



Ref: SEL/2026-27/022

Date: 30-05-2026

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

To,
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

Dear Sir/ Madam,

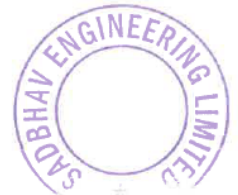
Sub: Outcome of the Meeting of the Board of Directors of Sadbhav Engineering Limited ('the Company') held on Saturday, 30th May, 2026 and submission of Audited Financial Results of the Company for the quarter and year ended on 31st March, 2026.

With reference to above, meeting of Board of Directors of the Company was held on Saturday, 30th May, 2026, Board has approved and adopted the standalone and consolidated Audited Financial Results of the Company for the Quarter and year ended 31st March, 2026. Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the following:

- A. Standalone and consolidated Audited Financial Results of the Company for quarter and year ended on 31st March, 2026.
- B. Auditors' Report on standalone and consolidated Audited Financial Results.

The Report of Auditors is with modified opinion with respect to the Audited Financial Results (Standalone and consolidated) of the Company for the quarter and year ended on 31st March, 2026. A statement on impact of Audit Qualifications (in respect of modified opinion on Standalone and consolidated Audited Financial Result) is enclosed herewith.

- C. On recommendation of Nomination and Remuneration Committee, Mr. Hitesh Chelani has been appointed as Chief Financial Officer (CFO) of the Company in the category of Key Managerial Personnel w.e.f. 30th May, 2026.
- D. On recommendation of Nomination and Remuneration Committee, Mrs. Radhika Bhavin Tanna has been appointed as Company Secretary and Compliance Officer of the Company in the category of Key Managerial Personnel w.e.f. 30th May, 2026.





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 January 30, 2026 has been enclosed herewith as **Annexure-A**.

The Meeting commenced at 9:00 p.m. and concluded at 11:30 p.m.

You are requested to take the same on record.

Thanking You,

Yours Faithfully,

For Sadbhav Engineering Limited

Shashin Patel
Chairman and Managing Director
DIN: 00048328

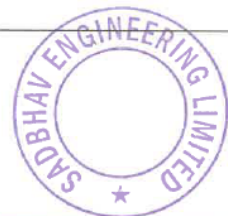


Encl: As above

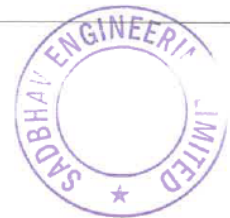
Annexure – A

Details of appointment as per SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated 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	Details of Appointment	
		Mr. Hitesh Chelani	Mrs. Radhika Bhavin Tanna
1	Reason for Change viz. appointment, resignation, removal, death or otherwise	On the recommendation of Nomination and Remuneration committee of the company, board of Directors have appointed Mr. Hitesh Chelani as Chief Financial Officer (CFO) of the Company w.e.f. 30 th May, 2026.	On the recommendation of Nomination and Remuneration committee of the company, Board of Directors have appointed Mrs. Mrs. Radhika Bhavin Tanna as Company Secretary and Compliance Officer of the Company w.e.f. 30 th May, 2026.
2	Date of appointment/ cessation (as applicable) & term of appointment	On the recommendation of Nomination and Remuneration committee of the Company, Mr. Hitesh Chelani has been appointed as Chief Financial Officer (CFO) of the Company by the Board of Directors with effect from 30th May, 2026 as per the provisions of Section 203 of Companies Act, 2013 and relevant regulations of SEBI (LODR) Regulations, 2015, on terms and conditions as decided by the Board of Directors of the Company.	On the recommendation of Nomination and Remuneration committee of the Company, Mrs. Radhika Bhavin Tanna has been appointed as Company Secretary and Compliance Officer of the Company by the Board of Directors with effect from 30th May, 2026 as per the provisions of Section 203 of the Companies Act, 2013 and relevant regulations of SEBI (LODR) Regulations, 2015, on terms and conditions as decided by the Board of Directors of the Company.
3	Brief profile (in case of appointment);	Hitesh Chelani is a seasoned finance professional with over 14 years of experience in finance and corporate operations, complemented by his robust academic background, including CA, CS, LLB, and B. Com qualifications. His expertise spans across key areas such as liaising with bankers, ensuring compliance with	Mrs. Radhika Bhavin Tanna is an Associate Member of the Institute of Company Secretaries of India (ICSI) and holds degrees in Commerce and Law (B. Com and LL.B.) and having good experience of Corporate Law, Listing Regulations and Compliances.



		<p>regulatory standards, engaging with external agencies like auditors and rating organizations, project debt syndication, and raising funds at both parent and subsidiary levels. He has played a pivotal role in the successful implementation of the Company's Debt Restructuring Plan, working closely with lenders and stakeholders to ensure effective execution and financial stability. His core strengths include working capital management, cash flow monitoring, financial analysis, and leading teams effectively. Additionally, he possesses strong analytical and interpersonal skills, a proactive approach, and the ability to work independently or within a team environment. Known for his multi-tasking abilities, excellent presentation skills, and strategic mindset, consistently drives efficiency and delivers impactful results in dynamic and challenging financial environments.</p>	<p>With more than 8 years of accomplished experience, she brings deep proficiency in corporate governance, strategic acquisitions, regulatory management, and complex fund-raising initiatives. Her career reflects a strong commitment to elevating governance standards, strengthening compliance frameworks and supporting organizational growth through well-structured corporate strategies.</p>
4	Disclosure of relationships between Directors (in case of appointment of a director).	Not Applicable	Not Applicable
5	Information as required pursuant to BSE Circular with ref. no. LIST/ COMP/ 14/ 2018-19 and the National Stock Exchange of India Ltd with ref. no. NSE/ CML/ 2018/ 24, dated 20th June, 2018.	Mr. Hitesh Chelani is not debarred from holding the office of KMP by virtue of any SEBI order or any other such authority.	Mrs. Radhika Bhavin Tanna is not debarred from holding the office of KMP by virtue of any SEBI order or any other such authority.
6	Shareholding, if any in the Company.	Nil	Nil
7	Names of Listed entities in which the person holds directorship	Not Applicable	Not Applicable





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 AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2026

