants

FRN: 111327W

Dr CA B.K. Vatsaraj

Partner

M. No.: 039894

UDIN: 26039894NITCUC8728

Mumbai, 14th May, 2026

Consolidated Balance Sheet
as at March 31, 2026

	Notes	As At March 31, 2026 ₹ Million	As At March 31, 2025 ₹ Million
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	12,549.53	12,827.44
(b) Capital work-in-progress	2	1,260.39	1,710.10
(c) Intangible assets	2	2.33	5.14
(d) Goodwill on consolidation	2	229.69	229.69
(e) Right to use assets	2	599.30	216.71
(f) Financial assets			
(i) Investments	3	428.08	696.88
(ii) Trade receivables	4	2,701.30	3,272.76
(iii) Loans	5	1,117.57	949.88
(iv) Other financial assets	6	5,063.04	6,126.21
(g) Deferred tax assets (net)	7	1,302.34	1,278.67
(h) Current tax assets (net)	8	709.33	536.43
(i) Other non current assets	9	14,941.47	11,641.84
Total non current assets		40,904.37	39,491.75
2 Current assets			
(a) Inventories	10	9,783.37	10,923.58
(b) Financial assets			
(i) Current Investments	11	97.69	1,109.41
(ii) Trade receivables	4	5,979.22	7,537.47
(iii) Cash and cash equivalents	12	3,796.22	2,579.18
(iv) Other bank balances	13	1,607.15	1,949.33
(v) Loans	5	53.93	30.82
(vi) Other financial assets	6	2,145.40	1,303.91
(c) Current tax assets (net)	8	54.96	60.88
(d) Other current assets	9	30,535.69	30,808.93
(e) Assets classified as held for sale	14	260.25	-
Total current assets		54,313.88	56,303.51
TOTAL ASSETS		95,218.25	95,795.26
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	992.14	844.38
(b) Other equity		43,407.58	37,002.35
Equity attributable to owners of the parent		44,399.72	37,846.73
Non-controlling interests		20.77	(78.19)
Total equity		44,420.49	37,768.54
2 Liabilities			
Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	2,563.24	3,883.81
(ii) Lease liabilities	17	241.67	123.44
(iii) Trade payables	18	-	-
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,630.68	7,166.32
(iv) Other financial liability	19	770.74	2,397.86
(b) Provisions	20	227.48	190.79
(c) Other non current liabilities	21	2,892.11	2,742.00
(d) Deferred revenue	22	-	-
Total non current liabilities		13,325.92	16,504.22
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	9,306.10	12,567.28
(ii) Lease liabilities	17	49.88	68.93
(iii) Trade payables	24	-	-
a) Total outstanding dues of micro enterprises and small enterprises		881.28	461.05
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		20,747.99	20,722.93
(iv) Other financial liabilities	25	541.19	572.09
(b) Provisions	20	44.19	91.31
(c) Other current liabilities	26	5,901.21	7,038.91
(d) Liabilities for assets classified as held for sale	27	-	-
Total current liabilities		37,471.84	41,522.50
TOTAL EQUITY AND LIABILITIES		95,218.25	95,795.26
Summary of material accounting policies	1		

The notes referred to above form an integral part of the these Financial Statement

As per our report of even date

For Vatsaraj & Co.
Firm Regn No.: 111327W
Chartered Accountants

Dr CA B. K. Vatsaraj
Partner
Membership No. 039894

For and on behalf of Board

Kavita Shirvaikar
Managing Director
DIN : 07737376

R V R Kishore
Whole-time Director
DIN : 07402969

Kishan Lal Daga
Whole-time Director
DIN : 00083103

Rahul Agarwal
Chief Financial Officer

Shobha Shetty
Company Secretary
Mem. No.: F10047

Place : Mumbai
Date : May 14, 2026

Consolidated Statement of Profit and Loss
for the year ended March 31, 2026

	Notes	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
I. Revenue from operations	27	51,027.42	50,933.59
II. Other income	28	1,657.62	1,662.65
III. Total income (I + II)		52,685.04	52,596.24
IV. Expenses:			
Cost of construction	29	37,665.00	36,946.23
Employee benefits expense	30	4,035.60	3,827.91
Finance costs	31	2,964.44	3,224.18
Depreciation and amortization expense	2	1,036.66	997.86
Other expenses	32	2,486.48	2,827.55
Total expenses		48,188.18	47,823.73
V. Profit before exceptional items and tax (III-IV)		4,496.86	4,772.51
VI. Exceptional items	33	1,620.54	1,515.80
VII. Profit before tax (V - VI)		2,876.32	3,256.71
VIII. Tax expense:			
(1) Current tax		1,012.66	945.89
(2) Tax adjustments for earlier years		(655.58)	-
(3) Deferred Tax		(179.95)	(50.77)
IX. Profit for the year (VII-VIII)		2,699.19	2,361.59
X. Share in profit/ (loss) in associates (net)		(7.54)	116.93
XI. Net profit after tax and share in profit /(loss) in joint ventures / associates from continuing operations		2,691.65	2,478.52
XII. Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		13.27	(7.26)
Revaluation of Assets		458.87	-
Foreign Currency translation		26.07	7.92
(ii) Income tax relating to items that will not be reclassified to profit or loss		(160.57)	(0.00)
XIII. Total other comprehensive income		337.64	0.66
XIV. Total comprehensive income for the year (XI+XIII)(comprising profit and other comprehensive income for the year)		3,029.29	2,479.18
XV. Minority interest		84.34	57.44
XVI. Owners of the parent (XIV- XV)		2,944.95	2,421.74
XVII. Earnings per equity share:			
(1) Basic	37	2.92	2.81
(2) Diluted		2.84	2.80
Summary of material accounting policies	1		

The notes referred to above form an integral part of the these Financial Statement

As per our report of even date

For Vatsaraj & Co.
Firm Regn No.: 111327W
Chartered Accountants

Dr CA B. K. Vatsaraj
Partner
Membership No. 039894

For and on behalf of Board

Kavita Shirvaikar
Managing Director
DIN : 07737376

R V R Kishore
Whole-time Director
DIN : 07402969

Kishan Lal Daga
Whole-time Director
DIN : 00083103

Rahul Agarwal
Chief Financial Officer

Shobha Shetty
Company Secretary
Mem. No.: F10047

Place : Mumbai
Date : May 14, 2026

Consolidated Cash Flow Statement

for the year ended March 31, 2026

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	2,691.65	2,478.52
Adjustment for:		
Depreciation/ amortisation	1,036.66	997.86
Tax expenses	177.13	895.13
Finance charges	2,964.44	3,224.18
Interest income and dividend received	(587.53)	(1,272.61)
Foreign exchange loss/(gain)	71.06	(5.07)
Provision for leave salary	61.78	103.16
Provision for gratuity	(72.21)	23.29
Share in associates	(7.54)	116.93
Profit on sale of investment	(97.33)	(892.63)
Provision for impairment	-	292.19
Loss / (Profit) on sale of assets	4.95	74.38
Excess credit written back	(1,036.51)	(55.22)
Provision for Settlement	469.35	-
Irrecoverable debts and advances written off (net)	1,335.14	2,783.94
Transferred of discontinued operation (net)	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	7,011.04	8,764.05
Adjustment for changes in:		
Trade and other receivables	(1,452.91)	(6,977.17)
Inventories	1,140.20	(2,566.07)
Trade and other payables (excluding income tax)	(632.18)	3,390.08
Cash from operations	6,066.15	2,610.89
Direct tax (paid) / refund (net)	(465.13)	178.98
NET CASH FROM OPERATING ACTIVITIES (A)	5,601.02	2,789.87
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / adjustments of fixed assets (including capital work-in-progress and capital advances)	(1,098.33)	(904.31)
Sale of fixed assets	17.07	17.59
Decrease / (increase) in loans to JV/ associates	(190.07)	(130.84)
Purchase of investments & marketable securities	(1,359.40)	(1,152.82)
Sale of investments	2,484.17	1,676.36
Interest received	996.42	345.77
NET CASH FROM / USED IN INVESTING ACTIVITIES (B)	849.86	(148.25)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of shares	3,565.67	3,659.54
Proceeds from borrowings including cash credit limit	1,746.32	745.59
Replacement of Contractee advance with new term loan	-	(700.00)

Consolidated Cash Flow Statement

for the year ended March 31, 2026

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Term loan for replacement of Contractee advance	-	700.00
Repayment of borrowings including cash credit limit	(6,124.71)	(5,078.01)
Finance charges paid	(4,350.06)	(2,782.16)
NET CASH USED IN FINANCING ACTIVITIES (C)	(5,162.78)	(3,455.04)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,288.10	(813.42)
Opening balance of cash and cash equivalents	2,579.18	3,387.54
Balance of cash and cash equivalents	3,867.28	2,574.12
Notes to cash flow statement		
a) Cash and cash equivalents		
Cash on hand and balance with banks	3,796.22	2,579.18
Effect of exchange rate changes	71.06	(5.07)
Closing cash and cash equivalents as restated	3,867.28	2,574.12
b) Cash flow statement has been prepared under the indirect method as set out in IndAS - 7 specified under Section 133 of the Companies Act, 2013.		

March 31, 2026	Opening balance as on 01.04.2025	Cash flow	Non - cash changes	Closing balance as on 31.03.2026
Borrowings (including short term borrowing, long term borrowing & current maturity) & lease liability	16,643.47	(4,378.40)	(104.18)	12,160.89
	16,643.47	(4,378.40)	(104.18)	12,160.89

March 31, 2025	Opening balance as on 01.04.2024	Cash flow	Non - cash changes	Closing balance as on 31.03.2025
Borrowings (including short term borrowing, long term borrowing & current maturity) & lease liability	20,215.01	(3,632.42)	60.88	16,643.47
	20,215.01	(3,632.42)	60.88	16,643.47

As per our report of even date

For Vatsaraj & Co.
Firm Regn No.: 111327W
Chartered Accountants

Dr CA B. K. Vatsaraj
Partner
Membership No. 039894

Place : Mumbai
Date : May 14, 2026

For and on behalf of Board

Kavita Shirvaikar
Managing Director
DIN : 07737376

R V R Kishore
Whole-time Director
DIN : 07402969

Kishan Lal Daga
Whole-time Director
DIN : 00083103

Rahul Agarwal
Chief Financial Officer

Shobha Shetty
Company Secretary
Mem. No.: F10047

Consolidated Statement of Changes in Equity
for the year ended March 31, 2026
(A) EQUITY SHARE CAPITAL

Particulars	Number of shares	₹ Million
Equity shares of ₹ 1 each issued, subscribed and paid		
As at March 31, 2024	773,617,228	773.62
Issue of equity shares	70,758,889	70.76
As at March 31, 2025	844,376,117	844.38
Issue of equity shares	147,765,820	147.77
As at March 31, 2026	992,141,937	992.14

(B) OTHER EQUITY

Particulars	Reserves and surplus										₹ Million	
	Capital reserve	Capital reserve on amalgamation	General reserve	Securities premium	Debt redemption reserve	Revaluation reserve	Foreign currency monetary item translation difference	Capital redemption reserve	Surplus in the statement of profit and loss	Total equity attributable to equity holders		Non - controlling interest
As at March 31, 2024	277.57	(0.23)	2,812.64	18,240.13	75.37	47.11	59.09	300.00	8,950.90	30,762.57	81.10	30,843.67
- Profit for the year - Continued Operations	-	-	-	-	-	-	-	-	2,421.08	2,421.08	57.44	2,478.52
- Loss for the year - Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
- Other comprehensive income for the year	-	-	-	-	-	-	7.92	-	(7.26)	0.66	-	0.66
- On revaluation of assets (net of taxes)	-	-	-	-	-	-	-	-	229.24	229.24	(216.73)	12.51
- Adjustment during the year	-	-	-	-	-	-	-	-	-	-	-	-
- shares issued during the year	-	-	-	3,929.24	-	-	-	-	-	3,929.24	-	3,929.24
- Share issue expenses	-	-	-	(340.45)	-	-	-	-	-	(340.45)	-	(340.45)
- Reclassification adjustment	-	-	-	-	-	-	-	-	-	-	-	-
- Discontinued operation impact	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	277.57	(0.23)	2,812.64	21,828.93	75.37	47.11	67.01	300.00	11,593.96	37,002.35	(78.19)	36,924.14
- Profit for the year - Continued Operations	-	-	-	-	-	-	-	-	2,607.31	2,607.31	84.34	2,691.65
- Loss for the year - Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
- Other comprehensive income for the year	-	-	-	-	-	302.48	26.07	-	61.23	337.64	-	337.64
- On revaluation of assets (net of taxes)	-	-	-	-	(42.11)	-	-	-	5.47	(36.64)	14.63	(22.01)
- Adjustment during the year	-	-	-	-	-	-	-	-	79.01	79.01	-	79.01
- on account JV consolidation	-	-	-	3,841.91	-	-	-	-	-	3,841.91	-	3,841.91
- Share issue expenses	-	-	-	(424.00)	-	-	-	-	-	(424.00)	-	(424.00)
- Share issue expenses	-	-	-	-	-	-	-	-	-	-	-	-
- Adjustment on account fluctuation in foreign exchange	-	-	-	-	-	-	-	-	-	-	-	-
- Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-
- Discontinued operation impact	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2026	277.57	(0.23)	2,812.64	25,246.84	33.26	349.60	93.08	300.00	14,346.98	43,407.58	20.77	43,428.33

Consolidated Statement of Changes in Equity
for the year ended March 31, 2026

Capital reserve : The Group recognizes reserve on investment in partnership firm.

Capital reserve on amalgamation : As per IND AS 103 read with appendix C, difference between the purchase consideration and net book value shall be accounted as capital reserve.

General reserve: The Group has transferred a portion of the net profit of the Group before declaring dividend to general reserve pursuant to earlier provision of the Companies act, 1956. Mandatory transfer to general reserve is not required under the Act.

Securities premium: Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, equity related expenses like underwriting costs, etc.

Debenture redemption reserve: The Group is required to create a debenture redemption reserve out of the profits which are available for payment of dividend to be utilised for the purpose of redemption of debentures in accordance with the provisions of the Act.

Revaluation reserve: Revaluation reserve is credited on account of measurement of land in Property, Plant and equipment (PPE) as per the revaluation model under IND AS 16.

Capital redemption reserve: The Group has recognised capital redemption reserve on buyback of preference shares from its retained earning. The amount in capital redemption reserve is equal to nominal amount of preference share bought back.

Surplus in the statement of profit and loss: Retained earning are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Foreign currency monetary item translation difference : Exchange difference on translating the financial statement of foreign operations.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

NOTE : 1

1.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Statement of compliance

Patel Engineering Ltd. ('the Company') has prepared consolidated financial statements to provide the financial information of its activities along with its subsidiaries, associates and joint ventures as a single entity. They are collectively referred as "Group" herein.

The consolidated financial statements of the group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as specified under section 133 of the Companies Act, 2013 read together with the Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and amendment thereof issued by Ministry of Corporate Affaires in exercise of the power conferred by section 133 of the Companies Act, 2013 and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the company.

These consolidated financial statement have been approved for issue by Board of Directors at their meeting held on May 14, 2026.

b) Basis of preparation

The consolidated financial statements are prepared under the historical cost convention, on a going concern basis and accrual method of accounting, except for certain financial assets and liabilities as specified in defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS. The accounting policies applied are consistent with those used in the previous year, except otherwise stated.

The consolidated financial statements are presented in Indian Rupees and all values are rounded to the nearest millions (Rupees 000,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

The Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from April 1, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

c) Principles of consolidation

- (i) The consolidated financial statements include the accounts of Patel Engineering Ltd. and its subsidiaries, associates and joint ventures.
- (ii) The financial statements of joint ventures are consolidated to the extent of the Company's or its subsidiaries share in joint venture.
- (iii) The financial statements of the Company including joint operations and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses fully eliminating material intra group balances and intra group transactions. Associate entities are consolidated as per the equity method.
- (iv) Goodwill arising out of consolidation of financial statements of subsidiaries and joint ventures are tested for impairment at each reporting date.

The consolidated financial statement have been prepared by the Company in accordance with the requirements of Ind AS -110 "Consolidated Financial Statements", Ind AS -111 "Joint Arrangements" and Ind AS 28 "Investment in Associates and Joint Ventures", issued by the Ministry of Corporate Affairs.

Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding. Recognizing this purpose, the Group has disclosed only such notes from the individual financial statements, which fairly present the needed disclosure.

d) Current / non-current classification

The Group as required by Ind AS 1 presents assets and liabilities in the balance sheet based on current / non-current classification.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

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

The Group has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of its assets and liabilities, as it is not possible to identify the normal operating cycle.

e) Method of accounting

The Group maintains its accounts on accrual basis. Subsidiaries outside India maintain its accounts based on generally accepted accounting standards of their respective countries.

f) Critical accounting estimates and judgements

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognized prospectively.

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation
- Estimation of useful life of property, plant and equipment and intangibles
- Estimation of total contract revenue and costs for revenue recognition
- Estimation of recognition of deferred taxes
- Estimation of impairment and expected credit loss of financial assets and contract asseets
- Estimation of provision and contingent liabilities
- Estimation on discounting of lease liability on application of Ind AS 116"

g) Property, plant and equipment

Property, plant and equipment (PPE), except land, are stated at net of recoverable taxes, trade discount and rebates less accumulated depreciation

and accumulated impairment losses, if any. Land is stated at revalued amount determined by an independent registered valuer from time to time.

Such cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Property, plant and equipment costing ₹5,000 or less are not capitalized and charged to the consolidated statement of profit and loss.

Machinery Spares that meet the definition of PPE are capitalised.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably.

The carrying amount of an items of PPE are derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss.

h) Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation / amortisation and impairment loss, if any.

Such cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably.

i) Depreciation

Depreciation on the property, plant and equipment (other than freehold land) is provided based on useful life of the assets as prescribed in Schedule II to the Act. Depreciation on property, plant and equipment, which are added/disposed-off during the year, is provided on pro-rata basis with reference to the month of addition/deletion, in the profit or loss.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, if expectations differ from previous estimates, the change(s) are accounted for as a change in an accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The estimated useful lives are as follows:

Assets	Estimated useful life
Factory building/ building	28/60 years
Machinery/ship	8 ½ years
Motor cars/motor truck	8 years
Furniture/electrical equipment	6 years
Office equipment	5 years
Computer / software	3 years

Depreciation on leasehold land will be amortized after commencement of operation of the power house. It will be amortized over the useful life of the lease.

Shreeanant Constructions Private Limited provide depreciation written down value method at the useful life of the assets as prescribed in schedule II of the Companies Act, 2013.

For overseas subsidiaries depreciation is provided based on estimated useful lives of the property, plant and equipment as determined by the management of such subsidiaries. In view of different sets of environment in which such entities operate in their respective countries, depreciation is provided based on the management experience of use of assets in respective geographies, local laws and are in line with the industry practices. These entities follow straight line method of depreciation spread over the useful life of each individual asset. It is practically not possible to align rates of depreciation of such subsidiaries with those of the domestic entities.

Intangible assets

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Computer software 3 years

j) Impairment of non-financial assets

The carrying amount of assets/cash generating units are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized in the consolidated statement of profit and loss whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

k) Inventories

The stock of land, construction materials, stores, spare parts, embedded goods and fuel is valued at cost (on weighted average basis), or net realizable value, whichever is lower. Cost includes expenditures incurred in acquiring the inventories, conversion costs and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

Work in progress in respect of project development and buildings held as stock-in-trade are valued at cost or net realizable value, whichever is lower.

Project work in progress is valued at contract rates and site mobilization expenditure of incomplete contracts is stated at lower of cost or net realizable value.

l) Recognition of income and expenditure

Revenue toward satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria's is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

i) Construction revenue

The Group constructs various infrastructure projects on behalf of clients. Under the terms of the contracts, where the Group is contractually restricted from redirecting the properties to another customer and has an enforceable right to payment for work done; revenue is recognised over a period of time. The percentage-of-completion of a contract is determined by the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs. This is achieved by estimating total revenue including claims / variations and total cost till completion of the contract and the profit is recognised in proportion to the value of work done when the outcome of the contract can be estimated reliably. Revenue also includes claims / variations when it is highly probable of recovery based on estimate and assessment of each item by the management based on their judgement of recovery. The management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115.

The Group becomes entitled to invoice customers for construction based on achieving a series of performance related milestones. When a particular milestone is achieved, the customer is sent a statement of work completed assessed by expert. Revenue recognised in excess of billings which are presented as Contract Assets and is measured at contract rate. Previously recognised contract asset for any work performed is reclassified to trade receivables at the point at which it is invoiced to the customer. Advances received from customers in respect of contracts and certification in excess of contract revenue are treated as contract liabilities and adjusted against progress billing as per terms of the contract. Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration. When the outcome of a construction contract can not be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Group.

Revenue from trading and consultancy service are recognises when it transfers control of a product or service to a customer.

ii) Revenue from Real estate development contracts

The Group constructs and sells residential properties under long-term contracts with customers. Such contracts are entered into before or after construction of the residential properties begins. Under the terms of the contracts, the Group is contractually restricted from redirecting the properties to another customer and does not have an enforceable right to payment for work done. Revenue from construction of real estate properties is therefore recognised at a point of time.

Revenue from building development is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

m) Foreign currency transaction / translations

Transactions in foreign currency including acquisition of property, plant and equipment are recorded in the functional currency (Indian rupee) by applying to the foreign currency amount, at the prevailing exchange rates between the functional currency and foreign currency on the date of the transaction. All monetary assets and monetary liabilities in foreign currencies are translated at the relevant rates of exchange prevailing at the year-end. Foreign exchange gains and losses resulting

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

from the settlement of such transactions and from the translation of monetary items denominated in foreign currency at prevailing reporting date exchange rates are recognised in profit or loss.

Revenue transactions at the foreign branch/ projects are translated at average rate. Property, plant and equipment are translated at rate prevailing on the date of purchase. Net exchange rate difference is recognized in the statement of profit and loss. Depreciation is translated at rates used for respective assets.

Revenue items of overseas subsidiaries are translated into Indian rupees at average rate and all other monetary/non monetary items are translated at closing rate. Net exchange rate difference is recognized as foreign exchange translation reserve.

n) Financial instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

(I) Financial asset:

Initial recognition and measurement :

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through the statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement :

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortized cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI).

(a) Financial asset measured at amortized cost :

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the consolidated statement of profit and loss. The Group while applying above criteria has classified the following at amortized cost:

- (a) Trade receivables
- (b) Investment in subsidiaries
- (c) Loans
- (d) Other financial assets

(b) Financial assets measured at fair value through other comprehensive income :

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the consolidated statement of profit and loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to ‘other income’ in the consolidated statement of profit and loss.

(c) Financial assets at fair value through profit or loss (FVTPL) :

Financial asset are measured at fair value through profit and loss if it does

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Consolidated statement of profit and loss.

Equity instruments

All investments in equity instruments classified under financial assets are initially measured at fair value , the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.

De-recognition of financial assets:

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the consolidated statement of profit and loss.

Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- (b) Lease receivables
- (c) Trade receivables or any contractual right to receive cash or another financial asset

- (d) Loan commitments which are not measured at FVTPL
- (e) Financial guarantee contracts which are not measured at FVTPL

(II) Financial liability

Initial recognition and measurement :

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement :

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the consolidated statement of profit and loss.

Financial liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The Group is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other financial liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount and fair value of the liabilities shall be recognized in the consolidated statement of profit and loss.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

o) Financial derivative and hedging transactions

In respect of financial derivative and hedging contracts, gain / loss are recognized on mark-to-market basis and charged to the consolidated statement of profit and loss along with underlying transactions.

p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – inventories or value in use in Ind AS 36 – impairment of assets.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) Employee benefits

Short term employee benefits :

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contribution towards provident fund/family pensions are made to the recognized funds, where the Group has no further obligations. Such benefits are classified as defined contribution schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans :

Provision for incremental liability in respect of gratuity and leave encashment is made as per independent actuarial valuation on projected unit credit method made at the year-end.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense /(income) on the net defined liability /(assets) is computed by applying the discount rate, used to measure the net defined liability /(asset). Net interest expense and other expenses related to defined benefit plans are recognized in consolidated statement of profit and loss.

r) Taxation

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

Current tax:

Provision for current tax is recognized based on the estimated tax liability computed after taking credit

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

for allowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred tax:

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on the deferred tax assets and liabilities of a change in tax rate is recognized in the period that includes the enactment date. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

s) Provisions, contingent liabilities and contingent assets

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

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

Contingent assets are disclosed where an inflow of economic benefits is probable.

t) Leases

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at

or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee, or if group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

u) Preliminary and preoperative expenses

In respect of certain subsidiaries preliminary and preoperative expenses are written off commencement of operation.

v) Non-current assets held for sale and discontinued operation

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

w) Earning per share

The Group presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit

or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

x) Standards issued but not yet effective

Ind AS 1 - Presentation of Financial Statements

If a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment.

It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided—by the reporting date—a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

Note : 2

PROPERTY, PLANT AND EQUIPMENT AS AT MARCH 31, 2026

Particulars	Gross block							Depreciation				Net book value				
	As at April 1, 2025	Revaluation	Addition	Deduction/ retirement	Transfer	Sub total	Foreign currency fluctuation	As at March 31, 2026	As at April 1, 2025	For the year	Deduction	Impairment	Sub total	Foreign currency fluctuation	As at March 31, 2026	As at March 31, 2025
TANGIBLE ASSETS																
Land ^{1,3}	7,626.11	458.87	-	-	-	8,084.98	-	8,084.98	-	-	-	-	-	-	8,084.98	7,626.11
Building ²	772.73	-	1.92	0.00	-	774.65	4.69	779.34	230.31	15.49	(0.00)	-	245.80	4.69	528.85	542.42
Plant and equipment	10,279.72	-	389.88	160.79	(312.68)	10,196.13	0.15	10,196.28	6,190.84	677.24	140.33	-	6,727.75	0.15	3,468.38	4,088.90
Furniture and fixtures	75.35	-	1.10	-	-	76.45	0.11	76.56	66.33	2.64	-	-	68.97	0.11	7.48	9.02
Vehicles ⁴	1,746.16	-	19.64	45.68	-	1,720.12	0.11	1,720.23	1,334.72	92.69	45.34	-	1,382.08	0.10	338.05	411.44
Office equipment's	43.61	-	5.76	-	-	49.37	0.11	49.48	31.14	4.76	-	-	35.89	0.11	13.48	12.47
Others ⁵	36.47	-	-	-	-	36.47	-	36.47	30.89	1.04	-	-	31.93	-	4.54	5.58
Electric equipment	251.06	-	3.24	3.44	-	250.86	-	250.86	136.15	32.93	2.21	-	166.86	-	83.99	114.91
Computer equipment's	132.42	-	15.32	-	-	147.74	0.10	147.84	115.83	12.15	-	-	127.97	0.10	19.77	16.59
Container	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	20,963.63	458.87	436.86	209.91	(312.68)	21,336.76	5.27	21,342.03	8,136.21	838.93	187.88	-	8,787.25	5.26	12,549.53	12,827.44
RIGHT TO USE																
Building	21.44	-	18.07	12.11	-	2741	-	2741	15.10	7.35	12.11	-	10.35	-	17.06	6.34
Land	75.13	-	-	-	-	75.13	-	75.13	18.78	37.57	-	-	56.35	-	18.78	56.35
Plant and equipment	182.29	-	246.00	-	312.68	740.97	-	740.97	29.06	149.08	-	-	178.14	-	562.83	153.23
Electric equipment	1.01	-	-	-	-	1.01	-	1.01	0.22	0.17	-	-	0.39	-	0.62	0.79
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Total	279.87	-	264.07	12.11	312.68	844.52	-	844.52	63.17	194.16	12.11	-	245.22	-	599.30	216.71
Less : Transferred to capital WIP																
TOTAL PPE AND RIGHT TO USE	21,243.50	458.87	700.93	222.02	-	22,181.29	5.27	22,186.55	8,199.37	1,033.10	199.98	-	9,032.48	5.26	13,148.83	13,044.15
INTANGIBLE ASSETS																
Computer software	69.88	-	0.75	-	-	70.63	-	70.63	64.74	3.56	-	-	68.30	-	2.33	5.14
Goodwill on consolidation ⁶	252.61	-	-	-	-	252.61	-	252.61	22.92	-	-	-	22.92	-	229.69	229.69
Total	322.49	-	0.75	-	-	323.24	-	323.24	87.66	3.56	-	-	91.22	-	232.02	234.83
Capital Work-In-Progress ⁷	1,947.99	-	273.56	961.16	-	1,260.39	-	1,260.39	237.89	-	-	-	237.89	-	1,260.39	1,710.10
GROSS TOTAL	23,513.98	458.87	975.24	1,183.18	-	23,764.91	5.27	23,770.18	8,524.92	1,036.66	199.98	237.89	9,123.69	5.26	14,641.23	14,989.07

1 Title deeds of immovable property not held in the name of the Group:

Particulars	Description of items of property	Gross carrying value	Title deed held in the name of	Whether title deed holder is a promoters, director or relative of promoters / director / employee of promoters or director	Property held since which date	Reason for not being held in the name of company
Property Plant & Equipment	Land	2,740.09	PEL Power Limited, Jayshe Gas Power Pvt Ltd, Patel Energy Assignment Pvt Ltd, Patel Energy Operations Pvt Ltd, Patel Energy Projects Pvt Ltd, Patel Thermal Energy Projects Pvt Ltd, PEL Port Pvt Ltd	Step-down subsidiaries company (merged entities) of Patel Engineering Limited	FY 2021-22	The land has been acquired through a merger order issued by the Competent Authority and, by operation of law, has been transferred to the holding Company. The Holding Company has initiated the process of updating the revenue records accordingly.
Property Plant & Equipment	Land & Building	267.17	PEL Power Limited			
Property Plant & Equipment	Land	7.26	PEL Power Limited			
Property, plant & equipment	Land	3.64	Mr. Muthuraj	Employee	FY 2009-10	The land was purchased in the name of Directors
Property, plant & equipment	Land	157.21	Late Mrs. Silloo Yezdi Patel	Ex-director	FY 2001-02	/ officials of the Holding Company and the Holding
Property, plant & equipment	Land	93.37	Legal heir of Mr. Rupen Pravin Patel	Promoters group	FY 2025-26	Company is in process of transferring the same
Property, plant & equipment	Land	269.87	Late Rupen Pravin Patel	Ex-director	FY 2000-01	from the name of ex-directors.

- 2 a) Building includes building [gross block - ₹627.68 million (P.Y. ₹621.06 million), accumulated depreciation ₹157.75 million (P.Y. ₹142.95 million)] and factory building [gross block - ₹151.67 million (P.Y. ₹151.67 million), accumulated depreciation ₹92.75 million (P.Y. ₹87.36 million)]
- b) Includes ₹0.0083 million (P.Y. ₹0.0083 million) being the value of 165 shares (P.Y. 165 shares) and share deposits in Co-operative Societies.
- 3 The carrying amount of Land includes leasehold rights in land of ₹63.75 million (P.Y. ₹63.75 million).

