



Ref. No: SEL/2026-27/049

August 13, 2026

To,
The Dy Gen Manager
Corporate Relationship Dept
BSE Limited
PJ Tower, Dalal Street,
Mumbai- 400 001

National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051
Fax: 022-26598237-38

Equity Scrip Code:532710

Equity Scrip Name: SADBHAV

Sub: Outcome of the Meeting of the Board of Directors of Sadbhav Engineering Limited ('the Company') held on 13th August, 2026.

Dear Sir/ Madam,

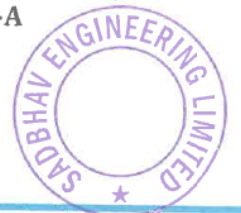
In compliance to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") we hereby inform that meeting of Board of Directors of the Company held today (i.e. 13/08/2026), in which Board of Directors of the company has considered following business:

1. Approved and adopted the standalone and consolidated Unaudited Financial Results of the Company for the quarter ended on 30th June, 2026.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the following:

- a. Standalone and Consolidated Unaudited Financial Results of the Company for Quarter ended on 30th June, 2026.
 - b. Limited Review Reports with modified opinion with respect to Unaudited Financial Results of the Company for the Quarter ended on 30th June, 2026.
2. On the recommendation of Nomination and Remuneration Committee and subject to approval of shareholders at the ensuing General Meeting, Board of Directors have appointed of **Mr. Jaldeep Prakash Patel (DIN: 11821907)** and **Mr. Ankit Kishorbhai Shah (DIN: 11821847)** as an Additional Directors of the Company in the capacity of Non-Executive Independent Director of the Company w.e.f. 13th August, 2026, to hold office upto the conclusion of ensuing General Meeting of the Company.

The details of appointments as required under Regulation 30 of the Listing Regulations read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated July 11, 2023 asupdated on January 30, 2026 has been enclosed herewith as **Annexure-A**



3. Subject to the approval of the Shareholders of the Company and such regulatory/statutory approvals as may be required, increase by way of alteration of the Authorized Share Capital of the Company from Rs.50,00,00,000/- (Rupees Fifty Crores Only) divided into 50,00,00,000 (Fifty Crores) Equity Shares of face value of Rs. 1/- (Rupees One) each to Rs. 100,00,00,000 (Rupees One Hundred Crores Only) divided into 100,00,00,000 Equity Shares of face value of Rs. 1/- (Rupees One) each. Consequently, the Clause V of Memorandum of Association be altered.
4. The 37th Annual General Meeting (AGM) of the Company will be held on Wednesday, September 30, 2026 through Video Conference("VC") / Other Audio-Visual Means ("OAVM").
5. Members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 28th August, 2026, shall be entitled for receiving the Annual Report for the Financial year 2025-26.
6. The remote e-voting period will commence from Sunday, 27th September, 2026 at 9.00 a.m. and would end on Tuesday, 29th September, 2026 at 5.00 p.m. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on Wednesday, 23rd September, 2026 (cut-off date for remote e-voting), may cast their vote through remote e-voting.

The meeting of Board of Directors commenced at 06:00 p.m. and concluded at 08.00 p.m.

You are requested to take the above on your record.

Thanking you.

Yours truly,

For Sadbhav Engineering Limited

Patel
Shashin
Vishnubhai

Shashin V. Patel
Chairman and Managing Director
DIN: 00048328



Encl: As Above

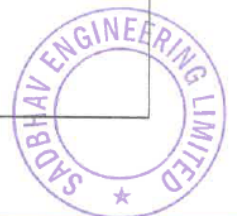
Annexure - A

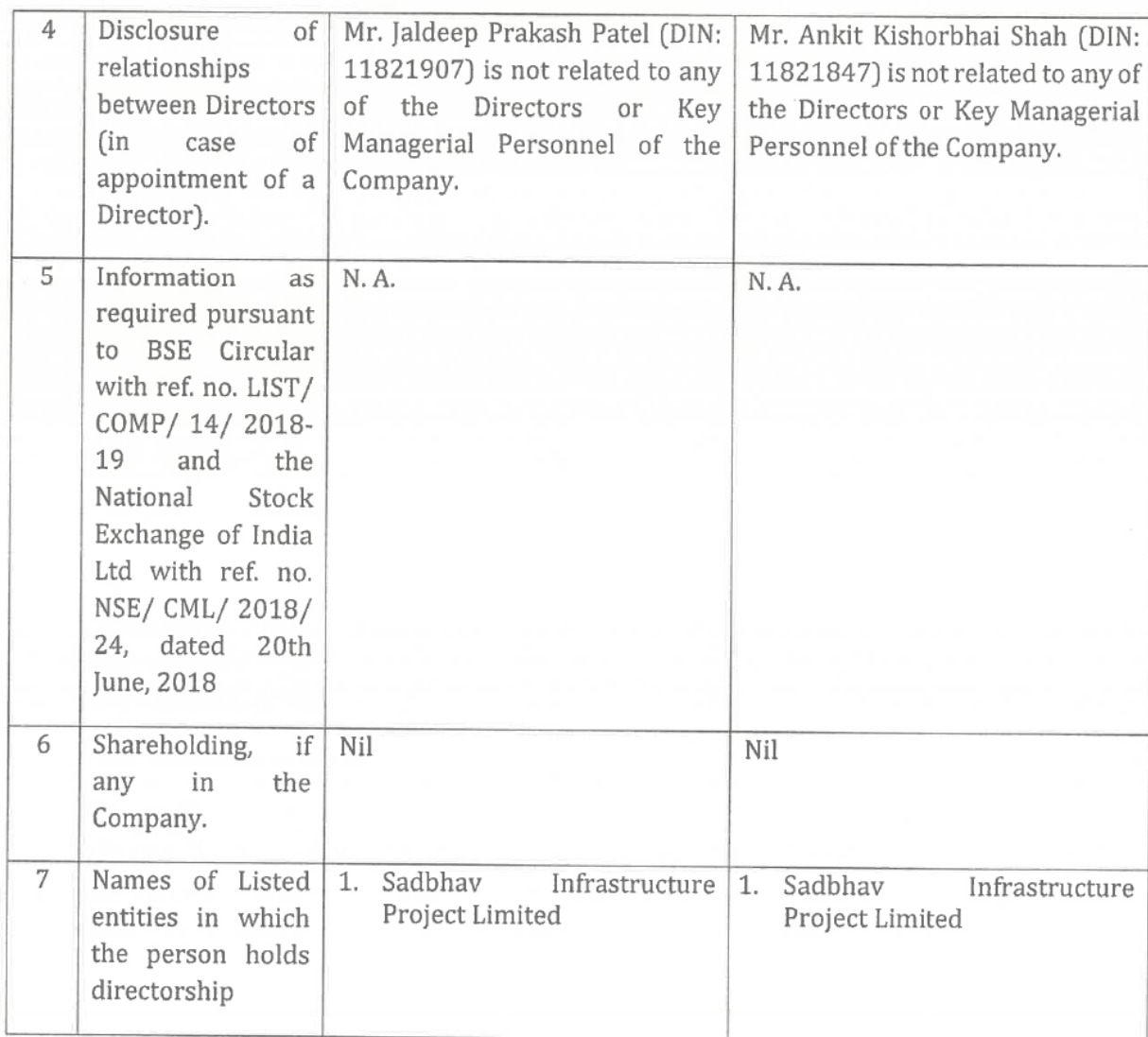
Details of appointment as per SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated July 11, 2023 as updated on January 30, 2026 relating to the appointment/~~Re-appointment~~ of Directors /~~Key Managerial Personnel~~/Auditor of the Company are as follows:

Sr. No	Disclosure Requirement	Appointment of Mr. Jaldeep Prakash Patel (DIN: 11821907) as an Additional Director	Appointment of Mr. Ankit Kishorbhai Shah (DIN: 11821847) as an Additional Director
1	Reason for Change viz. appointment, resignation, removal, death or otherwise	On recommendation of Nomination and Remuneration Committee of the Company and subject to approval of members at the ensuing General Meeting of the members of the Company, Board of Directors have recommended appointment of Mr. Jaldeep Prakash Patel (DIN: 11821907) as an Independent Director of the Company, to hold office for five consecutive years commencing from the date of passing of special resolution by the members of the company in ensuing General Meeting.	On recommendation of Nomination and Remuneration Committee of the Company and subject to approval of members at the ensuing General Meeting of the members of the Company, Board of Directors have recommended appointment of Mr. Ankit Kishorbhai Shah (DIN: 11821847) as an Independent Director of the Company, to hold office for five consecutive years commencing from the date of passing of special resolution by the members of the company in ensuing General Meeting.
2	Date of appointment/cessation (as applicable) & term of appointment	On the recommendation of Nomination and Remuneration Committee, Board of Directors have appointed of Mr. Jaldeep Prakash Patel (DIN: 11821907) as an Additional Director of the Company in the capacity of Non-Executive Independent Director of the Company w.e.f. 13 th August, 2026, to hold office upto the conclusion of ensuing General Meeting of the members of the Company.	On the recommendation of Nomination and Remuneration Committee, Board of Directors have appointed of Mr. Ankit Kishorbhai Shah (DIN: 11821847) as an Additional Director of the Company in the capacity of Non-Executive Independent Director of the Company w.e.f. 13 th August, 2026, to hold office upto the conclusion of ensuing General Meeting of the members of the Company.