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

	Particulars	Quarter ended			Year ended	
		March 31,2026 (Audited)	December 31,2025 (Unaudited)	March 31,2025 (Audited)	March 31,2026 (Audited)	March 31,2025 (Audited)
	Income					
1	Revenue from operations	5,883.09	3,450.81	3,677.60	16,783.53	21,053.10
2	Other income	(533.16)	1,126.35	1,810.19	3,656.80	4,546.59
3	Total Income (1+2)	5,349.93	4,577.16	5,487.79	20,440.33	25,599.69
4	Expenses					
	Cost of Material Consumed	240.11	0.28	139.60	282.58	382.35
	Construction Expenses	4,047.69	764.79	4,089.30	7,734.33	15,325.10
	Employee benefits expense	1,215.90	401.77	359.23	2,395.37	1,805.41
	Finance costs	6,204.39	3,885.05	4,236.65	17,739.77	15,659.51
	Depreciation and amortization expense	36.30	62.36	207.75	360.73	939.28
	Other expenses	2,188.22	1,065.76	2,279.18	4,382.39	5,223.76
	Total Expenses	13,932.61	6,180.01	11,311.71	32,895.17	39,335.41
5	(Loss) before exceptional Items and tax (3-4)	(8,582.68)	(1,602.85)	(5,823.92)	(12,454.84)	(13,735.72)
6	Exceptional Items (Refer Note no. 3)	17,445.87	1,130.60	(84.89)	19,143.14	2,544.03
7	Profit/(Loss) before tax (5+6)	8,863.19	(472.25)	(5,908.81)	6,688.30	(11,191.69)
8	Tax Expense (incl. short/excess provision of earlier year(s))	(140.17)	-	-	(708.82)	106.67
	Deferred Tax (Refer Note no. 14)	6,059.27	-	3,845.43	6,059.27	4,056.40
9	Profit/(Loss) for the period from continuing operations (7-8)	2,944.09	(472.25)	(9,754.24)	1,337.85	(15,354.76)
10	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to profit or loss (Net of tax)	6.36	(4.21)	31.06	13.78	(11.67)
11	Total Comprehensive Income for the period / year (9+10)	2,950.45	(476.46)	(9,723.18)	1,351.63	(15,366.43)
12	Paid up Equity share Capital (face value of Re. 1/- each)	1,715.71	1,715.71	1,715.71	1,715.71	1,715.71
13	Other Equity excluding Revaluation Reserves as at 31st March	-	-	-	1,02,053.48	83,054.73
14	Basic and diluted Profit/(Loss) per Share (Rs.) (Face value of Re. 1/- each) (not annualized except for the year ended)	1.72	(0.28)	(5.69)	0.78	(8.95)



Notes :

- 1 The aforesaid audited financial results for the quarter and year ended March 31, 2026 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their meeting held on May 30, 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 have carried out audit of the same.
- 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. 1748.45 lakhs and Rs. 1537.98 lakhs for the year ended March 31, 2026 and March 31, 2025 respectively.
 - b. Profit on settlement of outstanding Dues of Debenture Holder amounting to Rs. 1006.05 lakhs for the year ended March 31, 2025.
 - c. 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))
 - d. Amount Rs. 3051 lakhs on account of settlement of litigation/claim during the quarter ended March 31, 2026.
 - e Write back of Rs.7848.69 lakhs being liability no longer payable during the quarter ended March 31, 2026.
 - f. 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 March 31, 2026 is considered necessary.

The statutory auditors have expressed qualified opinion on financial statements for the quarter and year ended March 31, 2026 and March 31, 2025 in respect of above as regards recoverable value of Company's outstanding loan, Trade and other receivable to 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 qualified opinion on financial statements for the quarter and year ended March 31, 2026 in respect of above Contract Assets of Rs. 35019.32 lakhs.

- 7 The Company had incurred losses during the preceding years, experienced delays/defaults in servicing its debt obligations, payment of certain statutory and other dues and reduction in revenue from operation. Further, the borrowings of the Company had been classified as Non-Performing Assets (NPA) by majority of the lenders, which indicated the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. In order to address its financial stress, the Company submitted a Resolution Plan to its consortium lenders under the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2019 dated June 7, 2019. (subsequently substituted by the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025) (RBI Direction)

During the quarter ended March 31, 2026, the Restructuring Plan was approved and implemented by the consortium lenders in accordance with the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2019 and the Company has executed the Master Restructuring Agreement.

The Resolution Plan, inter alia, 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. Further, the Company continues to possess the requisite technical expertise, execution capabilities, financial qualifications and pre-qualification credentials required for participation in infrastructure projects and has commenced the process of evaluating and bidding for new projects.

Based on the successful implementation of the Restructuring Plan, the restructuring of debt obligations, the expected realization of receivables and other assets and the management's assessment of future business opportunities and projected cash flows, the 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, notwithstanding the existence of material uncertainty, the accompanying financial results for the quarter and year ended March 31, 2026 have been prepared on a going concern basis.

- 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. 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.

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). In context to outstanding series NCD-II amounting to Rs. 44411 lakhs, 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.

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.



- 9 The Company has investment in SADBHAV Infrastructure Project Limited (SIPL) amounting Rs. 54864.44 lakhs and loan given amounting Rs. 32938.49 lakhs as on March 31, 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 financial results for the quarter ended December 31, 2025 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. Company has filed revision applications with the office of Joint Director, Department of Mining and Geology, Mysore pursuant to the Rule 53 of The Karnataka Minor Mineral Concession Rules, 1994 and amendments thereon from time to time. The same is under the consideration with the respective authorities. The management believes that demand is not sustainable and hence no provision is required in respect thereof.

- 11 The Company had issued Corporate Guarantee in respect of Non-Convertible Debentures ("NCDs") raised by SADBHAV Infrastructure Project Limited ("SIPL"). The debenture holders of SIPL have initiated legal proceedings and invoked the said Corporate Guarantee. Further, an application under the Insolvency and Bankruptcy Code, 2016 has been filed against the Company, which is currently pending before the Hon'ble NCLT, New Delhi.

Considering the current status of the matter and uncertainty associated with the outcome of the proceedings, no adjustment has been made in the financial statements for the year ended March 31, 2026.