4 Vehicles includes	Gross block 2025-26	Gross block 2024-25	Acc dep. 2025-26	Acc dep. 2024-25
Motor car	414.65	416.35	272.05	255.82
Motor truck	1,301.96	1,326.30	1,107.06	1,076.04
Motor cycle	3.62	3.51	3.06	2.86

5 Others include	Gross block 2025-26	Gross block 2024-25	Acc dep. 2025-26	Acc dep. 2024-25
Ship	0.06	0.06	0.06	0.06
Rails and trolley	34.60	34.60	31.87	30.83

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

- 6 Goodwill is tested for impairment annually, or more frequently when events or changes in circumstances indicate that the recoverable amount of the underlying assets may be lower than their carrying amount. Based on the best available information and reasonable assumptions used in the determination of the recoverable amount, the Group recognized an impairment loss of ₹Nil during the financial year ended March 31, 2025 (Previous Year: ₹22.92 million). This impairment loss has been recognized in the Statement of Profit and Loss.
- 7 Capital work-in-progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of			Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years
Project in progress	273.56	91.13	-	630.71
Project temporary suspended*	-	0.04	0.06	264.90
				264.99

- *The Group is in process of negotiation with the client for revival of the projects and expect that estimated realisation from the project shall be whether through sale on as and whereas basis or execution of project upon revival, is more than the carrying value of the assets. Therefore, expected completion schedule and cost cannot be ascertained at this juncture.
- 8 As at March 31, 2024, the Group revalued its land classified under Property, Plant and Equipment based on a valuation report obtained from an independent registered valuer. During the year ended March 31, 2025, the Group continued to carry the land at its revalued amount. As at March 31, 2026, the carrying value of land under cost model would have been ₹7,550.62 million and the revaluation surplus of ₹534.36 million is carrying under equity.
- 9 The Cumulative impairment is as below:

Particulars	2025-26	2024-25
Opening balance	-	-
Add: Impairment during the year	440.37	-
Less: Reversal during the year	-	440.37
Less: Reduction on sale of assets	237.89	-
Closing balance	202.48	440.37

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

PROPERTY, PLANT AND EQUIPMENT AS AT MARCH 31, 2025

Particulars	Gross block			Depreciation			Net book value		
	As at April 1, 2024	Addition	Deduction/ retirement	Transfer	Sub total	Foreign currency fluctuation	As at March 31, 2025	As at March 31, 2024	As at March 31, 2024
TANGIBLE ASSETS									
Land ^{1,3}	7,626.11	(0.00)	0.00		7,626.11	-	7,626.11	-	7,626.11
Building ²	767.21	4.64	0.00		771.85	0.88	772.73	213.35	16.00
Plant and equipment	9,054.74	1,144.21	186.45	2,672.25	10,279.76	(0.04)	10,279.72	5,176.23	753.02
Furniture and fixtures	73.32	2.06	-		75.38	(0.03)	75.35	63.79	2.53
Vehicles ⁴	1,689.16	74.77	29.80	12.06	1,746.19	(0.03)	1,746.16	1,258.83	101.82
Office equipments	37.67	6.17	0.22		43.62	(0.01)	43.61	27.78	3.42
Others ⁵	34.66	1.81	-		36.47	-	36.47	30.03	0.86
Electric equipment	215.41	35.65	-		251.06	-	251.06	103.39	32.75
Computer equipments	123.36	9.22	0.13		132.45	(0.03)	132.42	101.71	14.15
Container	-	-	-		-	-	-	-	-
Total	19,621.65	1,278.54	216.60	279.31	20,962.89	0.74	20,963.63	6,975.11	924.57
RIGHT TO USE									
Building	24.95	3.97	7.48		21.44	-	21.44	18.82	3.76
Land	3.15	75.13	3.15		75.13	-	75.13	2.89	19.04
Plant and equipment	672.56	-	223.01	(2,672.5)	182.29	-	182.29	402.26	43.67
Electric equipment	1.01	-	-		1.01	-	1.01	0.05	0.17
Vehicles	12.06	-	-	(12.06)	-	-	-	8.13	1.10
Total	713.72	79.10	233.64	(279.31)	279.87	-	279.87	432.14	67.74
Less : Transferred to capital WIP	-	-	-	-	-	-	-	-	-
TOTAL PPE AND RIGHT TO USE	20,335.38	1,357.63	450.24	-	21,242.77	0.74	21,243.50	7,407.25	992.31
INTANGIBLE ASSETS									
Computer software	66.83	3.05	-		69.88	-	69.88	59.19	5.55
Goodwill on consolidation ⁶	252.61	-	-		252.61	-	252.61	-	-
Total	319.44	3.05	-	-	322.49	-	322.49	59.19	5.55
Capital Work-In-Progress⁷	2,326.87	181.19	560.07	-	1,947.99	-	1,947.99	-	-
GROSS TOTAL	22,981.68	1,541.87	1,010.30	-	23,513.24	0.74	23,513.97	7,466.44	997.86
								380.76	440.37
								8,524.92	14,989.07
								15515.25	



Notes

1 Title deeds of immovable property not held in the name of the Group:

Particulars	Description of items of property	Gross carrying value	Title deed held in the name of	Whether title deed holder is a promoters, director or relative of promoters / director / employee of promoters or director	Property held since which date	Reason for not being held in the name of company
Property, plant & equipment	Land	3,513.77	PEL Power Ltd., Jayshe Gas Power Pvt. Ltd., Patel Energy Assignment Pvt. Ltd., Patel Energy Operations Pvt. Ltd., Patel Energy Projects Pvt. Ltd., Patel Thermal Energy Projects Pvt. Ltd., PEL Port Pvt. Ltd.	Step-down subsidiaries company (merged entities) of Patel Engineering Ltd.	FY 2021-22	The land has been acquired through a merger order issued by the Competent Authority and, by operation of law, has been transferred to the Holding Company. The Holding Company has initiated the process of updating the revenue records accordingly.
Property, plant & equipment	Land & building	268.53	PEL Power Limited			
Property, plant & equipment	Land	7.39	PEL Power Limited			
Property, plant & equipment	Land	4.66	Mr. Muthuraj	Employee	FY 2009-10	The land was purchased in the name of Directors
Property, plant & equipment	Land	139.23	Late Mrs. Silloo Yezdi Patel	Ex-director	FY 2001-02	/ officials of the Holding Company and the Holding Company is in process of transferring the same from the name of ex-directors.
Property, plant & equipment	Land	319.82	Late Rupen Rupen Pravin Patel	Director	FY 2000-01	

- 2 a) Building includes building [gross block - ₹ 621.06 million (P.Y. ₹ 615.22 million), accumulated depreciation ₹ 142.95 million (P.Y. ₹ 131.03 million)] and factory building [gross block - ₹ 151.67 million (P.Y. ₹ 151.67 million), accumulated depreciation ₹ 87.36 million (P.Y. ₹ 81.98 million)]
- b) Includes ₹ 0.0083 million (P.Y. ₹ 0.0083 million) being the value of 165 shares (P.Y. 165 shares) and share deposits in Co-operative Societies
- 3 The carrying amount of Land includes leasehold rights in land of ₹ 63.75 million (P.Y. ₹ 63.75 million).

4 Vehicles includes	Gross block 2023-24	Gross block 2023-24	Acc dep. 2024-25	Acc dep. 2023-24
Motor car	416.35	387.86	255.82	262.94
Motor truck	1,326.30	1,297.69	1,076.04	993.13
Motor cycle	3.51	3.61	2.86	2.76
5 Others include	Gross block 2024-25	Gross block 2023-24	Acc dep. 2024-25	Acc dep. 2023-24
Ship	0.06	0.06	0.06	0.06
Rails and trolley	34.60	34.60	30.83	29.97

6 Goodwill is tested for impairment annually, or more frequently when events or changes in circumstances indicate that the recoverable amount of the underlying assets may be lower than their carrying amount. Based on the best available information and reasonable assumptions used in the determination of the recoverable amount, the Group recognized an impairment loss of ₹ 22.92 million during the financial year ended March 31, 2025 (Previous Year: Nil). This impairment loss has been recognized in the Statement of Profit and Loss.

7 Capital work-in-progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Project in progress	181.04	54.94	20.38	2.94	259.29
Project temporary suspended*	0.11	0.16	0.23	1,450.30	1,450.81

*The Group is in process of negotiation with the client for revival of the projects and expect that estimated realisation from the project shall be whether through sale on as and whereas basis or execution of project upon revival, is more than the carrying value of the assets. Therefore, expected completion schedule and cost cannot be ascertained at this juncture.

8 As at March 31, 2024, the Group revalued its land classified under Property, Plant and Equipment based on a valuation report obtained from an independent registered valuer. During the year ended March 31, 2025, the Group continued to carry the land at its revalued amount. As at March 31, 2025, the carrying value of land under cost model would have been Rs 7,554.79 million and the revaluation surplus of ₹ 71.32 million is carrying under equity.

9 The Cumulative impairment is as below::

Particulars	2024-25	2023-24
Opening balance	-	-
Add: Impairment during the year	440.37	-
Less: Reversal during the year	-	-
Less: Reduction on sale of assets	-	-
Closing balance	440.37	-

10 During the previous year, the Group transferred certain assets previously classified under ROU to PPE. This reclassification arose on account of closure of lease arrangement and subsequent purchase of the underlying leased assets by the Group. As a result, an amount of ₹279.31 million has been derecognised from ROU assets and recognised under the relevant head of PPE. The corresponding accumulated depreciation of ₹203.07 million has been transferred to respective PPE accounts. This transfer has been disclosed under the transfer head.

11 During the previous year, the Group carried out a detailed review of the project feasibility, its economic benefits in term of new government policy for the CWIP project. As a result of this review, on prudence basis, the Group has impaired the CWIP of ₹237.89 million during the year.

12 During the previous year, based on an internal assessment of machinery usage, the Group recognized an impairment loss of ₹179.56 million.

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

NOTE : 3

INVESTMENTS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
NON- CURRENT INVESTMENTS		
- In equity instrument at cost, unquoted		
20,207 shares (20,207) of ASI Constructors Inc. par value US \$ 0.0099 per share	-	-
- In preference instruments at cost, unquoted		
59,375 shares (59,375) of ASI Const. Inc, Par value US\$ 100 per share	-	-
Other equity investments at cost- unquoted		
In joint ventures	9.56	9.28
In associates		
Other investments (accounted under equity method)		
10,006,000 shares (10,006,000) of Patel KNR Heavy Infrastructures Ltd., face value ₹10/- per share	351.67	232.75
52,600 shares (52,600) of Pan Realtors Pvt. Ltd. face value ₹10/- per share	-	-
5,000 shares (5,000) of PLS Pvt. Ltd., face value LKR 10/- per share	3.27	3.17
8,495,040 shares (8,495,040) of ACP Tollways Pvt. Ltd., face value ₹100/- per share (includes goodwill of ₹2.77 million)	-	387.62
2,40,19,600 shares (2,40,19,600) of Hitodi Infrastructure Pvt. Ltd. face value ₹10/- per share	-	-
	354.94	623.54
Investment by joint venture	76.41	76.41
Unquoted Investment in Other Companies (measured at FVTPL) (fully paid)		
Nil shares (10,000 Shares) of Shail Tunnelling And Infra Pvt. Ltd, face value ₹10/- per share	-	0.10
	-	-
Total	440.91	709.33
Less : provision for impairment	12.83	12.45
TOTAL NON -CURRENT INVESTMENT	428.08	696.88

- I. Aggregated amount of unquoted non-current investments as at March 31, 2026 ₹428.08 million (P.Y. ₹696.88 million).
- II. Aggregated amount of impairment in value of investments as at March 31, 2026 ₹12.83 million (P.Y. ₹12.45 million).

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

NOTE : 4

TRADE RECEIVABLES

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Unsecured, considered good unless otherwise stated				
Receivables outstanding for a period exceeding six months				
Considered good	2,531.64	2,514.52	2,567.30	2,681.73
Considered doubtful	223.95	405.79	4.96	4.96
	2,755.59	2,920.31	2,572.26	2,686.69
Less : Allowance for doubtful debts	223.95	405.79	4.96	4.96
(A)	2,531.64	2,514.52	2,567.30	2,681.73
Other receivables				
Considered good	(B) 220.12	783.35	3,420.59	4,855.74
C = A+B	2,751.76	3,297.87	5,987.89	7,537.47
Less : Allowance for doubtful debts / expected credit loss	(D) 50.47	25.11	8.67	-
	2,701.30	3,272.76	5,979.22	7,537.47

- I There is no trade receivable due from any director or any officer of the holding company, either severally or jointly with any other person, or form any firms or private companies in which any director is a partner, a director or a member.
- II Trade receivables, except receivables on account of claims awarded in arbitration in favour of the group, are non-interest bearing and are generally on term of 30 to 90 days.
- III Trade receivables are net of advances received against arbitration awards/claims of ₹4,042.42 millions (P.Y. ₹3,573.88 millions).
- IV Trade receivable ageing schedule

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Not due/unbilled receivable	
As on March 31, 2026							
Undisputed trade receivable - considered good	3,546.94	595.34	1,051.88	265.98	2,813.63	451.69	8,725.45
Undisputed trade receivables - which have significant increase in credit risk	-	175.69	-	-	50.83	-	226.52
Undisputed trade receivables - credit impaired	-	-	-	-	16.59	-	16.59
	3,546.94	771.03	1,051.88	265.98	2,881.05	451.69	8,968.56
Less: allowance for doubtful debts							288.04
Total receivable							8,680.52
As on March 31, 2025							
Undisputed trade receivable - considered good	5,535.79	289.49	962.26	943.75	2,317.74	786.31	10,835.34
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	384.41	-	384.41
Undisputed trade receivables - credit impaired	-	-	-	-	26.34	-	26.34
	5,535.79	289.49	962.26	943.75	2,728.48	786.31	11,246.09
Less: allowance for doubtful debts							435.86
Total receivable							10,810.23

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

NOTE : 5

LOANS

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Balance in current account with associates / joint ventures / partnership firms				
Unsecured, considered good	1,117.57	949.88	53.93	30.82
Balance which have significant increase in credit risk	0.00	0.00	24.88	24.15
	1,117.57	949.88	78.81	54.97
Less: provision for impairment	0.00	0.00	24.88	24.15
	1,117.57	949.88	53.93	30.82

Above loan/current account balance fully pertaining to related parties as identify under IND AS 24.

NOTE : 6

OTHER FINANCIAL ASSETS

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Cash and bank balance				
- On fixed deposits accounts with scheduled banks	523.98	1,475.21	-	-
Deferred finance cost	-	-	-	-
Secured deposit	2,530.59	2,785.12	2,005.12	1,035.72
Unsecured, considered good	23.80	23.80		
Doubtful	2,043.33	1,888.71	35.65	44.72
Accrued interest	-	-	105.21	223.47
Other Assets, unsecured, considered good	5,121.70	6,172.84	2,145.98	1,303.91
	23.80	23.80	-	-
Less: Allowance for doubtful advances	34.86	22.83	0.58	-
Less: Allowance for expected credit loss	5,063.04	6,126.21	2,145.40	1,303.91

NOTE : 7

DEFERRED TAX ASSETS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Related to depreciation on property, plant and equipment	(34.87)	9.31
Carry forward of an unused tax credit	309.11	309.11
Other disallowances under the income tax act	1,028.10	960.26
	1,302.34	1,278.67

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

Components of deferred income tax assets and liabilities arising on account of temporary differences are:

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Deferred income tax liability		
Timing difference on tangible and intangible assets depreciation and amortization	(34.87)	(0.44)
Others	(4.40)	(4.37)
Deferred income tax asset		
Disallowances on account of income tax act	1,032.50	964.62
Timing difference on tangible and intangible assets depreciation and amortisation	-	9.75
Carry forward of an unused tax credit	309.11	309.11
Other	-	-
Total deferred tax assets (net)	1,302.34	1,278.67

NOTE : 8

CURRENT TAX ASSETS (NET)

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Advance tax (net) ¹	709.33	536.43	54.96	60.88
	709.33	536.43	54.96	60.88

- The above advance tax is net of provision for tax ₹2,709.64 million (P.Y. ₹2,709.64 million).
- A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Profit / loss before income tax	2,876.32	3,256.71
Income tax expense calculated at 25.17% (P.Y. 34.944%)	723.97	1,138.02
Effect of expenses not allowed for tax purpose	444.96	301.26
Effect of income not considered for tax purpose	(233.84)	(762.53)
Others	77.57	269.14
	1,012.65	945.90

NOTE : 9

OTHER ASSETS

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Contract Assets*				
Work-in-progress	12,070.58	8,958.88	24,687.20	23,984.64
Capital advance				

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Secured, considered good				
Unsecured, considered good	34.62	66.92	-	-
Security deposit				
Unsecured, considered good	1.30	1.23	-	-
Doubtful	16.76	16.76		
Advance recoverable				
Secured, considered good				
Unsecured, considered good	893.80	1,330.19	1,783.57	2,374.99
Doubtful	127.21	109.09	43.60	43.60
Prepaid expenses - Others	496.26	193.51	888.32	1,031.86
Prepaid expenses - CSR	-	-	0.41	18.47
Balance with statutory authorities	925.51	529.01	2,840.21	2,902.91
Accrued interest	-	-	0.04	0.05
Preoperative and preliminary expenses	560.18	560.18	-	-
Advance to suppliers	-	-	7.21	25.42
Other advances	1.50	1.50	127.95	140.57
Non trade receivables	-	-	198.34	293.90
Advances to employees	0.24	0.42	32.32	36.12
	15,127.96	11,767.69	30,609.17	30,852.53
Less: allowance for doubtful advances	143.97	125.85	-	-
Less: Expected Credit Loss	42.52	-	29.86	
Less: provision for impairment	-	-	43.60	43.60
	14,941.47	11,641.84	30,535.69	30,808.93

*(As technically valued and certified by the management)

NOTE : 10

INVENTORIES

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
(At lower of cost or net realizable value)		
Stock of land	2,449.83	3,543.12
Stores, embedded goods and spare parts etc.*	5,509.58	5,570.46
(includes stores in transit ₹373.20 million (P.Y. ₹634.62 million)		
Work-in-progress	1,823.96	1,810.00
	9,783.37	10,923.58

*Inventory of ₹391.60 million (P.Y. ₹391.60 million) includes certain project-related materials that are physically located at project sites and are under the custody and control of client.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

NOTE : 11

CURRENT INVESTMENTS

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Investment in mutual funds (At FVTPL, quoted)	97.69	1,109.41
	97.69	1,109.41

A quoted investment measured at fair value through profit or loss (FVTPL) is carried at its market value. Therefore, its carrying value and market value are the same.

NOTE : 12

CASH AND CASH EQUIVALENTS

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Balance with banks		
- On current accounts with scheduled banks	2,649.12	2,338.22
- On current accounts with non scheduled banks	-	-
- On fixed deposits accounts with scheduled banks	1,118.79	212.02
- On fixed deposits accounts with foreign banks	24.56	24.56
- Foreign currency in hand	2.38	2.19
Cash on hand	1.37	2.19
	3,796.22	2,579.18

NOTE : 13

OTHER BANK BALANCES

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Fixed Deposit with banks^	1,607.15	1,949.33
	1,607.15	1,949.33

^Amount given towards margin money and earnest money deposits.

NOTE : 14

ASSETS CLASSIFIED AS HELD FOR SALE

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Unquoted Investment, In Associates		
8,495,040 shares (8,495,040) of ACP Tollways Pvt. Ltd., face value ₹100/- per share (includes goodwill of ₹2.77 million)	260.25	-
TOTAL ASSETS CLASSIFIED AS HELD FOR SALE	260.25	-

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

NOTE : 15

SHARE CAPITAL AND OTHER EQUITY

A) SHARE CAPITAL

	March 31, 2026		March 31, 2025	
	No. of shares	₹ Million	No. of shares	₹ Million
a) Authorized				
Equity shares of ₹1/- each	9,954,300,000	9,954.30	9,954,300,000	9,954.30
Zero coupon optionally convertible preference shares of ₹1/- each	800,000,000	800.00	800,000,000	800.00
b) Issued, subscribed and fully paid up				
Equity shares of ₹1/- each	992,141,937	992.14	844,376,117	844.38
	992,141,937	992.14	844,376,117	844.38
c) Terms / rights attached to equity shares				
The Company has only one class of shares referred to as equity shares of ₹ 1/- each. Each holder of equity shares is entitled to the same rights in all respects.				
d) Reconciliation of equity shares outstanding at the beginning and at end of the year				
Outstanding at the beginning of the year	844,376,117	844.38	773,617,228	773.62
Add :- issued during the year	147,765,820	147.77	70,758,889	70.76
Outstanding at the end of the year	992,141,937	992.14	844,376,117	844.38
e) Share held by each shareholder more than 5%				
Equity shares				
Name of the shareholder	No. of Shares	% holding	No. of Shares	% holding
i) Raahitya Constructions Pvt. Ltd. (erstwhile Patel Corporation LLP)	239,775,727	24.17	23,24,06,527	27.52

f) During the financial year 20-21, the balance 16,66,94,397 fully paid up Optionally Convertible Preference Shares (OCPS) allotted to a promoter for consideration other than cash, was converted into 91,99,470 equity shares at a price of ₹18.12 /- (including security premium of ₹17.12/-).

Further, during the financial year 2021-22, company has made preferential allotment of 1,37,77,470/- (P.Y. 4,80,75,262/-) fully paid-up shares at a price of ₹14.78/- (including security premium of ₹13.78/-) to a lender of the subsidiary pursuant to a one time settlement contract without payment being received in cash.

g) **Shares reserved under options**

In pursuant to the scheme of Sustainable Structuring of Stressed Assets (S4A scheme), company has converted debt into 0.01% Optionally Convertible Debentures (OCD) with a 7% IRR. Details note related to outstanding option and term of conversion/redemption of OCD has given under the head of Borrowings.

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

h) Shareholding of promoters

Shares held by promoters as defined under the Companies Act, 2013 at the end of the year

Promoters name	March 31, 2026			March 31, 2025		
	No. of shares	% of total shares	% changes during the year	No. of shares	% of total shares	% changes during the year
i Late Mr. Rupen Patel	-	-	-100.00%	30,636,033	3.63	0.49%
ii Raahitya Constructions Pvt. Ltd.	239,775,727	24.17	3.17%	232,406,527	27.52	-
iii Praham India LLP	40,195,352	4.05	0.00%	40,195,352	4.76	-
iv Ms. Alina Rupen Patel	1,290,000	0.13	0.00%	1,290,000	0.15	-
v Late Ms. Chandrika Patel	-	-	-100.00%	149,900	0.02	-
vi Mr. Ryan Rupen Patel	239,900	0.02	166.56%	90,000	0.01	-
vii Ms. Janky Patel	30,826,733	3.11	20464.87%	149,900	0.02	-
Total	312,327,712	31.48		304,917,712	36.11	

i) Share issued during the previous year

The Company has issued and allotted 14,77,65,820 equity shares, by way of Rights issue to the existing shareholders of the Company, of the face value ₹1/- each at the price of ₹27 per equity share (including a premium of ₹26 per share) aggregating to ₹3,989.68 million. The proceeds from the issue, together with ₹8.93 million earned from the interim use of net proceeds, have been utilised in accordance with the objects of the issue as stated in the Letter of Offer. As on March 31, 2026, an amount of ₹21.87 million remained unutilised and was held in the escrow bank account. Basic and Diluted EPS are recalculated to give effect of the rights issue in all reporting periods in accordance with IND AS 33.

B) OTHER EQUITY - Refer statement of change in equity for details disclosure.

NOTE : 16

BORROWINGS

	Non-current portion		Current Maturities	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
I Secured loans				
a) Debentures ¹	1,673.90	2,347.03	188.05	1,081.41
b) Term loans				
- From bank ²	664.17	1,078.97	570.33	118.42
- From others ³	225.17	457.81	79.20	926.33
II Unsecured loans				
Amount disclosed under "other financial liabilities" in note no. 23	-	-	(837.58)	(2,126.16)
	2,563.24	3,883.81	-	-

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

1 Debentures

- a) During F.Y. 26 The Holding Company issued secured Listed Non-Convertible Debentures (NCDs) amounting to ₹900 millions, bearing a coupon rate of 10.25% p.a. These debentures are listed on the National Stock Exchange of India Ltd., with Moratorium of 1 Year and repayment of 30% payable on August 26, 2027, February 26, 2028 & 40% payable on August 25, 2028. Debentures are secured by first ranking exclusive mortgage by way of Equitable mortgage over certain identified immovable properties including land and building, by the holding company and third party in favour of Debenture Trustee for the benefit of Debenture Holders.
- b) During F.Y. 18, S4A (Scheme for Sustainable Structuring of Stressed Assets) of RBI for Debt resolution plan was approved and implemented by the lenders of the Holding Company by virtue of which their debts (including the interest accrued thereon) on the reference date of August 8, 2017 was split into Part A debt which was serviceable from the reference date and PART B Debt, which was converted into 0.01% Optionally Convertible Debentures (OCD) with a 7% IRR repayable over a period of 10 years commencing from the 6th year. Further in FY 19, Implementation from LIC (Life Insurance Corporation of India) & GIC (General Insurance Corporation of India) was completed as per the scheme and Units of OCD under Part B Debt was issued by the Company. As part of the above S4A scheme, lenders of the Holding Company had converted Part B debt from Working Capital Term Loan (WCTL) , Working Capital facilities (CC) , Non Convertible Debentures (NCD) & Short Term Loans (STL) facilities into various tranches of Optionally Converted Debentures (OCD). The tranche wise details of OCD allotment and their outstanding details as on March 31, 2026 are as follows -

Tranche 1. (WCTL) ₹91.60 million (P.Y. ₹633.02 million), Tranche 2 (CC) ₹406.53 million (P.Y. ₹1,401.82 million), Tranche 3 (GIC OCD) ₹32.93 million (P.Y ₹41.71 million) & Tranche 7 (LIC) ₹531.23 million (P.Y. ₹672.89 million). These debentures have a face value of ₹1000 each aggregating to ₹1,062.28 million as on March 31, 2026 (P.Y. ₹2,749.43 million) and outstanding liabilities on these debenture under IND AS 109 is ₹792.65 million (P.Y. ₹2,521.84 million) as on March 31, 2026.

The OCD's carry a coupon rate of 0.01% p.a. payable annually on March 31 every year, with a yield to maturity (YTM) of 7% p.a. payable at the time of maturity, payable from the reference date August 8, 2017 (for Tranches 1,2,3,7,9) and the original repayment schedule for repayment is over a period of 10 years as follows -

At the end of 6th year from reference date, i.e. August 8, 2023 - 5%, end of 7th year, i.e. August 8, 2024 - 20%, end of 8th year, i.e. August 8, 2025 - 25%, end of 9th year, i.e. August 8, 2026 - 25% and end of 10th year, i.e. August 8, 2027 - 25%. For Tranche 3 (GIC) the OCD units were credited effective July 1, 2018 & Tranche 7 (LIC) the OCD Units were credited effective December 17, 2018, with Moratorium of 5 Years and balance payable in 5% in Year 6, 20% in Year 7, 25% each in Year 8 ,Year 9 & Year 10, from their effective credit date along with the yield to maturity of 7% p.a.

Tranche 1 is secured against a first pari passu charge on the receivables more than 180 days, retention deposit, stock of land, immovable property and mortgage over certain lands owned by subsidiary companies, corporate guarantee and pledge of 30% shareholding of subsidiaries owning real estate lands. Ms. Janky Patel, promoter in their personal capacity and Mr. Muthu Raj to the extent of the value of the property owned by them, has provided personal guarantees for WCTL lenders. Also there is a charge on escrow accounts of the Holding Company, wherein cash flows will be deposited from real estate projects to be developed/monetized by respective companies, pledge of 93,50,927 shares (P.Y. 93,50,927 shares) shares of the Holding Company held by promoters and 49% share holding of Hitodi Infrastructures Pvt. Ltd. held by the Group.

Tranche 2 is secured against the same security as for CC - refer note 23 - 2) below in working capital demand loan note, Tranche 3 is secured against charge on certain property held as fixed assets of the Holding Company and subservient charge on all the property, plant and equipment of the Holding Company. Tranche 7 is secured against charge on certain land held as stock in trade of the Holding Company and its subsidiaries.

Tranche 1 & Tranche 2 are also secured by pledge of 93,50,927 shares (P.Y. 93,50,927 shares) of the Holding Company held by promoters of the Group and pledge of 49% holding of the Group in Hitodi Infrastructure Pvt. Ltd. The said OCDs are also secured by Personal guarantees issued by Mrs. Janky Patel . These securities are also for Part A Debt.

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

- Tranche 3 & Tranche 7 are secured against charge on certain immovable properties held as fixed assets and stock in trade of the Holding Company and its subsidiaries.
- c) 9.57% secured redeemable non convertible debentures was allotted by Patel KNR Infrastructures Limited ('PKIL') on April 2, 2010 for a period of 17 years. These debentures have a face value of ₹1.0 million each aggregating to ₹554.30 million including ₹385.00 millions in current maturity. These NCDs is secured against entire, present and future, movable and immovable assets of the PKIL. The above debentures are listed on The National Stock Exchange of India. The above debentures are secured by 1) First charge on the entire assets, movable and immovable, present and future of PKIL, 2) First charge on the revenues and receivables of PKIL including the annuity, 3) First Charge on the debt service, reserve account, and other reserves, Trust and retention account and all other bank accounts of PKIL, 4) Assignment of all the contracts, project documents and insurance policies as regards the road project on NH-7 on annuity and 5) Next repayment date October 14, 2026.
- d) As per section 71 read with rule 18 of Companies share capital and debentures rules, 2014 and amendment thereof, PKIL has made adequate fixed deposit/investment for debenture issued by them and maturing in next financial year.

2 Term loan banks

- a) The term loan of ₹849.49 million (P.Y. ₹1,151.92 million) includes project specific funding and loan on equipment's, secured against the particular project cash flow/ current assets and said equipment's respectively. These loans carried an interest rate of average between 8.60%-10.25% on an average, with a repayment period of 3-7 years. It also includes foreign currency loan amounting to ₹281.97 million (P.Y. ₹350.60 million) which carried an interest rate of 1.5% + 3 months EQUIBOR, with a repayment period of 2 years. Presently there are no interest and principal overdue for repayment & outstanding for such loans taken by the Group.
- b) Term loan of ₹Nil (P.Y. ₹45.47 million) was taken during the financial year 2021-22 and carries interest MCLR (1 Year) + 1% p.a subject a maximum of 9.25% p.a. The loan was repayable starting in 48 monthly instalment post moratorium period 12 months from the date of first disbursement. The loan was secured by second charge over the current assets of the PBSR Developers Private Limited ('PBSR') including receivables of the PBSR. The charge to cover escrow account established / to be established for the project under PBSR. Second charge over about 4 acres land in Gachibowli, Hyderabad owned by the PBSR. The said loan has been fully repaid during the year.

3 From others

- The term loan of ₹304.38 million (P.Y. ₹1,384.14 million) includes project specific funding from financial institutions and loan on equipment's, secured against the particular project cash flow / current assets and the said equipment's respectively. These loans carried an interest rate of average between 10.75 %-11.50 % (P.Y. 11% - 11.50%) on an average, with a repayment period of 3-5 years. Presently there are no interest and principal overdue for repayment & outstanding for such loans taken by the Holding Company.
- 4 The borrowings obtained by Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

5 Financial Covenants

- The listed NCD are subject to the following financial covenants
- i) Total Debt / Net worth <=2
- ii) Total Debt / EBITDA <=4.75
- iii) DSCR > =1
- iv) Net worth >=32,000 million
- v) PAT remain positive during the tenure of NCD

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

- Other Consortium lenders have below major financial covenants
- i) Total Debt / EBITDA <=4.75
- ii) Total Outside liabilities / Adjusted Tangible Net worth <=4
- iii) DSCR >=1
- iv) Current ratio >=1
- v) Average DSCR >=1.2

The group has complied these covenants as on March 31, 2026 and there are no indications that the group would have difficulties complying with the covenants when they will be next tested as at the year end March 31, 2027.