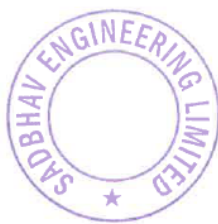
3	Brief profile (in case of appointment);	Mr. Jaldeep Prakash Patel (DIN: 11821907) having more than 20 years of experience in Sales & Marketing leader with driving revenue growth, leading integrated marketing strategies, and expanding markets across India and global regions (US, Europe, APAC). Proven in aligning sales & marketing to deliver outcomes, building brands, and scaling business. As the Business Development and Strategic Growth leader at Binary Republik, Jaldeep has been instrumental in transforming the organization from a small regional team into a globally recognized digital transformation and technology services company. Under his leadership, the business expanded across North America, Europe, the Middle East, APAC, and Southeast Asia, scaling revenues from USD 200,000 to over USD 2 million while building a robust multi-million-dollar enterprise sales pipeline. Prior to his technology sector journey, Jaldeep held leadership positions with LG Electronics India, Triton Advertising, RMG Connect (JWT Group), and Optimum Media (Mudra Group), where he led regional marketing initiatives, trade and shopper marketing programs, retail expansion strategies, and integrated brand campaigns for some of India's most recognized brands.	Mr. Ankit Kishorbhai Shah (DIN: 11821847) is an accomplished business leader with over 20 years of experience in the steel trading industry. As a key driving force behind Jainex Steel, he has played a pivotal role in building and strengthening the company's reputation as a trusted partner for corporate customers across diverse industries. Ankit Shah holds a Master's degree in Finance from KS School of Management, Ahmedabad, which complements his practical business experience and strategic decision-making capabilities. He completed his schooling at GLS, Ahmedabad, laying the foundation for his entrepreneurial and leadership journey.
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Patel
Shashin
Vishnubhai

Shashin V. Patel
Chairman and Managing Director
DIN: 00048328





SADBHAV ENGINEERING LIMITED
CIN NO.: L45400GJ1988PLC011322

Registered Office : Sadbhav House, Opp. Law garden Police Chowki, Ellisbridge, Ahmedabad – 380 006

Tel:-9179 40400400, F:- 9179 40400444, Email:- selinfo@sadbhav.co.in, Website:-www.sadbhaveng.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2026

(Rs. in Lakhs, except for earning per share)

	Particulars	Quarter ended			Year ended
		June 30,2026 (Unaudited)	March 31,2026 (Audited)	June 30,2025 (Unaudited)	March 31,2026 (Audited)
	Income				
1	Revenue from operations	2,034.28	5,883.09	3,301.52	16,783.53
2	Other income	915.16	(533.16)	2,071.13	3,656.80
3	Total Income (1+2)	2,949.44	5,349.93	5,372.65	20,440.33
4	Expenses				
	Cost of Material Consumed	6.97	240.11	5.24	282.58
	Construction Expenses	372.47	4,047.69	480.05	7,734.33
	Employee benefits expense	553.72	1,215.90	398.10	2,395.37
	Finance costs	2,255.02	6,204.39	3,777.06	17,739.77
	Depreciation and amortization expense	35.62	36.30	161.07	360.73
	Other expenses	723.30	2,188.22	662.44	4,382.39
	Total Expenses	3,947.10	13,932.61	5,483.96	32,895.17
5	(Loss) before exceptional Items and tax (3-4)	(997.66)	(8,582.68)	(111.31)	(12,454.84)
6	Exceptional Items (Refer Note no. 3)	3.05	17,445.87	69.26	19,143.14
7	Profit/(Loss) before tax (5+6)	(994.61)	8,863.19	(42.05)	6,688.30
8	Tax Expense (incl. short/excess provision of earlier year(s))	(21.12)	(140.17)		(708.82)
	Deferred Tax	-	6,059.27		6,059.27
9	Profit/(Loss) for the period/year (7-8)	(973.49)	2,944.09	(42.05)	1,337.85
10	Other Comprehensive Income (OCI)				
	Items that will not be reclassified to profit or loss (Net of tax)	-	6.36	-	13.78
11	Total Comprehensive Income for the period / year (9+10)	(973.49)	2,950.45	(42.05)	1,351.63
12	Paid up Equity share Capital (face value of Re. 1/- each)	1,715.71	1,715.71	1,715.71	1,715.71
13	Other Equity excluding Revaluation Reserves as at March 31, 2026.	-	-	-	102053.48
14	Basic & Diluted Profit/(Loss) per share (Rs.) (Face value of Re. 1/- each) (*not annualized)	-0.57	1.72*	-0.02	0.78





Notes :

- 1 The above results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at their respective meetings held on August 13, 2026. The results are prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013. In accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Statutory Auditors of the Company have carried out Limited Review of the above results.
- 2 The segment reporting is in accordance with its internal financial reports derived from SAP system which is reviewed by Chief Operating Decision Maker (CODM), Chairman and Managing Director (CMD). Consequently, the Company has considered business as whole as a single operating segment in accordance with Indian Accounting Standard ('Ind AS') 108.
- 3 Exceptional items include
 - a. Profit on Sale of Assets Rs.3.05 lakhs for the quarter ended June 30, 2026 and Rs. 1748.45 lakhs for the year ended March 31, 2026.
 - b. Reduction in accrued interest liabilities pursuant to implementation of Resolution Plan and Master Restructuring Agreement (MRA) – Rs. 15,638.89 lakhs. (Refer note no 8 (d)) for the year ended March 31, 2026.
 - c. Amount Rs. 3051 lakhs on account of settlement of litigation/claim during the quarter ended March 31, 2026.
 - d Write back of Rs.7848.69 lakhs being liability no longer payable during the quarter ended March 31, 2026.
 - e. Write off of balance of receivable of Rs. 9143.89 lakhs write off during the quarter ended March 31, 2026.

- 4 Some of the vendors have initiated legal proceeding against the Company for recovery of their dues. The Management contends that in these cases the amount payable in respect of goods and service availed from such vendors is adequately provided in the books of accounts. However the vendors have claimed additional amount on account of interest etc. which is contested by the Company and according to the management such claims are not tenable and does not require provision in books of accounts. Having regard to this the management believes that carrying amount of trade payables is fairly valued.
- 5 The Company has outstanding loan, Trade and other receivable aggregating to of Rs. 20178.30 lakhs given to Rohtak Panipat Tollway Private Limited (RPTPL), a step-down subsidiary company which is engaged in construction, operation and maintenance of road projects under concession agreement with National Highways Authorities of India (NHAI). The net worth of RPTPL has fully eroded. RPTPL has issued the termination notice on July 27, 2021, to NHAI by exercising the criteria of "Event of Defaults" under the concession agreement.

In this regard the management of RPTPL has lodged total claims aggregating to Rs. 1,93,792 Lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In respect of such claims, RPTPL has given notice invoking Arbitration vide letter dated March 27, 2023. The Arbitral proceedings for the same are completed and the Arbitral Award is declared on 23.01.2025 unanimously. Counter Claim of NHAI regarding Premium is rejected completely by Ld. Arbitrator. As per the said Majority award, the net awarded amount after deducting all dues of NHAI including Premium works out to Rs. 1,08,054.50 lakhs (principal of Rs. 77,963.10 lakhs and interest of Rs. 30,091.40 lakhs).

In respect of Arbitration Claim for competing road, the award by Majority was passed on May 30, 2023 against the RPTPL. The RPTPL has filed the application under section 34 of the Arbitration and Conciliation Act, 1996 before the Honourable Delhi High Court.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement, which is backed by legal opinion and pendency of the matter before Honourable Delhi high Court, the management has assessed that there is no impairment in the value of loan given to RPTPL and consequently no provision/adjustment to the carrying value of loan and other receivable as at June 30, 2026 is considered necessary.

The Statutory Auditors have expressed a qualified conclusion on the financial results for the quarter ended June 30, 2026, and the qualified opinion on financial statements for the year ended March 31, 2026, with respect to the recoverability of the outstanding loan, trade receivables and other receivables of the Company from RPTPL.

- 6 Contract Assets of Rs. 35019.32 lakhs and other non current financial assets of Rs. 11300.60 lakhs outstanding as at March 31, 2026 which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering, Procurement & Construction Contracts/Mining Contract in respect of closed / suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which Company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations/ legal opinions, the Management is of the view that these receivables are recoverable.

The Statutory Auditors have expressed a qualified conclusion on the financial results for the quarter ended June 30, 2026, and qualified opinion on the financial statements for the quarter and year ended March 31, 2026, in respect of the aforesaid Contract Assets amounting to Rs. 35019.32 lakhs.

- 7 The Company has incurred losses during the preceding years and has experienced delays/defaults in servicing its debt obligations, payment of certain statutory and other dues and reduction in revenue from operations, indicating the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

During the quarter ended March 31, 2026, the Restructuring Plan submitted to the consortium lenders was approved and implemented, and the Company executed the Master Restructuring Agreement. The Plan provides for restructuring of existing borrowings, monetization of identified assets and investments, promoter contribution, realization of receivables and arbitration claims, and revival of business operations.



The Company is actively pursuing opportunities for securing new infrastructure projects, including evaluating tenders and bids for participating, with a view to restarting and scaling up its business operations for this Company continues to possess the requisite technical expertise, execution capabilities, financial qualifications and pre-qualification credentials for undertaking infrastructure projects.

Based on the successful implementation of the Restructuring Plan, restructuring of debt obligations, expected realization of receivables and other assets, and the Company's ongoing efforts to secure and execute new business opportunities, together with the projected cash flows, management believes that the Company will be able to meet its financial obligations and continue its operations in the normal course of business for the foreseeable future. Accordingly, going concern assumption followed in preparation of financial results for the quarter ended June 30, 2026 is considered appropriate.