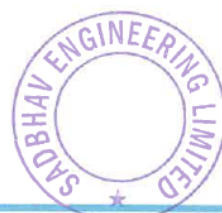
- 12 During the year ended March 31, 2026, the Company entered into a Business Transfer Agreement dated December 11, 2025 with SADBHAV Kim Expressway Private Limited, a step-down subsidiary of the Company, for transfer of its business as a going concern on a slump sale basis for a consideration of Rs. 1782 lakhs. As the transaction is between entities under common control, it has been accounted for in accordance with Appendix C to Ind AS 103 – Business Combinations, using the Pooling of Interests Method. The difference of Rs. 3971.38 lakhs between the net assets received and the consideration has been adjusted in Capital Reserve in the these standalone financial results for the year ended on March 31, 2026.

- 13 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.

- 14 The Company has opted for the new concessional tax regime under Section 115BAA of the Income-tax Act, 1961, and accordingly, 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.





- 15 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.

- 16 The figures for the quarter ended March 31, 2026 are balancing figures between the audited figures in respect of the full financial year up to March 31, 2025 and the unaudited published year to date figures up to third quarter ended December 31, 2025, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 17 Standalone Audited Statement of Cash flow for the year ended March 31, 2026 and March 31, 2025 is given in Annexure I.

For SADBHAV ENGINEERING LIMITED

Shashin V. Patel
Chairman and Managing Director
DIN: 00048328
Place : Ahmedabad
Date : May 30, 2026

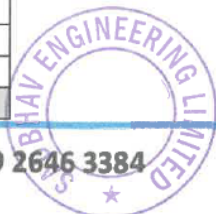




SADBHAV ENGINEERING LIMITED
CIN NO.: L45400GJ1988PLC011322

STANDALONE AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2026
(Rs. in Lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Assets		
Non-current Assets		
(a) Property, Plant and Equipment	2237.81	2201.93
(b) Right to use assets	-	76.36
(c) Capital Work in Progress	-	426.56
(d) Financial Assets		
(i) Investments	63743.90	61378.37
(ii) Trade receivables	5237.39	3161.10
(iii) Loans	5914.82	7287.66
(iv) Other Financial Assets	11594.94	15303.46
(e) Deferred Tax Assets (net)	-	6059.27
(f) Other Non Current Assets	-	999.31
Total Non-current Assets	88728.86	96894.02
Current Assets		
(a) Inventories	110.78	364.14
(b) Financial Assets		
(i) Trade receivables	26751.65	28955.92
(ii) Cash and cash equivalents	2156.61	209.91
(iii) Bank Balance other than (ii) above	460.70	323.29
(iv) Loans	39825.21	39773.57
(v) Other current financial assets	4104.19	14538.62
(c) Current tax assets (net)	638.23	2203.83
(d) Other current assets	79151.61	86694.11
Total Current Assets	153198.98	173063.39
Total Assets	241927.84	269957.41
Equity and Liabilities		
Equity		
(i) Equity share capital	1715.71	1715.71
(ii) Other Equity	102053.48	83054.73
Total Equity	103769.19	84770.44
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	78043.25	23399.91
(ii) Lease Liabilities	-	29.06
Total Non-current Liabilities	78043.25	23428.97
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	27147.50	96695.72
(ii) Lease Liability	-	53.56
(iii) Trade Payable		
a.) Total outstanding Dues of micro and small enterprises	509.57	565.93
b.) Total outstanding Dues of creditors other than micro and small enterprises	20445.40	27836.34
(iv) Other financial liabilities	8887.53	24147.57
(b) Other Current liabilities	3125.40	12458.88
Total Current Liabilities	60115.40	161758.00
Total Liabilities	138158.65	185186.97
Total Equity and Liabilities	241927.84	269957.41

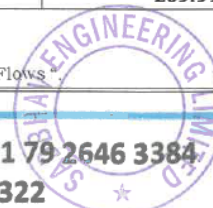


Particulars	For the Year ended March 31, 2026		For the Year ended March 31, 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) before Tax		6688.30		(11191.69)
Adjustments For :				
Interest Income	(3597.36)		(3503.40)	
Interest Expenses	15166.88		13341.59	
Unwinding Of Discount On Interest Free Loan	2572.89		2317.92	
Depreciation & Amortisation	360.73		939.28	
Impairment of Contract Assets	1,714.29		-	
Expected Credit Loss	532.37		917.06	
ESOP Compensation Expenses	768.23		-	
Actuarial Gain/Loss	13.78		(11.67)	
Exceptional Items (Net)	(17387.34)		(2544.03)	
Trade Receivables no longer receivables	9,143.89		520.99	
Trade Payables written back	(7,848.69)		(951.30)	
		1439.67		11026.44
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		8127.97		(165.25)
Adjustment For :				
(Increase)/Decrease of Trade Receivables	(404.39)		7525.64	
(Increase) of Other Current Assets	6898.42		2442.75	
Decrease of Other Current Financial Assets	10434.43		(2652.64)	
(Increase)/Decrease of Other Non Current Financial Assets	(2534.20)		165.78	
Decrease of Inventories	253.36		261.06	
Increase/(Decrease) of Trade Payables	401.39		(1563.39)	
(Decrease) of Other Current Liabilities	(9333.48)		(7386.94)	
Increase of Other Current Financial Liabilities	(4813.31)		(3530.30)	
		1901.53		(4158.38)
Cash generated from/(used in) Operations		10029.50		(4323.63)
Tax (Paid)/Refund	2274.42	2274.42	(42.91)	1308.89
Net Cash From/(used in) Operating Activities		12303.92		(3014.74)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Property, Plant & Equipments	(247.91)		(22.63)	
Sales of Property, Plant & Equipments	2051.75		2777.60	
(Investments in) / Proceeds from Fixed deposit	(137.41)		-	
Investments in Subsidiary Company	(2365.53)		(2306.49)	
Loan received back/(given) from/to Subsidiary Company	1321.20		(1197.38)	
Interest received	3597.36		3503.40	
Net Cash from Investing Activities		4219.47		2754.50
C. CASH FLOW FROM FINANCING ACTIVITIES :				
(Repayment) of Long Term Borrowings (including current maturity)	(17825.16)		(7391.79)	
Proceeds From Long Term Borrowings	3096.26		10.01	
(Repayment) of Short Term Borrowings	-		(4,312.14)	
Proceeds of Short Term Borrowings	-		9,745.45	
Proceeds / (Repayment) in Working Capital Loan	-		4959.24	
Payment of Lease Liability	(31.71)		(48.00)	
Interest Paid	183.93		(2710.93)	
Net Cash generated/(used in) Financing Activities		(14576.69)		251.84
Net Increase In Cash & Cash Equivalents (A+B+C)		1946.70		(8.40)
Opening Balance Of Cash & Cash Equivalents		209.91		218.31
Closing Balance Of Cash & Cash Equivalents		2156.61		209.91
Components Of Cash & Cash Equivalents				
Cash On Hand		0.02		0.03
Balance In Current Account With Banks		2156.59		209.88
		2156.61		209.91