NOTE : 17

LEASE LIABILITY

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Lease liability	241.67	123.44	49.88	68.93
	241.67	123.44	49.88	68.93

NOTE : 18

TRADE PAYABLES*

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade creditors	705.45	505.69
Piece rate wages payable	2,011.43	2,453.40
Provisions - others	3,856.94	3,749.11
Capital creditors	56.86	458.12
	6,630.68	7,166.32

*Ageing of trade payable is given under note no 55

NOTE : 19

OTHER FINANCIAL LIABILITIES

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Retention deposits (contractually to be refunded after 1 year from completion of work)	23.89	27.13
Interest accrued but not due on borrowings	746.85	2,370.73
Others	-	-
	770.74	2,397.86

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

NOTE : 20

PROVISIONS

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Provision for employee benefits				
Provision for gratuity	14.85	15.23	1.80	73.63
Provision for leave entitlements	212.63	175.56	42.39	17.68
Provision for Taxation	-	-	-	-
	227.48	190.79	44.19	91.31

NOTE : 21

OTHER NON CURRENT LIABILITY

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Contractee advances / Contract Liabilities	2,263.68	2,243.29
Deposits	236.81	145.96
Other liability	391.62	352.75
	2,892.11	2,742.00

NOTE : 22

DEFERRED REVENUE

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Deferred revenue	-	-
	-	-

NOTE : 23

BORROWINGS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
I Secured loans		
Short term loans		
- From bank	-	-
- Supply finance from others ¹	515.68	426.45
Loans repayable on demand		
- From bank ²	7,358.58	8,619.30
II Unsecured loans		
- Supply finance from banks ³	189.83	726.33
- From others ⁴	404.43	75.00
- From related parties ⁴	0.00	594.04
Current maturities of long-term debt	837.58	2,126.16
	9,306.10	12,567.28

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

1. Short term loan

It includes short term bills discounting of ₹ 515.68 million (P.Y. 426.45 million) carried at interest rate ranging on 11.00 % to 12.50 % (P.Y.. 11% to 13.10%) and are repayable up to 180 days from the date of discounting/ date of invoice.

2. Loans repayable on demand

- a) Includes cash credit and working capital demand loan from various banks. These loans have been given against first pari passu hypothecation of stocks, spare parts, book debts, work in progress & guarantees except specifically charged to any other lenders; secured against pledge of 93,50,927 shares (P.Y. 93,50,927 shares) of the Holding Company held by promoters and 49% share holding of Hitodi Infrastructures Pvt. Ltd. held by the Group. It also has second charge on receivable above 180 days, subservient charge over plant & machinery except specifically charged to any lenders and over certain immovable properties and right over residual cash flow from sale of real estate charged to OCD's holders.

Terms of repayment:

Cash credit- yearly renewal, rate of interest ranges between 9.90%-12.35 % p.a. (P.Y. 10.20%-13.25% p.a.)

- b) Loan of Rs. Nil (P.Y. ₹ 91.60 million) was taken during the financial year 2016-17 and carries interest MCLR (1 Year) + 2.75% p.a. The loan was secured by pari passu charge over the current assets of the PBSR including receivables of the PBSR. The charge to cover escrow account established / to be established for the project. First pari-pasu charge over about 4 acres land in Gachibowli, Hyderabad owned by the PBSR. The said loan has been fully repaid during the year

3. Supplier finance from Banks

It includes short term bills discounting platforms of ₹ 189.83 million (P.Y. 726.33 million) carried at interest rate ranging on 6.75% to 8.15% and are repayable up to 180 days from the date of discounting/ date of invoice.

4. Unsecured loan

It includes short term inter corporate payables to related parties of Rs. Nil (P.Y. ₹ 594.04 million) and other ₹ 329.43 million (P.Y. Rs. Nil) carrying interest @ 10% and repayable in September 2026.

It includes repayable on demand short term inter corporate payables to other ₹ 75.00 millions (P.Y. ₹ 75.00 million) carrying interest @ 10.12%

5. The Holding Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Holding Company with banks and financial institutions are in agreement with the books of accounts.

NOTE : 24

TRADE PAYABLES*

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Total outstanding dues of micro enterprises and small enterprises (refer note no 41)	881.28	461.05
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade creditors	7,535.32	9,431.62
Piece rate wages payable	9,953.97	6,675.08
Provisions - others	3,258.71	4,616.23
	21,629.28	21,183.98

*Ageing of trade payable is given under note no 55

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

NOTE : 25

OTHER FINANCIAL LIABILITIES

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Interest accrued but not due on borrowings	77.21	86.85
Deposits	463.84	475.10
Others	0.14	10.14
	541.19	572.09

The group has transferred Nil (P.Y. Nil) to Investor Education & Protection Fund as at March 31, 2026.

NOTE : 26

OTHER CURRENT LIABILITIES

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
(a) Other liabilities		
Contractee advances / Contract Liabilities	3,958.64	4,401.74
Other payables		
Payable to employees	662.01	698.40
Other liabilities	1,065.53	1,572.06
(b) Balance in current account		
(i) With subsidiaries, associates	0.17	0.17
(ii) With joint ventures	214.86	366.54
	5,901.21	7,038.91

NOTE : 27

LIABILITIES FOR ASSETS CLASSIFIED AS HELD FOR SALE

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Liabilities from discontinued operations	-	-
TOTAL	-	-

REVENUE FROM OPERATIONS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
(a) Revenue/turnover	46,779.85	45,065.17
Add: increase/(decrease) in work-in-progress	2,450.26	3,783.85
Sale of goods	-	-
Total turnover	49,230.11	48,849.02
(b) Other operating income		
Lease and service charges	3.19	1.22

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Share of profit /(loss) from JV /partnership (net)	-	-
Share of profit from partnership firm	-	-
Miscellaneous operating income	1,794.12	2,083.35
	51,027.42	50,933.59

NOTE : 28

OTHER INCOME

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Gain on sale of assets (net)	14.52	15.65
Gain on sale of investments (net)	97.33	63.15
Other non operating income	329.14	250.95
Interest income	587.53	1,272.61
Net gain on foreign currency translation	-	5.07
Excess credit written back	629.10	55.22
Net gain on sale of non current investments	-	-
	1,657.62	1,662.65

NOTE : 29

COST OF CONSTRUCTION

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Stores, embedded goods and spare parts*		
Inventories at the beginning of the year	5,570.46	3,182.67
Add : purchase (net)	12,760.67	11,407.26
	18,331.13	14,589.93
Less : inventories at the end of the year	5,509.59	5,570.46
Consumption of stores and spares	12,821.54	9,019.47
Piece rate expenses (net)	21,821.13	19,173.74
Repairs to machinery	127.31	56.20
Transportation, hire etc.	1,016.04	744.56
Power, electricity and water charges	736.10	598.32
Project development cost	1.69	5.09
Technical consultancy fees	217.32	265.04
Other construction costs	923.87	7,083.81
	37,665.00	36,946.23

*Stores, embedded goods and spares etc., consumed include materials issued to sub contractors.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

NOTE : 30

EMPLOYEE BENEFITS EXPENSE

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Salaries, wages and bonus	3,554.52	3,378.97
Contribution to provident and other funds (refer note no. 35)	295.43	247.26
Staff welfare expenses	185.65	201.68
	4,035.60	3,827.91

NOTE : 31

FINANCE COSTS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Interest expense	2,325.81	2,595.62
Other borrowing costs	638.63	628.56
	2,964.44	3,224.18

NOTE : 32

OTHER EXPENSES

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Other administrative costs		
Rent	91.18	89.13
Insurance	454.12	385.61
Rates and taxes	182.83	187.66
Advertisement and selling expenses	9.45	7.94
Travelling and conveyance	93.33	84.80
Directors fees	3.34	2.93
Auditor's remuneration		
Audit fees	5.20	4.10
Limited review	0.80	0.60
Certification	-	0.57
Taxation and other services	2.14	5.75
	8.14	11.01
Communication expenses	21.24	19.82
Printing and stationery	20.31	16.47
Legal and consultancy charges	683.23	772.96
Loss on sale of asset discarded	19.48	153.18
CSR Expenses	38.15	27.30
Irrecoverable debts written off / provided	271.18	464.20
Net loss on foreign currency translation	71.06	-
Other expenses	519.45	604.53
	2,486.48	2,827.55

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

NOTE : 33

EXCEPTIONAL ITEMS :

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Reversal of provision made in earlier years ^a	(407.41)	(87.09)
Provision for settlement ^b	469.35	-
Provision for doubtful receivable ^c	175.69	953.60
Receivable/Advance balance written off ^d	621.99	840.33
Provision for impairment on loan and advances ^e	565.78	638.45
Compensation to Customers ^f	137.37	-
Impact of New Labour Code ^g	57.77	
Gain on sale of investment ^h	-	(829.48)
	1,620.54	1,515.80

- Based on internal and external information/confirmation, the Group has reversed certain provision/liabilities made in earlier year.
- During the year, on prudent basis, the Group has settled a claim for reimbursement of expenses related to its foreign subsidiary and agreed to pay an amount of USD 5 million (~₹469.35 million) under a structured payment schedule.
- During the previous year, the Group has settled certain awards under the Vivad se Vishwas (VSV) Scheme for contractual dispute, a Government of India initiative for dispute resolution. The realizable amounts were determined based on the forum where the disputes were pending and the balance outstanding amount has been duly provided/written off. During the current year, one of the Group's clients introduced a similar dispute resolution scheme, namely VVS II, which was opted by the Group. Accordingly, the Group has recognized/provided for the unrecoverable amount during the year.
- Based on available information, current status of receivable from the JDA partner and legal update for advance to vendor, the Group has assessed that the balance amount is no longer recoverable. Accordingly, the outstanding balance has been written off.
- Based on internal and external information, the Group has assessed the recoverability of financials and non-financials assets and provide impairment if the carrying value of assets is more than recoverable amount & assets whose recoverability deteriorate has written off the irrecoverable amount.
- Based on the court order directing compensation to be paid to certain unit buyers, the Group has recognized the related provision/liability during the year.
- On November 21, 2025 the Government of India notified four new Labour codes, i.e. the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 which consolidate twenty nine existing labour laws. The Group has assessed and accounted for the incremental impact of these changes with the best information available and guidance provided by the Institute of Chartered Accountants of India. Being non-recurring in nature and driven by regulatory changes, the incremental impact of ₹57.77 millions has been disclosed separately as “ Exceptional items”.
- During the previous year the Group has sold the balance stake in a subsidiary viz Welspun Michigan Engineers Ltd. ('WMEL')and recognised the gain on sale of stake.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

34 Details of direct subsidiaries, associates and joint ventures, which are consolidated along with their respective step down subsidiaries/entities:

A) Wholly owned (100%) direct subsidiaries:

1. Energy Design Pvt. Ltd.*	14. Dirang Energy Pvt. Ltd. (DEPL)
2. Patel Engineering Inc.	15. West Kameng Energy Pvt. Ltd.
3. Patel Engineering (Mauritius) Ltd.	16. Digin Hydro Power Pvt. Ltd.
4. Patel Engineering Singapore Pte. Ltd.	17. Meyong Hydro Power Pvt. Ltd.
5. Patel Engineering Infrastructure Ltd.	18. Saskang Rong Energy Pvt. Ltd.
6. Vismaya Constructions Pvt. Ltd.	19. Patel KNR Infrastructures Ltd.
7. Friends Nirman Pvt. Ltd.	20. Arsen Infra Pvt. Ltd.
8. Shreeanant Construction Pvt. Ltd.	21. Waterfront Developers Ltd.
9. Patel Patron Pvt. Ltd.	22. PBSR Developers Pvt. Ltd.
10. Bhooma Realties Pvt. Ltd.	23. Bellona Estate Developers Limited (w.e.f. June 26, 2025)
11. Hampus Infrastructure Pvt. Ltd.	24. Pel Nirmana Pvt Ltd®
12. Patel Engineering Lanka Pvt. Ltd.	
13. Shashvat Land Projects Pvt. Ltd.	

*Strike off on April 16, 2025

®The Group has incorporated the subsidiary. However, as of the reporting date, no share capital has been infused/ subscribed by the Group.

B) Other subsidiaries:

Name of subsidiaries	% holding
1. Bellona Estate Developers Limited (Till June 25, 2025)	92.92%
2. Hera Realcon Pvt. Ltd.**	97.13%
3. Patel Energy Ltd.	99.99%

**strike off on May 8, 2025

C) Joint ventures:

The principal place of business of all these joint ventures is in India, except stated below, and they are engaged in construction business.

Name of joint ventures	% of share	Name of joint ventures	% of share
1. Patel Michigan JV	10.00%	23. PATEL-SA JV	51.00%
2. CICO Patel JV	99.90%	24. Era Patel Advance Kiran JV	47.06%
3. Patel SEW JV	60.00%	25. Patel APCO JV	50.00%
4. PATEL –KNR J.V.	50.00%	26. Era Patel Advance JV	30.00%
5. KNR – PATEL J.V.	49.00%	27. Patel – Siddhivinayak JV	51.00%
6. PATEL – SOMA J.V	50.00%	28. PATEL -CIVET-CHAITRA Micro(KA) JV	51.00%
7. Patel – V Arks JV	65.00%	29. VPRPL - PEL JV	51.00%
8. Patel VI JV	51.00%	30. Mokhabardi Micro Irrigation Project JV	51.00%
9. Patel – Avantika – Deepika – BHEL	52.83%	31. PEL-PC JV	80.00%

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

Name of joint ventures	% of share	Name of joint ventures	% of share
10. Patel – V Arks - Precision	60.00%	32. PEL-CIVET Project JV	51.00%
11. Age Patel JV	49.00%	33. Jai Sai Construction JV	60.00%
12. PEL - UEIPL JV	60.00%	34. VIDPL LIS1 JV	51.00%
13. PEL-PPCPL-HCPL JV	51.00%	35. VKMCPL-PEL JV	35.00%
14. Onycon Enterprises	60.00%	36. DBL-PEL JV	35.00%
15. PEL-Gond JV	45.00%	37. Raj Infra Deoghar JV	40.00%
16. HES Shuthaliya JV	45.00%	38. Ceigall - PEL (JV)	40.00%
17. PEL-Parbati JV	52.00%	39. PEL-RAMAN JV*	35.00%
18. NEC-PEL- JV	45.00%	40. Dibang Power (Lot 4) Consortium	50.00%
19. PEL - Ghodke	51.00%	41. Raj Path Nira JV	40.00%
20. PEL-ISC-PRATHMESH JV	50.00%	42. Shiva Structures JV	35.00%
21. ISC Projects-PEL JV	49.00%	43. Raj Infra Deoghar JV Pkg 2	20.00%
22. DK Joint venture LLP	51.00%		

*The principal place of business of is in Nepal

- D) Hitodi Infrastructure Pvt. Ltd., Patel advance JV, ACP Tollways Pvt. Ltd. (Refer note F), Patel KNR Heavy Infrastructures Ltd. and PAN Realtors Pvt. Ltd. has been consolidated as per equity method in accordance with Ind AS 28 “Investment in Associates and Joint ventures”.
- E) As the Group no longer has any control over ASI Constructors Inc., a step-down subsidiary, as per Ind AS 110, the assets and liabilities of the subsidiary has been derecognised in F.Y. 2017-18.
- F) During the year, the Group has committed to a sale its investment in associates viz ACP Tollways Pvt. Ltd. Management expects the sale to be completed within twelve months from the date of classification and has concluded that the criteria for classification as held for sale under Ind AS 105 have been met. From the date of such classification, the investment is no longer accounted for using the equity method and is measured in accordance with the requirements of Ind AS 105.

35 EMPLOYEE BENEFITS

I Brief description of the plans

The Group provides long-term benefits in the nature of provident fund and gratuity to its employees. In case of funded schemes, the funds are recognized by the income tax authorities and administered through appropriate authorities/ insurers. The Group’s defined contribution plans are provident fund, employee state insurance and employees’ pension scheme (under the provisions of the employees’ provident funds and miscellaneous provisions Act, 1952) since the Group has no further obligation beyond making the contributions. The Group’s defined benefit plans include gratuity benefit to its employees, which is funded through the Life Insurance Corporation of India. The employees of the Group are also entitled to leave encashment and compensated absences as per the Group’s policy. The provident fund scheme additionally requires the Group to guarantee payment of specified interest rates, any shortfall in the interest income over the interest obligation is recognized immediately in the consolidated statement of profit and loss as actuarial loss. Any loss / gain arising out of the investment with the plan is also recognized as expense or income in the period in which such loss / gain occurs.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

II Disclosures for defined benefit plan based on actuarial reports as on March 31, 2026 and March 31, 2025:

(i) Expenses recognized in the statement of profit and loss :

	₹ Million	
	Gratuity (funded)	Gratuity (non - funded)
Current service cost	47.65	2.98
	(37.14)	(2.87)
Interest cost (net)	10.96	1.03
	(6.90)	(1.44)
Past Service Cost	122.20	3.82
	-	-
Net actuarial (gain) / losses	45.32	(0.93)
	(41.78)	(0.72)
Total expenses recognized in the statement of profit and loss	226.12	6.90
	(85.81)	(5.03)

(ii) Reconciliation of the present value of defined benefit obligation and the fair value of assets (amount recognized in balance sheet):

	Gratuity (funded)	Gratuity (non - funded)
Present value of funded obligation as at the year end	(366.99)	(15.38)
	(-253.89)	(-16.04)
Fair value of plan assets as at the year end	167.56	-
	(139.09)	-
Funded liability recognized in the balance sheet	(199.44)	(15.38)
	(-114.79)	(-16.04)

(iii) Changes in defined benefit obligation :

	Gratuity (funded)	Gratuity (non - funded)
Liability at the beginning of the year	254.46	15.47
	(220.86)	(19.99)
Interest cost	21.24	1.03
	(15.95)	(1.44)
Current service cost	47.65	2.98
	(37.14)	(2.87)
Past Service Cost	122.20	3.82
	-	-
Benefit paid	(36.22)	(6.98)
	(-60.17)	(-8.98)

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

	Gratuity (funded)	Gratuity (non - funded)
Actuarial (gains) / losses on obligations	(42.32)	(0.93)
	(40.11)	(0.72)
Liability at the end of the year	366.99	15.38
	(253.89)	(16.04)

(iv) Changes in the fair value of plan assets:

	Gratuity (funded)	Gratuity (non - funded)
Fair value of plan assets at the beginning of the year	139.09	-
	(125.25)	-
Expected return on plan assets	10.27	-
	(9.04)	-
Contributions by the employer	51.38	-
	(66.63)	-
Benefit paid	(36.22)	-
	(-60.17)	-
Actuarial gain on plan assets	3.03	-
	(-1.66)	-
Fair value of plan assets at the end of the year	167.56	-
	(139.09)	-
Total actuarial gain to be recognized	(45.35)	-
	(41.78)	-

(v) Actual return on plan assets

	Gratuity (funded)	Gratuity (non - funded)
Expected return on plan assets	10.27	-
	(9.04)	-
Actuarial gain on plan assets	3.03	-
	(-1.66)	-
Actuarial gain on plan assets	13.30	-
	(7.38)	-

(vi) The Group expects to contribute ₹142.31 million (P.Y. ₹105.87 million) to gratuity funded plan in F.Y. 2026-27.

(vii) Percentage of each category of plan assets to total fair value of plan assets:

	Gratuity (funded)	Gratuity (non - funded)
Insurer managed funds	100%	-
	100%	-

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

(viii) Sensitivity analysis for significant assumption is as below :

	Gratuity (funded)	Gratuity (non - funded)
Discount rate	7.06%	7.48%
	(6.83%)	(6.83%)
Rate of increase in compensation levels	5.50%	5.50%
	(5.50%)	(5.50%)
Expected rate of return on plan assets	7.06%	-
	(6.83%)	-
Attrition rate	4.00%	4.00%
	(4.00%)	(4.00%)
Average age of retirement (years)	62	62
	(62)	(62)

(ix) Experience adjustments

	Gratuity (funded)	Gratuity (non - funded)
On plan obligation (gain) / loss	(33.19)	0.04
	(31.93)	(0.05)
On plan asset (loss) / gain	3.03	-
	(-1.66)	-

(x) Expected employer's contribution in future years

	Gratuity (funded)	Gratuity (non - funded)
1 years	60.98	0.72
	(19.70)	(0.81)
Between 2 to 5 years	118.63	3.24
	(67.60)	(3.64)
Beyond 5 years	503.71	37.40
	(440.53)	(36.61)
The weighted average duration of the defined benefit plan obligation at the end of the reporting period (years)	10	13
	(10)	(13)

(xi) Figure in brackets indicates amounts pertaining to previous year.

III Defined contribution plan :-

Amount recognised as an expense and included in the note no. 30 as contribution to provident and other funds ₹295.43 million (P.Y. ₹247.26 million).

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

36 LEASE

Disclosure as per IND AS 116

a) Amount recognised under statement of profit and loss

Particulars	2025-26	2024-25
Depreciation	194.16	67.74
Interest on lease liability	37.52	27.93
Expenses related to short term Leases	91.18	89.13
Total expenses	322.86	184.80

b) Maturities of lease liabilities as

Particulars	Less than 1 year	1 - 5 years	More than 5 years	Total
At March 31, 2026				
Lease Liabilities	49.88	241.67	-	291.55
At March 31, 2025				
Lease Liabilities	68.93	123.44	-	192.37

37 EARNING PER SHARE (EPS)

	2026 ₹ Million	2025 ₹ Million
Net profit as per the consolidated statement of profit and loss available for shareholders for both basic and diluted EPS of ₹1/- each (from Continuing operation)	2,607.31	2,421.08
Weighted average number of equity shares for basic EPS (in No)	892,146,984	863,027,310
Add: weighted average potential equity shares		
- On issue of optionally convertible debentures	73,747,982	99,305,226
Weighted average number of equity shares for diluted EPS (in No)	965,894,966	962,332,536
Face value of share ₹	1	1
Earning per share from continuing operation (basic) ₹	2.92	2.81
Earning per share from continuing operation (diluted) ₹	2.84	2.80

38 RELATED PARTY DISCLOSURE

Related party disclosures, as required by Ind AS 24, 'Related Party Disclosures', are given below:

A. Name of related parties and nature of relationship :-

Direct associates:

- ACP Tollways Pvt. Ltd.
- Hitodi Infrastructure Pvt. Ltd. (Formally known as Hitodi Infrastructure Ltd.)

Associate of Patel Engineering Infrastructure Ltd.

- Patel KNR Heavy Infrastructures Ltd.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

Associate of Lucina Realtors Private Limited

1. PAN Realtors Pvt. Ltd.

Joint ventures: (refer note 34 (c))

Partnership

1. Patel Advance JV

Employee Benefit Plan

1. Patel Engg. Ltd. Gratuity Trust
2. Patel Engg. Co. Ltd. PF Trust

Others - Related party with whom transaction were carried out during the year

1. Landview Construction Pvt. Ltd. - Entity in which director serves as director

B. Key management personnel (KMP)

Late Mr. Rupen Patel	Chairman and Managing Director (Till July 5, 2024)
Ms. Janky Patel	Chairperson and Non-Executive Directors (NED) (w.e.f. July 6, 2024)
Ms. Kavita Shirvaikar	Whole Time Director & Chief Financial Officer (Till July 5, 2024) Managing Director (w.e.f. July 6, 2024)
Mr. Tirth Nath Singh	Whole Time Director Projects and Corporate Affairs (from Nov 3, 2023 to May 3, 2024)
Mr. Kishan Lal Daga	Whole Time Director (w.e.f. June 15, 2024)
Mr. Dimitrius John D'mello	Whole Time Director (from August 13, 2024 to May 31, 2025)
Mr. R V R Kishor	Whole Time Director (w.e.f. Sept 22, 2025)
Mr. Rahul Agarwal	Chief Financial Officer (w.e.f. 6 th July, 2024)
Ms. Shobha Shetty	Company Secretary
Mr. Kuppusubramanian Ramasubramanian	Independent Director (up to Sept 19, 2024)
Dr. Sunanda Rajendran	Independent Director
Mr. Shambhu Singh	Independent Director
Mr. Ashwin Parmar	Independent Director
Dr. Emandi Sankara Rao	Independent Director
Ms. Sudha Navandar	Independent Director (w.e.f. March 16, 2026)

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

C. Transaction with related parties with associate companies, joint operations, partnership, employee benefit plan and others referred to in item (A) above.

Particular	Associates/ joint operations / partnership/Employee Benefit Plan/others	
	2025-26 ₹ Million	2024-25 ₹ Million
- Miscellaneous receipts	1.36	1.36
- Loans/advances given & Current account movement	189.77	87.09
- Loans / advances recovered / adjusted	31.21	0.01
- Interest income	26.47	17.61
- Reimbursement of expenses from	28.67	1.85
- Sundry balances written off	0.76	-
- Other operating income	305.71	274.60
- Provision /(Reversal) for impairment of loans and advances	-	-87.09
- Support under contractual undertaking	661.60	-
- Loan taken	-	2,172.13
- Sale of service	962.76	2,974.90
- Security deposit given / (repaid)	(400.00)	500.00
- Increase / (Decrease) in Corporate Guarantee received	381.74	-
- Decrease/(Increase) in Corporate Guarantee exposure	46.51	43.60
- Repayment of loan	708.54	2,194.66
- Contribution to Gratuity fund	47.89	56.07
- Contribution to PF fund	263.89	238.93
- Other consultancy fees	-	0.02
Outstanding Balances		
- Corporate guarantee outstanding as at the end of the year	189.80	236.32
- Bank guarantee outstanding as at the end of the year	16.70	16.70
- Outstanding balance included in current/ non current assets	1,746.15	2,106.15
- Outstanding balance included in current / non current liabilities	507.89	1,018.48

D. Disclosures of material transactions with related parties with associate companies, joint operations, partnership, employee benefit plan and others referred to in item (A) above.

Particular		Name of the Company	2025-26 ₹ Million	2024-25 ₹ Million
-	Miscellaneous receipt	NEC PEL JV	1.32	1.32
-	Loans/advances given & current account movement	Patel Sew JV	188.55	87.08
-	Loans / advances recovered / adjusted	Patel Avantika Deepika Bhel	-	0.00
		Patel Sew JV	30.00	-
		CICO Patel JV	-	0.01
-	Interest income	Patel Advance JV	26.47	17.61

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

Particular	Name of the Company	2025-26 ₹ Million	2024-25 ₹ Million
- Reimbursement of expenses	Patel Raman JV	4.32	1.85
	Hitodi Infrastructure Pvt. Ltd	24.36	-
- Sundry balances written off	Patel Siddhivinayak JV	0.76	-
- Other operating income	Hitodi Infrastructure Pvt. Ltd	34.00	-
	DBL PEL JV	-	73.38
	Ceigall PEL JV	-	38.76
	NEC PEL JV	33.14	44.94
	PEL Civit Project JV	38.57	-
- Provision/(reversal) for impairment of loans and advances	Patel Advance JV	-	(87.09)
- Support under contractual undertaking	Hitodi Infrastructure Pvt. Ltd.	661.60	-
- Loan taken	Hitodi Infrastructure Pvt. Ltd	-	2,172.13
- Sale of service	Patel Sew JV	729.58	212.69
	PEL PC JV	233.18	532.86
	Patel KNR Heavy Infrastructures Limited	-	2,229.34
- Security deposit given / (repaid)	Patel Advance JV	(400.00)	500.00
- Increase / (Decrease) in Corporate Guarantee received	Landview Construction Pvt Ltd	381.74	-
- Decrease/(Increase) in Corporate Guarantee exposure	Patel Sew JV	46.51	43.60
- Repayment of loan	Hitodi Infrastructure Pvt. Ltd	708.54	2,194.66
- Contribution to Gratuity fund	Patel Engg. Ltd. Gratuity Trust	47.89	56.07
- Contribution to PF fund	Patel Engg. Co. Ltd. PF Trust	263.89	238.93
- Other consultancy fees	VPRPL PEL JV	-	0.02

E. Details of transactions relating to persons referred in item (B) above.

Particular	2025-26 ₹ Million	2024-25 ₹ Million
Managerial remuneration	104.45	117.58
Salary and contribution to provident fund	4.96	4.42
Commission*	-	22.50
Loan repaid	-	4.91
Director sitting fees	3.18	2.75
Outstanding balance payable	16.94	27.53
Outstanding balance receivable	3.54	3.54

*Commission (profit linked) is recommended by the Board of Directors to NED subject to approval of shareholders of the Holding Company at the forthcoming AGM.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

39 SEGMENT REPORTING

Based on the “management approach” as defined in Ind AS 108 – operating segments, the Managing Director / Chief Financial Officer evaluates the Group’s performance and allocate resources based on an analysis of various performance indicators by business segment. Accordingly information has been presented along these segments. The accounting principles used in the preparation of the consolidated financial statement are consistently applied in individual segment to prepare segment reporting.

Primary segment :

Particulars	As at March 31, 2026			
	Business segments			
	EPC	Real estate	Others	Total
Segment revenue	50,984.53	42.89	-	51,027.42
Segment results	4,854.48	(364.59)	(0.57)	4,489.32
Segment assets	86,957.67	6,005.29	2,255.29	95,218.25
Segment liabilities	49,366.84	1,380.43	50.49	50,797.76
Addition to fixed assets	634.50	12.65	54.53	701.68
Segment depreciation	1,031.63	5.03	-	1,036.66

Particulars	As at March 31, 2025			
	Business segments			
	EPC	Real estate	Others	Total
Segment revenue	50,371.86	561.73	-	50,933.59
Segment results	4,517.01	386.80	(14.37)	4,889.44
Segment assets	86,065.55	6,954.44	2,775.27	95,795.26
Segment liabilities	56,482.58	1,472.47	71.67	58,026.72
Addition to fixed assets	1,356.84	3.75	0.10	1,360.68
Segment depreciation	997.71	-	0.15	997.85

Geographical segment :

Particulars	As at March 31, 2026		
	Within India	Outside India	Total
Revenue	48,543.19	2,484.23	51,027.42
Non current assets	40,390.44	513.93	40,904.37

Particulars	As at March 31, 2025		
	Within India	Outside India	Total
Revenue	48,765.65	2,167.94	50,933.59
Non current assets	38,840.68	651.07	39,491.75

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

The following table gives details in respect of contract revenues generated from the top customer* and top 5 customers for the year ended:

Particulars	Foreign currency exposure outstanding at	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Revenue from top customer	6,138.47	5,572.72
Revenue from top five customers	23,230.12	18,640.91

*Due to distinct contractual, commercial, and execution terms associated with each project, every project is considered as a separate customer, even if multiple projects are related to the same party.
For the year ended March 31, 2026, three (March 31, 2025: one) customers, individually, accounted for more than 10% of the revenue.