- 8 During the quarter and year ended March 31, 2026, the Restructuring Plan was approved and implemented by the consortium lenders. Punjab National Bank, being the lead bank, vide its letter dated April 1, 2026, confirmed that pursuant to the consortium meeting held on March 30, 2026 and approvals received from lenders representing 77.83% by value and 60% by number, the Restructuring Plan was implemented on March 31, 2026 in accordance with the RBI Directions. Consequent thereto, the Company has executed the Master Restructuring Agreement and other financing and security documents as envisaged under the Resolution Plan.

During the quarter ended June 30, 2026, the Company further received sanction letters from two additional lenders pursuant to the approved Restructuring Plan, and the execution of the Master Restructuring Agreement and other requisite financing and security documents with these lenders is currently in process.

Pursuant to the approved Restructuring Plan ("RP") and the Master Restructuring Agreement ("MRA"):-

a). The Company is required to issue secured Non-Convertible Debentures ("NCDs") aggregating to Rs. 90635 lakhs in two series comprising of series NCD-I amounting to Rs. 46224 lakhs and series NCD-II amounting to Rs. 44411 lakhs towards the conversion of existing debt obligations of the Company. Out of the aforesaid amount, the Company has issued NCDs amounting to Rs. 71325 lakhs and balance NCDs shall be issued upon receipt of assent from the remaining lenders and execution of necessary documents. The said NCDs are secured by first ranking pari passu charge by way of deed of hypothecation, pledge of shares and mortgage of properties in favour of the Debenture Trustee.

As at June 30, 2026, the outstanding amount of unlisted non-convertible debentures of the Company is aggregating to Rs. 64050 lakhs. Said debentures being not listed, the disclosure required in terms of clause no 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is not required.

b). The Company is also required to issue equity shares aggregating to Rs. 23032 lakhs to the promoters against outstanding unsecured loans extended by them to the Company. Accordingly, the effect of proposed conversion of such promoter loans into equity shares has been considered under "Other Equity" in the financial statements for the quarter and year ended March 31, 2026, pending issue of shares on account of obtaining requisite approvals.

c). The Company is required to issue equity shares to the lenders towards stipulated interest obligation pertaining to NCD-II aggregating to Rs. 15903 lakhs. As the Company is in the process of obtaining the requisite regulatory, corporate and other approvals necessary for issuance of such equity shares, no accounting effect in respect thereof has been given in these financial statements for the year ended March 31, 2026 and quarter ended June 30, 2026.

d). As per the RP, lenders have approved waiver/reversal of all charges, additional interest accrued above 9%. Consequently, the amount of Rs. 15638.89 lakhs having difference between accrued interest outstanding as on the date of implementation of the MRA and the revised liability computed in accordance with the approved RP is written back and disclosed as exceptional item in financial result during the year ended March 31, 2026.

- 9 The Company has investment in Sadbhav Infrastructure Project Limited (SIPL) amounting Rs. 54864.44 lakhs and loan given amounting Rs. 33622.18 lakhs as on June 30, 2026. As per the consolidated financial statements of the Sadbhav Infrastructure Project Limited (SIPL) and its subsidiaries, there is negative net worth of the Group of SIPL and its subsidiaries.

The management has carried out impairment assessment of these assets as on March 31, 2026 considering the projected cash flow from revenue of operating SPV's, arbitration award of SPV and realization of GST claims. Based on the assessment it is concluded recoverable amounts of these assets are more than the carrying value. Hence no impairment is required to the carrying value of investment in equity shares and loan to SIPL as on March 31, 2026.

The statutory auditors have expressed qualified opinion on financial statements for the year ended March 31, 2026 and March 31, 2025 and qualified conclusion on financial results for the quarter ended June 30, 2026 and March 31, 2026 in respect of investment in equity shares of Sadbhav Infrastructure Project Limited (SIPL) and loan given to SIPL.

- 10 (a) The Geology and Mining Department, Government of Gujarat has raised demand of Rs. 18615.51 lakhs, including the penalty of Rs. 5413.02 lakhs in respect of royalty on minerals alleging unauthorized use of minerals by the Company in the earlier years on the ground of non submission of required documents to the Authority. Against this demand Company has deposited amount of Rs. 264.05 lakhs and filed appeal objecting the levy of royalty and is as so in the process of submitting the documents to the authority. The management believes that demand is not sustainable and hence no provision is required in respect thereof.

(b) Company has received notice of demand of Rs. 13908.87 lakhs from the Mamlatdar Alien Recovery Branch, Ahmedabad, Gujarat dated January 19, 2024 in the matter of pending / disputed payment of royalty / penalty on royalty for quarry lease no. 842, 843 and 844 situated at Tumkur in respect of State Highway (SH-3 & SH 33) from Malavalli to Pavagada project of the Company. The Joint Director & Revision Authority, Department of Mines and Geology, South Zone, Mysore, vide orders dated April 29, 2026, has set aside the said demands and remand back the matters to the Department of Mines and Geology for fresh determination under the applicable provisions of the One Time Settlement Scheme.

Consequently, the aforesaid demands are no longer operative or crystallised liabilities, and the Revenue Recovery Certificates issued pursuant thereto are required to be withdrawn pending fresh determination by the competent authority. The Company has requested the concerned authorities to withdraw the recovery proceedings initiated at Ahmedabad. Based on the aforesaid orders and the present status of the matter, the Management is of the view that no provision is required in respect of the aforesaid demands at this stage.



- 11 The Company has opted for the new concessional tax regime under Section 115BAA of the Income-tax Act, 1961, and accordingly, during the year ended March 31, 2026 no current tax provision has been made as there is no taxable liability after set-off of available losses. Accordingly, the Deferred Tax Assets (DTA) in the form of MAT credit amounting to Rs. 6059.27 lakhs has been derecognised and necessary treatment is given in the statement of profit and loss, as recoverability of the DTA is no longer probable under the new tax regime.
- 12 The Ministry of Labour & Employment (MoLE), Government of India, has notified the implementation of four Labour Codes, namely 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, with effect from 21st November 2025 consolidating 29 existing labour laws. The corresponding supporting rules under these codes has been notified in the State of Gujarat.
The actuarial valuation impact for gratuity has been considered as employee benefit expenses in the financial information for the year ended March 31, 2026 as overall impact of the same was not material for the Group.
The Group continues to monitor the finalisation of Central and State Rules and clarifications issued by the Government and shall appropriately account for additional impact, if any, arising from future developments.
- 13 The Board of Directors of the Company had approved the Sadbhav Engineering Limited Employee Stock Option Scheme, 2024 ("ESOP 2024") at its meeting held on August 14, 2024, which was subsequently approved by the shareholders of the Company on September 30, 2024. The Company received in-principle approvals from BSE Limited and National Stock Exchange of India Limited on February 10, 2025 and February 7, 2025, respectively.
Pursuant to the said Scheme, 1,00,00,000 stock options had been granted. Out of which 79,49,750 stock options have been identified and granted to eligible employees of the Company and its subsidiary companies. During the quarter ended March 31, 2026, 26,56,500 stock options were vested in accordance with the vesting conditions prescribed under the Scheme. Each option, upon exercise, entitles the holder to one equity share of face value Re.1 each of the Company, subject to the terms and conditions of the Scheme.
The Scheme is being accounted for in accordance with the applicable provisions of Ind AS 102 – Share-based Payment and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

For SADBHAV ENGINEERING LIMITED

SV Patel
Shashin V. Patel
Chairman and Managing Director
DIN: 00048328
Place : Ahmedabad
Date : August 13, 2026



INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY UNAUDITED STANDALONE FINANCIAL RESULTS PURSUANT TO REGULATION 33 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

To
The Board of Directors of
Sadbhav Engineering Limited

- 1) We have reviewed the accompanying Statement of unaudited Standalone Financial Results of **Sadbhav Engineering Limited** (the "Company") for the quarter ended on June 30, 2026 (the "Statement"), being submitted by the Company pursuant to the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
- 2) This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
- 3) We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4) Basis for Qualified Conclusion:

- (i) We draw attention to Note 9 to the accompanying Standalone Financial Results regarding impairment assessment of investment of Rs 54,864.44 Lakhs, stated at cost and outstanding loan of Rs 33,622.18 lakhs as at June 30, 2026 to one of the subsidiary, Sadbhav Infrastructure Project Limited. It is noted that the subsidiary's consolidated net worth as at June 30, 2026, is substantially eroded. Management asserts that the investment and loan outstanding are fully recoverable, based on factors outlined in the said note.

However, we are unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by management regarding the underlying assumptions adopted by the management for impairment assessment. Consequently, we are unable to provide a conclusive comment on the adjustments, if any, necessary to the carrying value of the said investment and loan and the consequential impact, if any, on the standalone financial results of the Company for the quarter ended on June 30, 2026.

Our Audit Report on financial statements for the quarter and year ended on March 31, 2026 and review report on the financial results for the quarter ended on June 30, 2025 were also qualified in respect of this matter.

- (ii) We draw attention to Note 5 to the accompanying Standalone Financial Results with respect to termination of concession agreement by Rohtak Panipat Tollway Private Limited (RPTPL), step-down subsidiary of the Company. As at June 30 2026, the aggregate amount of Rs 20,178.30 lakhs is outstanding towards loan, trade receivable and reimbursement of expenses as receivable from RPTPL. RPTPL has issued notice of termination of concession agreement to National Highway Authority of India (NHAI) on account of Force Majeure Event as per concession agreement. As explained in the said note, the Company has carried out impairment assessment of outstanding balance in RPTPL duly considering the expected payment arising out of aforesaid termination and other claims filed with NHAI and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of the loan, and other receivables balance is necessary as at June 30, 2026.