Notes:

1. All Figures in bracket are cash outflow.

2. The statement of cash flow has been prepared under indirect method as per Indian Accounting Standard -7 "Statement of Cash Flows".



ANNEXURE I

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Standalone)**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (INR in Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (INR in Lakhs)
	1.	Turnover / Total income	20440.33	Not ascertainable
	2.	Total Expenditure	32895.17	
	3.	Exceptional Items (net)	19143.14	
	4.	(Loss) after Tax	1337.85	
	5.	Earnings Per Share	0.78	
	6.	Total Assets	241927.85	
	7.	Total Liabilities (excluding Net Worth)	138158.65	
	8.	Net Worth	103769.19	
	9.	Any other financial item(s) (as felt appropriate by the management)	-	
II.	Audit Qualification (each audit qualification separately):			
	a. Type of Audit Qualification :			
	<p>1. 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 (including interest accrued) of Rs. 32,938.49 lakhs as at March 31, 2026 to one of the subsidiary, Sadbhav Infrastructure Project Limited. It is noted that the subsidiary's consolidated net worth as at March 31, 2026, is substantially eroded. Management asserts that the investment and loan outstanding are fully recoverable, based on factors outlined in the said note.</p> <p>However, we are unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by management regarding the underlying assumptions</p>			



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

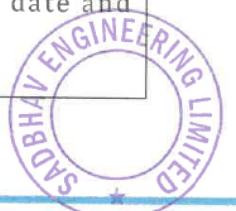
adopted by the management for impairment assessment. Consequently, we are unable to provide a conclusive comment on the adjustments, if any, necessary to the carrying value of the said investment and loan and the consequential impact, if any, on the standalone financial position and standalone financial results of the Company as at reporting date and for the quarter and year ended on March 31, 2026.

Our Audit Report on financial statements for the year ended on March 31, 2025 and review reports on financial results for the quarter ended on June 30, 2025, September 30, 2025 and December 31, 2025 were also qualified with respect to this matter.

2. 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 step-down subsidiary of the Company. As at March 31, 2026, aggregate amount of Rs 20,178.30 lakhs is outstanding towards loan, trade receivable and reimbursement of expenses as receivable from the said step-down subsidiary (RPTPL). The said step-down subsidiary 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 this step-down subsidiary 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 March 31, 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 as at reporting date and for the quarter and year ended on March 31, 2026



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

Our Audit Report on financial statements for the financial year ended on March 31, 2025 and review reports on the financial results for the quarter ended on June 30, 2025, September 30, 2025 and December 31, 2025 were also qualified with respect to this matter.

3. The Company has not complied with the requirements of Section 203 of the Companies Act, 2013 read with the applicable rules framed thereunder due to the non-appointment of Chief Financial Officer (CFO) with effect from April 8, 2024.

The financial impact of this non-compliance is not ascertainable.

4. 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 March 31, 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 statement.

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 as at and for the quarter and year ended March 31, 2026.

Our Audit Report on financial statements for the financial year



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

	<p>ended on March 31, 2025 and review reports on the financial results for the quarter ended on June 30, 2025, September 30, 2025 and December 31, 2025 were also qualified with respect to this matter.</p>
	<p>b. Frequency of qualification: Repetitive</p>
	<p>c. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA</p>
	<p>d. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <ol style="list-style-type: none"> 1. The Company has investment in Sadbhav Infrastructure Project Limited (SIPL) amounting Rs. 54864.44 lakhs and loan given amounting Rs. 32938.49 lakhs as on March 31, 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. <p>The management has carried out impairment assesment 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 assesment it is concluded receoverable 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.</p> <p>The statutory auditors have expressed qualified opinion on financial statements for the year ended March 31, 2026 and March 31, 2025 and financial results for the quarter ended December 31, 2025 in respect of investment in equity shares of Sadbhav Infrastructure Project Limited (SIPL) and loan given to SIPL.</p> <ol style="list-style-type: none"> 2. 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. <p>In this regard the management of RPTPL has lodged total claims aggregating to</p>



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

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 NHAJ regarding Premium is rejected completely by Ld. Arbitrator. As per the said Majority award, the net awarded amount after deducting all dues of NHAJ 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).

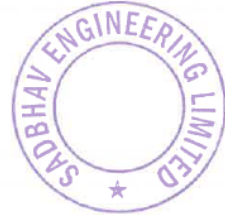
In respect of Arbitration Claim for competing road, the award by Majority was passed on May 30, 2023 against the RPTPL. The RPTPL has filed the application under section 34 of the Arbitration and Conciliation Act, 1996 before the Honourable Delhi High Court.


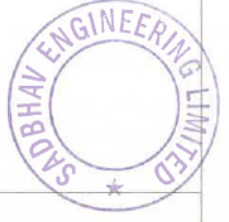




Considering the management assessment of probability and tenability of receiving above claims from NHAJ as per the terms of concession agreement, which is backed by legal opinion and pendency of the matter before Honourable Delhi high Court, the management has assessed that there is no impairment in the value of loan given to RPTPL and consequently no provision/adjustment to the carrying value of loan and other receivable as at March 31, 2026 is considered necessary.

The statutory auditors have expressed qualified opinion on financial statements for the quarter and year ended March 31, 2026 and March 31,2025 in respect of above as regards recoverable value of Company's outstanding loan, Trade and other receivable to RPTPL.