- 40** Confirmation letters have been sent in respect of sundry debtors / loans and advances / sundry creditors of which certain confirmations have been received which are accordingly accounted and reconciled. The remaining balances have been shown as per books of accounts and are subject to reconciliation adjustments, if any. In the opinion of the Management, the realizable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the balance sheet. In respect of subsidiaries, debit and credit balances are subject to confirmation from creditors, debtors, sub contractors and loans/advances/deposits. The management does not expect any material difference affecting the consolidated financial statements for the year.
- 41** The Group has ₹881.28 million (P.Y. ₹461.05 million) due (Principal and Interest) to trade payable and other payable under the micro small and medium enterprise development act, 2006, as at March 31, 2026. The principal amount due to the suppliers under the Act is ₹718.53 million (P.Y. ₹382.03 million). The interest accrued and due to the suppliers on the above amount is ₹108.08 million (P.Y. ₹77.44 million). Payment made to the suppliers (other than interest) beyond appointed day during the year is ₹1,613.46 million (P.Y. ₹541.08 million). Interest paid to the suppliers under the Act is ₹Nil (P.Y. Nil). Interest due and payable to the suppliers under the Act towards payments already made is ₹54.68 million (P.Y. ₹1.59 million). Interest accrued and remaining unpaid at the end of the accounting year is ₹162.76 million (P.Y. ₹79.03 million). The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure u/s 23 of the MSMED Act, 2006 is ₹45.33 million (P.Y. ₹45.17 million).

The above information as required to be disclosed under the micro, small and medium enterprises development Act 2006 and has been determined to the extent such parties had been identified on the basis of information available with the Group and relied upon by the auditors.

42 Derivative transactions :

Foreign currency exposure that are not hedged by derivative instruments as on March 31, 2026 amounting to ₹2,763.69 million (P.Y. ₹99.02 million).

Particulars	Foreign currency exposure outstanding at			
	March 31, 2026 ₹ Million		March 31, 2025 ₹ Million	
	Amount in foreign currency	Amount in functional currency	Amount in foreign currency	Amount in functional currency
Assets				
Trade receivable				
EURO	0.28	30.73	0.35	32.03
NPR	264.16	165.10	310.59	194.12

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

Particulars	Foreign currency exposure outstanding at			
	March 31, 2026 ₹ Million		March 31, 2025 ₹ Million	
	Amount in foreign currency	Amount in functional currency	Amount in foreign currency	Amount in functional currency
USD	0.54	50.64	0.54	46.42
Security deposit				
EURO	0.03	3.69	0.03	3.16
JPY	36.22	21.34	36.22	20.71
NPR	157.31	98.32	251.72	157.33
USD	0.00	0.07	0.00	0.06
Inventories				
NPR	-	-	2,235.23	1,397.02
Interest accrued				
EURO	-	-	-	-
NPR	0.24	0.15	0.33	0.21
Cash and bank balance				
LKR	0.02	0.01	0.03	0.01
MUR	-	-	-	-
NPR	120.16	75.10	94.66	59.16
USD	-	-	-	-
Advance to contractor /suppliers				
EURO	-	-	0.04	3.42
NPR	37.15	23.22	870.89	544.31
USD	-	-	0.23	19.83
SEK	-	-	0.67	5.55
Loan and interest thereon to group companies				
LKR	-	-	-	-
MUR	-	-	-	-
NPR	7.18	11.49	2.79	4.46
USD	-	-	-	-
Fixed assets				
NPR	-	-	413.78	258.61
Other advance				
MUR	-	-	6.79	12.71
NPR	456.32	285.20	562.06	351.29
USD	-	-	0.00	0.18
Other Current financial assets				
USD	-	-	-	-
Other Current assets				
USD	1.01	0.63	1.41	0.88

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

Particulars	Foreign currency exposure outstanding at			
	March 31, 2026 ₹ Million		March 31, 2025 ₹ Million	
	Amount in foreign currency	Amount in functional currency	Amount in foreign currency	Amount in functional currency
Liability				
Security deposit				
NPR	(10.13)	(6.33)	(10.13)	(6.33)
Advance from contractor				
EURO	(4.40)	(352.29)	(4.40)	(352.29)
NPR	(443.16)	(276.98)	(409.51)	(255.94)
USD	(0.07)	(4.55)	(0.07)	(4.55)
Trade payable				
EURO	(1.43)	(154.51)	(1.43)	(132.32)
NPR	(2,302.25)	(1,438.90)	(2,115.71)	(1,322.32)
SGD	-	-	-	-
USD	(5.18)	(491.83)	(0.60)	(51.85)
Other liability				
EURO	(0.27)	(26.26)	(0.04)	(3.87)
NPR	(827.38)	(517.11)	(848.62)	(530.39)
USD	(0.02)	(2.18)	(0.02)	(1.98)
Borrowing				
EURO	(2.37)	(258.44)	(3.60)	(350.60)

43 The Group's pending litigations comprise of claims by or against the Group primarily by the customers / contractors / suppliers, etc. and proceedings pending with tax and other government authorities. The Group has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Group has made adequate provision of ₹2.00 million (P.Y. ₹25.85 million) and appropriate disclosure for contingent liabilities is given.

44 Capital Commitment

- a) Commitment for capital expenditure is ₹140.53 million (P.Y. ₹256.06 million), advance paid is ₹34.62 million (P.Y. ₹66.92 million).
- b) During the year, The Group has entered a Memorandum of Agreement (MOA) with Government of Arunachal Pradesh for revival of the gongri HEP project. As per the MOA, the Group shall achieve the financial closure within 12 months from the date of receipt of Technoeconomic clearance (TEC), hence at this stage impact of capital commitment will not quantifiable.

45 Contingent liabilities

- (a) Outstanding secured bank guarantees / surety bond in respect of contractual commitments in the ordinary course of business of the Holding Company and Group entities is ₹23,988.01 million (P.Y. ₹20,991.94 million) (including customs ₹19.87 million (P.Y.₹19.87 million). Corporate guarantees / letter of credit, net off share of JV partner & provision already considered in books, on behalf of subsidiaries and others is ₹189.80 million (P.Y. ₹236.32 million).

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

- (b) Service tax and GST liability that may arise on matters in appeal ₹2,417.15 million (P.Y. ₹1,309.12 million) and advance paid ₹27.69 Million (P.Y. ₹2.87 Million). Out of the above, ₹760.19 Million is contractually recoverable from the clients.
- (c) Sales tax ₹56.53 million (P.Y. ₹75.99 million) (advance paid ₹0.20 million (P.Y. ₹0.40 million)), cess ₹122.64 million (P.Y. ₹122.64 million), custom duty ₹Nil (P.Y. ₹16.49 million) (advance paid ₹Nil (P.Y. ₹8.46 million)).
- (d) Income tax liability that may arise on matters in appeal by department and/or us for ₹3,468.25 million (P.Y. ₹4,555.85 million).
- (e) Provident fund liability that may arise on matter in appeal ₹15.79 million (P.Y. ₹15.79 million) and advance paid ₹14.63 million (P.Y. ₹14.63 million)
- (f) The Group is subject to legal proceeding and claims, which have arisen in the ordinary course of business, interalia including certain litigation for land acquired by it for construction purpose, the impact of which is not quantifiable. These cases are pending with various courts/forums. After considering the circumstances, management believes that these cases will not adversely effect its consolidated financial statement.
- (g) A part of the immovable property belonging to the Group has been offered as security, in favour of a bank to the extent of the value of the land accompanied with corporate guarantee, as collateral for the credit facilities availed by strategic partner and the Group is also under commitment to construct specific area for land owners . The Group has provided a shortfall undertaking of ₹500 million for any deficit arising if claim realisation is less than the determined amount.
- (h) Claim against the Group not acknowledged as debt of ₹467.94 Million (P.Y. ₹467.94 Million)

Note 1: The above contingent liabilities affecting to Service Tax, GST, Sales Tax, Customs Duty, Income Tax, and Provident Fund are based on orders passed by competent authorities.

Note 2: The timing and amount of any future cash outflows in respect of the above contingent liabilities are determinable only on receipt of judgments/decisions pending with various Courts/forums/authorities. The Group does not expect any outflow of economic resources in respect of the above contingent liabilities.

46 Additional information as required under schedule III to the companies Act, 2013, of enterprises consolidated as subsidiaries / associates / joint ventures:

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit and loss	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
Parent				
Patel Engineering Ltd.	100.86%	44,782.62	108.46%	3,194.19
Subsidiaries				
Indian				
1 Arsen Infra Pvt. Ltd.	-0.03%	(12.80)	0.01%	0.24
2 PBSR Developers Pvt. Ltd.	-1.01%	(446.62)	2.61%	76.97
3 Patel Engineering Infrastructure Ltd.	0.81%	360.23	4.04%	118.87
4 Friends Nirman Pvt. Ltd.	0.05%	21.38	-0.01%	(0.23)
5 Patel Patron Pvt. Ltd.	0.43%	192.50	-0.01%	(0.16)
6 Shashvat Land Projects Pvt. Ltd.	-0.06%	(28.53)	0.00%	(0.08)

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

Name of the entity		Net assets i.e. total assets minus total liabilities		Share in profit and loss	
		As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
7	Vismaya Constructions Pvt. Ltd.	0.24%	108.03	0.00%	(0.05)
8	Bhooma Realities Pvt. Ltd.	-0.18%	(81.03)	-0.10%	(2.99)
9	Shreeanant Construction Pvt. Ltd.	-0.12%	(52.59)	0.15%	4.34
10	Hampus Infrastructure Pvt. Ltd.	0.00%	(0.48)	0.00%	(0.04)
11	Patel KNR Infrastructures Ltd	1.71%	759.90	5.18%	152.54
12	Dirang Energy Pvt. Ltd.	1.55%	689.79	-0.44%	(13.04)
13	West Kameng Energy Pvt. Ltd.	-0.01%	(3.43)	7.53%	221.79
14	Digin Hydro Power Pvt. Ltd.	-0.01%	(3.14)	-0.11%	(3.20)
15	Meyong Hydro Power Pvt. Ltd.	-0.01%	(3.78)	-0.15%	(4.49)
16	Saskang Rong Energy Pvt. Ltd.	0.01%	4.71	0.00%	(0.05)
17	Patel Energy Ltd	0.41%	180.34	-0.01%	(0.29)
18	Bellona Estate Developers Limited	-1.20%	(532.38)	-0.01%	(0.20)
Foreign					
1	Patel Engineering Inc.	0.23%	100.01	0.29%	8.54
2	Patel Engineering (Mauritius) Ltd.	0.00%	(0.17)	1.16%	34.03
3	Patel Engineering (Singapore) Pte. Ltd.	0.32%	140.69	-0.48%	(14.05)
4	Waterfront Developers Ltd.	-0.36%	(161.17)	-10.88%	(320.40)
5	Patel Engineering Lanka Ltd.	-0.03%	(12.69)	-0.02%	(0.47)
Non-controlling interest		0.05%	20.77	2.86%	84.34
Associate (as per proportionate consolidation/Investment as per the equity method)					
1	ACP Tollways Pvt. Ltd.	0.59%	260.25	-4.32%	(127.36)
2	Hitodi Infrastructure Ltd.	0.00%	-	0.00%	-
3	Patel Advance JV	1.17%	517.52	0.03%	0.90

47 Disclosure pursuant to Ind AS 115, “Revenue from Contracts with Customers”.

(i) Disaggregation of revenue from contracts with customers for the year ended March 31, 2026 recognised in the statement of profit & loss

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Primary geographical market wise		
Domestic	48,543.19	48,765.65
International	2,484.23	2,167.94
Major product / service lines wise		
EPC	50,984.53	50,371.86

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Real estate	42.89	561.73
Others	-	-
Timing of revenue recognition wise		
At a point in time	1,840.19	2,646.31
Over period of time	49,187.22	48,287.28

(ii) Unsatisfied Performance Obligations

The aggregate amount of transaction price allocated to performance obligations that are unsatisfied as at the end of reporting period is ₹15,119 crore (P.Y.: ₹15,218 crore). Most of Group’s contracts have a life cycle of three to five years. Management expects that around 25% - 30% of the transaction price allocated to unsatisfied contracts as of 31 March, 2026 will be recognised as revenue during next reporting period depending upon the progress on each contracts. The remaining amounts are expected to be recognised over the next three to four years. The amount disclosed above does not include variable consideration.

(ii) Contract Balances

Particulars	Contract Assets (Unbilled Work in Progress)	Contract Liabilities	Net Contract Balance
Balance as at April 1, 2024	29,573.96	7,600.89	21,973.06
Net Increase / (decrease)*	3,369.56	(955.86)	4,325.42
Balance as at March 31, 2025	32,943.52	6,645.03	26,298.48
Net Increase / (decrease)	3,814.26	(422.71)	4,236.97
Balance as at March 31, 2026	36,757.77	6,222.32	30,535.45

*Due to swapping of higher interest bearing contract liabilities of ₹Nil (P.Y. ₹700.00 Million) with low interest rate loan, contract liability has decreased in FY 24-25.

iv) There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.

v) Movement in Expected Credit loss during the year

Particulars	Provision on trade receivable	
	2025-26	2024-25
Provision as at 1 st April	435.86	4.96
Add: Provision made / (reversal of provision) (net)	521.40	1,493.14
Less: Bad debts written off (Including Vivad Se Vishwas settlement)	(669.22)	(1,062.24)
Balance at the end of the year	288.04	435.86

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for the year ended March 31, 2026

48 Category -wise classification of financials instruments

	Non current		Current	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
Financial assets measured at FVTPL				
Investment	-	0.10	97.69	1,109.41
Financial assets measured at amortized cost				
Investments	428.08	696.78	260.25	-
Trade receivables	2,701.30	3,272.76	5,979.22	7,537.47
Loans	1,117.57	949.88	53.93	30.82
Deferred finance cost	-	-	-	-
Other assets	5,063.04	6,126.21	2,145.40	1,303.91
Cash and cash equivalents	-	-	3,796.22	2,579.18
Other bank balances	-	-	1,607.15	1,949.33

	Non current		Current	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
Financial liabilities measured at amortized cost				
Borrowings	2,563.24	3,883.81	9,306.10	12,567.28
Lease liabilities	241.67	123.44	49.88	68.93
Trade payables	6,630.68	7,166.32	21,629.28	21,183.98
Other financial liabilities	770.74	2,397.86	541.19	572.09

49 Fair value measurements

i) The following table provides the fair value measurement hierarchy of the Group’s financial assets and liabilities :

As at March 31, 2026		₹ Million		
Financial asset measured at FVTPL	Fair value as at March 31, 2026	Fair value hierarchy		
		Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
Investments	97.69	97.69	-	-
As at March 31, 2025		₹ Million		
Financial asset measured at FVTPL	Fair value as at March 31, 2025	Fair value hierarchy		
		Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
Investments	1,109.51	1,109.41	-	0.10

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

ii) Financial instrument measured at amortized cost

The carrying amount of financial assets and liabilities measured at amortized cost in the consolidated financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

50 Financial risk management

The Group’s financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group’s financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group is exposed to market risk, credit risk and liquidity risk. The board of directors (‘Board’) oversee the management of these financial risks through its risk management committee. The risk management policy of the holding Company formulated by the risk management committee, states the Group’s approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Holding Company’s management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Group’s financial performance.

The following disclosures summarize the Group’s exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the consolidated financial results, cash flows and financial position of the Group.

1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s total debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With other variables held constant, the Group’s profit before tax is affected. With all other variables held constant, the Group’s profit before tax is affected through the impact on floating rate borrowings, as follows :

Change in interest rate	Effect on profit before tax		Effect on total equity	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
+50 basis point	(93.03)	(103.82)	(60.52)	(67.54)
-50 basis point	93.03	103.82	60.52	67.54

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group does not enter into any derivative instruments for trading or speculative purposes.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

The carrying amounts of the Group’s foreign currency denominated monetary items are as follows:

Currency	Liabilities		Assets	
	As at	As at	As at	As at
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
EURO	791.50	839.08	34.43	38.62
JPY	-	-	21.34	20.71
LKR	-	-	0.01	0.01
MUR	-	-	-	12.71
NPR	2,239.32	2,114.98	659.21	2,967.39
USD	498.56	58.38	50.71	66.48
SEK	-	-	-	5.55

The above table represents total exposure of the Group towards foreign exchange denominated liabilities (net). The details of unhedged exposures are given as part of note no. 42

Sensitivity analysis

The Group is mainly exposed to changes in USD & EURO, as NPR is to be repaid at fixed rate; hence the Group is not exposed to any exchange rate fluctuation. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD & EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at the reporting date. 5% represents management’s assessment of reasonably possible change in foreign exchange rate.

Change in EURO rate	Effect on profit before tax		Effect on total equity	
	As at	As at	As at	As at
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
+5%	(37.85)	(40.02)	(28.33)	(26.04)
-5%	37.85	40.02	28.33	26.04

Change in USD rate	Effect on profit before tax		Effect on total equity	
	As at	As at	As at	As at
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
+5%	(22.39)	0.41	(16.76)	0.26
-5%	22.39	(0.41)	16.76	(0.26)

c) Equity price risk

The Group’s listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification. Reports on the equity portfolio are submitted to the Group’s senior management on a regular basis. The Holding Company’s board of directors reviews and approves all equity investment decisions.

Price sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in price of investment measured at FVTPL with other variables held constant. The Group’s profit before tax is affected through the impact on change in price of investment as follows:

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Change in Price of investment measured at FVTPL	Effect on profit before tax		Effect on total equity	
	As at	As at	As at	As at
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
+5%	4.88	55.48	3.65	36.09
-5%	(4.88)	(55.48)	(3.65)	(36.09)

2) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivable from joint ventures.

Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Group mainly consists of the government promoted entities having a strong credit worthiness. Whenever required, the Group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, third party report, financial condition, ageing of accounts receivable and the Group’s historical experience for customers.

3) Liquidity risk

Liquidity is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group’s treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group’s net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	₹ Million			
	Less than 1 year	1 - 5 years	More than 5 years	Total
At 31st March, 2026				
Borrowings*	9,306.10	2,551.89	11.35	11,869.34
Lease liability	49.88	241.67	-	291.55
Trade payables	21,629.28	6,630.68	-	28,259.95
Other financial liability	541.19	770.74	-	1,311.93
At 31st March, 2025				
Borrowings*	12,567.28	3,868.15	15.66	16,451.10
Lease liability	68.93	123.44	-	192.37
Trade payables	21,183.98	7,166.32	-	28,350.30
Other financial liability	572.09	2,397.86	-	2,969.96

*Borrowing which is less than 1 years includes the rollover nature credit facility like cash credit, working capital demand loan & overdraft facility

51 Capital management

For the purpose of the Group’s capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

As at 31st March, 2026, the Group has only one class of equity shares and has moderate debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. Consistent with others in the industry, the Group monitors its capital using the gearing ratio which is total debt divided by total capital.

Particulars	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
Total debt	11,869.34	16,451.10
Total equity	44,399.72	37,846.73
Total debt to total equity ratio (gearing ratio)	0.27	0.43

In order to achieve this overall objective, the Group’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

52 In Patel Advance JV partnership firm, The Holding Company is having fixed capital of ₹0.05 million. In the firm, partnership sharing has been as follows: the Group 49% (P.Y. 49%), Adira Buildcon Pvt. Ltd. 26% (P.Y. 26%) & Broadcast Lawgical Networks Pvt. Ltd. 25% (P.Y. 25%). Furthermore, the Group retains priority rights over any surplus generated, to the extent of its investment against their shares and Broadcast Lawgical Networks Pvt Ltd profit share has been capped at 5% and balance profit will be share with Adira Buildcon Pvt Ltd.

53 During the year group has made a political contribution of ₹Nil (P.Y. ₹Nil) to political parties.

54 Relationship with struck-off companies

There are no transactions with the companies whose name are struck off under section 248 of the companies Act, 2013 or section 560 of the companies Act, 1956 during the year ended March 31, 2026.

55 Ageing of trade payable

Particulars		Outstanding for following periods from due date of payment					Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled / not due	
As on March 31, 2026							
(i)	MSME	549.19	89.19	51.42	19.64	171.84	881.28
(ii)	PRW	7,416.57	816.45	204.52	920.25	12,104.00	21,461.79
(iii)	Others trade creditors	3,539.22	590.50	151.12	1,191.52	374.20	5,846.55
(iv)	Disputed dues – MSME	-	-	-	-	-	-
(v)	Disputed dues - others	0.17	-	-	59.90	10.26	70.34
Total		11,505.15	1,496.15	407.06	2,191.30	12,660.30	28,259.95
As on March 31, 2025							
(i)	MSME	240.85	117.38	19.93	2.74	80.17	461.05
(ii)	PRW	5,093.49	623.54	275.41	785.21	13,488.72	20,266.37
(iii)	Others trade creditors	3,959.37	905.40	936.40	595.97	1,119.60	7,516.75
(iv)	Disputed dues – MSME	-	-	-	-	-	-
(v)	Disputed dues - others	5.13	14.02	16.82	54.26	15.90	106.13
Total		9,298.84	1,660.34	1,248.55	1,438.18	14,704.39	28,350.31

Notes to Consolidated Financial Statement

for the year ended March 31, 2026

56 Additional regulatory information required by schedule III to the companies Act, 2013

- i) The Group does not have has any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the benami transactions (prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) The Group does not have any charges or satisfaction of charges which is yet to be registered with registrar of companies beyond the statutory period.
- iii) The Group has not traded or invested in crypto currency or virtual currency during the year.
- iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
 - b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- v) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) 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
 - b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries to third parties
- vi) There is no income surrendered or disclosed as income during the year in tax assessments under the income tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- vii) The Holding Company has complied with the requirements of 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.
- viii) The Group has not entered into any scheme of arrangement which has an accounting impact on the standalone financial statements for the current or previous year.

57 Key financials ratio

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason for variance
Current ratio	Total current assets	Total current liabilities	1.45	1.36	7%	
Debt-equity ratio	Total debt	Total equity	0.27	0.43	-38%	Due to the accretion of profits arising from the Group's robust financial performance and the infusion of additional equity capital through the Rights Issue, resulting in a strengthened net worth and improved capital structure.
Debt service coverage ratio	Earning before depreciation interest and taxes	Interest +current maturity of LTD payable in current year	1.35	1.41	-4%	
Return on equity ratio	Profit after tax	Total equity for parent	6.06%	6.55%	-7%	

Notes to Consolidated Financial Statement
for the year ended March 31, 2026

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason for variance
Inventory turnover ratio*	NA	NA	NA	NA	NA	
Trade receivable turnover ratio	Revenue from operation	Average of opening and closing of current debtors	7.55	7.79	-3%	
Trade payable turnover ratio	Purchase (net)	Average of opening and closing of current trade payable	1.39	1.31	7%	
Net capital turnover ratio	Revenue from operation	Working capital (current assets - current liabilities)	3.03	3.45	-12%	
Net profit ratio	Profit after tax including associates	Revenue from operation	5.27%	4.87%	8%	
Return on capital employed	Profit before interest, tax and exceptional items	Average capital employed (total equity + total debt)	13.25%	14.94%	-11%	
Return on investment	Profit available to equity shareholder	Equity attributable to owners of the parent	6.82%	6.55%	4%	

*Considering the nature of industry in which the Group is operating, Inventory turnover ratio is not material.

- 58 a) Previous year’s figures have been regrouped, rearranged and reclassified wherever necessary.
- b) Figure in brackets indicates amounts pertaining to previous year.

As per our report of even date
For Vatsaraj & Co.
Firm Regn No.: 111327W
Chartered Accountants

Dr CA B. K. Vatsaraj
Partner
Membership No. 039894

Place : Mumbai
Date : May 14, 2026

For and on behalf of Board

Kavita Shirvaikar
Managing Director
DIN : 07737376

R V R Kishore
Whole-time Director
DIN : 07402969

Kishan Lal Daga
Whole-time Director
DIN : 00083103

Rahul Agarwal
Chief Financial Officer

Shobha Shetty
Company Secretary
Mem. No.: F10047

Independent Auditors’ Report

To The Members of Patel Engineering Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Patel Engineering Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, which includes 43 joint operations (Refer Note no. 42 for the list of joint operations) accounted on proportionate basis (hereinafter referred to as “Standalone Financial Statements”)

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors referred to in the Other Matters section below, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (“Ind AS”) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statement in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act,2013 (“the Act”). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors Response
1	Recognition of contract revenue, contract costs and Valuation of Contract Assets The Company’s revenue primarily arises from construction contracts which, by its nature, is complex given the significant judgements involved in the assessment of identification and satisfaction of performance obligations. Under Ind AS 115, revenue from these contracts is recognised over a period of time using the input method, based on the proportion of contract costs incurred to date relative to the estimated total contract costs at completion.	Our audit procedures to address this key audit matter included, but were not limited to the following: - Obtained an understanding of the Company’s revenue recognition processes and evaluated the appropriateness of the Company’s accounting policy for revenue recognition in accordance with Ind AS 115 – Revenue from contracts with customers; - Evaluated the design and tested the operating effectiveness of key internal financial controls including those related to estimation of forecasted contract revenue and contracts costs;

Sr. No.	Key Audit Matter	Auditors Response
	The recognition of contract revenue, total estimated contract costs, and the resulting margins rely heavily on period-end management estimates. In doing so, the management is required to exercise significant judgement in its assessment of the transaction price which may also include variable consideration such as claims raised by the Company and potential exposure to liquidated damages if any. Further revenue recognised in excess of milestone billings is presented as Contract Assets (unbilled revenue). The valuation and recoverability of contract assets involve significant estimation regarding customer milestone approvals, project performance, and the assumptions used for estimating the expected credit loss in respect of these balances is an area which is influenced by Management's judgment. Changes in these estimates as contracts progress can result in material adjustments to revenue and balances. Considering high estimation uncertainty, complexities involved and material impact on the financial statement, this area has been considered a key audit matter in the current year audit. Refer notes 1. k and 27 to the Standalone Financial Statements.	- Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. - For a sample of contracts, performed the following procedures: - inspected the underlying documents such as customer contract/ agreement and variation orders, if any, for the significant contract terms and conditions; - evaluated the identification of performance obligations as per the contract; - obtained an understanding of and evaluated the reasonableness of the assumptions applied in determining the forecasted revenue and cost to complete; - tested the existence and valuation of variable consideration with respect to the contractual terms and conditions and other documents; - reviewed the legal and contracting experts' note and/ or legal opinion from independent legal counsel obtained by the management, if any; - For cost incurred to date, tested samples by verifying underlying supporting documents; - Performing analytical procedures including project profitability analysis for reasonableness of revenue recognized; and - Assessed the information used by the Management to determine the expected credit losses by considering credit risk profile of the customer, contractual terms, project status, past collection experience, uncertainties and delays in recoveries, subsequent realisation, correspondence with the customers, ongoing litigations and disputes, if any. - Evaluated the appropriateness and adequacy of the disclosures related to contract revenue and costs in the standalone Ind AS financial statements in accordance with the applicable accounting standards.
2	Valuation of claims under settlement	
	The Company has certain significant open legal proceedings under arbitration for various complex matters with the Clients and other parties, continuing from earlier years, which are as under: - Non acceptance of certain work by the client. - Cost overruns in certain contracts.	Our audit procedures included the following: Assessing the procedures implemented by the Company to identify and gather the risks it is exposed to.

Sr. No.	Key Audit Matter	Auditors Response
	Reimbursement of the cost incurred by the company for the client. Due to complexity involved in these litigation matters, the recognition of claims/variations are included in revenues when it is highly probable of recovery based on estimate and assessment of each item by the management based on their experience of recovery. Refer note 1 k and 4 to the Standalone Financial Statements.	- Obtaining an understanding of the risk analysis performed by the Company, with the relating supporting documentation, and studying written statements from internal and external legal experts, where applicable. - reviewed the legal and contracting experts' note and/ or legal opinion from independent legal counsel obtained by the management, if any - Discussion with the management on the development in these litigations during the year ended March 31, 2026. Obtaining representation letter from the management on the assessment of these matters as per SA 580 (revised) – Written representations.
3	Assessment of impairment of investment in and loans given to subsidiaries and associates	
	Investments in subsidiaries and associates and loans given to such entities account for a significant percentage of the Company's net assets. Each year management reviews such investments and loans to assess presence of any indications of impairment and determines the recoverable amounts of the investments/ loans. Determining the recoverable value of these long-term investments/loans is mainly based on the evaluation of Networth of such entities, quality of assets held by such entities and the judgement by Management for realisation of investments and recovery of loans along with interest. Refer notes 3 and 5 to the Standalone Financial Statements	We gained an understanding of the process used by the Company to assess the valuation of Investments and Loans & advances, analyze their recoverability and impairment tests performed by the management, and verified that the criteria used to perform these tests are consistent with those established in applicable reporting standards. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: - Consideration and evaluation of company's analysis on its overall exposure to each of these subsidiaries; - Analysis and assessment of the appropriateness of the key judgements and assumptions, used by company's management. As a result of our analysis and test performed, we consider that Management's conclusion regarding providing impairment on investments, wherever required, the estimates made and the information disclosed in the accompanying annual accounts are adequately supported and are consistent with the information currently available

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

The Board of Directors of the Company is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report

Responsibility of Management for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone 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 Standalone Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting in preparation of Standalone Financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the Standalone Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Standalone Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Standalone Financial Statements, which have been audited by the other auditors, such other auditors

remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

1. We did not audit the financial statements and other financial information in respect of:
 - i. the real estate division, whose financial information reflects Total assets of ₹ 2,395.25 Million as at March 31, 2026, total revenues of ₹ 55.26 Million, Total Profit after tax (net) ₹ (497.57) Million, total comprehensive income of ₹ (497.57) Million for the year ended March 31, 2026 respectively, as considered in the standalone financial statements. The financial information of this real estate division has been audited, as applicable, by the branch auditor whose reports have been furnished to us by the Management of the Company, and our opinion on the Standalone Financial Statements in so far as

it relates to the amounts and disclosures included in respect of the real estate division and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid real estate division is based solely on the reports of such other auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.

- ii. 28 joint operations included in the standalone financial statements, whose financial information reflects total assets of ₹ 2,967.91 Million as at March 31, 2026 and Company's Share in total income of ₹ 6,780.01 Million, total net profit/(loss) after tax of ₹ 17.28 Million, total comprehensive income of ₹ 17.28 Million for year ended March 31, 2026. The financial information of these joint operations have been audited, as applicable, by the other auditors whose reports have been furnished to us by the Management of the Company, and our opinion on the Standalone Financial Statements in so far as it relates to the amounts and disclosures included in respect of these joint operations and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid joint operations, is based solely on the reports of such other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.
- iii. The Standalone Financial statement includes the unaudited financial information of 14 joint operations included in the standalone financial statements, whose financial information reflects Total assets of ₹ 3,918.31 Million as at March 31, 2026 and Company's share in total income of ₹ 5732.83 Million, total net profit/(loss) after tax of ₹ 2.56 Million, total comprehensive income of ₹ 2.56 Million for year ended March 31, 2026, whose financial information has not been audited by the respective auditor. This financial information is unaudited and have been furnished to us by the Company's Management and our opinion on the Standalone Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, this financial information is not material to the Company.

Our opinion on the Standalone Financial Statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" of this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and based on the consideration of the reports of other auditors on the separate financial information of the real estate division and joint operations, referred to in Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
 - 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 and the reports of the other auditor
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the IND AS specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the Internal Financial controls Over Financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement 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 remunerations paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its Standalone Financial statements to the extent determinable/ ascertainable. – Refer Note 44 and 46 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief and as disclosed in note 57 to the Standalone Financial Statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
 - (b) The management has represented, that, to the best of its knowledge and belief and as disclosed in note 57 to the Standalone Financial Statement,

no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall. Whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on such audit procedures as 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) contain any material mis-statement; and.
- v. During the year no dividend is declared or paid by the company.
- vi. With respect to the matter to be included in the Auditors' Report under section Rule 11(g) of Companies (Audit and Auditors)

Rules, 2014, based on our examination which included test checks, the company has used SAP accounting software & HR software for payroll function which have 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.