However, we have not been able to corroborate the management's contention of realizing the carrying value of loan, and other receivables aggregating to Rs. 20,178.30 Lakhs as on the reporting date, related to the said step-down subsidiary.

Accordingly, we are unable to comment on appropriateness of the carrying value of such loan and other receivable and the consequential impact on the standalone financial position and standalone financial result of the Company for the quarter ended on June 30, 2026.

Our Audit Report on financial statements for the quarter and year ended on March 31, 2026 and review report on the financial results for the quarter ended on June 30, 2025 were also qualified in respect of this matter.

- (iii) We draw attention to Note 6 to accompanying Standalone Financial Results regarding expected recoverability of Contract Assets amounting to Rs 35,019.32 lakhs outstanding as at June 30, 2026 which represent receivables in respect of closed/ substantially closed/ suspended projects. The Company is at various stages of negotiation/ discussion with the clients or matters under arbitration/litigation in respect of aforementioned receivables.

Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/litigations and as legally advised in certain contentious matters, the Management has represented that these contract assets amounting to Rs 35,019.32 lakhs are fully recoverable within a period of one year, based on factors detailed in the said note and hence classified under other current assets in the financial results.

However, we were unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by the management in relation to the expected recoverability of these contract assets within a period of one year. Accordingly, we are unable to determine whether any adjustments are required to the carrying value of the said contract assets and the consequential impact, if any, on the standalone financial position and results of the Company for the quarter ended June 30, 2026.

Our Audit Report on financial statements for the quarter and year ended on March 31, 2026 and review report on the financial results for the quarter ended on June 30, 2025 were also qualified in respect of this matter.

5) Qualified Conclusion:

Based on our review conducted as above, except for the possible effects of our observations in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6) Material uncertainty related to going concern:

We draw attention to Note 7 to the accompanying Standalone Financial Results, which indicates that the company currently has no EPC Contract in hand, has not mobilized for any new EPC Work and consequently there is no operating cash inflows from EPC activities as at the reporting date. The Company is incurring operating losses, primarily due to fixed cost, interest on debt and low/no revenue from core operations. These events or conditions along with other matters as set forth in the said note indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the said note.

Our conclusion is not modified in respect of this matter.

7) Emphasis of Matter

We draw attention to Note 4 to the accompanying Standalone Financial Results, regarding legal proceedings initiated by some of vendors across various forums and contention of the management for the claims by the vendors.

Our conclusion is not modified in respect of this matter.

Place: Ahmedabad

Date : August 13, 2026



For, Manubhai & Shah LLP
Chartered Accountants

Firm Registration Number: 106041W/W100136

D2 gennow
Devansh Gandhi
Partner

Membership No: 129255

UDIN: 26129255JRAKQW6376



SADBHAV ENGINEERING LIMITED
CIN NO.: L45400GJ1988PLC011322

Registered Office : Sadbhav House, Opp. Law garden Police Chowki, Ellisbridge, Ahmedabad – 380 006

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STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2026

(Rs. in Lakhs, except for earning per share)

Sr. No.	Particulars	Quarter ended			Year ended
		June 30,2026 (Unaudited)	March 31,2026 (Audited)	June 30,2025 (Unaudited)	March 31,2026 (Audited)
1	Revenue From operations	20,403.79	27,094.15	22,198.48	97,272.85
2	Other income	2,096.19	(3,087.16)	2,312.46	9,337.88
3	Total Income (1+2)	22,499.98	24,006.99	24,510.94	1,06,610.73
4	Expenses				
	Cost of Material Consumed	6.97	240.12	5.23	282.58
	Construction Expenses	1,833.78	10,841.15	4,450.18	25,420.35
	Employee benefits expense	1,266.52	1,843.50	1,067.70	5,040.07
	Finance costs	6,592.75	6,984.69	9,375.92	41,452.35
	Depreciation and amortization expense	3,711.32	3,898.50	3,397.37	13,918.53
	Other expenses	2,012.20	7,036.62	1,993.74	13,394.29
	Total Expenses	15,423.54	30,844.58	20,290.14	99,508.17
5	Profit/(Loss) before exceptional Items and tax (3-4)	7,076.44	(6,837.59)	4,220.80	7,102.56
6	Exceptional Items (Refer Note No. 3)	(1,082.45)	22,970.17	69.26	10,684.74
7	Profit/(Loss) before tax for the period / year (5-6)	5,993.99	16,132.58	4,290.06	17,787.30
8	Tax Expense	1,397.40	(766.10)	1,082.30	3,166.10
	Deferred Tax	7.70	4,696.37	89.10	5,718.07
	Adjustment for short or excess provision of the previous year	(21.12)	(27.47)	-	(565.82)
9	Profit/(Loss) for the period / year (7-8)	4,610.01	12,229.78	3,118.66	9,468.95
10	Other Comprehensive Income (OCI)				
	Items that will not be reclassified to profit or loss (Net of tax)	(35.60)	(96.74)	-	(105.72)
11	Total Comprehensive Income for the period / year (9+10)	4,574.41	12,133.04	3,118.66	9,363.23
12	Profit/(Loss) for the period/year attributable to:				
	Owners of the Company	1,566.90	8,114.04	1,219.08	2,631.30
	Non-controlling Interest	3,043.01	4,115.74	1,899.58	6,837.65
13	Other Comprehensive Income for the period / year attributable to:				
	Owners of the Company	(12.70)	(22.52)		(20.96)
	Non-controlling Interest	(22.90)	(74.22)		(84.76)
14	Total Comprehensive Income for the period / year attributable to:				
	Owners of the Company	1,554.21	8,091.52	1,219.08	2,610.34
	Non-controlling Interest	3,020.10	4,041.52	1,899.58	6,752.89
	Total Income (Including other comprehensive Income)	4,574.31	12,133.04	3,118.66	9,363.23
15	Paid up Equity share Capital (face value of Re. 1 each)	1,715.71	1,715.71	1,715.71	1,715.71
16	Other Equity excluding Revaluation Reserves as at March 31,2026.	-	-	-	(12,804.21)
17	Basic & Diluted EPS (Rs.) before extra ordinary items (Face value of Re. 1/- each) (*not annualized)	0.91*	4.73*	0.71*	1.53



Notes :

- 1 The aforesaid unaudited consolidated financial results of Sadbhav Engineering Limited ('the Company' or 'holding Company') and its subsidiaries (referred to as 'the Group') for the quarter ended on June 30, 2026 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their respective meetings held on August 13, 2026. The results are prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013. The Statutory Auditors of the Company have carried out Limited Review of the above results.
- 2 The revenue from operations includes revenue from construction contracts of Rs. 655.49 lakhs, Rs. 2807.60 lakhs and Rs 4738.82 lakhs for quarter ended June 30, 2026, June 30, 2025 and March 31, 2026 respectively and Rs. 15089.98 lakhs for the year ended March 31, 2026 related to intangible assets under development and development of Hybrid Annuity assets as per concession arrangements which are recognised in accordance with the requirements of Appendix-D of Ind AS 115 "Revenue from contracts with customer".

3 Exceptional Items include:

Particulars	(Rs. in lakhs)			
	Quarter Ended		Year Ended	
	June 30, 2026 (Unaudited)	March 31, 2026 (Audited)	June 30, 2025 (Unaudited)	March 31, 2026 (Audited)
Profit on account of sale of assets.	3.05	51.18	69.26	1,748.45
Provision/written off for impairment in carrying value of investment and subordinate debt of Sadbhav Udaipur Highway Limited (Refer Note 3.1)		(2,696.60)		(2,696.60)
Loss on sale of concession right in Sadbhav Udaipur Highway Limited (Refer Note 3.1)		(3,006.20)		(3,006.20)
Provision/written off for impairment in carrying value of investment and subordinate debt and other receivable in Sadbhav Rudrapur Highway Limited (Refer Note 3.2)		19,910.60		9,910.60
Loss on sale of concession right in Sadbhav Rudrapur Highway Limited (Refer Note 3.2)	(1,085.50)	(12,215.50)		(12,215.50)
Amount written off due to transfer of business undertaking as slump sale by Sadbhav Kim Expressway Private Limited (SKEPL) (Refer Note 3.3)		-		(3,982.70)
Reduction in accrued interest liabilities pursuant to implementation of Resolution Plan and MRA (Refer Note no. 3.4)		15,638.89		15,638.89
Settlement of litigation/claim in respect of arbitration matter		3,051.00		3,051.00
Liability written back on account of no longer payable		7,848.69		7,848.69
Balances of receivable written off		(5,611.89)		(5,611.89)
	(1,082.45)	22,970.17	69.26	10,684.74

- 3.1 In case of Sadbhav Udaipur Highway Limited (SUDHL or concessionaire), step down subsidiary of the group which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authority of India (NHAI), the project work has been completed and the subsidiary has received the Commercial Operation Date (COD) from NHAI dated July 19, 2024.

However SUDHL has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S Gawar Construction Limited (Nominated Company) and the Lenders' Representative to give its consent for allowing harmonious substitution of the SUDHL. The NHAI vide its letter dt December 27, 2023, conveyed its "InPrinciple" approval for substitution of Original Concessionaire with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions and final approval from the NHAI.

Subsequently, the Final approval of the NHAI is received and company has signed endorsement agreement date February 27, 2026 with NHAI, Trustee of Lenders and SPV of nominated company. Accordingly all project assets and Liabilities has been transferred to nominated SPV and incurred loss of Rs. 3006.20 lakhs. Further SIPL has written off subordinate debt amounting to Rs. 2696.60 lakhs towards investment in shares of the SUDHL during the quarter and year ended March 31, 2026.