3. To ensure effective financial and internal control and discipline in the company the board of directors have appointed Mr. Hitesh Chelani as a Chief Financial Officer (CFO) of the company w.e.f. 30-05-2026 under section 203 of companies Act, 2013 and relevant SEBI (LODR) Regulations, 2015.
4. 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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]	
	<p>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.</p> <p>The statutory auditors have expressed qualified opinion on financial statements for the quarter and year ended March 31, 2026 in respect of above Contract Assets of Rs. 35019.32 lakhs.</p>
	(i) If management is unable to estimate the impact, reasons for the same:
	(ii) Auditors' Comments on (i) or (ii) above: Refer details of audit qualification vide [para II (a) above]



III.	<u>Signatories:</u>	
	<ul style="list-style-type: none"> Chairman and Managing Director - Mr. Shashin V. Patel 	 
	<ul style="list-style-type: none"> CFO – Mr. Hitesh Chelani 	
	<ul style="list-style-type: none"> Audit Committee Chairman – Mrs. Shefali Manojbhai Patel 	
	<ul style="list-style-type: none"> Statutory Auditors <p>Mr. Devansh Gandhi Partner Membership Number: 129255 For Manubhai & Shah LLP Chartered Accountants ICAI Firm Registration Number:106041 W /W100136</p>	 
	<p>Place: Ahmedabad Date: 30-05-2026</p>	

Manubhai & Shah LLP

Chartered Accountants

INDEPENDENT AUDITORS' REPORT ON THE AUDIT OF STANDALONE QUARTERLY AND ANNUAL FINANCIAL RESULTS PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

To

The Board of Directors of
Sadbhav Engineering Limited

Report on the audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying Statement of Standalone Financial Results of Sadbhav Engineering Limited (the "Company") for the quarter and year ended March 31, 2026 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement, except for the possible effect of the matters described in basis for qualified opinion section of our report;

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India of the standalone net profit, standalone other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2026.

Basis for Qualified Opinion

1. 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 (including interest accrued) of Rs. 32,938.49 lakhs as at March 31, 2026 to one of the subsidiary, Sadbhav Infrastructure Project Limited. It is noted that the subsidiary's consolidated net worth as at March 31, 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 position and standalone financial results of the Company as at reporting date and for the quarter and year ended on March 31, 2026.

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878

Regd. Office : 4th Floor, Capital One, Opp. Ashok Vatika BRTS Stop, Ambli Bopal Road, Ahmedabad - 380058,
Gujarat, India. Phone : +91-79-2647 0000, +91-79-4107 0800

Email : info@msglobal.co.in

Website : www.msglobal.co.in

Ahmedabad • Mumbai • New Delhi • Rajkot • Jamnagar • Baroda • GIFT City • Udaipur • Indore • Surat • Gandhinagar



Our Audit Report on financial statements for the year ended on March 31, 2025 and review reports on financial results for the quarter ended on June 30, 2025, September 30, 2025, and December 31, 2025 were also qualified with respect to this matter.

2. 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 step-down subsidiary of the Company. As at March 31, 2026, aggregate amount of Rs 20,178.30 lakhs is outstanding towards loan, trade receivable and reimbursement of expenses as receivable from the said step-down subsidiary (RPTPL). The said step-down subsidiary 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 this step-down subsidiary 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 March 31, 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 as at reporting date and for the quarter and year ended on March 31, 2026.

Our Audit Report on financial statements for the financial year ended on March 31, 2025 and review reports on the financial results for the quarter ended on June 30, 2025, September 30, 2025 and December 31, 2025 were also qualified with respect to this matter.

3. The Company has not complied with the requirements of Section 203 of the Companies Act, 2013 read with the applicable rules framed thereunder due to the non-appointment of Chief Financial Officer (CFO) with effect from April 8, 2024.

The financial impact of this non-compliance is not ascertainable.

Our Audit Report on financial statements for the financial year ended on March 31, 2025 and review reports on the financial results for the quarter ended on June 30, 2025, September 30, 2025 and December 31, 2025 were also qualified with respect to this matter.

4. 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 March 31, 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 statement.

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 as at and for the quarter and year ended March 31, 2026.

Our Audit Report on financial statements for the financial year ended on March 31, 2025 and review reports on the financial results for the quarter ended on June 30, 2025, September 30, 2025 and December 31, 2025 were also qualified with respect to this matter.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



Emphasis of Matter

We draw attention to Note 4 to the accompanying Standalone Financial Results, wherein it is stated that some of vendors have initiated legal proceeding including application to National Company Law Tribunal (NCLT). The company has sought confirmations of balance from some of the vendors. As confirmation from the vendors are still awaited and hence these outstanding balances under trade payable are subject to reconciliation and consequential adjustments upon determination / receipt of such confirmation.

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

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 contracts in hand, has not mobilized for any new EPC work, and consequently there is no operational cash inflow from EPC activities as at the reporting date. The Company is incurring operating losses, primarily due to fixed costs, 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 opinion is not modified in respect of this matter.

Responsibilities of Management and those charged with governance for the Standalone Financial Results

The Standalone Financial Results have been prepared on the basis of the Standalone Annual Financial Statements for the year ended March 31, 2026. The Company's Management and Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

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

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

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

Other Matter

The Standalone Financial Results include the Results for the quarter ended March 31, 2026 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.