For Vatsaraj& Co.
Chartered Accountants
FRN: 111327W

Dr CA B.K. Vatsaraj
Partner
M. No.:039894
UDIN: 26039894BIBORB5529
Mumbai, 14th May, 2026.

Annexure A to the Independent Auditors’ Report on Standalone Financial Statements of Patel Engineering Limited as on 31st March 2026, referred to in paragraph 1 under “Report on Other Legal and Regulatory requirement” section of our report of even date, we report the following:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in progress and relevant details of right to use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in Note 2 to the financial statements are held in the name of the Company, except for the following:

Description	Gross carrying value (₹ in Million)	Held In the Name of	Whether promoter, director or their relative or employees	Property Held from	Reason for not being held in the name of Company
Land	2,740.09	PEL Power Ltd., Jayshe Gas Power Pvt. Ltd., Patel Energy Assignment Pvt. Ltd., Patel Energy Operations Pvt. Ltd., Patel Energy Projects Pvt. Ltd., Patel Thermal Energy Projects Pvt. Ltd., PEL Port Pvt. Ltd.	Step-down subsidiaries company (Merged entities) of Patel Engineering Limited	FY 2021-22	The land has been acquired through a merger order issued by the Competent Authority and, by operation of law, has been transferred to the Company. The Company has initiated the process of updating the revenue records accordingly.
Land & building	267.17	PEL Power Ltd.			
Building	7.26	PEL Power Ltd.			
Land	3.64	Mr. Muthuraj	Employee	FY 2009-10	The land was purchased in the name of Directors / officials of the Company and the Company is in process of transferring the same from the name of ex-directors.
Land	157.21	Late Silloo Yezdi Patel	Ex-director	FY 2001-02	
Land	93.37	Legal heir of Rupen Pravin Patel	Promoter Group	FY 2025-26	
Land	269.87	Late Rupen Pravin Patel	Ex-director	FY 2000-01	

- (d) During the year, the Company has revalued ‘Land and Buildings’ classified under Property, Plant and Equipment. Such revaluation is based on the valuation by a Registered Valuer and the amount of change is less than 10% in the aggregate of the net carrying value of such class of Land and Buildings classified under Property, Plant and Equipment. The Company has not revalued any other class of its Property, Plant and Equipment during the year.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its operations. In respect of inventories of stores and spares, the Management has a verification Programme designed to cover the items over a period of three years. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; according to the information and explanations given to us, the quarterly returns or statements filled by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- iii According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in company and others and given loans to subsidiaries but not provided any security, guarantees or granted advances in the nature of loans to companies, firms, limited liability partnership or other parties during the year.
- (a) Based on the audit procedures carried out by us and as per the information and explanation given to us, the aggregate amount of unsecured loans granted during the year was ₹ 12.81 million. The balance outstanding at the balance sheet date with respect to unsecured loans to subsidiary companies, associate companies is ₹ 4,681.65 Million and guarantees to joint venture is ₹ 189.80 Million.
- (b) In respect of the aforesaid guarantees and unsecured loans, the terms and conditions under which such guarantees provided and loans were granted are prima facie, not prejudicial to the interest of the company, based on the information and explanations provided by the company.
- (c) In respect of loans outstanding as on the balance sheet date, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) There is no loan and interest are overdue as per agreed stipulation. Hence, clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) During the year there is no loan which are due as per agreed stipulation, hence clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under 3 clause (iii)(f) is not applicable
- iv In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, to the extent applicable, in respect of grant of loans, making investments, providing guarantees and security during the year, as applicable.
- v In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii (a) In our opinion, and according to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory including Provident Fund, Employees’ State Insurance, Income-tax, Goods and Service Tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the records of the Company examined by us, the disputed statutory dues that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Particulars	Financials year to Which amount relates	₹ in Million	Forum where dispute is pending
The Sales Tax Act	2005-2006 to 2007-2008 and 2009-10	45.51	Appellate Tribunal, Kolkata
	2012-13	3.55	Senior Joint commissioner for Sales Tax Kolkata
	2008-2009 and 2010-2011	5.88	W.B.C.T. Appellate and Revisional Board, Kolkata
Finance Act, 1994	Feb 2009 to Mar 2013	194.23	Custom, Excise and Service Tax Appellate Tribunal
	June 2007 to Sept 2009	651.88	Hon'ble Supreme Court in India
	Oct 2009 to Sept 2010	108.31	Hon'ble Supreme Court in India
The Income Tax Act,1961	2001-2002 to 2008-2009, 2012-13 &2013-14	2,685.22	Hon'ble High Court
	2007-08,2010-11,2012-13 to 2016-17, 2022-23	847.13	Commissioner of Income Tax (Appeals)
CGST & SGST Act,	September 2018 to March 2019	46.77	Hon'ble High Court Patna
	April 2019 to March 2020	11.83	Commissioner (Appeal) - SGST, Noida Uttar Pradesh
	July 2017 to March 2018	8.83	Commissioner (Appeals), CGST & Central Excise - Patna
	April 2018 to March 2019	36.75	Commissioner (Appeals), CGST & Central Excise - Patna
	April 2019 to March 2020	46.86	Commissioner (Appeals), CGST & Central Excise - Patna
	April 2020 to March 2021	10.71	Commissioner (Appeal) - SGST, Noida Uttar Pradesh
	July 2017 to March 2022	53.27	Commissioner CGST & CX (Appeals-III), Mumbai
	April 2020 to March 2021	164.20	Commissioner (Appeals), CGST & Central Excise - Patna
	April 2021 to March 2022	181.24	Commissioner (Appeals), CGST & Central Excise – Patna

Particulars	Financials year to Which amount relates	₹ in Million	Forum where dispute is pending
	April 2022 to March 2023	63.53	Commissioner (Appeals), CGST & Central Excise – Patna
	April 2018 to March 2019	10.47	Jt./Add.Commissioner (Appeals), CGST & Central Excise – Patna
	April 2018 to March 2019	6.04	Jt./Add.Commissioner (Appeals), CGST & Central Excise - Patna
Provident fund	2007-08 to 2011-12	14.35	Hon'ble High Court, Shimla Himachal Pradesh
	January 2013 to August 2015	1.44	The Employee Provident Fund Appellate Tribunal
With respect to Independent Branch Patel Engineering Ltd (Real Estate Division)			
Service Tax	November 2009 to June 2012 [Service Tax]	220.34	Customs Excise and Service Tax Appellate Tribunal
	November 2009 to June 2012 [Penalty]	184.36	Customs Excise and Service Tax Appellate Tribunal
	April 2015 to June 2017	21.17	Customs Excise and Service Tax Appellate Tribunal
	AY 2016-17	0.96	Commissioner of Income tax (Appeal)

viii	According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.	(d)	According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
ix	(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders during the year.	(e)	According to the information and explanations given to us and 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 its subsidiaries, associates or joint ventures.
	(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.	(f)	According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
	(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.	x	(a) According to the information and explanations given to us the Company has made a rights issue of equity shares and Non-Convertible Debentures during the year under review. In respect of the same, the Company has complied with the

	requirements of Section 62 of the Companies Act, 2013. The funds raised through the said rights issue and Non-Convertible Debentures have been applied for the purposes for which they were raised, however out of the proceeds from the rights issue an amount of Rs 21.87 Million remained unutilized and was held in the escrow bank account as at March 31, 2026.				
(b)	The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company	xiv	(a)	In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business	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.
			(b)	We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.	xx
xi	(a)	xv		According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.	According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the standalone financial year. Accordingly, reporting under clause 3(xx) (a) & (b) of the Order is not applicable to the Company.
	(b)	xvi	(a)	The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) (a), (b) and (c) of the Order are not applicable to the Company.	
	(c)		(d)	Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.	xxi
xii	The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.	xvii		The Company has not incurred any cash losses during the financial year as well as the immediately preceding financial year.	The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report
xiii	In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.	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		According to the information and explanations given to us and 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 Standalone Financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We	

For Vatsaraj & Co.
Chartered Accountants
FRN: 111327W

Dr CA B.K. Vatsaraj
Partner
M. No.:039894
UDIN: 26039894BIBORB5529
Mumbai, 14th May, 2026.

ANNEXURE B to Independent Auditors’ Report on the Standalone Financial Statement of Patel Engineering Limited, Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act, referred to in paragraph 2(f) under “Report on Other Legal and Regulatory requirement” section of our report of even date.

We have audited the internal financial controls with reference to Standalone Financial Statements of **Patel Engineering Limited** (the “Company”) as of March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls with reference to Standalone Financial Statements of the Company.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements 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 ICAI and the Standards on Auditing (“SA’s”) prescribed under Section 143(10) of the Companies Act, 2013 (the “Act”), to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor of the real estate branch, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to Standalone Financial Statements.

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 Standalone Financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or

fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on internal financial controls with reference to Standalone Financial Statements of the real estate branch referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the respective 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Standalone Financial Statements of the Company in so far as it relates to Real estate division branch, is based on the corresponding report of the other auditor of such branch incorporated in India. Our opinion is not modified in respect of this matter.

For Vatsaraj& Co.
Chartered Accountants
FRN: 111327W

Dr CA B.K. Vatsaraj
Partner
M. No.:039894
UDIN: 26039894BIBORB5529
Mumbai, 14th May, 2026.

Balance Sheet
as at March 31, 2026

	Notes	As At March 31, 2026 ₹ Million	As At March 31, 2025 ₹ Million
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	11,383.68	11,565.06
(b) Capital work-in-progress	2	320.83	246.64
(c) Intangible assets	2	2.33	5.14
(d) Right to use	2	599.30	216.71
(e) Financial assets			
(i) Investments	3	2,002.33	2,143.01
(ii) Trade receivables	4	2,701.30	3,145.25
(iii) Loans	5	3,948.79	4,333.12
(iv) Other financial assets	6	5,277.79	6,474.85
(f) Deferred tax assets (net)	7	1,264.31	1,234.63
(g) Current tax assets (net)	8	679.75	478.67
(h) Other non current assets	9	14,378.49	11,078.92
Total non current assets		42,558.90	40,922.00
2 Current assets			
(a) Inventories	10	7,914.27	9,077.46
(b) Financial assets			
(i) Current Investments	11	19.56	518.36
(ii) Trade receivables	4	5,434.07	6,780.75
(iii) Cash and cash equivalents	12	3,176.65	1,941.07
(iv) Other bank balances	13	1,607.15	1,949.33
(v) Loans	5	777.36	737.86
(vi) Other financial assets	6	2,145.40	1,303.91
(c) Other current assets	9	30,305.20	30,546.98
(d) Assets classified as held for sale	14	550.00	-
Total current assets		51,929.66	52,855.73
TOTAL ASSETS		94,488.56	93,777.73
II. EQUITY AND LIABILITIES			
1 Share Holders' Fund			
(a) Equity share capital	15	992.14	844.38
(b) Other equity		43,790.46	37,099.36
Total equity		44,782.60	37,943.74
2 Liabilities			
Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	2,393.94	3,323.01
(ii) Lease liability	17	316.65	123.44
(iii) Trade payables	18	-	-
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,630.75	7,166.31
(iv) Other financial liability	19	746.85	2,370.73
(b) Provisions	20	224.52	190.06
(c) Other non current liabilities	21	2,883.80	2,783.20
(d) Deferred revenue	22	-	-
Total non current liabilities		13,196.51	15,956.75
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	8,846.10	12,009.40
(ii) Lease liability	17	87.86	68.93
(iii) Trade payables	24	-	-
a) Total outstanding dues of micro enterprises and small enterprises		870.35	461.05
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		20,715.74	20,529.40
(iv) Other financial liabilities	25	202.44	262.90
(b) Provisions	20	43.40	91.27
(c) Other current liabilities	26	5,743.56	6,454.29
Total current liabilities		36,509.45	39,877.24
TOTAL EQUITY AND LIABILITIES		94,488.56	93,777.73
Summary of material accounting policies	1		

The notes referred to above form an integral part of the Standalone Financial Statement

As per our report of even date

For Vatsaraj & Co.
Firm Regn No.: 111327W
Chartered Accountants

Dr CA B. K. Vatsaraj
Partner
Membership No. 039894

Place : Mumbai
Date : May 14, 2026

For and on behalf of Board

Kavita Shirvaikar
Managing Director
DIN : 07737376

R V R Kishore
Whole-time Director
DIN : 07402969

Kishan Lal Daga
Whole-time Director
DIN : 00083103

Rahul Agarwal
Chief Financial Officer

Shobha Shetty
Company Secretary
Mem. No.: F10047

Statement of Profit and Loss
for the year ended March 31, 2026

	Notes	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
I. Revenue from operations	27	50,665.64	50,076.45
II. Other income	28	1,536.47	2,085.62
III. Total Income (I + II)		52,202.11	52,162.07
IV. Expenses:			
Cost of construction	29	37,595.16	36,606.63
Employee benefits expense	30	4,019.67	3,822.73
Finance costs	31	2,906.13	3,187.84
Depreciation and amortization expense	2	1,085.46	992.50
Other expenses	32	2,456.46	2,734.51
Total expenses		48,062.88	47,344.21
V. Profit before exceptional items and tax (III-IV)		4,139.23	4,817.86
VI. Exceptional items	33	1,175.68	1,417.95
VII. Profit before tax (V - VI)		2,963.55	3,399.91
VIII. Tax expense:			
(1) Current tax		965.02	875.70
(2) Earlier years		(662.02)	-
(3) Deferred tax		(189.05)	(97.89)
IX. Profit for the year (VII-VIII)		2,849.60	2,622.10
X. Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
a) Remeasurements of the defined benefit plans		46.26	(41.78)
b) Revaluation of Assets		458.87	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		(160.56)	14.60
XI. Total other comprehensive income		344.57	(27.18)
XII. Total comprehensive income for the year (IX+XI) (comprising profit and other comprehensive income for the year)		3,194.17	2,594.92
XIII. Earnings per equity share:			
(1) Basic	36	3.19	3.04
(2) Diluted		3.09	3.01
Summary of material accounting policies	1		

The notes referred to above form an integral part of the Standalone Financial Statement

As per our report of even date

For Vatsaraj & Co.
Firm Regn No.: 111327W
Chartered Accountants

Dr CA B. K. Vatsaraj
Partner
Membership No. 039894

Place : Mumbai
Date : May 14, 2026

For and on behalf of Board

Kavita Shirvaikar
Managing Director
DIN : 07737376

R V R Kishore
Whole-time Director
DIN : 07402969

Kishan Lal Daga
Whole-time Director
DIN : 00083103

Rahul Agarwal
Chief Financial Officer

Shobha Shetty
Company Secretary
Mem. No.: F10047

Standalone Cash Flow Statement
for the year ended March 31, 2026

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	2,849.60	2,622.10
Adjustment for:		
Depreciation / amortisation	1,085.46	992.50
Tax expenses	113.95	777.82
Finance charges	2,906.13	3,187.84
Interest income and dividend received	(561.01)	(1,688.36)
Foreign exchange gain	73.78	(0.21)
Provision for leave salary	59.70	103.26
Provision for gratuity	(73.12)	23.88
Profit on sale of investment	(17.07)	(953.77)
Provision / (Reversal) for impairment	(233.98)	108.85
Loss/(profit) on sale/discard of assets	4.95	137.52
Excess credit written back	(1,022.59)	53.61
Provision for Settlement	469.35	-
Irrecoverable debts and advances written off (net)	1,526.93	2,915.17
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	7,182.06	8,280.21
Adjustment for changes in:		
Trade and other receivables	(2,150.48)	(7,172.10)
Inventories	1,163.20	(2,323.01)
Trade and other payables (excluding income tax)	(92.86)	3,784.07
Cash from operations	6,101.92	2,569.17
Direct tax (paid) / refund (net)	(460.76)	270.00
NET CASH FROM OPERATING ACTIVITIES (A)	5,641.16	2,839.17
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets (including capital work in progress and capital advances)	(1,026.08)	(911.05)
Sale of fixed assets	17.07	(56.45)
Decrease in loans to subsidiaries/ JV/ associates	(185.39)	23.43
Sale of investments	1,616.09	1,652.71
Purchase of investments	(1,099.87)	(1,127.62)
Interest and dividend received	1,009.29	519.90
NET CASH FROM INVESTING ACTIVITIES (B)	331.11	100.92
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of shares	3,565.68	3,659.57
Proceeds from borrowings	1,688.85	745.24
Replacement of Contractee advance with new term loan	-	(700.00)
Term loan for replacement of Contractee advance	-	700.00

Standalone Cash Flow Statement
for the year ended March 31, 2026

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Repayment of borrowings	(5,635.34)	(4,663.04)
Finance charges paid	(4,282.10)	(2,651.04)
NET CASH USED IN FINANCING ACTIVITIES (C)	(4,662.91)	(2,909.27)
Net increase / (decrease) in cash and cash equivalent (A+B+C)	1,309.36	30.82
Opening balance of cash and cash equivalents	1,941.07	1,910.04
Balance of cash and cash equivalents	3,250.43	1,940.86

Notes to cash flow statement

a) Cash and cash equivalents

Cash on hand and balance with banks	3,176.65	1,941.07
Effect of exchange rate changes	73.78	(0.21)
Closing cash and cash equivalents as restated	3,250.43	1,940.86

b) Cash flow statement has been prepared under the indirect method as set out in IndAS - 7 specified under Section 133 of the Companies Act, 2013.

c) Reconciliation of liabilities arising from financing activities

March 31, 2026	Opening balance as on 01.04.2025	Cash flow	Non - cash changes	Closing balance as on 31.03.2026
Borrowings (including short term borrowing, long term borrowing & lease liability)	15,524.79	(3,946.49)	66.25	11,644.55
Total	15,524.79	(3,946.49)	66.25	11,644.55

March 31, 2025	Opening balance as on 01.04.2024	Cash flow	Non - cash changes	Closing balance as on 31.03.2025
Borrowings (including short term borrowing, long term borrowing & lease liability)	18,681.70	(3,217.79)	60.88	15,524.79
Total	18,681.70	(3,217.79)	60.88	15,524.79

As per our report of even date

For Vatsaraj & Co.
Firm Regn No.: 111327W
Chartered Accountants

Dr CA B. K. Vatsaraj
Partner
Membership No. 039894

Place : Mumbai
Date : May 14, 2026

For and on behalf of Board

Kavita Shirvaikar
Managing Director
DIN : 07737376

R V R Kishore
Whole-time Director
DIN : 07402969

Kishan Lal Daga
Whole-time Director
DIN : 00083103

Rahul Agarwal
Chief Financial Officer

Shobha Shetty
Company Secretary
Mem. No.: F10047

Statement of Changes in Equity

for the year ended March 31, 2026

(A) EQUITY SHARE CAPITAL

Particulars	Number of shares	₹ Million
Equity shares of Re 1 each issued, subscribed and paid		
As at March 31, 2024	773,617,228	773.62
Issue of equity shares	70,758,889	70.76
As at March 31, 2025	844,376,117	844.38
Issue of equity shares	147,765,820	147.77
As at March 31, 2026	992,141,937	992.14

(B) OTHER EQUITY

Particulars	Reserves and surplus							₹ Million
	Equity component of compound financial instruments	Capital reserve	Capital reserve on amalgamation	General reserve	Securities premium	Revaluation reserve	Capital redemption reserve	
As at March 31, 2024	-	266.51	(0.23)	2,811.97	18,242.51	37.21	300.00	9,027.74
Profit for the year	-	-	-	-	-	-	-	2,622.10
- Other comprehensive income for the year	-	-	-	-	-	-	-	(27.18)
- on account JV consolidation	-	-	-	-	-	-	-	229.94
- shares issued during the year	-	-	-	-	3,929.24	-	-	-
- Share issue expenses	-	-	-	-	(340.43)	-	-	-
As at March 31, 2025	-	266.51	(0.23)	2,811.97	21,831.32	37.21	300.00	11,852.60
Profit for the year	-	-	-	-	-	-	-	2,849.60
- Other comprehensive income for the year	-	-	-	-	-	298.31	-	46.27
- on account JV consolidation	-	-	-	-	-	-	-	79.01
- shares issued during the year	-	-	-	-	3,841.91	-	-	-
- Share issue expenses	-	-	-	-	(424.00)	-	-	-
As at March 31, 2026	-	266.51	(0.23)	2,811.97	25,249.23	335.52	300.00	14,827.48
								43,790.46

Statement of Changes in Equity
for the year ended March 31, 2026

Capital reserve : The Company recognizes reserve on investment in partnership firm.

Capital reserve on amalgamation : As per IND AS 103 read with appendix C, difference between the purchase consideration and net book value shall be accounted as capital reserve.

General reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Company Act, 2013 and amendment thereof.

Securities premium: Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, equity related expenses like underwriting costs, etc.

Revaluation reserve: Revaluation reserve is credited on account of measurement of land in Property, Plant and equipment (PPE) as per the revaluation model under IND AS 16.

Capital redemption reserve: The Company has recognised Capital Redemption Reserve on buyback of preference shares from its retained earning. The amount in capital redemption reserve is equal to nominal amount of preference share bought back.

Surplus in the statement of profit and loss: Retained earning are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 1

1.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Statement of compliance

The financial statements of Patel Engineering Limited (“the Company or PEL”) have been prepared to comply, in all material respects, with the Indian Accounting Standards (“Ind AS”) as specified under section 133 of the Companies Act 2013 read together with the Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and amendment thereof issued by the Ministry of Corporate Affairs in exercise of the power conferred by section 133 of the Companies Act, 2013 and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the company.

These financial statement have been approved for issue by the Board of Directors, at their meeting held on May 14, 2026.

b) Basis of preparation

The financial statements are prepared under the historical cost convention, on a going concern basis and accrual method of accounting, except for certain financial assets and liabilities as specified in defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS. The accounting policies applied are consistent with those used in the previous year, except otherwise stated.

The standalone financial statements are presented in Indian Rupees and all values are rounded off to the nearest millions (Rupees 000,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from April 1, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of

accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

c) Current/non-current classification

The Company as required by Ind AS 1 presents assets and liabilities in the balance sheet based on current / non-current classification.

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

The Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of its assets and liabilities, as it is not possible to identify the normal operating cycle.

d) Critical accounting estimates and judgements:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation
- Estimation of useful life of property, plant and equipment and intangibles
- Estimation of total contract revenue and costs for revenue recognition
- Estimation of recognition of deferred taxes
- Estimation of impairment and expected credit loss of financial assets and contract asseets
- Estimation of provision and contingent liabilities
- Estimation on discounting of lease liability on application of Ind AS 116

Notes to Standalone Financial Statement

for the year ended March 31, 2026

e) Property, plant and equipment

Property, plant and equipment (PPE), except land, are stated at net of recoverable taxes, trade discount and rebates less accumulated depreciation and accumulated impairment losses, if any. Land is stated at revalued amount determined by an independent registered valuer from time to time.

Such cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Property, plant and equipment costing ₹ 5,000 or less are not capitalised and charged to the statement of profit and loss.

Machinery spares that meet the definition of PPE are capitalised.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably.

The carrying amount of an item of PPE are derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss.

f) Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation / amortisation and impairment loss, if any.

Such cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably.

g) Depreciation

Depreciation on the property, plant and equipment (other than freehold land) is provided based on useful life of the assets as prescribed in Schedule II to the Act. Depreciation on property, plant and equipment, which are added/disposed-off during the year, is provided on pro-rata basis with reference to the month of addition/deletion, in the profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, if expectations differ from previous estimates, the change(s) are accounted for as a change in an accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The estimated useful lives are as follows:

Assets	Estimated useful life
Factory building / building	28/60 years
Machinery / ship	8 ½ years
Motor cars / motor truck	8 years
Furniture / electrical equipment's	6 years
Office equipment's	5 years
Computer / software	3 years

Intangible assets

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Computer software	3 years
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h) Impairment of non-financial assets

The carrying amount of assets/cash generating units are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of cash generating unit to which

Notes to Standalone Financial Statement

for the year ended March 31, 2026

the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

i) Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognised at cost less accumulated impairment (if any) as per Ind AS 27, except where investments accounted for in accordance with Ind AS 105, non-current assets held for sale and discontinued operations, when they are classified as held for sale.

j) Inventories

The stock of land, construction materials, stores, spare parts, embedded goods and fuel is valued at cost (on weighted average basis), or net realisable value, whichever is lower. Cost includes expenditures incurred in acquiring the inventories, conversion costs and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

Work in progress in respect of project development and buildings held as stock-in-trade are valued at cost or net realizable value, whichever is lower.

k) Recognition of income and expenditure

Revenue toward satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria's are met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

i) Construction revenue

The Company constructs various infrastructure projects on behalf of clients. Under the terms of the contracts, where the Company is contractually restricted from redirecting the properties to another customer and has an enforceable right to payment for work done; revenue is recognised over a period of time. The percentage-of-completion of a contract is determined by the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. This is achieved by estimating total revenue including claims / variations and total cost till completion of the contract and the profit is recognised in proportion to the value of work done when the outcome of the contract can be estimated reliably. Revenue also includes claims / variations when it is highly probable of recovery based on estimate and assessment of each item by the management based on their judgement of recovery. The management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under Ind AS 115.

The Company becomes entitled to invoice customers for construction based on achieving a series of performance related milestones. When a particular milestone is achieved, the customer is sent a statement of work completed assessed by expert. Revenue recognised in excess of billings which are presented as Contract Assets and is measured at contract rate. Previously recognised contract asset for any work performed is reclassified to trade receivables at

Notes to Standalone Financial Statement

for the year ended March 31, 2026

the point at which it is invoiced to the customer. Advances received from customers in respect of contracts and certification in excess of contract revenue are treated as contract liabilities and adjusted against progress billing as per terms of the contract. Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration. When the outcome of a construction contract can not be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable. Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company.

Revenue from trading and consultancy service are recognises when it transfers control of a product or service to a customer.

ii) Revenue from Real estate development contracts

The Company constructs and sells residential properties under long-term contracts with customers. Such contracts are entered into before or after construction of the residential properties begins. Under the terms of the contracts, the Company is contractually restricted from redirecting the properties to another customer and does not have an enforceable right to payment for work done. Revenue from construction of real estate properties is therefore recognised at a point of time.

Revenue from building development is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

l) Interest in joint arrangements

As per Ind AS 111 - Joint arrangements, investment in joint arrangement is classified as either joint operation or joint venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the joint arrangement.

The Company recognises its direct right to assets, liabilities, revenue and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Standalone Financial Statement under the appropriate headings.

m) Foreign currency transaction/translations

Transactions in foreign currency including acquisition of property, plant and equipment are recorded at the prevailing exchange rates on the date of the transaction. All monetary assets and monetary liabilities in foreign currencies are translated at the relevant rates of exchange prevailing at the year-end. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary items denominated in foreign currency at prevailing reporting date exchange rates are recognised in profit or loss.

Revenue transactions at the foreign branch/ projects are translated at average rate. Property, plant and equipment are translated at rate prevailing on the date of purchase. Net exchange rate difference is recognized in the statement of profit and loss. Depreciation is translated at rates used for respective assets.

n) Financial instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

(I) Financial asset:

Initial recognition and measurement :

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through P&L, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement :

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI).

(a) Financial asset measured at amortized cost :

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of profit and loss. The company while applying above criteria has classified the following at amortized cost:

- (a) Trade receivables
- (b) Investment in subsidiaries, associates and joint ventures
- (c) Loans
- (d) Other financial assets

(b) Financial assets measured at fair value through other comprehensive income :

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the statement of profit and loss.

(c) Financial assets at fair value through profit or loss (FVTPL) :

Financial asset are measured at fair value through profit and loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of profit and loss.

Equity instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.

De-recognition of financial assets:

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset

Notes to Standalone Financial Statement

for the year ended March 31, 2026

obtained less any new liability assumed) shall be recognized in the statement of profit and loss.

Impairment of financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- (b) Lease receivables
- (c) Trade receivables or any contractual right to receive cash or another financial asset
- (d) Loan commitments which are not measured at FVTPL
- (e) Financial guarantee contracts which are not measured at FVTPL

(II) Financial liability

Initial recognition and measurement :

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement :

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Financial liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments,

plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The Company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other financial liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount and fair value of the liabilities shall be recognised in the statement of profit and loss.

o) Financial derivative and hedging transactions

In respect of financial derivative and hedging contracts, gain / loss are recognized on mark-to-market basis and charged to the statement of profit and loss along with underlying transactions.

p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Standalone Financial Statement is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 – leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – inventories or value in use in Ind AS 36 – impairment of assets.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs:

Notes to Standalone Financial Statement

for the year ended March 31, 2026

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Standalone Financial Statement on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

q) **Employee benefits**

Short term employee benefits :

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contribution towards provident fund/family pensions are made to the recognized funds, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans :

Provision for incremental liability in respect of gratuity and leave encashment is made as per independent actuarial valuation on projected unit credit method made at the year-end.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

r) **Taxation**

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

Current tax:

Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred tax:

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to temporary differences between the Standalone Financial Statement’ carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised; using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on the deferred tax assets and liabilities of a change in tax rate is recognised in the period that includes the enactment date. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

s) **Provisions, contingent liabilities and contingent assets**

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

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

Contingent assets are disclosed where an inflow of economic benefits is probable.

t) **Leases**

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company’s incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The company presents right-of-use assets that do not meet the definition of investment property in ‘property, plant and equipment’ and lease liabilities in ‘loans and borrowings’ in the statement of financial position.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

u) **Non-current assets held for sale and discontinued operation**

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

v) **Earning per share**

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of

Notes to Standalone Financial Statement
for the year ended March 31, 2026

ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

w) Standards issued but not yet effective

- Ind AS 1 - Presentation of Financial Statements

If a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment.