Consequent to the transfer of the project, SUDHL is evaluating alternate business opportunities for deployment of its resources and continuation of its operations. Accordingly financial result of the SUDHL for the quarter ended June 30, 2026 are prepared on the going concern basis. However statutory auditor has expressed qualified conclusion on the financial result considering the material uncertainty related to the going concern for the SUDHL.

- 3.2 In case of Sadbhav Rudrapur Highway Limited (SRHL or concessionaire) a step down subsidiary of the group which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authority of India ("NHAI" or "the Authority"). There is delay in execution of the work and the Concessionaire has proposed for harmonious substitution of the project with a new SPV to be incorporated by M/s RKCIPL-ARCPL (JV).

The Company has entered into Endorsement Agreement dated February 09, 2026 with NHAI for the harmonious substitution of the Concessionaire with the Nominated SPV namely RKC-ARCPL Rudrapur Highway Private Limited. The Authority has issued final approval for such Harmonious Substitution. The Final approval of the NHAI is received and company has signed endorsement agreement dated February 09, 2026 with NHAI, Lenders and RKC-ARCPL Rudrapur Highway Private Limited (a company incorporated by JV for the project).

Accordingly all project assets and Liabilities has been transferred to nominated SPV and loss of Rs. 12215.50 lakhs has been accounted as exceptional item in the books of SRHL. During the quarter ended June 30, 2026 SRHL has accounted for loss of Rs. 1085.50 lakhs and shown as exception item due to harmonious substitution of the project.

- 3.3 During the year ended March 31, 2026, the business undertaking of Sadbhav Kim Expressway Private Limited ("SKEPL"), a step-down subsidiary, was transferred to Sadbhav Engineering Limited ("SEL"), the Holding Company, on a going concern basis pursuant to Business Transfer Agreement dated December 11, 2025 for a consideration of Rs. 1,782 lakhs, as determined by an independent valuer. Since the transaction was between entities under common control, the acquisition in the books of SEL has been accounted for in accordance with Appendix C to Ind AS 103 – Business Combinations using the Pooling of Interests Method and the difference between the net assets acquired and consideration paid amounting to Rs. 3982.70 lakhs has been adjusted in Capital Reserve in the books of SEL. Further, in the books of SKEPL, the carrying value of net assets transferred exceeded the consideration received and accordingly, the difference amounting to Rs. 3,982.70 lakhs has been recognized as an exceptional item in the consolidated financial results for the year ended March 31, 2026.

- 3.4 Pursuant to implementation of the Restructuring Plan and terms of the Master Restructuring Agreement ("MRA"), the Company has recognized exceptional income of Rs. 15,638.89 lakhs (including accrued interest of Rs 1645.23 lakhs of lenders from whom consent/sanction is yet to be received) during the quarter and year ended March 31, 2026 on account of reduction in accrued interest liabilities, being the difference between the accrued interest outstanding as on the date of implementation of the MRA and the revised liability computed in accordance with the approved Restructuring Plan considering interest at the agreed rate of 9% per annum with effect from 26th December 2022, being the date of execution of the Inter Creditor Agreement ("ICA").

- 4 One of the step down subsidiary of the Group namely Rohtak Panipat Tollways Private Limited (RPTPL) has issued the termination notice on July 27, 2021, to National Highways Authority of India (NHAI) by exercising the criteria of "Event of Defaults" under the concession agreement. Since the project of the Company has been terminated, the management of RPTPL is of the view that going concern assumption for preparation of accounts is not appropriate and accounts have been drawn accordingly on non-going concern basis and the Company have continued to recognize an amount of Rs. 127573 lakhs as "Receivable from NHAI – Toll Collection Rights" under the head Other Financial Assets, representing project costs incurred up to March 31, 2026.

The management of RPTPL has lodged a total claim amounting to Rs. 193792.40 lakhs relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid 19. The NHAI had lodged its counter Claims amounting to Rs. 62270 lakhs. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are completed and the Arbitral Award is declared on 23.01.2025 unanimously, except for Counter Claim of NHAI regarding Premium that one Ld. Arbitrator has rejected it completely. As on the date of the said Majority award, the net awarded amount after deducting all dues of NHAI including Premium works out to Rs. 108054.50 lakhs (principal of Rs. 77963.10 lakhs and interest of Rs. 30091.40 lakhs). However both the party challenge the said award. The Arbitration matter of Competing Road was referred to Arbitration. In the said matter, the majority award was passed on May 30, 2023 in favour of NHAI setting aside claims of Company and Minority Award dated 05.06.2023 in favour of Company amounting to Rs. 85098 lakhs. The Company has challenged the Majority Award dated 30.05.2023 and filed a petition under Section 34 of Arbitration & Conciliation Act 1996 before the Hon'ble Delhi High Court to set aside the Majority Award dated 30.05.2023. The same is sub-judice before Hon'ble Delhi High Court.

The dispute of Claim for Additional Cost on account of ban of quarrying of stone and loss of Toll collection due to delayed issuance of Provisional Certificate was referred to Arbitration. A unanimous Award dated 06.10.2017 by Arbitral Tribunal was awarded in favour of Company amounting to Rs. 8902 lakhs (amount inclusive of costs & interest pendente lite). This Award was challenged by NHAI under Section 34 before the Delhi High Court. The Delhi High Court in its Judgment dated 16.02.2023, the value of award payable by NHAI to RPTPL as on 15.10.2023 works out to Rs. 12119 lakhs. NHAI had challenged the said award under Section 37 before Division Bench of Delhi High Court. The said matter is now withdrawn by NHAI on account of ongoing Vivad se Vishwas II settlement proposal.

NHAI had claimed on RPTPL a claim on account of negative FRL which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to Rs. 2034 lakhs. The interest on delayed payment is awarded at 7.4% simple interest, as on 15.10.2023 works out to Rs. 2479 lakhs. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice. The Company had challenged the said Majority Award under Section 34 before the Delhi High Court. The Arbitration Award dated 06.10.2017 and Arbitration Award dated 31.10.2020 has been settled through Settlement Agreement dated 20.03.2025 under Vivad se Vishwas II Scheme of Govt. of India for the net settlement amount of about Rs. 6500 lakhs which is received during the year ended March 31, 2026.

During the quarter ended March 31, 2023, RPTPL has reversed interest of Rs. 10269.40 lakhs provided during the earlier period considering the fact that the project of RPTPL has been terminated and lenders have classified loans as Non Performing Assets.

During the year ended March 31, 2026, quarter ended June 30, 2026, June 30, 2025 and March 31, 2026, RPTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions as well as loan from group Company since the lenders of RPTPL has classified borrowing as NPA and financial statements are prepared on non going concern basis, for which the statutory auditors of RPTPL have expressed qualified opinion/conclusion on financial statements/financial results in this regards.

Also, RPTPL has received intimation letter dated April 08, 2024 from National Asset Reconstruction Company Limited (NARCL) intimating that the deed of assignment dated March 22, 2024 under the provisions of Section 5 of the SARFASI Act, the consortium of lenders except one lender have assigned/ transferred the outstanding debt /financial assets along with underline securities interest, pledged of shares, guarantees, receivables etc charge for such financial assistance granted to RPTPL in favour of NARCL and NARCL acting in its capacity as trustee of NARCL Trust.

- 5 One of the step down subsidiary of the group namely Rohtak Hissar Tollways Private Limited (RHTPL) has issued the termination notice on August 27, 2021, to NHAI by exercising the criteria of "Event of Defaults" under the concession agreement. Since the project of the Company has been terminated, the management of RHTPL is of the view that going concern assumption for preparation of accounts is not appropriate and accounts have been drawn accordingly on non-going concern basis and the Company have continued to recognize an amount of Rs. 94206.50 lakhs as "Receivable from NHAI – Toll Collection Rights" under the head Other Financial Assets, representing project costs incurred up to June 30, 2026

In this regard the management of RHTPL has lodged total claim amounting to Rs. 192871.70 lakhs relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid19. The NHAI had lodged its Counter Claims amounting to Rs. 36658 lakhs. The Company had submitted its reply on such counter claims. The Company has continued The Arbitral proceedings for the same are currently ongoing. The current stage of arbitral proceeding is of Arguments which are ongoing.

During the quarter ended March 31, 2023, RHTPL has reversed interest of Rs. 12280.90 lakhs provided during the earlier period considering the fact that the project of RHTPL has been terminated and lenders have classified loans as Non Performing Assets (NPA).

During the year ended March 31, 2026 and quarter ended June 30, 2026, June 30, 2025 and March 31, 2026, RHTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions as well as loan from group Company since the lenders of RHTPL has classified borrowing as NPA and financial statements are prepared on non going concern basis, for which the statutory auditors of RHTPL have expressed qualified opinion/conclusion on financial statements/financial results in this regards.

Also, RHTPL has received intimation letter dated April 08, 2024 from National Asset Reconstruction Company Limited (NARCL) intimating that the deed of assignment dated March 22, 2024 under the provisions of Section 5 of the SARFASI Act, the consortium of lenders have assigned/ transferred the outstanding debt /financial assets along with underline securities interest, pledged of shares, guarantees, receivables etc charge for such financial assistance granted to RHTPL in favour of NARCL and NARCL acting in its capacity as trustee of NARCL Trust.

- 6 Some of the vendors have initiated legal proceeding against the Group for recovery of their dues. The Management contends that in these cases the amount payable in respect of goods and service availed from such vendors is adequately provided in the books of accounts. However the vendors have claimed additional amount on account of interest etc. which is contested by the Company and according to the management such claims are not tenable and does not require provision in books of accounts. Having regard to this the management believes that carrying amount of trade payables is fairly valued.