Place: Ahmedabad

Date: May 30, 2026

For Manubhai & Shah LLP
Chartered Accountants
Firm Registration No. 106041W/W100136

Devansh Gandhi
Partner
Membership No.: 129255
UDIN: 26129255DVCHHE9406



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 CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2026

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

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31,2026 (Audited)	December 31,2025 (Unaudited)	March 31,2025 (Audited)	March 31,2026 (Audited)	March 31,2025 (Audited)
1	Revenue From operations	27,094.15	22,991.59	28,977.51	97,272.85	1,03,644.53
2	Other income	(3,087.16)	4,563.79	3,057.33	9,337.88	9,605.73
3	Total Income (1+2)	24,006.99	27,555.38	32,034.84	1,06,610.73	1,13,250.26
4	Expenses					
	Cost of Material Consumed	240.12	0.28	139.61	282.58	382.35
	Construction Expenses	10,841.15	2,541.27	13,168.18	25,420.35	44,087.45
	Employee benefits expense	1,843.50	1,104.07	1,112.53	5,040.07	4,748.91
	Finance costs	6,984.69	11,047.79	10,541.12	41,452.35	45,740.43
	Depreciation and amortization expense	3,898.50	3,394.26	3,181.45	13,918.53	12,702.18
	Other expenses	7,036.62	2,753.96	5,418.98	13,394.29	12,723.76
	Total Expenses	30,844.58	20,841.63	33,561.87	99,508.17	1,20,385.08
5	Profit/(Loss) before exceptional Items and tax (3-4)	(6,837.59)	6,713.75	(1,527.03)	7,102.56	(7,134.82)
6	Exceptional Items (Refer Note No. 3)	22,970.17	(12,852.10)	(9,754.39)	10,684.74	(2,102.47)
7	Profit/(Loss) before tax for the period / year (5-6)	16,132.58	(6,138.35)	(11,281.42)	17,787.30	(9,237.29)
8	Tax Expense	(766.10)	1,716.90	1,054.30	3,166.10	2,982.20
	Deferred Tax	4,696.37	679.60	4,193.13	5,718.07	4,242.40
	Adjustment for short or excess provision of the previous year	(27.47)	30.30	4.50	(565.82)	107.87
9	Profit/(Loss) for the period / year (7-8)	12,229.78	(8,565.15)	(16,533.35)	9,468.95	(16,569.76)
10	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to profit or loss (Net of tax)	(96.74)	(20.61)	18.36	(105.72)	(24.37)
11	Total Comprehensive Income for the period / year (9+10)	12,133.04	(8,585.76)	(16,514.99)	9,363.23	(16,594.13)
12	Profit/(Loss) for the period/year attributable to:					
	Owners of the Company	8,114.04	(7,262.57)	(15,457.05)	2,631.30	(18,947.80)
	Non-controlling Interest	4,115.74	(1,302.58)	(1,076.30)	6,837.65	2,378.04
13	Other Comprehensive Income for the period / year attributable to:					
	Owners of the Company	(22.52)	(10.07)	20.48	(20.96)	(22.25)
	Non-controlling Interest	(74.22)	(10.54)	(2.12)	(84.76)	(2.12)
14	Total Comprehensive Income for the period / year attributable to:					
	Owners of the Company	8,091.52	(7,272.64)	(15,436.58)	2,610.34	(18,970.05)
	Non-controlling Interest	4,041.52	(1,313.12)	(1,078.41)	6,752.89	2,375.92
	Total income (Including other comprehensive income)	12,133.04	(8,585.76)	(16,514.99)	9,363.23	(16,594.13)
15	Paid up Equity share Capital (face value of Re. 1 each)	1,715.71	1,715.71	1,715.71	1,715.71	1,715.71
16	Other Equity excluding Revaluation Reserves as at 31st March	-	-	-	(12,804.21)	(25,833.83)
17	Basic and diluted Profit/(Loss) per share (Rs.) before extra ordinary items (Face value of Re. 1/- each) (not annualized except for the year ended)	4.73	(4.23)	(9.01)	1.53	(11.04)





SADBHAV

Engineering Limited

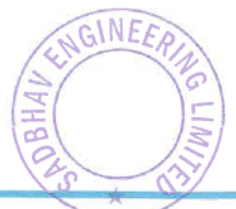
SADBHAV ENGINEERING LIMITED

CIN NO.: L45400GJ1988PLC011322

CONSOLIDATED AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2026

(Rs. In Lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Assets		
Non-current Assets		
(a) Property, Plant and Equipments	2,275.61	2,228.03
(b) Right to use Assets	-	76.36
(c) Capital Work in Progress	-	426.56
(d) Investment Property	83.80	94.10
(e) Goodwill	2,653.00	2,653.00
(f) Other Intangible Assets	4,104.80	8,651.80
(g) Financial Assets		
(i) Investments	120.22	120.73
(ii) Trade receivable	2,470.33	3,161.10
(iii) Loans	14.30	20.60
(iv) Receivable Under Service Concession Arrangement	32,368.50	92,907.10
(v) Other Financial Assets	11,595.64	15,321.66
(h) Deferred Tax Assets (net)	187.20	6,059.27
(i) Other Non Current Assets	129.30	1,045.51
Total Non-current Assets	56,002.70	1,32,765.82
Current Assets		
(a) Inventories	110.78	364.14
(b) Financial Assets		
(i) Trade receivables	27,980.15	13,505.42
(ii) Cash and cash equivalents	7,966.91	4,309.61
(iii) Bank Balance other than (ii) above	4,425.40	2,070.29
(iv) Loans	1,030.48	1,030.52
(v) Receivable Under Service Concession Arrangement	11,041.10	17,912.90
(vi) Other Current financial assets	2,43,956.21	2,42,893.66
(c) Current tax asset	954.83	3,243.13
(d) Other current assets	1,00,164.15	1,12,428.52
Total Current Assets	3,97,630.01	3,97,758.19
Assets classified as Held for Sale	1,32,395.10	1,36,155.40
Total Assets	5,86,027.81	6,66,679.41
Equity and Liabilities		
Equity		
(i) Equity share capital	1,715.71	1,715.71
(ii) Other Equity	(12,804.21)	(25,833.83)
(iii) Non Controlling Interest	10,175.42	3,422.53
Total Equity	(913.08)	(20,695.59)
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	84,179.58	74,414.15
(ii) Other financial liabilities	61.80	504.90
(iii) Lease Liabilities	-	29.06
(b) Deferred tax liabilities (Net)	3,343.80	3,108.60
(c) Provisions	69.60	77.20
Total Non-current Liabilities	87,654.78	78,133.91
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,42,207.39	3,03,263.92
(ii) Lease Liabilities	-	53.56
(iii) Trade Payable		
a.) Total Outstanding Dues of micro and small enterprises	640.57	707.93
b.) Total outstanding Dues of creditors other than micro and small enterprises	29,205.14	42,860.73
(iv) Other current financial liabilities	1,09,226.82	1,21,502.78
(b) Other current liabilities	3,087.13	4,005.11
(c) Provisions	5,597.26	8,502.46
(d) Current Tax Liabilities (Net)	-	1,154.90
Total Current Liabilities	3,89,964.31	4,82,051.39
Liabilities relating to assets classified as Held for Sale	1,09,321.80	1,27,189.70
Total Liabilities	5,86,940.89	6,87,375.00
Total Equity and Liabilities	5,86,027.81	6,66,679.41