It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided—by the reporting date—a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Notes to Standalone Financial Statement
for the year ended March 31, 2026

Note : 2
PROPERTY, PLANT AND EQUIPMENT AS AT MARCH 31, 2026

Particulars	Gross block				Depreciation and amortization			Net book value				
	As at April 1, 2025	Revaluation	Addition	Deduction/ retirement	Transfer	As at March 31, 2026	As at April 1, 2025	For the year	Adjustment /deduction	Transfer	As at March 31, 2026	As at March 31, 2025
TANGIBLE ASSETS												
Land ^{1a3}	6,401.71	458.87	-	-	-	6,860.58	-	-	-	-	6,860.58	6,401.71
Building ²	715.68	-	1.92	-	-	717.60	178.82	15.20	-	-	523.58	536.86
Plant and equipment	10,265.76	-	535.20	160.69	(312.68)	10,327.59	6,189.55	797.13	140.23	(67.51)	3,548.65	4,076.21
Furniture and fixtures	70.75	-	1.10	-	-	71.85	61.96	2.62	-	-	7.27	8.79
Vehicles ⁴	1,707.46	-	19.64	44.69	-	1,682.41	1,315.40	89.45	44.36	-	1,360.49	392.06
Office equipment's	40.22	-	5.76	-	-	45.98	27.83	4.74	-	-	32.58	12.39
Others ⁵	36.48	-	-	-	-	36.48	30.88	1.04	-	-	31.92	5.60
Electric equipment	250.20	-	3.24	3.44	-	250.00	135.28	32.93	2.21	-	166.00	114.92
Computer equipment's	126.56	-	15.32	-	-	141.88	110.05	12.15	-	-	122.20	16.51
	19,614.82	458.87	582.18	208.82	(312.68)	20,134.37	8,049.77	955.25	186.80	(67.51)	8,750.73	11,565.06
RIGHT TO USE												
Building	21.44	-	18.07	12.11	-	27.40	15.10	7.35	-	-	22.45	6.34
Land	75.13	-	-	-	-	75.13	18.78	37.57	12.11	-	44.24	56.35
Plant and equipment	182.29	-	246.00	-	312.68	740.98	29.06	81.57	-	67.51	562.84	453.23
Electric equipment	1.01	-	-	-	-	1.01	0.22	0.17	-	-	0.62	0.79
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
	279.87	-	264.07	12.11	312.68	844.51	63.16	126.65	12.11	67.51	245.21	216.71
TOTAL PPE AND RIGHT TO USE	19,894.69	458.86	846.25	220.93	-	20,978.88	8,112.93	1,081.90	198.91	0.00	8,995.94	11,781.77
INTANGIBLE ASSETS												
Computer software	69.40	-	0.75	-	-	70.15	64.27	3.56	-	-	67.82	5.14
CAPITAL WORK IN PROGRESS ⁶											320.83	246.64
TOTAL	19,964.08	458.86	846.99	220.93	-	21,049.03	8,177.20	1,085.46	198.91	0.00	9,063.76	12,033.56

1 Title deeds of immovable property not held in the name of the Company:

Particulars	Description of items of property	Gross carrying value	Title deed held in the name of	Whether title deed holder is a promoters, director or employee of promoters or director	Property held since which date	Reason for not being held in the name of company	₹ Million
Property Plant & Equipment	Land	2,740.09	PEL Power Ltd., Jayshe Gas Power Pvt. Ltd., Patel Energy Assignment Pvt. Ltd., Patel Energy Operations Pvt. Ltd., Patel Energy Projects Pvt. Ltd., Patel Thermal Energy Projects Pvt. Ltd., PEL Port Pvt. Ltd.	Step-down subsidiaries company (merged entities) of Patel Engineering Limited	FY 2021-22	The land has been acquired through a merger order issued by the Competent Authority and, by operation of law, has been transferred to the Company. The Company has initiated the process of updating the revenue records accordingly.	
	Land & Building	267.17	PEL Power Ltd.				
Property Plant & Equipment	Building	7.26	PEL Power Ltd.				
Property, plant & equipment	Land	3.64	Mr. Muthuraj	Employee	FY 2009-10	The land was purchased in the name of Directors / officials of the Company and the Company is in process of transferring the same from the name of ex-directors.	
Property, plant & equipment	Land	157.21	Late Ms. Silloo Yezdi Patel	Ex-director	FY 2001-02		
Property, plant & equipment	Land	93.37	Legal heir of Mr. Rupen Pravin Patel	Promoters group	FY 2025-26		
Property, plant & equipment	Land	269.87	Late Rupen Pravin Patel	Ex-director	FY 2000-01		

- 2 a) Building includes building [gross block - ₹ 565.92 million (₹ 564.01 million), accumulated depreciation ₹ 101.27 million (P.Y. ₹ 91.46 million)] and factory building [gross block - ₹ 151.67 million (P.Y. ₹ 151.67 million), accumulated depreciation ₹ 92.75 million (P.Y. ₹ 87.36 million)]
- b) ₹ 0.0083 million (₹ 0.0083 million) being the value of 165 shares (P.Y. 165 shares) and share deposits in Co-operative Societies.
- 3 The carrying amount of Land includes leasehold rights in land of ₹ 63.75 million (P.Y. ₹ 63.75 million).

Vehicles includes	Gross block 2025-26	Gross block 2024-25	Acc dep. 2025-26	Acc dep. 2024-25	₹ Million
Motor car	376.88	377.70	250.58	236.72	
Motor truck	1,301.96	1,326.30	1,107.06	1,075.86	
Motor cycle	3.59	3.46	3.01	2.82	

Others include	Gross block 2025-26	Gross block 2024-25	Acc dep. 2025-26	Acc dep. 2024-25	₹ Million
Ship	0.06	0.06	0.06	0.06	
Rails and trolley	36.42	36.42	31.86	30.82	

6 Capital work-in-progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Years	1-2 years	2-3 years	More than 3 years	
Project in progress	219.03	91.13	-	10.67	320.83

There are no capital work-in-progress where completion is overdue against planned timelines or where estimated cost exceeds its original planned cost as on March 31, 2026.

- 7 As at March 31, 2024, the Company revalued its land classified under Property, Plant and Equipment based on a valuation report obtained from an independent registered valuer. During the year ended March 31, 2026, the Company continued to carry the land at its revalued amount. As at March 31, 2026, the carrying value of land under cost model would have been ₹ 6,344.47 million and the revaluation surplus of ₹ 516.11 million is carrying under equity.

8 The cumulative impairment is as below:

Particulars	2025-26	2024-25
Opening Balance	179.56	-
Add: Impairment during the year	-	179.56
Less: Reversal during the year	-	-
Less: Reduction on sale of assets	-	-
Closing balance	179.56	179.56

Notes to Standalone Financial Statement
for the year ended March 31, 2026

Notes to Standalone Financial Statement
for the year ended March 31, 2026

Notes to Standalone Financial Statement
for the year ended March 31, 2026

6	Capital work-in-progress (CWIP) ageing schedule	₹ Million	Amount in CWIP for a period of				Total
			Less than 1 Years	1-2 years	2-3 years	More than 3 years	
			181.04	54.94	7.73	2.94	246.64
	Project in progress						
	There are no capital work-in-progress where completion is overdue against planned timelines or where estimated cost exceeds its original planned cost as on March 31, 2025.						
7	As at March 31, 2024, the Company revalued its land classified under Property, Plant and Equipment based on a valuation report obtained from an independent registered valuer. During the year ended March 31, 2025, the Company continued to carry the land at its revalued amount. As at March 31, 2025, the carrying value of land under cost model would have been ₹ 6,344.47 million and the revaluation surplus of ₹ 57.24 million is carrying under equity.						
8	The cumulative impairment is as below:						
	Particulars	2024-25		2023-24			
	Opening Balance	-		-		-	
	Add: Impairment during the year	179.56		-		-	
	Less: Reversal during the year	-		-		-	
	Less: Reduction on sale of assets	-		-		-	
	Closing balance	179.56		-		-	
9	During the financial year 2024-25, the Company transferred certain assets previously classified under ROU to PPE. This reclassification arose on account of closure of lease arrangement and subsequent purchase of the underlying leased assets by the Company. As a result, an amount of ₹ 279.31 Million has been derecognised from ROU assets and recognised under the relevant head of PPE. The corresponding accumulated depreciation of ₹ 203.07 Million has been transferred to respective PPE accounts. This transfer has been disclosed under the transfer head.						
10	During the financial year 2024-25, based on an internal assessment of machinery usage, the company recognized an impairment loss of ₹ 179.56 Million.						

Notes to Standalone Financial Statement
for the year ended March 31, 2026

NOTE : 3

INVESTMENTS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
NON-CURRENT INVESTMENTS		
Investment in equity instruments at cost, unquoted		
- In subsidiaries		
10,000 shares (10,000) of Shreeanant Construction Pvt. Ltd., face value ₹ 10/- per share	0.10	0.10
50,000 shares (50,000) of Arsen Infra Pvt. Ltd., face value ₹ 10/- per share	0.50	0.50
Nil shares (48,565) of Hera Realcon Pvt. Ltd., face value ₹ 10/- per share	-	-
50,000 shares (50,000) of Lucina Realtors Pvt. Ltd., face value ₹ 10/- per share	0.50	0.50
10,000 shares (10,000) of PBSR Developers Pvt. Ltd., face value ₹ 10/- per share	0.10	0.10
10,000 Shares (10,000) of Waterfront Developers Ltd., face value ₹ 10/- per share	0.16	0.16
5,10,205 Shares (4,74,065) of Bellona Estate Developers Ltd., face value ₹ 10/- per share	1.46	1.10
4,09,422 shares (4,09,422) of Patel Engineering Inc. of par value US \$0.001 per share	391.53	391.53
72,10,000 shares (72,10,000) of Bhooma Realities Pvt. Ltd., face value ₹ 10/-per share	72.28	72.28
78,80,000 shares (78,80,000) of Shashvat Land Projects Pvt. Ltd., face value ₹ 10/- per share	79.00	79.00
70,00,000 shares (70,00,000) of Pandora Infra Pvt. Ltd., face value ₹ 10/- per share	70.18	70.18
55,10,000 shares (55,10,000) of Vismaya Constructions Pvt. Ltd., face value ₹ 10/- per share	55.24	55.24
1,40,70,000 shares (1,40,70,000) of Patel Patron Pvt. Ltd., face value ₹ 10/- per share	141.05	141.05
1,00,00,000 shares (1,00,00,000) of Patel Engineering Infrastructure Ltd., face value ₹ 10/- per share	100.00	100.00
Nil shares (50,000) of Energy Design Pvt. Ltd., face value ₹ 10/- per share	-	-
17,05,000 shares (17,05,000) of Patel Engineering Mauritius Ltd., face value Mauritius rupee 10/- per share	-	-
33,000 shares (33,000) of Friends Nirman Pvt. Ltd., face value ₹ 10/- per share	24.15	24.15
23,65,000 shares (23,65,000) of Patel Engineering Singapore Pte. Ltd., face value US \$ 1/- per share	-	-
10,000 shares (10,000) of Hampus Infrastructure Pvt. Ltd., face value ₹ 10/- per share	0.10	0.10
1,72,93,259 shares (1,72,93,259) of Patel KNR Infrastructures Ltd., face value ₹ 10/- per share	172.93	172.93
18,64,482 shares (18,64,482) of Patel Energy Ltd., face value ₹ 10/- per share	186.46	186.46
7,10,00,000 shares (7,10,00,000) of Dirang Energy Pvt. Ltd., face value ₹ 10/- per share	710.00	710.00
10,000 shares (10,000) of West Kameng Energy Pvt. Ltd., face value ₹ 10/- per share	0.10	0.10
10,000 shares (10,000) of Digin Hydro Power Pvt. Ltd., face value ₹ 10/- per share	0.10	0.10
72,500 shares (72,500) of Meyong Hydro Power Pvt. Ltd., face value ₹ 10/- per share	0.73	0.73

Notes to Standalone Financial Statement
for the year ended March 31, 2026

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
4,77,501 shares (4,77,501) of Saskang Rong Energy Pvt. Ltd., face value ₹ 10/- per share	228.57	228.57
2,87,93,077 shares (2,87,93,077) of Patel Engineering Lanka Pvt. Ltd., face value LKR 1/- per share	11.90	11.90
	2,247.14	2,246.78
In associates		
Other investments		
Nil shares (84,95,040) of ACP Tollways Pvt. Ltd., face value ₹ 100/- per share*	-	849.50
2,40,19,600 shares (2,40,19,600) of Hitodi Infrastructure Pvt. Ltd., face value ₹ 10/- per share	240.20	240.20
	240.20	1,089.70
Investment in Optionally fully convertible debenture at cost		
- In subsidiaries		
0% redeemable optionally fully convertible debentures in Bhooma Realities Pvt. Ltd.	89.92	89.92
	89.92	89.92
Investment in redeemable preference shares at cost		
- In subsidiaries		
6,56,01,097 shares (6,56,01,097) of Patel Engineering Lanka Pvt. Ltd., face value LKR 1/- per share	27.33	27.33
	27.33	27.33
Less : Provision for impairment II	678.67	1,387.23
	1,925.92	2,066.50
Investment by joint venture	76.41	76.41
Unquoted Investment in Other Companies (measured at FVTPL) (fully paid)		
Nil shares (10,000) of Shail Tunnelling And Infra Pvt. Ltd, face value ₹ 10/- per share	-	0.10
TOTAL NON-CURRENT INVESTMENT	2,002.33	2,143.01

*Company has classified the same as assets held for sale

- I. Aggregated amount of unquoted investments as at March 31, 2026 ₹ 2,002.33 million (P.Y. ₹ 2,143.01 million)
- II. Aggregated amount of impairment in value of investments as at March 31, 2026 ₹ 678.67 million (P.Y. ₹ 1,387.23 million)

Notes to Standalone Financial Statement
for the year ended March 31, 2026

NOTE : 4

TRADE RECEIVABLES

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Unsecured, considered good unless otherwise stated				
Receivables outstanding for a period exceeding six months				
Considered good	2,517.44	2,386.76	2,119.68	2,027.06
Considered doubtful	223.95	381.84	4.96	4.96
	2,741.39	2,768.60	2,124.64	2,032.02
Less : Allowance for doubtful debts	223.95	381.84	4.96	4.96
(A)	2,517.44	2,386.76	2,119.68	2,027.06
Other receivables				
Considered good (B)	220.12	783.35	3,321.55	4,753.69
C = A+B	2,737.56	3,170.11	5,441.23	6,780.75
Less : Allowance for expected credit loss (D)	36.26	24.86	7.16	-
(C - D)	2,701.30	3,145.25	5,434.07	6,780.75

- I There is no trade receivable due from any director or any officer of the company, either severally or jointly with any other person, or form any firms or private companies in which any director is a partner, a director or a member.
- II Trade receivables, except receivables on account of claims awarded in arbitration in favour of the company, are non-interest bearing and are generally on term of 30 to 90 days.
- III Trade receivables are net of advances received against arbitration awards/claims of ₹ 4,042.42 million (P.Y. ₹ 3,573.88 million).
- IV Trade receivable ageing Schedule

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Not due / unbilled receivable	
As on March 31, 2026							
Undisputed trade receivable - considered good	3,541.67	595.34	1,051.88	176.64	2,813.26	-	8,178.79
Undisputed trade receivables - which have significant increase in credit risk	-	175.69	-	-	50.83	-	226.52
Undisputed trade receivables - credit impaired	-	-	-	-	2.39	-	2.39
	3,541.67	771.03	1,051.88	176.64	2,866.47	-	8,407.70
Less: Allowance for doubtful debts							272.33
Total receivable							8,135.37
As on March 31, 2025							
Undisputed trade receivable - considered good	5,537.04	289.49	864.35	942.62	2,317.37	-	9,950.86
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	384.41	-	384.41
Undisputed trade receivables - credit impaired	-	-	-	-	2.39	-	2.39
	5,537.04	289.49	864.35	942.62	2,704.16	-	10,337.66
Less: Allowance for doubtful debts							411.66
Total receivable							9,926.00

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 5

LOANS

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Balance in loan / current account with related parties				
Unsecured, considered good	3,948.79	4,333.12	777.36	737.86
Balance which have significant increase in credit risk	103.58	324.59	-	-
	4,052.37	4,657.71	777.36	737.86
Less: Provision for impairment	103.58	324.59	-	-
	3,948.79	4,333.12	777.36	737.86

Above loan/current account balance fully pertaining to related parties as identify under IND AS 24.

NOTE : 6

OTHER FINANCIAL ASSETS

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Cash and bank balances				
Balance with banks				
- On fixed deposits accounts with scheduled banks	323.30	1,475.19	-	-
Deferred finance cost	0.00	0.00	-	-
Secured deposit				
Unsecured, considered good	2,946.02	3,109.98	2,005.12	1,153.98
Doubtful	23.80	23.80	-	-
Accrued interest	2,043.33	1,912.51	35.65	44.72
Other Assets, unsecured, considered good	-	-	105.21	105.21
	5,336.45	6,521.48	2,145.98	1,303.91
Less: Allowance for doubtful advances	23.80	23.80	-	-
Less: Allowance for expected credit loss	34.86	22.83	0.58	-
	5,277.79	6,474.85	2,145.40	1,303.91

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 7

DEFERRED TAX ASSETS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Related to depreciation on fixed assets	(34.87)	9.75
Carry forward of an unused tax credit	309.11	309.11
Other disallowances under the income tax act	990.08	915.77
DEFERRED TAX ASSETS	1,264.31	1,234.63

Components of deferred income tax assets and liabilities arising on account of temporary differences are:

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Deferred income tax liability		
Temporary difference on tangible and intangible assets depreciation and amortisation	(34.87)	-
Deferred income tax asset		
Disallowances under income tax act	990.08	915.77
Carry forward of an unused tax credit	309.11	309.11
Timing difference on tangible and intangible assets depreciation and amortisation	-	9.75
Total deferred tax assets (net)	1,264.31	1,234.63

NOTE : 8

CURRENT TAX ASSETS (NET)

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Advance tax (net) ¹	679.75	478.67	-	-
	679.75	478.67	-	-

- The above advance tax is net of provision for tax ₹ 1,879.63 million (P.Y. ₹ 2,553.12 million).
- A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Profit / loss before income tax	2,963.55	3,399.91
Income tax expense calculated at 25.17% (P.Y. 34.944%)	745.93	1,188.07
Effect of expenses not allowed for tax purpose	444.96	301.26
Effect of income not considered for tax purpose	(233.84)	(762.53)
Others	7.98	148.90
	965.02	875.70

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 9

OTHER ASSETS

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Contract Assets*				
Work-in-progress	12,070.58	8,958.88	24,687.20	23,984.64
Capital advance				
Unsecured, considered good	34.62	66.92	-	-
Security deposit				
Unsecured, considered doubtful	16.76	16.76	-	-
Advance recoverable				
Unsecured, considered good	893.80	1,330.19	1,783.57	2,391.29
Doubtful	127.21	109.09	27.30	27.30
Prepaid expenses - Others	496.26	193.50	882.43	1,026.13
Prepaid expenses - CSR	-	-	0.41	18.47
Balance with statutory authorities	925.51	529.01	2,751.03	2,796.43
Non-trade receivables	-	-	198.34	293.90
Advances to employees	0.24	0.42	32.08	36.12
	14,564.98	11,204.77	30,362.36	30,574.28
Less: Allowance for doubtful advances	143.97	125.85	-	-
Less: Expected Credit Loss	42.52	-	29.86	-
Less: Provision for impairment	-	-	27.30	27.30
	14,378.49	11,078.92	30,305.20	30,546.98

*(As technically valued and certified by the management)

NOTE : 10

INVENTORIES

(At lower of cost or net realisable value)

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Stock of land	1,265.16	2,367.48
Stores, embedded goods and spare parts etc.*	5,509.58	5,570.46
(Includes stores in transit ₹ 373.20 million (P.Y. ₹ 634.62 million))		
Work-in-progress	1,139.53	1,139.52
	7,914.27	9,077.46

* Inventory of ₹ 391.60 million (P.Y. ₹ 391.60 million) includes certain project-related materials that are physically located at project sites and are under the custody and control of client.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 11

CURRENT INVESTMENTS

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Investment in mutual funds (at FVTPL, quoted)	19.56	518.36
	19.56	518.36

A quoted investment measured at fair value through profit or loss (FVTPL) is carried at its market value. Therefore, its carrying value and market value are the same.

NOTE : 12

CASH AND CASH EQUIVALENTS

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Balance with banks		
- On current accounts with scheduled banks	2,205.97	1,891.20
- On fixed deposits accounts with scheduled banks	944.75	23.10
- On fixed deposits accounts with foreign banks	24.56	24.56
- Foreign currency in hand	0.06	0.08
Cash on hand	1.31	2.13
	3,176.65	1,941.07

NOTE : 13

OTHER BANK BALANCES

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Fixed Deposit with banks^	1,607.15	1,949.33
	1,607.15	1,949.33

^Amount given towards margin money and earnest money deposits

NOTE : 14

ASSETS CLASSIFIED AS HELD FOR SALE

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Investment		
In Associates		
84,95,040 Shares (Nil) of ACP Tollways Pvt. Ltd., face value ₹ 100/- per share	849.50	-
Less : Provision for impairment	(299.50)	-
TOTAL	550.00	-

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 15

SHARE CAPITAL AND OTHER EQUITY

A) SHARE CAPITAL	March 31, 2026		March 31, 2025	
	No. of shares	₹ Million	No. of shares	₹ Million
a) Authorized				
Equity shares of ₹ 1/- each	9,954,300,000	9,954.30	9,954,300,000	9,954.30
Zero coupon optionally convertible preference shares of ₹ 1/- each	800,000,000	800.00	800,000,000	800.00
b) Issued, subscribed and fully paid-up				
Equity shares of ₹ 1/- each	992,141,937	992.14	844,376,117	844.38
	992,141,937	992.14	844,376,117	844.38

c) Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares of ₹ 1/- each and each holder of equity shares is entitled to the same rights in all respects.

d) Reconciliation of equity shares outstanding at the beginning and at end of the year	March 31, 2026		March 31, 2025	
	No. of shares	₹ Million	No. of shares	₹ Million
Outstanding at the beginning of the year	844,376,117	844.38	773,617,228	773.62
Add :- issued during the year	147,765,820	147.77	70,758,889	70.76
Outstanding at the end of the year	992,141,937	992.14	844,376,117	844.38

e) Share held by each shareholder more than 5%

Equity shares

Name of the shareholder	March 31, 2026		March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
i) Raahitya Constructions Pvt. Ltd. (erstwhile Patel Corporation LLP)	239,775,727	24.17	23,24,06,527	27.52

f) During the financial year 20-21, the balance 16,66,94,397 fully paid-up Optionally Convertible Preference Shares (OCPS) allotted to a promoter for consideration other than cash, was converted into 91,99,470 equity shares at a price of ₹ 18.12 /- (including security premium of ₹ 17.12/-).

Further, during the financial year 2021-22, company has made preferential allotment of 1,37,77,470/- (P.Y. 4,80,75,262/-) fully paid-up shares at a price of ₹ 14.78/- (including security premium of ₹ 13.78/-) to a lender of the subsidiary pursuant to a one time settlement contract without payment being received in cash.

g) Shares reserved under options

In pursuant to the scheme of Sustainable Structuring of Stressed Assets (S4A scheme), company has converted debt into 0.01% optionally convertible debentures (OCD) with a 7% IRR. Details note related to outstanding option and term of conversion/redemption of OCD has given under the head of borrowings.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

h) Shareholding of promoters

Shares held by promoters as defined under the Companies Act, 2013 at the end of the year

Promoters name	March 31, 2026			March 31, 2025		
	No. of shares	% of total shares	% changes during the year	No. of shares	% of total shares	% changes during the year
i Late Mr. Rupen Patel	-	-	-100.00%	30,636,033	3.63	0.49%
ii Raahitya Constructions Private Limited	239,775,727	24.17	3.17%	232,406,527	27.52	-
iii Praham India LLP	40,195,352	4.05	0.00%	40,195,352	4.76	-
iv Ms. Alina Rupen Patel	1,290,000	0.13	0.00%	1,290,000	0.15	-
v Late Ms. Chandrika Patel	-	-	-100.00%	149,900	0.02	-
vi Mr. Ryan Rupen Patel	239,900	0.02	166.56%	90,000	0.01	-
vii Ms. Janky Patel	30,826,733	3.11	20464.87%	149,900	0.02	100.00%
Total	312,327,712	31.48		304,917,712	36.11	

i) Share issued during the previous year

The Company has issued and allotted 14,77,65,820 equity shares, by way of Rights issue to the existing shareholders of the Company, of the face value ₹ 1/- each at the price of ₹ 27 per equity share (including a premium of ₹ 26 per share) aggregating to ₹ 3,989.68 million. The proceeds from the issue, together with ₹ 8.93 million earned from the interim use of net proceeds, have been utilised in accordance with the objects of the issue as stated in the Letter of Offer. As on March 31, 2026, an amount of ₹ 21.87 Million remained unutilised and was held in the escrow bank account. Basic and Diluted EPS are recalculated to give effect of the rights issue in all reporting periods in accordance with IND AS 33.

B) OTHER EQUITY - Refer statement of change in equity for detailed disclosure.

NOTE : 16

BORROWINGS

	Non-current portion		Current maturities	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
I Secured loans				
a) Debentures ¹	1,504.60	1,792.73	188.05	729.10
b) Term loans				
- From bank ²	664.17	1,072.47	185.33	79.45
- From others ³	225.17	457.81	79.20	926.33
II Unsecured loans				
- Amount disclosed under "borrowings" in note no. 23	-	-	(452.58)	(1,734.88)
	2,393.94	3,323.01	-	-

Notes to Standalone Financial Statement

for the year ended March 31, 2026

1 **Debentures**

- a) During F.Y. 26 Company issued secured Listed Non-Convertible Debentures (NCDs) amounting to ₹ 900 millions, bearing a coupon rate of 10.25% p.a. These debentures are listed on the National Stock Exchange of India Ltd., with Moratorium of 1 Year and repayment of 30% payable on August 26, 2027, February 26, 2028 & 40% payable on August 25, 2028. Debentures are secured by first ranking exclusive mortgage by way of Equitable mortgage over certain identified immovable properties including land and building, by company and third party in favour of Debenture Trustee for the benefit of Debenture Holders.
- b) During F.Y. 18, S4A (Scheme for Sustainable Structuring of Stressed Assets) of RBI for Debt resolution plan was approved and implemented by the lenders of the Company by virtue of which their debts (including the interest accrued thereon) on the reference date of August 8, 2017 was split into Part A debt which was serviceable from the reference date and PART B Debt, which was converted into 0.01% Optionally Convertible Debentures (OCD) with a 7% IRR repayable over a period of 10 years commencing from the 6th year. Further in FY 19, Implementation from LIC (Life Insurance Corporation of India) & GIC (General Insurance Corporation of India) was completed as per the scheme and Units of OCD under Part B Debt was issued by the Company. As part of the above S4A scheme, lenders of the Company had converted Part B debt from Working Capital Term Loan (WCTL) , Working Capital facilities (CC) , Non-Convertible Debentures (NCD) & Short-Term Loans (STL) facilities into various tranches of Optionally Converted Debentures (OCD). The tranche wise details of OCD allotment and their outstanding details as on March 31, 2026 are as follows -

Tranche 1. (WCTL) ₹ 91.60 million (P.Y. ₹ 633.02 million), Tranche 2 (CC) ₹ 406.53 million (P.Y. ₹ 1,401.82 million), Tranche 3 (GIC OCD) ₹ 32.93 million (P.Y ₹ 41.71 million) & Tranche 7 (LIC) ₹ 531.23 million (P.Y. ₹ 672.89 million). These debentures have a face value of ₹ 1,000 each aggregating to ₹ 1,062.28 million as on March 31, 2026 (P.Y. ₹ 2,749.43 million) and outstanding liabilities on these debenture under IND AS 109 is ₹ 792.65 million (P.Y. ₹ 2,521.84 million) as on March 31, 2026.

The OCD's carry a coupon rate of 0.01% p.a. payable annually on March 31 every year, with a yield to maturity (YTM) of 7% p.a. payable at the time of maturity, payable from the reference date August 8, 2017 (for Tranches 1,2,3,7,9) and the original repayment schedule for repayment is over a period of 10 years as follows -

At the end of 6th year from reference date, i.e. August 8, 2023 - 5%, end of 7th year, i.e. August 8, 2024 - 20%, end of 8th year, i.e. August 8, 2025 - 25%, end of 9th year, i.e. August 8, 2026 - 25% and end of 10th year, i.e. August 8, 2027 - 25%. For Tranche 3 (GIC) the OCD units were credited effective July 1, 2018 & Tranche 7 (LIC) the OCD Units were credited effective December 17, 2018, with Moratorium of 5 Years and balance payable in 5% in Year 6, 20% in Year 7, 25% each in Year 8, Year 9 & Year 10, from their effective credit date along with the yield to maturity of 7% p.a.

Tranche 1 is secured against a first pari passu charge on the receivables more than 180 days, retention deposit, stock of land, immovable property and mortgage over certain lands owned by subsidiary companies, corporate guarantee and pledge of 30% shareholding of subsidiaries owning real estate lands. Ms. Janky Patel, promoter in their personal capacity and Mr. Muthu Raj to the extent of the value of the property owned by them, has provided personal guarantees for WCTL lenders. Also there is a charge on escrow accounts of Company, wherein cash flows will be deposited from real estate projects to be developed/monetized by respective companies, pledge of 93,50,927 shares (P.Y. 93,50,927 shares) shares of the Company held by promoters and 49% shareholding of Hitodi Infrastructures Pvt. Ltd. held by the Company.

Tranche 2 is secured against the same security as for CC - refer note 23 - 2) below in working capital demand loan note, Tranche 3 is secured against charge on certain property held as fixed assets of the Company and subservient charge on all the property, plant and equipment of the Company. Tranche 7 is secured against charge on certain land held as stock in trade of the Company and its subsidiaries.

Tranche 1 & Tranche 2 are also secured by pledge of 93,50,927 shares (P.Y. 93,50,927 shares) of the Company held by promoters of the Company and pledge of 49% holding of the Company in Hitodi Infrastructure Pvt. Ltd. The said OCDs are also secured by Personal guarantees issued by Ms. Janky Patel . These securities are also for Part A Debt.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

Tranche 3 & Tranche 7 are secured against charge on certain immovable properties held as fixed assets and stock-in-trade of the Company and its subsidiaries.

2 **Term loan banks**

The term loan of ₹ 849.49 million (P.Y. ₹ 1,151.92 million) includes project specific funding and loan on equipment's, secured against the particular project cash flow/ current assets and said equipment's respectively. These loans carried an interest rate of average between 8.60%-10.25% on an average, with a repayment period of 3-7 years. It also includes foreign currency loan amounting to ₹ 281.97 million (P.Y. ₹ 350.60 million) which carried an interest rate of 1.5% + 3 months EQUIBOR, with a repayment period of 2 years. Presently there are no interest and principal overdue for repayment & outstanding for such loans taken by the Company.

3 **From others**

The term loan of ₹ 304.38 million (P.Y. ₹ 1,384.14 million) includes project specific funding from financial institutions and loan on equipment's, secured against the particular project cash flow / current assets and the said equipment's respectively. These loans carried an interest rate of average between 10.75 %-11.50% (P.Y. 11% - 11.50%) on an average, with a repayment period of 3-5 years . Presently there are no interest and principal overdue for repayment & outstanding for such loans taken by the Company.