7 Key Numbers of standalone financial results of the Company are as under:

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)	March 31, 2026 (Audited)	March 31, 2026 (Audited)
1	Revenue from operations	2,034.28	3,301.52	5,883.09	16,783.53
2	Net Profit/ (loss) before tax	(994.61)	(42.05)	8,863.19	6,688.30
3	Net Profit/(loss) after tax	(973.49)	(42.05)	2,944.09	1,337.85
4	Total comprehensive income for the Period/Year	(973.49)	(42.05)	2,950.45	1,351.63

The standalone financial results are available at the Company's website www.sadbhaveng.com and on the web site of the stock exchanges www.bseindia.com and www.nseindia.com.

- 8 The segment reporting is in accordance with its internal financial reports derived from SAP system which is reviewed by Chief Operating Decision Maker (CODM), Chairman and Managing Director (CMD). Consequently, the Group has considered business as whole as a single operating segment in accordance with Indian Accounting Standard (Ind AS) 108 - "Segment Reporting".

- 9 One of step down subsidiary namely Sadbhav Nainital Highway Limited (SNHL or Concessionaire), which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). NHAI at the request of the SNHL vide its letter dated April 17, 2023, has approved harmonious substitution of Concessionaire. Thereafter SNHL executed Endorsement Agreement dated July 14, 2023 with the approval of NHAI for harmonious substitution of the SNHL as Concessionaire in favour of new Concessionaire for implementation of the project and also entered into Definitive Agreement on August 01, 2023. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of SNHL are transferred to the new Concessionaire for substitution of the SNHL in consideration of Rs. 9000 lakhs. Based on the same the books of accounts of SNHL are prepared on nongoing concern basis.

- 10 Contract Assets of Rs. 35019.32 lakhs and other non current financial assets of Rs. 11300.60 lakhs outstanding as at March 31, 2026 which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering, Procurement & Construction Contracts/Mining Contract in respect of closed / suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which Company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations/ legal opinions, the Management is of the view that these receivables are recoverable.

The Statutory Auditors have expressed a qualified conclusion on the financial results for the quarter ended June 30, 2026, and qualified opinion on the financial statements for the quarter and year ended March 31, 2026, in respect of the aforesaid Contract Assets amounting to Rs. 35019.32 lakhs.

- 11 In one of the subsidiary of the group namely Sadbhav Bangalore Highway Private Limited (SBGHPL), the lenders of the step down subsidiary Company; State Bank of India (SBI) and Bank of India (BOI) have filed a Case No.: OA/422/2023 before the Hon'ble Debts Recovery Tribunal, Ahmedabad (DRT) against SBGHPL and others for recovery of Rs. 11125.50 lakhs being balance outstanding amount as defined in the Definitive Agreement dated 13.02.2023 under the provisions of the Debt Recovery Tribunal (Procedure) Rules, 1993. SBGHPL and others have filed its written submission for challenging the petition filed before Hon'ble DRT. The said matter is sub-judice before the Hon'ble DRT.

The management believes that the claim is not tenable and consequently no provision is required thereof.



- 12 (i.) Government of Maharashtra ("GOM") through the Project Authority i.e., Maharashtra State Road Development Corporation Limited ("MSRDC"), entered into the Concession Agreement ("CA") with Maharashtra Border Check Post Network Limited ("MBCPNL" or "Company" or "Concessionaire"). The Concessionaire on June 27, 2025 received a notice of termination of the said Concession Agreement from GOM ("Termination Notice"). MBCPNL has responded on July 11, 2025, asserting that the termination is legally untenable as per the terms of the Concession and Substitution Agreements and not accepted the same. Based on the management assessment, the company remains confident about the settlement of the above matter. There is no further development in this matter.

(ii) Maharashtra Border Check Post Network Limited ('MBCPNL') one of the step down subsidiary, has accepted and accounted certain project related cost variation towards increased cost of construction due to delay in execution of the Modernization and Computerisation of 22 Border Check Post Project including 2 additional check post ('BCP Project'). Such cost variations incurred due to various reasons not attributable to MBCPNL, in terms of service concession agreement, up to June 30, 2026 is Rs. 22288.40 lakhs. The costs has been accounted as intangible asset/ Intangible assets under development. Further, such cost variation is required to be approved by Government of Maharashtra (GoM) although the Independent Engineer of the Project, Technical Evaluation Committee duly appointed by Project Steering Committee of Maharashtra State Road Development Corporation Limited ('the Project Authority') which is monitoring the project progress and the lender's Independent engineer have in-principle accepted and recommended MBCPNL's cost variation claim. Based on the recommendations at the project steering committee, GoM (Granter) will conclude in regard to cost variation claim of the MBCPNL although MBCPNL is confident that the additional costs accounted in the books will be fully accepted by the GoM.

(iii) Pursuant to the Share Purchase Agreement ("SPA") dated August 16, 2021, as amended and restated on January 27, 2022, between Adani Road Transport Limited ("ARTL") and Sadbhav Infrastructure Project Limited ("SIPL"), ARTL acquired 49% of the equity share capital of the Company during FY 2021-22. The acquisition of the remaining 51% equity interest is pending completion in accordance with the terms of the SPA.

Further, consequent to the acquisition of a controlling interest in Maharashtra Border Check Post Network Limited ("MBCPNL"), certain pre acquisition balances (Receivable and Payable) relating to legacy transactions remain outstanding in the books of the MBCPNL and are under settlement. Upon settlement and completion of the acquisition of the remaining equity interest by ARTL, such balances will be appropriately adjusted in the books of MBCPNL.

- 13 GST tax credit receivables amounting to Rs. 11948.80 lakhs are included in the consolidated books of accounts as at June 30, 2026 in respect of following subsidiaries. The management of the Group is evaluating various option for utilising above mention tax credits and is confident about the utilization of the credit. The statutory auditors of respective subsidiary Companies, have expressed qualified conclusion on the financial results for the quarter ended June 30, 2026 vide their independent limited review report dated as mentioned below:

Name of step down Subsidiary Company	GST TAX Credit Receivables (Rs. In lakhs)	Date of Limited review Report
Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.30	August 10, 2026
Sadbhav Bangalore Highway Private Limited (SBGHPL)	4,206.70	August 10, 2026
Sadbhav Vidarbha Highway Limited (SVHL)	5,034.40	August 07, 2026
Sadbhav Nainital Highway Limited (SNHL)	1,186.40	August 07, 2026
Total	11,948.80	

- 14 The Company has incurred losses during the preceding years and has experienced delays/defaults in servicing its debt obligations, payment of certain statutory and other dues and reduction in revenue from operations, indicating the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

During the quarter ended March 31, 2026, the Restructuring Plan submitted to the consortium lenders was approved and implemented, and the Company executed the Master Restructuring Agreement. The Plan provides for restructuring of existing borrowings, monetization of identified assets and investments, promoter contribution, realization of receivables and arbitration claims, and revival of business operations.



The Company is actively pursuing opportunities for securing new infrastructure projects, including evaluating tenders and bids for participating, with a view to restarting and scaling up its business operations for this Company continues to possess the requisite technical expertise, execution capabilities, financial qualifications and pre-qualification credentials for undertaking infrastructure projects. Based on the successful implementation of the Restructuring Plan, restructuring of debt obligations, expected realization of receivables and other assets, and the Company's ongoing efforts to secure and execute new business opportunities, together with the projected cash flows, management believes that the Company will be able to meet its financial obligations and continue its operations in the normal course of business for the foreseeable future. Accordingly, going concern assumption followed in preparation of financial results for the quarter ended June 30, 2026 is considered appropriate.

- 15 During the quarter and year ended March 31, 2026, the Restructuring Plan was approved and implemented by the consortium lenders. Punjab National Bank, being the lead bank, vide its letter dated April 1, 2026, confirmed that pursuant to the consortium meeting held on March 30, 2026 and approvals received from lenders representing 77.83% by value and 60% by number, the Restructuring Plan was implemented on March 31, 2026 in accordance with the RBI Directions. Consequent thereto, the Company has executed the Master Restructuring Agreement and other financing and security documents as envisaged under the Resolution Plan. During the quarter ended June 30, 2026, the Company further received sanction letters from two additional lenders pursuant to the approved Restructuring Plan, and the execution of the Master Restructuring Agreement and other requisite financing and security documents with these lenders is currently in process.

Pursuant to the approved Restructuring Plan ("RP") and the Master Restructuring Agreement ("MRA"):-

a). The Company is required to issue secured Non-Convertible Debentures ("NCDs") aggregating to Rs. 90635 lakhs in two series comprising of series NCD-I amounting to Rs. 46224 lakhs and series NCD-II amounting to Rs. 44411 lakhs towards the conversion of existing debt obligations of the Company. Out of the aforesaid amount, the Company has issued NCDs amounting to Rs. 71325 lakhs and balance NCDs shall be issued upon receipt of assent from the remaining lenders and execution of necessary documents. The said NCDs are secured by first ranking pari passu charge by way of deed of hypothecation, pledge of shares and mortgage of properties in favour of the Debenture Trustee.