PARTICULARS	For the year ended March 31, 2026		For the year ended March 31, 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) before Tax as per Profit and Loss account		17787.30		(9237.29)
Adjustments For :				
Interest Income	(2540.58)		(2043.02)	
Interest Expenses	41452.35		45740.43	
Depreciation & Amortisation	13918.53		12702.18	
Provision for impairment of Contract Assets	1714.29		0.00	
Expected Credit Loss	532.37		917.06	
Exceptional Item	(7180.49)		2,102.47	
Profit on Sale of Assets	(1748.45)		-	
Actuarial Gain/Loss	(105.72)		(24.37)	
ESOP Compensation Expenses	768.23		-	
Written off the Receivables	9143.89		520.99	
Written back of the payables	(7848.69)		(951.30)	
Unrealized Gain from Investment	0.50		(1.72)	
		48106.24		58962.73
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(A)	65893.54		49725.44
Adjustment For :				
(Increase)/Decrease of Non Current Trade Receivables	52238.60		~(14659.95)	
(Increase)/Decrease of Current Trade Receivables	(16746.82)		20488.20	
(Increase)/Decrease of Other Current Assets	6,578.70		(2701.01)	
(Increase)/Decrease of Other Current Financial Assets	(1062.55)		19190.77	
Decrease of Other Non Current Assets	916.21		436.60	
Decrease of Other Non Current Financial Assets	3726.02		33.68	
Decrease of Inventories	253.36		261.06	
(Decrease) of Other Non Current Financial Liabilities	(443.10)		(17744.40)	
Increase/(Decrease) of Trade Payables	(5875.63)		3545.04	
(Decrease) of Other Current Liabilities	(917.98)		(7055.08)	
(Decrease) of Other Current Financial Liabilities	(11559.66)		(1074.32)	
Increase/(Decrease) of Provision	(2912.82)		673.10	
(Decrease) of Assets Held for Sale	(14107.60)		(19760.60)	
		10086.73		(18366.91)
Cash Generated From Operations		75980.27		31358.52
Income Tax (Paid)		(1077.68)		(2335.81)
Net Cash Flow Generated From Operating Activities		74902.59		29022.71
B. CASH FLOW FROM INVESTMENT ACTIVITIES :				
Sale/(Purchase) of Property, Plant & Equipments and Intangible Assets (net)	(7,233.80)		2828.99	
Loan given received back	6.34		8.53	
Investments in Fixed deposit	(2355.11)		(708.44)	
Proceeds from Other Non Current Investments (Net)	0.01		(0.10)	
Interest Received	2540.58		2043.02	
Net Cash Flow Generated From Investing Activities	(B)	(7041.99)		4172.00
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds/(Repayment) of Borrowings (Net)	(38383.58)		(5316.14)	
Lease Liability	(6.26)		(48.00)	
Repayment of Sub debt	-		(2,274.50)	
Interest Paid	(25813.46)		(25372.27)	
Net Cash Flow (Used in) Financing Activities	(C)	(64203.31)		(33010.91)
Net (Decrease) In Cash & Cash Equivalents (A+B+C)		3657.30		183.80
Opening Balance Of Cash & Cash Equivalents		4309.61		4125.81
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		7966.91		4309.61
COMPONENTS OF CASH & CASH EQUIVALENTS				
Cash On Hand		56.22		39.13
Balance In Current Account With Banks		7640.19		4270.48
Balance In Fixed Deposits		270.50		0.00
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		7966.91		4309.61

Notes:

1. All Figures in bracket are cash outflow.
2. The statement of cash flow has been prepared under indirect method as per Indian Accounting Standard -7 "Statement of Cash Flows".

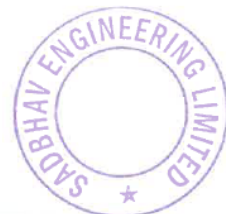


Notes :

- 1 The aforesaid consolidated audited financial results of Sadbhav Engineering Limited ('the Company' or 'holding Company') and its subsidiaries (holding Company together referred to as 'Group') for the quarter and year ended March 31, 2026 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their meeting held on May 30, 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 Auditor has carried out the Audit for the same.
- 2 The revenue from operations includes revenue from construction contracts of Rs.4,738.82 lakhs, Rs. 1,594.39 lakhs, Rs. 11,263.14 lakhs for quarter ended March 31, 2026, December 31, 2025 and March 31, 2025 respectively and Rs. 15,089.98 lakhs and Rs. 25,825.80 lakhs for the year ended March 31, 2026 and March 31, 2025 respectively 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 customers."

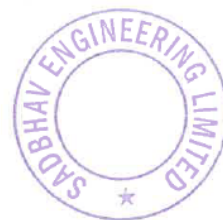
3 **Exceptional items include:**

Particulars	(Rs. in lakhs)				
	Quarter Ended			Year Ended	
	March 31,2026 (Audited)	December 31,2025 (Unaudited)	March 31,2025 (Audited)	March 31,2026 (Audited)	March 31,2025 (Audited)
Profit on account of sale of assets.	51.18	1,130.60	25.55	1,748.45	1,537.98
Amount written back on account of settlement of outstanding dues of the debenture holder of the Company	-	-	(110.44)	-	1,006.05
Amount written back on account of Amended Supplementary Debenture Trust Deed of the Sadbhav Infrastructure Project Limited (Refer Note 3.1)	-	-	-	-	5,023.00
Impairment in carrying value of sub-debt of the company by Sadbhav Maintenance Infrastructure Private Limited (Refer Note 3.2)	-	-	330.50	-	330.50
Provision for impairment in carrying value of subordinate debt of Sadbhav Udaipur Highway Limited (Refer Note 3.3)	(2,696.60)	-	(10,000.00)	(2,696.60)	(10,000.00)
Loss on sale of concession right and trade and other receivable written off in Sadbhav Udaipur Highway Limited (Refer Note 3.3)	(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 3.4)	19,910.60	(10,000.00)	-	9,910.60	-
Loss on sale of concession right and trade and other receivable written off in Sadbhav Rudrapur Highway Limited (Refer Note 3.4)	(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 3.5)	-	(3,982.70)	-	(3,982.70)	-
Reduction in accrued interest liabilities pursuant to implementation of Resolution Plan and MRA (Refer Note no. 3.6)	15,638.89	-	-	15,638.89	-