- 4 The borrowings obtained by Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

5 **Financial Covenants**

The listed NCD are subject to the following financial covenants

- i) Total Debt / Net worth <=2
- ii) Total Debt / EBITDA <=4.75
- iii) DSCR >= 1
- iv) Net worth >=32,000 million
- v) PAT remain positive during the tenure of NCD

Other Consortium lenders have below major financial covenants

- i) Total Debt / EBITDA <=4.75
- ii) Total Outside liabilities / Adjusted Tangible Net worth <=4
- iii) DSCR >=1
- iv) Current ratio >=1
- v) Average DSCR >=1.2

The company has complied these covenants as on March 31, 2026 and there are no indications that the company would have difficulties complying with the covenants when they will be next tested as at the year end March 31, 2027.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 17

LEASE LIABILITY

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Lease liability	316.65	123.44	87.86	68.93
	316.65	123.44	87.86	68.93

NOTE : 18

TRADE PAYABLES*

	Non-current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade creditors	705.52	505.68
Piece rate wages payable	2,011.43	2,453.40
Unbilled expenses	3,856.94	3,749.11
Capital creditors	56.86	458.12
	6,630.75	7,166.31

*Ageing of trade payable is given under note no. 55

NOTE : 19

OTHER FINANCIAL LIABILITIES

	Non-current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Interest accrued but not due on borrowings	746.85	2,370.73
	746.85	2,370.73

NOTE : 20

PROVISIONS

	Non-current		Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Provision for employee benefits				
Provision for gratuity	14.04	14.68	1.13	73.60
Provision for leave entitlements	210.48	175.38	42.27	17.67
	224.52	190.06	43.40	91.27

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 21

OTHER NON-CURRENT LIABILITY

	Non-current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Contractee advances / Contract liabilities	2,263.68	2,292.35
Deposits	234.72	143.86
Other liability	385.40	346.99
	2,883.80	2,783.20

NOTE : 22

DEFERRED REVENUE

	Non-current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Deferred revenue	-	-
	-	-

NOTE : 23

BORROWINGS

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
I Secured loans		
Short-term loans		
- Supply finance from others ¹	515.68	426.45
Loans repayable on demand		
- From bank ²	7,358.58	8,527.70
II Unsecured loans		
- Supply finance from banks ³	189.83	726.33
- From Others	329.43	-
- From related parties ⁵	-	594.04
III Current maturities of long-term debt	452.58	1,734.88
	8,846.10	12,009.40

1 Supplier Finance from Others

It includes short-term bills discounting of ₹ 515.68 million (P.Y. ₹ 426.45 million) carried at interest rate ranging on 11.00% to 12.50% (P.Y. 11% to 13.10%) and are repayable up to 180 days from the date of discounting/ date of invoice.

2 Loans repayable on demand

Includes cash credit and working capital demand loan from various banks. These loans have been given against first pari passu hypothecation of stocks, spare parts, book debts, work-in-progress & guarantees except specifically charged to any other lenders; secured against pledge of 93,50,927 shares (P.Y. 93,50,927 shares) of the Company held by promoters

Notes to Standalone Financial Statement
for the year ended March 31, 2026

and 49% shareholding of Hitodi Infrastructures Pvt. Ltd. held by the Company. It also has second charge on receivable above 180 days, subservient charge over plant & machinery except specifically charged to any lenders and over certain immovable properties and right over residual cash flow from sale of real estate charged to OCD's holders.

Terms of repayment:

Cash credit- yearly renewal, rate of interest ranges between 9.90%-12.35 % p.a. (P.Y. 10.20%-13.25% p.a.)

3 Supplier finance from Banks

It includes short-term bills discounting of ₹ 189.83 million (P.Y. ₹ 726.33 million) carried at interest rate ranging on 6.75% to 8.15% (P.Y. 8.00% to 9.60%) and are repayable up to 180 days from the date of discounting/ date of invoice.

4 Unsecured loan

It includes short term inter-corporate payables to related parties of ₹ Nil (P.Y. ₹ 594.04 million) and other ₹ 329.43 million (P.Y. ₹ Nil) carrying interest @ 10% and repayable in September 2026.

- 5 The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

NOTE : 24

TRADE PAYABLES*

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Total outstanding dues of micro enterprises and small enterprises ¹	870.35	461.05
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade creditors	7,475.15	9,238.09
Piece rate wages payable	9,953.97	6,675.08
Provisions - others	3,286.62	4,616.23
	21,586.09	20,990.45

*Ageing of trade payable is given under note no. 55

- 1 The Company has ₹ 870.35 million (P.Y. ₹ 461.05 million) due (principal and interest) to the suppliers under the Micro Small and Medium Enterprise Development Act, 2006, as at March 31, 2026. The principal amount due to suppliers under the Act is ₹ 707.59 million (P.Y. ₹ 382.03 million). The interest accrued and due to the suppliers on the above amount is ₹ 108.08 million (P.Y. ₹ 77.44 million). Payment made to the suppliers (other than interest) beyond appointed day during the year is ₹ 1,613.46 million (P.Y. ₹ 541.08 million). Interest paid to the suppliers under the Act is Nil (P.Y. ₹ Nil). Interest due and payable to the suppliers under the Act towards payments already made is ₹ 54.68 million (P.Y. ₹ 1.59 million). Interest accrued and remaining unpaid at the end of the accounting year is ₹ 162.76 million (P.Y. ₹ 79.03 million). The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure u/s 23 of the MSMED Act, 2006 is ₹ 45.33 million (P.Y. ₹ 45.17 million).

The above information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties had been identified on the basis of information available with the Company and relied upon by the auditors.

Notes to Standalone Financial Statement
for the year ended March 31, 2026

NOTE : 25

OTHER FINANCIAL LIABILITIES

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Deposits	202.44	262.90
	202.44	262.90

NOTE : 26

OTHER CURRENT LIABILITIES

	Current	
	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
(a) Other Liabilities		
Contractee advances / Contract liabilities	3,938.60	4,382.34
Other payables		
Payable to employees	654.53	691.91
Other liabilities	934.24	1,012.58
(b) Balance in current account		
(i) With subsidiaries, associates	1.33	0.92
(ii) With joint ventures	214.86	366.54
	5,743.56	6,454.29

NOTE : 27

REVENUE FROM OPERATIONS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
(a) Revenue/turnover	46,781.74	45,065.17
Add: increase/(decrease) in work-in-progress	2,427.27	3,540.78
Total turnover	49,209.01	48,605.95
(b) Other operating revenue		
Lease and service charges	3.19	1.22
Share of profit from partnership firm	-	3.29
Miscellaneous operating revenue	1,453.44	1,465.99
	50,665.64	50,076.45

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 28

OTHER INCOME

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Gain on sale of assets (net)	14.52	15.65
Gain on sale of investments (net)	17.07	124.29
Other non-operating income	328.70	223.64
Interest income	561.01	1,471.02
Dividend income	-	217.34
Net gain on foreign currency translation	-	0.21
Excess credit written back	615.17	33.47
	1,536.47	2,085.62

NOTE : 29

COST OF CONSTRUCTION

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Stores, embedded goods and spare parts*		
Inventories at the beginning of the year	5,570.46	3,182.67
Add : purchase (net)	12,760.60	11,406.89
	18,331.06	14,589.56
Less : inventories at the end of the year	5,509.58	5,570.46
Consumption of stores and spares	12,821.48	9,019.10
Purchase of land / development rights	-	-
Corpus fund to society	-	-
Piece rate expenses (net)	21,908.28	19,146.72
Repairs to machinery	127.31	56.20
Transportation, hire etc.	1,016.04	763.76
Power, electricity and water charges	736.10	598.32
Project development cost	-	5.09
Technical consultancy fees	212.84	265.83
Other construction costs	773.11	6,751.61
	37,595.16	36,606.63

*Stores, embedded goods and spares etc., consumed include materials issued to sub-contractors.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 30

EMPLOYEE BENEFITS EXPENSE

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Salaries, wages and bonus	3,539.09	3,374.09
Contribution to provident and other funds (refer note no. 34)	294.95	246.98
Staff welfare expenses	185.63	201.66
	4,019.67	3,822.73

NOTE : 31

FINANCE COSTS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Interest expense	2,267.52	2,559.29
Other borrowing costs	638.61	628.55
	2,906.13	3,187.84

NOTE : 32

OTHER EXPENSES

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Other administrative costs		
Rent	91.10	88.98
Insurance	448.16	379.71
Rates and taxes	180.56	187.42
Advertisement and selling expenses	9.37	7.88
Travelling and conveyance	93.33	84.58
Directors fees	3.18	2.75
Auditor's remuneration		
Audit fees	5.20	4.10
Limited review	0.80	0.60
Taxation and other services	2.14	5.75
Certification	-	0.57
	8.14	11.01
Communication expenses	21.24	19.82
Printing and stationery	20.29	16.45
Legal and consultancy charges	673.94	756.64
Loss on sale of asset discarded	19.48	153.18
CSR expenses	33.04	24.22
Irrecoverable debts written off / provided	270.81	462.24
Net loss on foreign currency translation	73.78	-
Other expenses	510.04	539.63
	2,456.46	2,734.51

Notes to Standalone Financial Statement

for the year ended March 31, 2026

NOTE : 33

EXCEPTIONAL ITEMS

	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Reversal of provision made in earlier years ^a	(407.41)	(87.09)
Provision for settlement ^b	469.35	-
Provision for doubtful receivable ^c	175.69	953.60
Net Reversal of provision for impairment on investment & loans and advances ^d	(178.59)	540.59
Advance balance written off ^e	621.99	840.33
Compensation to Customers ^f	137.37	
Impact of New Labour Code ^g	57.77	
Provision for classified investment as Assets held for Sale ^h	299.50	-
Gain on sale of investment ⁱ	-	(829.48)
	1,175.68	1,417.95

- a) Based on internal and external information/confirmation, the Company has reversed certain provision/liabilities made in earlier year.
- b) During the year, on prudent basis, the Company has settled a claim for reimbursement of expenses related to its foreign subsidiary and agreed to pay an amount of USD 5 million (~₹ 469.35 million) under a structured payment schedule.
- c) During the previous year, the Company has settled certain awards under the Vivad se Vishwas (VSV) Scheme for contractual dispute, a Government of India initiative for dispute resolution. The realizable amounts were determined based on the forum where the disputes were pending and the balance outstanding amount has been duly provided/written off. During the current year, one of the Company's clients introduced a similar dispute resolution scheme, namely VVS II, which was opted by the Company. Accordingly, the Company has recognized/provided for the unrecoverable amount during the year.
- d) Based on the assessment of unrealised portion of subsidiary balance on account of para C, indicators of impairment and assessment of recoverability, the Company has recognized / written-off / reversed provision for diminution in the value of its investment/loan, based on the estimated recoverable amount, in accordance with the applicable accounting standards.
- e) Based on available information, current status of receivable from the JDA partner and legal update for advance to vendor, the Company has assessed that the balance amount is no longer recoverable. Accordingly, the outstanding balance has been written off.
- f) Based on the court order directing compensation to be paid to certain unit buyers, the Company has recognized the related provision/liability during the year.
- g) On November 21, 2025 the Government of India notified four new Labour codes, i.e. the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 which consolidate twenty nine existing labour laws. The Company has assessed and accounted for the incremental impact of these changes with the best information available and guidance provided by the Institute of Chartered Accountants of India. Being non-recurring in nature and driven by regulatory changes, the incremental impact of ₹ 57.77 millions has been disclosed separately as "Exceptional items".
- h) During the year, the Company received a firm offer from a prospective buyer for the sale of its entire stake in ACP Tollways Private Limited. Based on the management's assessment and the intention to dispose of the investment, the same has been classified as "Assets Held for Sale" in accordance with the applicable accounting standards. Accordingly, the Company has recognized/provided for the unrecoverable amount.
- i) During the previous year, Company has sold the balance stake in a subsidiary viz Welspun Michigan Engineers Ltd. ('WMEL') and recognised the gain on sale of stake.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

34 EMPLOYEE BENEFITS

I Brief description of the plans

The Company provides long-term benefits in the nature of provident fund and gratuity to its employees. In case of funded schemes, the funds are recognized by the income tax authorities and administered through appropriate authorities/ insurers. The Company's defined contribution plans are provident fund, employee state insurance and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The Company's defined benefit plans include gratuity benefit to its employees, which is funded through the Life Insurance Corporation of India. The employees of the Company are also entitled to leave encashment and compensated absences as per the Company's policy. The provident fund scheme additionally requires the Company to guarantee payment of specified interest rates, any shortfall in the interest income over the interest obligation is recognised immediately in the statement of profit and loss as actuarial loss. Any loss/ gain arising out of the investment with the plan is also recognised as expense or income in the period in which such loss/ gain occurs.

II Disclosures for defined benefit plan based on actuarial reports as on March 31, 2026 and March 31, 2025:

(i) Expenses recognised in the statement of profit and loss : ₹ Million

	Gratuity (Funded)	Gratuity (Non-funded)
Current service cost	47.60 (37.14)	2.15 (2.80)
Interest cost (net)	10.94 (6.90)	1.03 (1.36)
Past Service Cost	122.16 -	3.82 -
Net actuarial (gain) / losses	45.33 (41.78)	(0.93) (0.72)
Total expenses recognized in the statement of profit and loss	226.03 (85.81)	6.07 (4.88)

(ii) Reconciliation of the present value of defined benefit obligation and the fair value of assets (amount recognised in balance sheet):

	Gratuity (Funded)	Gratuity (Non-funded)
Present value of funded obligation as at the year end	(366.33) (-253.89)	(14.56) (-15.47)
Fair value of plan assets as at the year end	166.88 (139.09)	- -
Funded liability recognized in the balance sheet	(199.45) (-114.79)	(14.56) (-15.47)

Notes to Standalone Financial Statement

for the year ended March 31, 2026

(iii) Changes in defined benefit obligation:

	Gratuity (Funded)	Gratuity (Non-funded)
Liability at the beginning of the year	253.89	15.47
	(220.86)	(18.82)
Interest cost	21.19	1.03
	(15.95)	(1.36)
Current service cost	47.60	2.15
	(37.14)	(2.80)
Past Service Cost	122.16	3.82
	-	-
Benefit paid	(36.22)	(6.98)
	(-60.17)	(-8.23)
Actuarial (gains) / losses on obligations	(42.29)	(0.93)
	(40.11)	(0.72)
Liability at the end of the year	366.33	14.56
	(253.89)	(15.47)

(iv) Changes in the fair value of plan assets:

	Gratuity (Funded)	Gratuity (Non-funded)
Fair value of plan assets at the beginning of the year	139.09	-
	(125.25)	-
Expected return on plan assets	10.25	-
	(9.04)	-
Contributions by the employer	50.70	-
	(66.63)	-
Benefit paid	(36.22)	-
	(-60.17)	-
Actuarial gain on plan assets	3.05	-
	(-1.66)	-
Fair value of plan assets at the end of the year	166.88	-
	(139.09)	-
Total actuarial gain to be recognized	(45.33)	-
	(41.78)	-

Notes to Standalone Financial Statement

for the year ended March 31, 2026

(v) Actual return on plan assets

	Gratuity (Funded)	Gratuity (Non-funded)
Expected return on plan assets	10.25	-
	(9.04)	-
Actuarial gain on plan assets	3.05	-
	(-1.66)	-
Actuarial gain on plan assets	13.30	-
	(7.38)	-

(vi) The Company expects to contribute ₹ 142.27 million (P.Y. ₹ 105.87 million) to gratuity funded plan in FY 2026-27.

(vii) Percentage of each category of plan assets to total fair value of plan assets:

	Gratuity (Funded)	Gratuity (Non-funded)
Insurer managed funds	100%	
	100%	

(viii) Sensitivity analysis for significant assumption is as below :

	Gratuity (Funded)	Gratuity (Non-funded)
Discount rate	7.06%	7.48%
	(6.83%)	(6.83%)
Rate of increase in compensation levels	5.50%	5.50%
	(5.50%)	(5.50%)
Expected rate of return on plan assets	7.06%	-
	(6.83%)	-
Attrition rate	4.00%	4.00%
	(4.00%)	(4.00%)
Average age of retirement (years)	62	62
	(62)	(62)

(ix) Experience adjustments

	Gratuity (Funded)	Gratuity (Non-funded)
On plan obligation (gain)/loss	(33.24)	0.04
	(31.93)	(0.08)
On plan asset (loss)/gain	3.05	-
	(-1.66)	-

Notes to Standalone Financial Statement

for the year ended March 31, 2026

(x) Maturity Profile of defined benefit obligation

	Gratuity (Funded)	Gratuity (Non-funded)
1 years	60.94 (19.70)	0.72 (0.78)
Between 2 to 5 years	118.47 (67.60)	3.16 (3.52)
Beyond 5 years	501.86 (440.53)	36.27 (35.11)
The weighted average duration of the defined benefit plan obligation at the end of the reporting period (years)	8 (10)	12 (13)

(xi) Figure in brackets indicates amounts pertaining to previous year.

III Defined contribution plan :-

Amount recognised as an expense and included in the note no. 30 as contribution to provident and other funds ₹ 294.95 million (P.Y. ₹ 246.98 million)

35 LEASE

Disclosure as per IND AS 116

a) Amount recognised under statement of profit and loss

Particulars	2025-26 ₹ Million	2024-25 ₹ Million
Depreciation	126.65	67.74
Interest on lease liability	52.63	27.93
Expenses related to short term leases	91.10	88.98
Total expenses	270.38	184.65

b) Maturities of lease liabilities as

	₹ Million			
Particulars	Less than 1 year	1 - 5 years	More than 5 years	Total
At March 31, 2026				
Lease Liabilities	87.86	316.65	-	404.51
At March 31, 2025				
Lease Liabilities	68.93	123.44	-	192.37

Notes to Standalone Financial Statement

for the year ended March 31, 2026

36 EARNING PER SHARE (EPS)

Particulars	2026 ₹ Million	2025 ₹ Million
Net profit as per the Standalone statement of profit and loss available for shareholders for both basic and diluted earnings per shares of ₹ 1/- each	2,849.60	2,622.10
Weighted average number of equity shares for basic EPS (in no.)	892,146,984	863,027,310
Add: weighted average potential equity shares		
- On issue of optionally convertible debentures	73,747,982	99,305,226
Weighted average number of equity shares for diluted EPS (in no.)	965,894,966	962,332,536
Earning per share (basic) ₹	3.19	3.04
Earning per share (diluted) ₹	3.09	3.01

37 RELATED PARTY DISCLOSURE

Related party disclosures, as required by Ind AS 24, 'Related Party Disclosures', are given below:

A. Name of related parties and nature of relationship :-

Direct subsidiaries

1	Dirang Energy Pvt. Ltd. (DEPL)	14	Meyong Hydro Power Pvt. Ltd.
2	Friends Nirman Pvt. Ltd.	15	Saskang Rong Energy Pvt. Ltd.
3	Patel Energy Ltd.	16	West Kameng Energy Pvt. Ltd.
4	Patel Patron Pvt. Ltd.	17	Patel Engineering (Mauritius) Ltd.
5	Shashvat Land Projects Pvt. Ltd.	18	Patel Engineering Singapore Pte. Ltd.
6	Vismaya Constructions Pvt. Ltd.	19	Patel Engineering Inc.
7	Hampus Infrastructure Pvt. Ltd.	20	Arsen Infra Pvt. Ltd.
8	Bhooma Realties Pvt. Ltd.	21	PBSR Developers Pvt. Ltd.
9	Shreeanant Construction Pvt. Ltd.	22	Waterfront Developers Ltd.
10	Patel Engineering Infrastructure Ltd.	23	Bellona Estate Developers Limited
11	Patel KNR Infrastructures Ltd.	24	Energy Design Pvt. Ltd. (Struck off on April 16, 2025)
12	Patel Engineering Lanka Pvt. Ltd	25	Hera Realcon Pvt. Ltd. (Stuck off on May 8, 2025)
13	Digin Hydro Power Pvt. Ltd.	26	Pel Nirmana Pvt Ltd®

@ The Company has incorporated the subsidiary. However, as of the reporting date, no share capital has been infused/subscribed by the Company.

Subsidiaries of Waterfront Developers Ltd.

Les Salines Development Ltd.

Subsidiaries of Les Salines Development Ltd.

La Bourgade Development Ltd.

Ville Magnifique Development Ltd.

Sur la Plage Development Ltd.

Notes to Standalone Financial Statement
for the year ended March 31, 2026

Subsidiaries of Arsen Infra Pvt. Ltd.

Lucina Realtors Pvt. Ltd.

Subsidiaries of Patel Engineering Singapore Pte Ltd.

1. PT PEL Minerals Resources

2. PT Patel Surya Minerals

3. PT Patel Surya Jaya
4. PT Surpat Geo Minerals

5. PT Surya Geo Minerals

Subsidiary of PT PEL Minerals Resources

PT Patel Engineering Indonesia

Subsidiaries of Patel Engineering Inc

1. ASI Global LLC
2. ASI Constructors Inc

Subsidiary of Patel Engineering (Mauritius) Ltd.

Patel Mining (Mauritius) Ltd.

Subsidiaries of Patel Mining (Mauritius) Ltd.

- 1 Enrich Mining Vision Lda*

2 Patel Mining Priviledge, Lda*

3 Patel Infrastructure, Lda*

4 Trend Mining Projects, Lda*

5 Accord Mines Venture,Lda*

6 Netcore Mining Operations,Lda*
- 7 Metalline Mine Works,Lda*

8 Patel Mining Assignments, Lda*

9 Chivarro Mines Mozambique,Lda*

10 Fortune Mines Concession,Lda*

11 Omini Mines Enterprises,Lda*

12 Quest Mining Activities, Lda*

*Struck off on Feb 28, 2026

Direct Associates:

- 1 ACP Tollways Pvt. Ltd.
- 2 Hitodi Infrastructure Pvt. Ltd. (Formally known as Hitodi Infrastructure Ltd.)

Associate of Patel Engineering Infrastructure Ltd.

- 1 Patel KNR Heavy Infrastructures Ltd.

Associate of Lucina Realtor Pvt. Ltd.

- 1 PAN Realtors Pvt. Ltd.

Joint Ventures: refer note (42)

Partnership

1. Patel Advance JV

Employee Benefit Plan

1. Patel Engg. Ltd. Gratuity Trust
- 2 Patel Engg. Co. Ltd. PF Trust

Others - Related party with whom transaction were carried out during the year

1. Landview Construction Pvt. Ltd. - Entity in which director serves as director

Notes to Standalone Financial Statement
for the year ended March 31, 2026

B. Key Management Personnel (KMP)

Late Mr. Rupen Patel	Chairman and Managing Director (Till July 5, 2024)
Ms. Janky Patel	Chairperson and Non-Executive Directors (NED) (w.e.f July 6, 2024)
Ms. Kavita Shirvaikar	Whole Time Director & Chief Financial Officer (Till July 5, 2024) Managing Director (W.e.f July 6, 2024)
Mr. Tirth Nath Singh	Whole Time Director Projects and Corporate Affairs (from Nov 3, 2023 to May 3, 2024)
Mr. Kishan Lal Daga	Whole Time Director (W.e.f June 15, 2024)
Mr. Dimitrius John D'mello	Whole Time Director (from August 13, 2024 to May 31, 2025)
Mr. R V R Kishor	Whole Time Director (W.e.f Sept 22, 2025)
Mr. Rahul Agarwal	Chief Financial Officer (W.e.f July 6, 2024)
Ms. Shobha Shetty	Company Secretary
Mr. Kuppusubramanian Ramasubramanian	Independent Director (up to Sept 19, 2024)
Dr. Sunanda Rajendran	Independent Director
Mr. Shambhu Singh	Independent Director
Mr. Ashwin Parmar	Independent Director
Dr. Emandi Sankara Rao	Independent Director
Ms. Sudha Navandar	Independent Director (W.e.f March 16, 2026)

C. Transaction with related parties with subsidiaries, associate companies, joint operations, partnership, employee benefit plan and others referred to in item (A) above.

Particular	Subsidiary companies		Associates/ joint operations / partnership/Employee Benefit Plan/others	
	2025-26 ₹ Million	2024-25 ₹ Million	2025-26 ₹ Million	2024-25 ₹ Million
- Investment in equity / preference shares		50.77		-
- Miscellaneous receipts	-	-	1.36	1.36
- Loans/advances given & current account movement	12.81	3.14	189.77	87.09
- Loans / advances recovered / adjusted	25.63	55.56	31.21	0.01
- Reimbursement of expenses from	4.85	5.78	28.67	1.85
- Rent paid	62.14	19.20		-
- Interest income	-	215.07	26.47	17.61
- Sundry balances written off	752.42	370.64	0.76	-
- Refund of mobilisation advance	49.06	0.47		-
- Other operating income		-	305.71	274.60
- Buy back of Shares by subsidiary		133.86		-
- Provision / (Reversal) for impairment of investment	(708.55)	109.32	299.50	-

Notes to Standalone Financial Statement

for the year ended March 31, 2026

Particular	Subsidiary companies		Associates/ joint operations / partnership/Employee Benefit Plan/others	
	2025-26 ₹ Million	2024-25 ₹ Million	2025-26 ₹ Million	2024-25 ₹ Million
- Provision/(reversal) for impairment of loans and advances	(221.33)	15.03		-87.09
- Support under contractual undertaking	-	-	661.60	-
- Repayment of loan		-	708.54	2,194.66
- Loan taken		-		2,172.13
- Purchase of fixed assets		0.25		-
- Dividend income		217.34		-
- Sub-contractor cost	101.15	14.70		-
- Sale of service / inventory	9.18	-	962.76	2,974.90
- Advance received	3.64	0.12		-
- Security deposit given / (repaid)		15.00	(400.00)	500.00
- Increase / (Decrease) in Corporate Guarantee received	(1,001.92)	-	381.74	-
- Decrease / (Increase) in Corporate Guarantee provided exposure	119.80	-	46.51	43.60
- Contribution to Gratuity fund	-		47.89	56.07
- Contribution to PF fund			263.89	238.93
- Other consultancy fees		5.00		0.02
Outstanding Balances				
	2025-26 ₹ Million	2024-25 ₹ Million	2025-26 ₹ Million	2024-25 ₹ Million
- Corporate guarantee outstanding as at the end of the year	-	119.80	189.80	236.32
- Bank guarantee outstanding as at the end of the year	-	-	16.70	16.70
- Outstanding balance included in current/ non current assets	4,240.77	4,927.62	1,746.15	2,106.15
- Outstanding balance included in current / non current liabilities	111.51	69.83	507.89	1,018.48

Notes to Standalone Financial Statement

for the year ended March 31, 2026

D. Disclosures of material transactions with related parties with subsidiaries, associate companies, joint operations, partnership and others referred to in item (A) above.

Particular	Name of the Company	2025-26 ₹ Million	2024-25 ₹ Million
- Investment in equity / preference shares	Energy Design Pvt. Ltd.	-	50.77
- Miscellaneous receipts	NEC PEL JV	1.32	1.32
- Loans/advances given & current account movement	PBSR Developers Pvt. Ltd.	-	0.75
	Shashvat Land Project Pvt. Ltd.	1.75	-
	Patel SEW JV	188.55	87.08
	Energy Design Pvt. Ltd.	-	0.62
	Dirang Energy Pvt. Ltd.	8.76	-
- Loan/ advances recovered / adjusted	CICO Patel JV	-	0.01
	Shreeanant Construction Pvt. Ltd.	25.60	-
	Energy Design Pvt. Ltd.	-	52.32
	Patel SEW JV	30.00	-
	Patel Avantika Deepika Bhel	-	0.00
- Reimbursement of expenses from	Patel Raman JV	4.32	1.85
	Hitodi Infrastructure Pvt. Ltd.	24.36	-
	PBSR Developers Pvt. Ltd.	4.85	5.78
- Rent paid	PBSR Developers Pvt. Ltd.	62.14	19.20
- Interest income	Patel Advance JV	26.47	17.61
	Shashvat Land Projects Pvt. Ltd.	-	58.08
	Pandora Infra Pvt. Ltd.	-	59.76
	Patel Engineering Infrastructure Ltd.	-	96.93
- Sundry balances written off	Patel Engineering Infrastructure Ltd.	-	370.64
	Digin Hydro Power Pvt. Ltd.	286.90	-
	Meyong Hydro Power Pvt. Ltd.	243.69	-
	West Kameng Energy Pvt. Ltd.	221.84	-
	Patel Siddhivinayak JV	0.76	-
- Refund of mobilisation advance	Dirang Energy Pvt. Ltd.	49.06	0.47
- Other operating income	Hitodi Infrastructure Pvt. Ltd.	34.00	-
	DBL PEL JV	-	73.38
	Ceigall PEL JV	-	38.76
	PEL Civit Project JV	38.57	-
	NEC PEL JV	33.14	44.94
- Buy back of shares by subsidiary	Patel KNR Infrastructures Ltd.	-	133.86

Notes to Standalone Financial Statement

for the year ended March 31, 2026

Particular	Name of the Company	2025-26 ₹ Million	2024-25 ₹ Million
- Provision / (reversal) for impairment of investment	Patel Engineering Lanka Pvt. Ltd.	-	22.79
	Bellona Estate Developers Ltd.	0.36	-
	Dirang Energy Pvt. Ltd.	(710.00)	-
	Friends Nirman Pvt. Ltd.	0.26	-
	Patel Engineering Inc	-	81.63
	Digin Hydro Power Pvt. Ltd.	0.10	-
	Meyong Hydro Power Pvt. Ltd.	0.73	-
	ACP Tollways Pvt. Ltd.	299.50	-
- Provision / (reversal) for impairment of loans and advances	Energy Design Pvt. Ltd.	-	(50.62)
	West Kameng Energy Pvt. Ltd.	(221.76)	221.80
	Patel Advance JV	-	(87.09)
	Bhooma Realities Pvt. Ltd.	-	(193.07)
	Arsen Infra Pvt. Ltd.	0.07	-
	Bellona Estate Developers Ltd.	0.03	-
	Patel Energy Ltd.	0.29	-
	Hampus Infrastructure Pvt. Ltd.	0.05	-
- Support under contractual undertaking	Hitodi Infrastructure Pvt. Ltd.	661.60	-
- Repayment of loan	Hitodi Infrastructure Pvt. Ltd.	708.54	2,194.66
- Loan taken	Hitodi Infrastructure Pvt. Ltd.	-	2,172.13
- Purchase of fixed assets	Energy Design Pvt. Ltd.	-	0.25
- Dividend income	Patel KNR Infrastructures Ltd.	-	217.34
- Sub-contractor cost	PBSR Developers Pvt. Ltd.	101.15	14.70
- Sale of service	Patel Sew JV	729.58	212.69
	PEL PC JV	233.18	532.86
	Patel KNR Heavy Infrastructures Ltd.	-	2,229.34
	Shashvat Land Project Pvt. Ltd.	4.29	-
	Pandora Infra Pvt. Ltd.	4.90	-
- Advance received	Shreeanant Construction Pvt. Ltd.	3.64	0.12
- Security Deposit given / (repaid)	PBSR Developers Pvt. Ltd.	-	15.00
	Patel Advance JV	(400.00)	500.00
- Increase / (Decrease) in Corporate Guarantee received	Landview Construction Pvt. Ltd.	381.74	-
	Bhooma Realities Pvt. Ltd.	(198.90)	-
	Pandora Infra Pvt. Ltd.	(159.08)	-
	Patel Patron Pvt. Ltd.	(244.91)	-
	Shashvat Land Project Pvt. Ltd.	(190.33)	-
	Vismaya Construction Pvt. Ltd.	(208.69)	-

Notes to Standalone Financial Statement

for the year ended March 31, 2026

Particular	Name of the Company	2025-26 ₹ Million	2024-25 ₹ Million
- Decrease / (Increase) in Corporate Guarantee exposure	PBSR Developers Pvt. Ltd.	119.80	-
	Patel Sew JV	46.51	43.60
- Contribution to Gratuity fund	Patel Engg. Ltd. Gratuity Trust	47.89	56.07
- Contribution to PF fund	Patel Engg. Co. Ltd. PF Trust	263.89	238.93
- Other consultancy fees	PBSR Developers Pvt. Ltd.	-	5.00
	VPRPL PEL JV	-	0.02

E. Details of transactions relating to persons referred in item (B) above.

Particulars	2025-26 ₹ Million	2024-25 ₹ Million
Managerial remuneration	104.45	117.58
Contribution to provident fund	4.96	4.42
Commission*	-	22.50
Deposit	-	-
Loan taken	-	-
Loan repaid	-	4.91
Director sitting fees	3.18	2.75
Outstanding balance payable	16.94	27.53
Outstanding balance receivable	3.54	3.54

*Commission (profit linked) is recommended by the Board of Directors to NED subject to approval of shareholders of the Company at the forthcoming AGM.