As at June 30, 2026, the outstanding amount of unlisted non-convertible debentures of the Company is aggregating to Rs. 64050 lakhs. Said debentures being not listed, the disclosure required in terms of clause no 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is not required.

b). The Company is also required to issue equity shares aggregating to Rs. 23032 lakhs to the promoters against outstanding unsecured loans extended by them to the Company. Accordingly, the effect of proposed conversion of such promoter loans into equity shares has been considered under "Other Equity" in the financial statements for the quarter and year ended March 31, 2026, pending issue of shares on account of obtaining requisite approvals.

c). The Company is required to issue equity shares to the lenders towards stipulated interest obligation pertaining to NCD-II aggregating to Rs. 15903 lakhs. As the Company is in the process of obtaining the requisite regulatory, corporate and other approvals necessary for issuance of such equity shares, no accounting effect in respect thereof has been given in these financial statements for the year ended March 31, 2026 and quarter ended June 30, 2026.

d). As per the RP, lenders have approved waiver/reversal of all charges, additional interest accrued above 9%. Consequently, the amount of Rs. 15638.89 lakhs having difference between accrued interest outstanding as on the date of implementation of the MRA and the revised liability computed in accordance with the approved RP is written back and disclosed as exceptional item in financial result during

- 16 (a) The Geology and Mining Department, Government of Gujarat has raised demand of Rs. 18615.51 lakhs, including the penalty of Rs. 5413.02 lakhs in respect of royalty on minerals alleging unauthorized use of minerals by the Company in the earlier years on the ground of non submission of required documents to the Authority. Against this demand Company has deposited amount of Rs. 264.05 lakhs and filed appeal objecting the levy of royalty and is as so in the process of submitting the documents to the authority. The management believes that demand is not sustainable and hence no provision is required in respect thereof.

(b) Company has received notice of demand of Rs. 13908.87 lakhs from the Mamlatdar Alien Recovery Branch, Ahmedabad, Gujarat dated January 19, 2024 in the matter of pending / disputed payment of royalty / penalty on royalty for quarry lease no. 842, 843 and 844 situated at Tumkur in respect of State Highway (SH-3 & SH 33) from Malavalli to Pavagada project of the Company. The Joint Director & Revision Authority, Department of Mines and Geology, South Zone, Mysore, vide orders dated April 29, 2026, has set aside the said demands and remand back the matters to the Department of Mines and Geology for fresh determination under the applicable provisions of the One Time Settlement Scheme.

Consequently, the aforesaid demands are no longer operative or crystallised liabilities, and the Revenue Recovery Certificates issued pursuant thereto are required to be withdrawn pending fresh determination by the competent authority. The Company has requested the concerned authorities to withdraw the recovery proceedings initiated at Ahmedabad. Based on the aforesaid orders and the present status of the matter, the Management is of the view that no provision is required in respect of the aforesaid demands at this stage.



- 17 The Board of Directors of the Company had approved the Sadbhav Engineering Limited Employee Stock Option Scheme, 2024 ("ESOP 2024") at its meeting held on August 14, 2024, which was subsequently approved by the shareholders of the Company on September 30, 2024. The Company received in-principle approvals from BSE Limited and National Stock Exchange of India Limited on February 10, 2025 and February 7, 2025, respectively.

Pursuant to the said Scheme, 1,00,00,000 stock options had been granted. Out of which 79,49,750 stock options have been identified and granted to eligible employees of the Company and its subsidiary companies. During the quarter ended March 31, 2026, 26,56,500 stock options were vested in accordance with the vesting conditions prescribed under the Scheme. Each option, upon exercise, entitles the holder to one equity share of face value Re.1 each of the Company, subject to the terms and conditions of the Scheme.

The Scheme is being accounted for in accordance with the applicable provisions of Ind AS 102 – Share-based Payment and the SEBI (Share

- 18 The Nomination and Remuneration Committee of the Board of Directors of the SIPL at its meeting held on 12th August, 2024 approved Employee Stock Options to the eligible employees of the Company and its Subsidiary Companies and Holding Company under Sadbhav Infrastructure Project Limited Employee Stock Option Plan-2024. The said scheme was subsequently approved by the shareholders at the Annual General Meeting held on September 30, 2024. However, as at March 31, 2026, no stock options have been granted under the said Plan.

- 19 In case of Sadbhav Hybrid Annuity Projects Limited (SHAPL), one of the step down subsidiary of the Company in which Corporate Guarantee issued by SHAPL in respect of Non-Convertible Debentures raised by its holding company, Sadbhav Infrastructure Project Limited (SIPL), the debenture holders of SIPL have initiated legal proceeding and have also invoked the said Corporate Guarantee. An application under the Insolvency and Bankruptcy code, 2016 has been filed against SHAPL, which is currently pending before the NCLT, New Delhi. Before the date of signing of this unaudited consolidated financial statement, the SIPL has fully repaid to said NCD holders. Withdrawal of Application filled under IBC by debenture holder against SHAPL is under process.

- 20 a. As at June 30, 2026, the outstanding amount of unlisted non-convertible debentures of the Company is aggregating to Rs. 64050 lakhs . Said debentures being not listed, the disclosure required in terms of clause no 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is not required.

b.As at June 30, 2026, the outstanding amount of unlisted non-convertible debentures of the Sadbhav Infrastructure Project Limited is aggregating to Rs. 6506 lakhs . Said debentures being not listed, the disclosure required in terms of clause no 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is not required. However as on date the said debenture is fully repaid on July 21, 2026 by availing a term loan facility from Kotak Mahindra Bank Limited..

c.As at June 30, 2026, the outstanding amount of Listed Non-Convertible Debentures (NCDs) of the Sadbhav Gadag Highway Private Limited, subsidiary is aggregating to Rs 26314.90 lakhs. These NCDs are secured by a first-ranking pari passu charge through a deed of hypothecation, pledge of shares, and mortgage of properties in Favour of the Debenture Trustee and accordingly additional information pursuant to Regulation 52(4) and Regulation 54(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended are given.

d. Ahmedabad Ring Road Infrastructure Limited (ARRIL) , step down subsidiary of the Group has issued the NCD during the quarter ended September 30, 2024 amounting to Rs. 33400 lakhs, the listed Non-Convertible debentures are secured by first ranking pari passu charge by way of deed of hypothecation, pledge of shares and mortgage of properties in favour of the Debenture Trustee. However during the year ended March 31, 2026 the said subsidiary has redeem all outstanding debentures by availing a term loan facility from Kotak Mahindra Bank Limited on October 20, 2025.

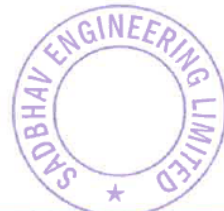
- 21 The Ministry of Labour & Employment (MoLE), Government of India, has notified the implementation of four Labour Codes, namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, with effect from 21st November 2025 consolidating 29 existing labour laws. The corresponding supporting rules under these codes has been notified in the State of Gujarat.

The actuarial valuation impact for gratuity has been considered as employee benefit expenses in the financial information for the year ended March 31, 2026 as overall impact of the same was not material for the Group.

The Group continues to monitor the finalisation of Central and State Rules and clarifications issued by the Government and shall appropriately account for additional impact, if any, arising from future developments.

For SADBHAV ENGINEERING LIMITED

SVPatel
Shashin V. Patel
Chairman and Managing Director
DIN: 00048328
Place : Ahmedabad
Date : August 13, 2026



Manubhai & Shah LLP

Chartered Accountants

INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT ON QUARTERLY UNAUDITED CONSOLIDATED FINANCIAL RESULTS PURSUANT TO REGULATION 33 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

To
The Board of Directors of
Sadbhav Engineering Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Sadbhav Engineering Limited** (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended on June 30, 2026 (the "Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

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4. The Statement includes the financial results of following entities:

Holding Company:

Sadbhav Engineering Limited

List of Subsidiaries:

1. Sadbhav Infrastructure Project Limited (SIPL)
2. Sadbhav Gadag Highway Private Limited (SGHPL)

List of step-down subsidiaries:

1. Ahmedabad Ring Road Infrastructure Ltd (ARRIL)
2. Maharashtra Border Check Post Network Ltd (MBCPNL)
3. Rohtak Panipat Tollway Private Ltd (RPTPL)
4. Rohtak Hissar Tollway Private Ltd (RHTPL)
5. Sadbhav Rudrapur Highway Limited (SRHPL)
6. Sadbhav Nainital Highway Limited (SNHL)
7. Sadbhav Bangalore Highway Private Limited (SBGHPL)
8. Sadbhav Vidarbha Highway Limited (SVHL)
9. Sadbhav Udaipur Highway Limited (SUDHL)
10. Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)
11. Sadbhav Maintenance Infrastructure Private Limited (SMIPL)
12. Sadbhav Kim Expressway Private Limited (SKEPL)
13. Sadbhav Infra Solutions Private Limited (SISPL)
14. Sadbhav Hybrid Annuity Project Limited (SHAPL)

5. Basis for Qualified Conclusion

A. In respect of Holding Company

We refer to the Note No 10 of the accompanying Consolidated Financial Results, regarding expected recoverability of Contract Assets amounting to Rs 35,019.32 lakhs outstanding as at June 30, 2026, relating to closed, substantially closed, or suspended projects, which are considered fully recoverable by the Company within one year, based on ongoing negotiations, arbitration/litigation proceedings, and legal advice.

We have expressed qualified conclusion on the Standalone financial results for the quarter ended on June 30, 2026 as we were unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by the management in relation to the expected recoverability of these contract assets within a period of one year.

Accordingly, we are unable to determine whether any adjustments are required to the carrying value of the said contract assets and the consequential impact, if any, on the standalone financial position and results of the Company at the quarter ended June 30, 2026.

We have expressed qualified opinion on the standalone financial statements of the Holding Company for the quarter and year ended on March 31, 2026 in respect of above matter.