38 SEGMENT REPORTING

Based on the “management approach” as defined in Ind AS 108 – operating segments, the Managing Director / Chief Financial Officer evaluates the Company's performance and allocate resources based on an analysis of various performance indicators by business segment. Accordingly information has been presented along these segments. The accounting principles used in the preparation of the financial statement are consistently applied in individual segment to prepare segment reporting.

Particulars	As at March 31, 2026		
	Business segments		
	EPC	Real estate	Total
Segment revenue	50,665.45	0.18	50,665.63
Segment results	4,486.26	(347.03)	4,139.23
Segment assets	90,828.15	3,660.41	94,488.56
Segment liabilities	48,890.73	815.23	49,705.96
Addition to fixed assets	846.99	-	846.99
Segment depreciation	1,085.46	-	1,085.46

Notes to Standalone Financial Statement
for the year ended March 31, 2026

₹ Million

Particulars	As at March 31, 2025		
	Business segments		
	EPC	Real estate	Total
Segment revenue	49,757.80	318.65	50,076.45
Segment results	4,587.92	229.94	4,817.86
Segment assets	88,926.25	4,851.47	93,777.72
Segment liabilities	55,006.93	827.06	55,833.99
Addition to fixed assets	1,368.56	-	1,368.56
Segment depreciation	992.48	0.02	992.50

Geographical segment :

₹ Million

Particulars	As at March 31, 2026		
	Within India	Outside India	Total
Revenue	48,332.24	2,333.40	50,665.63
Non current assets	42,165.94	392.96	42,558.90

Particulars	As at March 31, 2025		
	Within India	Outside India	Total
Revenue	47,908.51	2,167.94	50,076.45
Non current assets	40,303.30	618.70	40,922.00

The following table gives details in respect of contract revenues generated from the top customer* and top 5 customers for the year ended:

Particulars	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
Revenue from top customer	6,138.47	5,572.72
Revenue from top five customers	23,230.12	18,640.91

For the year ended March 31, 2026, three (March 31, 2025: one) customers, individually, accounted for more than 10% of the revenue.

*Due to distinct contractual, commercial, and execution terms associated with each project, every project is considered as a separate customer, even if multiple projects are related to the same party.

39 CORPORATE SOCIAL RESPONSIBILITY EXPENSES

- A) In terms of Provisions of Section 135 of the Companies Act 2013 and Rules made thereunder, the Company is required to spend an amount of ₹ 33.04 million (P.Y. ₹ 21.83 million) during the financial year on corporate social responsibility (CSR). The Company incurred an amount of ₹ 14.98 millions (P.Y. ₹ 13.08 millions) towards CSR expenditure and unspent / (excess) CSR amount as on March 31, 2026 is ₹ (0.41) millions (P.Y. ₹ (18.47) millions).

Notes to Standalone Financial Statement
for the year ended March 31, 2026

B) Break up of amount spent during the year

Particulars	In cash	Yet to be paid in cash	Total
As on March 31, 2026			
i) Construction/acquisition of any assets	-	-	-
ii) Purposes other than (i) above	14.98	-	14.98
Total	14.98	-	14.98

As on March 31, 2025			
i) Construction/acquisition of any assets	-	-	-
ii) Purposes other than (i) above	13.08	-	13.08
Total	13.08	-	13.08

- C) During the year, company does not incurred any expenditure on account of corporate social responsibility with related parties.

D) Provision movement during the year

Particulars	As at March 31, 2026	As at March 31, 2025
Opening provision	-	-
Addition during the year	14.98	13.08
Utilised during the year	14.98	13.08
Closing provision	-	-

E) Unspent / (excess) amount

Particulars	As at March 31, 2026	As at March 31, 2025
Opening unspent / (excess) balance	(18.47)	(29.61)
Amount deposited in specified fund of Sch. VII within 6 months	-	-
Amount required to be spent during the year	33.04	21.83
Amount spent during the year	14.98	13.08
Amount which is not carried forward to next year	-	(2.40)
Closing unspent / (excess) balance	(0.41)	(18.47)

- 40 The Company is engaged in providing infrastructural facilities and hence, as per section 186(11) of Companies Act, 2013, nothing in section 186 shall apply to the Company except sub-section (1) of the said section. Accordingly, a separate disclosure has not been given in the financial statements as required under section 186(4) with regard to particulars of loan given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security.
- 41 Confirmation letters have been sent in respect of sundry debtors / loans and advances / sundry creditors of which certain confirmations have been received which are accordingly accounted and reconciled. The remaining balances have been shown as per books of accounts and are subject to reconciliation adjustments, if any. In the opinion of the management, the realizable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the balance sheet.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

42 Contracts executed by the following joint ventures / consortiums are accounted for as per the accounting policy no. (i). The principal place of business of all these joint operations is in India, except stated below, and they are engaged in construction business.

Name of the joint venture / consortium	Name of the JV / consortium member	Patel's share
Joint operations :		
CICO-Patel JV	Chongqing International Construction Corporation	99.90%
Patel Sew JV	Sew Infrastructure Ltd.	60%
KNR – PATEL J.V.	KNR Constructions Ltd.	49%
PATEL –KNR J.V.	KNR Constructions Ltd.	50%
Patel – V Arks - Precision	V Arks Engineers Pvt. Ltd.	60%
PATEL – SOMA J.V	Soma Enterprises Ltd.	50%
Patel – V Arks JV	V Arks Engineers Pvt. Ltd.	65%
Patel – Avantika – Deepika – BHEL	Avantika Contractors India Pvt. Ltd.	52.83%
AGE Patel JV	AGE Insaat VE Ticaret A.S.	49%
PATEL – MICHIGAN JV	Michigan Engineers Pvt. Ltd.	10%
PEL-UEIPL JV	M/s Ujjain Engicon India Pvt. Ltd	60%
PEL-PPCPL-HCPL JV	Power Patkar Construction Pvt. Ltd. & Harsh Construction Pvt. Ltd.	51%
Patel VI JV	Vikram Infrastructure	51%
Onycon Enterprises	Onycon Infra LLP	60%
PEL-Gond JV	Mantena Constructions Pvt. Ltd.	45%
HES Shuthaliya JV	HES Infra Pvt. Ltd.	45%
PEL-Parbati JV	HES Infra Pvt. Ltd.	52%
NEC-PEL- JV	Nvayuga Engineering Company Ltd.	45%
PEL - Ghodke	M/s. R. B. Ghodke	51%
PEL-ISC-PRATHMESH JV	ISC Projects Pvt. Ltd., Prathmesh Construction	50%
ISC Projects-PEL JV	ISC Projects Pvt. Ltd.	49%
PATEL -CIVET-CHAITRA Micro(KA) JV	M/s Civet Projects Pvt. Ltd. & M/s Chaitra Civil Venture LLP	51%
Ceigall - PEL (JV)	M/s Ceigall India Limited	40%
VPRPL - PEL JV	M/s Vishnu Prakash R Punglia Limited	51%
Mokhabardi Micro Irrigation Project JV	M/s Civet Projects Pvt. Ltd. & M/s Kothari Agritech Pvt. Ltd.	51%
DK Joint venture LLP	M/s ABCI Infrastructure Pvt. Ltd.	51%
PEL-PC JV	M/s Prathmesh Construction	80%
PEL-RAMAN JV*	M/s Raman Construction Pvt. Ltd.	35%
Era Patel Advance Kiran JV	Era Infra Engineering Ltd., Advance Construction Company Pvt. Ltd., Kiran Udhyog	47.06%
Patel APCO JV	APCO Infratech Ltd.	50%
Era Patel Advance JV	Era Infra Engineering Ltd., Advance Construction Company Pvt. Ltd.	30%
Patel – Siddhivinayak JV	Siddhivinayak Constructions	51%

Notes to Standalone Financial Statement

for the year ended March 31, 2026

Name of the joint venture / consortium	Name of the JV / consortium member	Patel's share
PEL-CIVET Project JV	M/s Civet Projects Pvt. Ltd.	51%
Jai Sai Construction JV	M/s Jai Sai Construction	60%
VIDPL LIS1 JV	M/s Vikram Infratech Developers Private Limited	51%
PATEL SA JV	M/s SA Infra	51%
VKMCPL-PEL JV	M/s Vijay Kumar Mishra Construction Private Limited	35%
Dibang Power (Lot 4) Consortium	M/s G R Infracore Limited	50%
DBL-PEL JV	M/s Dilip Buildcon Limited	35%
Raj Path Nira JV	M/s Raj Path Infracore Private Limited	40%
Raj Infra Deoghar JV	M/s Raj Infrastructure Development (India) Private Limited	40%
Shiva Structures JV	M/s Shiva Structures Pvt. Ltd	35%
Raj Infra Deoghar JV Pkg 2	M/s Raj Infrastructure Development (India) Private Limited	20%

*The principal place of business of is in Nepal

43 Derivative transactions :

Foreign currency exposure that are not hedged by derivative instruments as on March 31, 2026 amounting to ₹ 2,763.69 million (P.Y. ₹ 99.02 million).

Foreign currency exposure outstanding at ₹ Million				
Particulars	March 31, 2026		March 31, 2025	
	Amount in foreign currency	Amount in functional currency	Amount in foreign currency	Amount in functional currency
Assets				
Trade receivable				
EURO	0.28	30.73	0.35	32.03
NPR	264.16	165.10	310.59	194.12
USD	0.54	50.64	0.54	46.42
Security deposit				
EURO	0.03	3.69	0.03	3.16
JPY	36.22	21.34	36.22	20.71
NPR	157.31	98.32	251.72	157.33
USD	0.00	0.07	0.00	0.06
Inventories				
NPR	-	-	2,235.23	1,397.02
Interest accrued				
EURO	-	-	-	-
NPR	0.24	0.15	0.33	0.21
Cash and bank balance				
LKR	0.02	0.01	0.03	0.01
MUR	-	-	-	-
NPR	120.16	75.10	94.66	59.16
USD	-	-	-	-

Notes to Standalone Financial Statement
for the year ended March 31, 2026

Foreign currency exposure outstanding at ₹ Million

Particulars	March 31, 2026		March 31, 2025	
	Amount in foreign currency	Amount in functional currency	Amount in foreign currency	Amount in functional currency
Advance to contractors / suppliers				
EURO	-	-	0.04	3.42
NPR	37.15	23.22	870.89	544.31
USD	-	-	0.23	19.83
SEK	-	-	0.67	5.55
Loan and interest thereon to group companies				
LKR	-	-	-	-
MUR	-	-	-	-
NPR	7.18	11.49	2.79	4.46
USD	-	-	-	-
Fixed assets				
NPR	-	-	413.78	258.61
Other advance				
MUR	-	-	6.79	12.71
NPR	456.32	285.20	562.06	351.29
USD	-	-	0.00	0.18
Other Current financial assets				
USD	-	-	-	-
Other current assets				
NPR	1.01	0.63	1.41	0.88
Liability				
Security deposit				
NPR	(10.13)	(6.33)	(10.13)	(6.33)
Advance from contractor				
EURO	(4.40)	(352.29)	(4.40)	(352.29)
NPR	(443.16)	(276.98)	(409.51)	(255.94)
USD	(0.07)	(4.55)	(0.07)	(4.55)
Trade payable				
EURO	(1.43)	(154.51)	(1.43)	(132.32)
NPR	(2,302.25)	(1,438.90)	(2,115.71)	(1,322.32)
SGD	-	-	-	-
USD	(5.18)	(491.83)	(0.60)	(51.85)

Notes to Standalone Financial Statement
for the year ended March 31, 2026

Foreign currency exposure outstanding at ₹ Million

Particulars	March 31, 2026		March 31, 2025	
	Amount in foreign currency	Amount in functional currency	Amount in foreign currency	Amount in functional currency
Other liability				
EURO	(0.27)	(26.26)	(0.04)	(3.87)
NPR	(827.38)	(517.11)	(848.62)	(530.39)
USD	(0.02)	(2.18)	(0.02)	(1.98)
Borrowing				
EURO	(2.37)	(258.44)	(3.60)	(350.60)

44 The Company's pending litigations comprise of claims by or against the Company primarily by the customers / contractors/ suppliers, etc. and proceedings pending with tax and other government authorities. The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in it's financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision of ₹ 2.00 million (P.Y. ₹ 25.85 million) and appropriate disclosure for contingent liabilities is given.

45 Capital commitment

- a) Commitment for capital expenditure is ₹ 140.53 million (P.Y. ₹ 256.06 million), advance paid is ₹ 34.62 million (P.Y. ₹ 66.92 million).
- b) Commitment for investment in subsidiary company is ₹ 12.50 million (P.Y. ₹ 12.50 million).
- c) During the year, Company has entered a Memorandum of Agreement (MOA) with Government of Arunachal Pradesh for revival of the gongri HEP project. As per the MOA, the Company shall achieve the financial closure within 12 months from the date of receipt of Technoeconomic clearance (TEC), hence at this stage impact of capital commitment will not quantifiable.

46 Contingent liabilities

- (a) Outstanding secured bank guarantees / surety bond in respect of contractual commitments in the ordinary course of business of the Company and group entities is ₹ 23,988.01 million (P.Y. ₹ 20,991.94 million) (including customs ₹ 19.87 million (P.Y.₹ 19.87 million). Corporate guarantees / letter of credit, net off share of JV partner & provision already considered in books, on behalf of subsidiaries and others is ₹ 189.80 million (P.Y. ₹ 356.12 million).
- (b) Service tax and GST liability that may arise on matters in appeal ₹ 2,020.78 million (P.Y. ₹ 912.75 million) and advance paid ₹ 27.69 million (P.Y. ₹ 2.87 million). Out of the above, ₹ 760.19 Million is contractually recoverable from the clients.
- (c) Sales tax ₹ 54.93 million (P.Y. ₹ 74.39 million) (advance paid ₹ Nil (P.Y. ₹ 0.20 million)), cess ₹ 122.64 million (P.Y. ₹ 122.64 million), custom duty ₹ Nil (P.Y. ₹ 16.49 million) (advance paid ₹ Nil (P.Y. ₹ 8.46 million)).
- (d) Income tax liability (net) that may arise on matters in appeal ₹ 2,807.37 million (P.Y. ₹ 3,889.54 million).
- (e) Provident fund liability that may arise on matter in appeal ₹ 15.79 million (P.Y. ₹ 15.79 million) and advance paid ₹ 14.63 million (P.Y. ₹ 14.63 million)
- (f) The Company is subject to legal proceeding and claims, which have arisen in the ordinary course of business, inter alia including certain litigation for land acquired by it for construction purpose, the impact of which is not quantifiable.

Notes to Standalone Financial Statement
for the year ended March 31, 2026

These cases are pending with various courts/forums. After considering the circumstances, management believes that these cases will not adversely effect its financial statement.

- (g) A part of the immovable property belonging to the Company has been offered as security, in favour of a bank to the extent of the value of the land accompanied with corporate guarantee, as collateral for the credit facilities availed by strategic partner and the Company is also under commitment to construct specific area for land owners . The Company has provided a shortfall undertaking of ₹ 500 million for any deficit arising if claim realisation is less than the determined amount.
- (h) Claim against the company not acknowledged as debt of ₹ 467.94 million (P.Y. ₹ 467.94 million)

Note 1: The above contingent liabilities affecting to Service Tax, GST, Sales Tax, Customs Duty, Income Tax, and Provident Fund are based on orders passed by competent authorities.

Note 2: The timing and amount of any future cash outflows in respect of the above contingent liabilities are determinable only on receipt of judgments/decisions pending with various Courts/forums/authorities. The Company does not expect any outflow of economic resources in respect of the above contingent liabilities.

47 Information pertaining to loans given to subsidiaries (information pursuant to regulation 34(3) of SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015:

Loans and advances in the nature of loans given to subsidiaries and associates as classified in accordance with Companies Act 2013:

₹ Million				
Name of subsidiaries / associates	As at March 31, 2026	As at March 31, 2025	Maximum amount outstanding (2025 – 26)	Maximum amount outstanding (2024 – 25)
Subsidiaries / Step down subsidiaries				
1 Patel Patron Pvt. Ltd.	0.70	0.64	0.70	1.18
2 Patel Energy Ltd.	1,016.21	1,015.92	1,016.21	1,015.92
3 Patel Engineering Infrastructure Ltd.	707.11	707.05	707.11	1,132.69
4 Vismaya Constructions Pvt. Ltd.	1.73	1.68	1.73	1.68
5 Shashvat Land Projects Pvt. Ltd.	478.98	472.94	478.98	472.94
6 Bhooma Realities Pvt. Ltd.	224.77	224.68	224.77	224.68
7 Pandora Infra Pvt. Ltd.	486.55	486.51	491.45	486.51
8 Dirang Energy Pvt. Ltd.	8.76	-	44.57	0.40
9 Patel Engineering Lanka Pvt. Ltd.	12.33	11.97	12.33	12.24
10 Shreeanant Constructions Pvt. Ltd.	65.17	90.11	90.11	90.24
11 Bellona Estate Developers Ltd.	13.94	13.90	13.94	13.90
12 Arsen Infra Pvt. Ltd.	17.14	17.07	17.14	17.09
13 Lucina Realtors Pvt. Ltd.	-	-	0.01	0.06
14 PBSR Developers Pvt. Ltd.	555.42	554.72	555.69	555.20
15 Hampus Infrastructure Pvt. Ltd.	0.46	0.42	0.46	0.42
16 Friends Nirman Pvt. Ltd.	0.00	-	0.00	0.05
17 Saskang Rong Energy Pvt. Ltd.	224.40	224.35	224.40	224.35

Notes to Standalone Financial Statement
for the year ended March 31, 2026

₹ Million				
Name of subsidiaries / associates	As at March 31, 2026	As at March 31, 2025	Maximum amount outstanding (2025 – 26)	Maximum amount outstanding (2024 – 25)
18 West Kameng Energy Pvt. Ltd.	-	221.80	221.84	221.80
19 Meyong Hydro Power Pvt. Ltd.	-	243.64	243.69	243.64
20 Digin Hydro Power Pvt. Ltd.	-	286.85	287.38	286.85
21 PATEL-KNR Infrastructures Limited	-	-	-	195.61
22 Hera Realcon Pvt. Ltd.	-	-	-	1.35
23 Energy Design Pvt. Ltd.	-	0.00	-	71.77
24 PT Patel Surya Minerals	-	-	-	13.47
Associates				
25 PATEL-KNR Heavy Infrastructures Ltd.	25.01	25.01	25.01	25.01
26 Hitodi Infrastructure Pvt Ltd	185.41	-	185.41	-
Total	4,024.09	4,599.26	4,842.93	5,309.07

48 Disclosure pursuant to Ind AS 115, “Revenue from Contracts with Customers”.

- (i) Disaggregation of revenue from contracts with customers for the year ended March 31, 2026 recognised in the statement of profit & loss

₹ Million		
Particulars	March 31, 2026 ₹ Million	March 31, 2025 ₹ Million
Primary geographical market wise		
Domestic	48,332.24	47,908.51
International	2,333.40	2,167.94
Major product/service lines wise		
EPC	50,665.45	49,757.80
Real estate	0.18	318.65
Timing of revenue recognition wise		
At a point in time	1,456.80	1,789.16
Over period of time	49,208.83	48,287.29

- (ii) Unsatisfied Performance Obligations

The aggregate amount of transaction price allocated to performance obligations that are unsatisfied as at the end of reporting period is ₹ 15,119 crore (P.Y.: ₹ 15,218 crore). Most of Company’s contracts have a life cycle of three to five years. Management expects that around 25% - 30% of the transaction price allocated to unsatisfied contracts as of 31 March 2026 will be recognised as revenue during next reporting period depending upon the progress on each contracts. The remaining amounts are expected to be recognised over the next three to five years. The amount disclosed above does not include variable consideration.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

(iii) Contract Balances

Particulars	Contract Assets (Unbilled Work in Progress	Contract Liabilities	Net Contract Balance
Balance as at April 1, 2024	29,561.57	7,656.60	21,904.96
Net Increase / (decrease)*	3,381.95	(981.91)	4,363.86
Balance as at March 31, 2025	32,943.52	6,674.69	26,268.82
Net Increase / (decrease)	3,814.26	(472.42)	4,286.67
Balance as at March 31, 2026	36,757.77	6,202.27	30,555.50

*Due to swapping of higher interest bearing contract liabilities of ₹ Nil (P.Y.₹ 700 million) with low interest rate loan, contract liability has decreased in FY 24-25.

- (iv) There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.
- (v) Movement in Expected Credit loss during the year

Particulars	Provision on trade receivable	
	2025-26	2024-25
Provision as at 1 st April	411.66	4.96
Add: Provision made / (reversal of provision)(net)	529.88	1,468.94
Less: Bad debts written off (Including Vivad Se Vishwas settlement)	(669.22)	(1,062.24)
Balance at the end of the year	272.33	411.66

49 Category-wise classification of financials instruments

	Non-current		Current	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
Financial assets measured at FVTPL				
Investment	-	0.10	19.56	518.36
Financial assets measured at amortised cost				
Investments	2,002.33	2,142.91	550.00	-
Trade receivables	2,701.30	3,145.25	5,434.07	6,780.75
Loans	3,948.79	4,333.12	777.36	737.86
Deferred finance cost	0.00	0.00	-	-
Other assets	5,277.79	6,474.85	2,145.40	1,303.91
Cash and cash equivalents	-	-	3,176.65	1,941.07
Other bank balances	-	-	1,607.15	1,949.33

Notes to Standalone Financial Statement

for the year ended March 31, 2026

	Non-current		Current	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
Financial liabilities measured at amortised cost				
Borrowings	2,393.94	3,323.01	8,846.10	12,009.40
Lease liabilities	316.65	123.44	87.86	68.93
Trade payables	6,630.75	7,166.31	21,586.09	20,990.45
Other financial liabilities	746.85	2,370.73	202.44	262.90

50 Fair value hirechay

- i) The following table provides the fair value measurement hierarchy of the Company’s financial assets and liabilities :

As at March 31, 2026 ₹ Million

Financial asset measured at FVTPL	Fair value as at March 31, 2026	Fair value hierarchy		
		Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
Investments	19.56	19.56	-	-

As at March 31, 2025 ₹ Million

Financial asset measured at FVTPL	Fair value as at March 31, 2025	Fair value hierarchy		
		Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
Investments	518.46	518.36	-	0.10

- ii) Financial instrument measured at amortised cost

The carrying amount of financial assets and liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

51 Financial risk management

The Company’s financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company’s financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to market risk, credit risk and liquidity risk. The board of directors (‘Board’) oversee the management of these financial risks through its risk management committee. The risk management policy of the Company formulated by the risk management committee, states the Company’s approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company’s management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company’s financial performance.

Notes to Standalone Financial Statement

for the year ended March 31, 2026

The following disclosures summarize the Company’s exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s total debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With other variables held constant, the Company’s profit before tax is affected. With all other variables held constant, the Company’s profit before tax is affected through the impact on floating rate borrowings, as follows :

Change in interest rate	Effect on profit before tax		Effect on total equity	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
+50 basis point	(90.70)	(102.37)	(67.87)	(66.60)
-50 basis point	90.70	102.37	67.87	66.60

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company does not enter into any derivative instruments for trading or speculative purposes.

The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Currency	Liabilities		Assets	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
EURO	791.50	839.08	34.43	38.62
JPY	-	-	21.34	20.71
LKR	-	-	0.01	0.01
MUR	-	-	-	12.71
NPR	2,239.32	2,114.98	659.21	2,967.39
USD	498.56	58.38	50.71	66.48
SEK	-	-	-	5.55

The above table represents total exposure of the Company towards foreign exchange denominated liabilities (net). The details of unhedged exposures are given as part of note no. 43

Notes to Standalone Financial Statement

for the year ended March 31, 2026

Sensitivity analysis

The Company is mainly exposed to changes in USD & EURO, as NPR is to be repaid at fixed rate; hence the Company is not exposed to any exchange rate fluctuation. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD & EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management’s assessment of reasonably possible change in foreign exchange rate.

Change in EURO rate	Effect on profit before tax		Effect on total equity	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
+5%	(37.85)	(40.02)	(28.33)	(26.04)
-5%	37.85	40.02	28.33	26.04

Change in USD rate	Effect on profit before tax		Effect on total equity	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
+5%	(22.39)	0.41	(16.76)	0.26
-5%	22.39	(0.41)	16.76	(0.26)

c) Equity price risk

The Company’s listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. Reports on the equity portfolio are submitted to the Company’s senior management on a regular basis. The Company’s Board of Directors reviews and approves all equity investment decisions.

Price sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in price of investment measured at FVTPL with other variables held constant. The Company’s profit before tax is affected through the impact on change in price of investment as follows:

Change in Price of investment measured at FVTPL	Effect on profit before tax		Effect on total equity	
	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
+5%	0.98	25.92	0.73	16.86
-5%	(0.98)	(25.92)	(0.73)	(16.86)

2) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivable from group companies.

Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. Whenever required, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit

Notes to Standalone Financial Statement
for the year ended March 31, 2026

ratings from credit rating agencies, third party report, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

3) Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

₹ Million				
Particulars	Less than 1 year	1 - 5 years	More than 5 years	Total
At March 31, 2026				
Borrowings*	8,846.10	2,382.59	11.35	11,240.04
Lease liability	87.86	316.65	-	404.51
Trade payables	21,586.09	6,630.75	-	28,216.84
Other financial liability	202.44	746.85	-	949.29
At March 31, 2025				
Borrowings*	12,009.40	3,307.36	15.66	15,332.42
Lease liability	68.93	123.44	-	192.37
Trade payables	20,990.45	7,166.31	-	28,156.76
Other financial liability	262.90	2,370.73	-	2,633.64

*Borrowing which is less than 1 years includes the rollover nature credit facility like cash credit, working capital demand loan & overdraft facility

52 Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2026, the Company has only one class of equity shares and has moderate debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital.

Particulars	As at March 31, 2026 ₹ Million	As at March 31, 2025 ₹ Million
Total debt	11,240.04	15,332.42
Total equity	44,782.60	37,943.74
Total debt to total equity ratio (gearing ratio)	0.25	0.40

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

Notes to Standalone Financial Statement
for the year ended March 31, 2026

53 In Patel Advance JV partnership firm, Company is having fixed capital of ₹ 0.05 million. In the firm, partnership sharing has been as follows: the Company 49% (P.Y. 49%), Adira Buildcon Pvt. Ltd. 26% (P.Y. 26%) & Broadcast Lawgical Networks Pvt. Ltd. 25% (P.Y. 25%). Furthermore, the Company retains priority rights over any surplus generated, to the extent of its investment against their shares and Broadcast Lawgical Networks Pvt Ltd profit share has been capped at 5% and balance profit will be share with Adira Buildcon Pvt Ltd.

54 During the year Company has made a political contribution of ₹ Nil (P.Y. Nil) to political parties.

55 Ageing of trade payable

Particulars	Outstanding for following periods from due date of payment					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled / not due	Total
As on March 31, 2026						
(i) MSME	546.56	89.19	51.42	19.64	163.54	870.35
(ii) PRW	7,421.37	824.74	364.42	747.25	12,104.00	21,461.82
(iii) Others trade creditors	3,563.22	584.14	138.24	1,161.73	367.01	5,814.33
(iv) Disputed dues — MSME	-	-	-	-	-	-
(v) Disputed dues - others	0.17	-	-	59.90	10.26	70.34
Total	11,531.32	1,498.08	554.08	1,988.52	12,644.81	28,216.84

As on March 31, 2025						
(i) MSME	240.85	117.38	19.93	2.74	80.17	461.05
(ii) PRW	5,093.49	623.54	275.41	785.21	13,488.72	20,266.37
(iii) Others trade creditors	3,822.04	905.37	936.28	532.62	1,126.89	7,323.20
(iv) Disputed dues — MSME	-	-	-	-	-	-
(v) Disputed dues - others	5.13	14.02	16.82	54.26	15.90	106.13
Total	9,161.51	1,660.30	1,248.44	1,374.83	14,711.68	28,156.76

56 Relationship with struck-off companies

There are no transactions with the Companies whose name are struck off under section 248 of The Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2026.

57 Additional regulatory required by schedule III to the Companies Act, 2013

- i) The Company does not have has any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the benami transactions (prohibition) act, 1988 (45 of 1988) and rules made thereunder.
- ii) The Company does not have any charges or satisfaction of charges which is yet to be registered with registrar of Companies beyond the statutory period.
- iii) The Company has not traded or invested in crypto currency or virtual currency during the year.
- iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a) 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

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Notes to Standalone Financial Statement
for the year ended March 31, 2026

- v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a) 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
- b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries to third parties
- vi) There is no income surrendered or disclosed as income during the year in tax assessments under the income tax act, 1961 (such as search or survey), that has not been recorded in the books of account.
- vii) The Company has complied with the requirements of 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.
- viii) The Company has not entered into any scheme of arrangement which has an accounting impact on the standalone financial statements for the current or previous year.

58 Key financials ratio

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason for variance
Current ratio	Total current assets	Total current liabilities	1.42	1.33	7%	
Debt-equity ratio	Total debt	Total equity	0.25	0.40	-38%	Due to the accretion of profits arising from the Company's robust financial performance and the infusion of additional equity capital through the Rights Issue, resulting in a strengthened net worth and improved capital structure.
Debt service coverage ratio	Earning before depreciation interest and taxes	Interest +current maturity of LTD payable in current year	1.50	1.53	-2%	
Return on equity ratio	Profit after tax	Total equity	6.36%	6.91%	-8%	
Inventory turnover ratio*	NA	NA	NA	NA	NA	NA
Trade receivable turnover ratio	Revenue from operation	Average of opening and closing of current debtors	8.30	8.69	-5%	
Trade payable turnover ratio	Purchase (net)	Average of opening and closing of current trade payable	1.41	1.33	6%	

Notes to Standalone Financial Statement
for the year ended March 31, 2026

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason for variance
Net capital turnover ratio	Revenue from operation	Working capital (current assets - current liabilities)	3.29	3.86	-15%	
Net profit ratio	Profit after tax	Revenue from operation	5.62%	5.24%	7%	
Return on capital employed	Profit before interest, tax and exceptional items	Average capital employed (total equity + Total debt)	12.58%	15.03%	-16%	
Return on investment	Profit available to equity shareholder	Total equity	7.13%	6.84%	4%	

*Considering the nature of industry in which company is operating, Inventory turnover ratio is not material.

59 Previous year's figures have been regrouped, rearranged and reclassified, wherever necessary.

As per our report of even date
For Vatsaraj & Co.
Firm Regn No.: 111327W
Chartered Accountants

Dr CA B. K. Vatsaraj
Partner
Membership No. 039894

Place : Mumbai
Date : May 14, 2026

For and on behalf of Board
Kavita Shirvalkar
Managing Director
DIN : 07737376

R V R Kishore
Whole-time Director
DIN : 07402969

Kishan Lal Daga
Whole-time Director
DIN : 00083103

Rahul Agarwal
Chief Financial Officer

Shobha Shetty
Company Secretary
Mem. No.: F10047

Notes

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Patel Engineering Ltd.

Patel Estate, Jogeshwari (W),
Mumbai - 400 102
Maharashtra, India
Tel: +91 22 26767500
investors@pateleng.com
www.pateleng.com



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