B. In respect of Subsidiary and Step Down Subsidiaries:

Auditors of Sadbhav Infrastructure Project Limited, subsidiary of the Group, based on their review, have issued qualified conclusion on Consolidated Financial Results for the quarter ended on June 30, 2026 in their report dated August 11, 2026 for the following reasons:

- (i) Auditors of seven step-down subsidiaries of the Group, based on their review, have issued qualified conclusions on financial results for the quarter ended on June 30, 2026 as detailed hereunder:
- a. As detailed in Note 4 & Note 5 to the accompanying Consolidated Financial Results, with respect to Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hisar Tollway Private Limited (RHTPL), step-down subsidiaries of the Group in which interest on deferred premium obligation and interest on rupee term loans from banks and financial institutions as well as unsecured loans from Group companies have not been accounted considering the fact that both subsidiaries have issued termination notices and lenders of both subsidiaries have classified all the secured borrowings as non-performing assets.

This has resulted in an understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained. Further financial results of RPTPL and RHTPL are prepared on non-going concern basis.

The auditors of RPTPL and RHTPL have expressed qualified opinion on the financial statements for the quarter and year ended on March 31, 2026 and qualified conclusion on the financial results of RPTPL and RHTPL for the quarter ended June 30, 2025 in respect of this matter.

- b. As detailed in Note 3.1 to the accompanying Consolidated financial results, with respect to Sadbhav Udaipur Highway Limited (SUDHL or Concessionaire), a step-down subsidiary company of the Group in which SUDHL has entered into endorsement for harmonious substitution of Concessionaire in favour of new Concessionaire. Further information regarding management's plan for undertaking alternate business activity is not available. There exists a material uncertainty that may cast significant doubt on the SUDHL's ability to continue as a going concern therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.

We have expressed qualified opinion on financial statements of SUDHL for the quarter and year ended on March 31, 2026 and qualified conclusion on the financial results SUDHL for the quarter ended on June 30, 2025.



- c. As detailed in Note No 13 to the accompanying statement, tax credits amounting to Rs 11948.80 lakhs are included in the consolidated Balance sheet under the Other Current Assets in respect of following step down subsidiaries.

Sr No	Name of Step Down Subsidiary	Amount of Tax Credit (Rs in Lakhs)
1	Sadbhav Vidarbha Highway Limited (SVHL)	5,034.40
2	Sadbhav Bangalore Highway Private Limited (SBGHPL)	4,206.70
3	Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.30
4	Sadbhav Nainital Highway Limited (SNHL)	1,186.40
	Total	11,948.80

The management is confident about the utilization of the credit as mentioned in Note no 13 to the accompanying statement.

However, at present the Company does not have any business activity nor are we informed about the management plan for taking up other activity. In view of this, we are unable to comment about the utilization of tax credits in foreseeable future.

In respect of SVHL and SBGHPL, we have qualified our audit opinion on financial statements for the year ended March 31, 2026 and qualified conclusion on financial results for the quarter ended June 30, 2025.

The auditors of SJRRPL and SNHL have expressed qualified audit opinion on financial statements for the year ended March 31, 2026 and qualified conclusion on financial results for the quarter ended June 30, 2025.

6. Qualified Conclusion:

Based on the review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of reports of other auditors referred to in paragraph 9 below except for the possible effects of the matters described in para 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the relevant Indian Accounting Standards and other accounting principles generally accepted in India, or that the Statement discloses the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.



7. Material uncertainty related to going concern:

As stated in Note 14 to the Consolidated Financial Results, the Company currently has no EPC Contract in hand, has not mobilized for any new EPC Work and consequently there is no operating cash inflows from EPC activities as at the reporting date. The Company is incurring operating losses, primarily due to fixed cost, interest on debt and low/no revenue from core operations. The Group finds difficulty in meeting obligations to some of its lenders, payment to suppliers and statutory dues.

These events or conditions along with other matters as set forth in the said note indicate that material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the said note.

Our conclusion is not modified in respect of this matter.

8. Emphasis of Matter:

In Respect of Holding Company and Subsidiary Company:

We draw attention to Note 6 to the accompanying Consolidated Financial Results, wherein it is stated that some of vendors have initiated legal proceedings across various forums and Holding Company is contesting the claims for additional amount by the vendors.

Our conclusion is not modified in respect of this matter.

In respect of Subsidiary and step-down subsidiaries:

The auditors of Sadbhav Infrastructure Project Limited (SIPL), a subsidiary company, in their report dated August 11, 2026 on Consolidated Financial Results have given the Emphasis of Matter paragraph as under:

We draw attention to:

- i. Note No 4 and Note No. 5 of the accompanying Consolidated Financial Results, regarding preparation of financial statements of two step-down subsidiaries of the Group namely Rohtak Panipat Tollway Private Limited and Rohtak Hissar Tollway Private Limited on non-going concern basis on account of issue of termination notice by RPTPL and RHTPL to National Highways Authority of India (NHAI) and consequently making following adjustments to carrying value of assets and liabilities considering non going concern basis.
 - Transfer of carrying value of intangible assets to claims receivable from NHAI
 - De recognition of major maintenance obligation and/or premium obligation under concession agreement.



- ii. Note No.3.2 to the accompanying Consolidated Financial Results which explains that Sadbhav Rudrapur Highway Limited (Concessionaire or SRHL), step-down subsidiary of the Group entered into an endorsement agreement dated February 09, 2026, with the approval of the National Highways Authority of India (NHAI), RKC-ARCPL Rudrapur Highway Private Limited (new concessionaire), representative of lenders, and NHAI, for substitution of the Concessionaire by the new concessionaire for implementation of the project. Consequently, the project and related assets and liabilities, together with the relevant rights and obligations of the SRHL, have been transferred to the new concessionaire. As disclosed in the said note, the financial results of SRHL have been prepared on a non-going concern basis.
- iii. Note No. 11 to the Consolidated Financial Results in respect of Sadbhav Bangalore Highway Private Limited (SBGHPL), step-down subsidiary of the Group in respect of which petition filed by State Bank of India and Bank of India against SBGHPL for recovery of balance outstanding amount which has been challenged by the SBGHPL.
- iv. Note No. 12(i) to the accompanying Consolidated financial results, relating to the termination notice issued by Government of Maharashtra (GOM) to the Maharashtra Border Check Post Network Limited (MBCPNL), Step-down Subsidiary of the Group, in respect of Concession Agreement. MBCPNL has contested the termination notice and based on its assessment, the management of MBCPNL remains confident of a favorable resolution.
- v. Note No. 12(ii) of the Unaudited Consolidated Financial Results in respect of accounting of Intangible Asset/ Intangible Assets under Development of Rs 2,2288.40 Lakhs under the Service Concession Arrangement of one of the step down subsidiaries of the Group namely Maharashtra Border Check Post Network Limited (MBCPNL) based upon recommendations made by the project lenders' engineer and technical experts appointed by project authorities. Pending final approval by the Government of Maharashtra, no adjustments are considered necessary in these consolidated Financial Results.
- vi. Note No. 12(iii) to the Unaudited Consolidated Financial Results regarding pending adjustments of the outstanding balances relating to legacy transactions pursuant to share purchase agreement dated August 16, 2021 between Adani Road Transport Limited ("ARTL") and Sadbhav Infrastructure Project Limited ("SIPL"), subsidiary of the Group for acquiring equity shares of the Company by ARTL.
- vii. Note No. 9 to the accompanying Consolidated Financial Results in respect of Sadbhav Nainital Highway Private Limited (SNHL), step-down subsidiary, wherein SNHL has entered into endorsement agreement as at July 14, 2023 for substitution of the Company with the new SPV to be nominated by new concessionaire and also executed definitive agreement dated August 01, 2023 with the approval of NHAI for harmonious substitution of the company in favour of new concessionaire for implementation of the project. In terms of these agreements the project and project assets as defined in the Concession Agreement (CA) along with the relevant rights and obligations of the company are transferred to the new concessionaire for substitution of the Company. Based on the same, the books of accounts of SNHL are prepared on non-going concern basis.



viii. Note No. 19 to the accompanying Unaudited Consolidated Financial Results regarding corporate guarantee issued by one of the subsidiary; Sadbhav Hybrid Annuity Projects Limited (SHAPL) in respect of Non Convertible Debentures (NCD) raised by the Sadbhav Infrastructure Projects Limited (SIPL), subsidiaries of the Company. The debenture holder of the SIPL have initiated legal proceedings against the SIPL and SHAPL under section 7 of the Insolvency and Bankruptcy Code, 2016 demanding payment pursuant to Directed Redemption Notice and has also invoked corporate guarantee. The actual redemption of series B of debenture is scheduled in July 2026. Up to the date of signing limited review report of SIPL, the debenture holders have withdrawn the application filed with National Company Law Tribunal, New Delhi against the SIPL and also filed an application to withdraw the case against SHAPL.

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

9. Other Matter:

We did not review the interim financial results and other financial information in respect of 1 subsidiary and 11 step-down subsidiaries, whose financial results / information reflects (before eliminating intercompany transactions) total revenue of Rs 9,172.79 Lakhs, total net profit after tax of Rs 1,224.29 Lakhs and total comprehensive income of Rs 1,224.29 Lakhs for the quarter ended on June 30, 2026 as considered in the Consolidated unaudited financial results. These interim financial results have been reviewed by other auditors, whose reports have been furnished to us by the Management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of such subsidiary and step-down subsidiary companies, is based solely on the reports of other auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement in respect of this matter is not modified with respect to our reliance on the work done and reports of other auditors.

Place: Ahmedabad

Date : August 13, 2026

For, Manubhai & Shah LLP
Chartered Accountants

Firm Registration Number: 106041W/W100136

D2 ganesh

Devansh Gandhi
Partner

Membership No: 129255

UDIN: 26129255SAIVFE4337