Particulars	Quarter Ended			Year Ended	
	March 31,2026 (Audited)	December 31,2025 (Unaudited)	March 31,2025 (Audited)	March 31,2026 (Audited)	March 31,2025 (Audited)
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)	-
	22,970.17	(12,852.10)	(9,754.39)	10,684.74	(2,102.47)

- 3.1 As per the amended and restated Supplementary Debenture Trust Deed dated August 28, 2024 the Sadbhav Infrastructure Project Limited (SIPL), a subsidiary has written back the finance cost to the extent amounting to Rs 5023.00 lakhs during the year ended March 31, 2025 and shown under exceptional items in these consolidated financial results.
- 3.2 In case of Sadbhav Maintenance Infrastructure Private Limited (SMIPL), one of the step down subsidiary of the Group which is a non-operational entity and has not been generating any revenue. In view of the subsidiary's continued non-operational status and lack of revenue-generating capacity, the Company has already written off the said sub-debt in earlier financial years. During the year ended March 31, 2025, SMIPL has also write back for the outstanding subordinated debt of Rs. 330.50 lakhs in its financial statements, reflecting the uncertainty over its ability to repay the obligation.
- 3.3 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. Since the conditions precedent to the harmonious substitution are under compliance, no adjustment to the carrying value of assets and liabilities related to this project have been made in these consolidated financial results, for which the statutory auditors of SUDHL have expressed qualified opinion of the financial statements for the year ended March 31, 2025 and qualified conclusion for the quarter and nine month ended December 31, 2025. 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. The Group has provided for Rs. 10000 lakhs in the books of accounts and disclosed as an exceptional item in the standalone audited financial results for the year ended March 31, 2025; written off Rs. 3367.60 lakhs towards subordinate debt and made impairment provision of Rs. 2696.60 lakhs towards investment in shares of the SUDHL during the quarter and year ended March 31, 2026.
- 3.4 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 RKCIP-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. The Company has written off Rs. 11616.50 lakhs towards subordinate debt and other receivable and made impairment provision of Rs. 100 lakhs towards investment in shares of the SRHL in the books of accounts and disclosed as an exceptional item in the standalone audited financial results for the year ended March 31, 2026 .

- 3.5 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. 3,982.70 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.
- 3.6 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. 622.70 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 lakhss. 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, March 31, 2025, quarter ended March 31, 2026, December 31, 2025, March 31, 2025, 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. In addition thereto ; during the quarter and year ended March 31, 2026 the statutory auditor of RPTPL have expressed qualified conclusion on the financial results in respect of carrying value of "Receivable from NHAI- Toll Collection Rights".

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 March 31, 2026

In this regard the management of RHTPL has lodged total claim amounting to INR 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 INR 3,6658 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 INR 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, March 31, 2025 and quarter ended March 31, 2026, December 31, 2025 and March 31, 2025, 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. In addition thereto ; during the quarter and year ended March 31, 2026 the statutory auditor of RHTPL have expressed qualified conclusion on the financial results in respect of carrying value of "Receivable from NHAI- Toll Collection Rights".

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	
		March 31,2026 (Audited)	December 31,2025 (Unaudited)	March 31,2025 (Audited)	March 31,2026 (Audited)	March 31,2025 (Audited)
1	Revenue from operations	5,883.09	3,450.81	3,677.60	16,783.53	21,053.10
2	Net Profit/(loss) before tax	8,863.19	(472.25)	(5,908.81)	6,688.30	(11,191.69)
3	Net Profit/(loss) after tax	2,944.09	(472.25)	(9,754.24)	1,337.85	(15,354.76)
4	Total comprehensive income for the Period/Year	2,950.45	(476.46)	(9,723.18)	1,351.63	(15,366.43)

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 its 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 Authority 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.
- 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 qualified opinion on financial statements for the quarter and year ended March 31, 2026 in respect of above Contract Assets of Rs. 35019.32 lakhs.
- 11 In one of the subsidiary of the group namely Sadbhav Bangalore Highway Private Limited (SBGHPL), the lenders of the 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 including ongoing project related cost variation claim. There is no further development in this matter.



(ii) Due to a malicious cyber-attack, Fastag services were disrupted across all 23 Border Check Posts (BCPs) of the Company from September 14, 2025 after 12 am in the morning. Major BCPs resumed operations within 2–3 days, and full restoration was achieved within 7–8 days. During the downtime, manual receipts were issued for service fee collections in cash, and in the cases where cash collection could not be done vehicle data was manually uploaded to the Fastag server to ensure complete revenue recovery. Appropriate controls were maintained to safeguard financial integrity.

(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 MBCPNL 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.

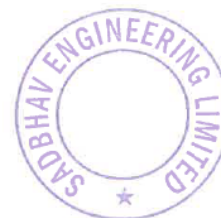
- 13 GST tax credit receivables amounting to Rs. 11949.20 lakhs are included in the consolidated books of accounts as at March 31, 2026 in respect of following subsidiaries. The management of the Group is evaluating various option for utilising above mention tax credits and is confident about the utilization of the credit. The statutory auditors of respective subsidiary Companies, have expressed qualified conclusion on the financial results for the quarter and year ended March 31, 2026 vide their independent audit report dated as mentioned below:

Name of step down Subsidiary Company	GST TAX Credit Receivables (Rs. In lakhs)	Date of Audit Report
Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.50	26th May, 2026
Sadbhav Bangalore Highway Private Limited (SBGHPL)	4,206.80	27th May, 2026
Sadbhav Vidarbha Highway Limited (SVHL)	5,034.50	27th May, 2026
Sadbhav Nainital Highway Limited (SNHL)	1,186.40	27th May, 2026
Total	11,949.20	

- 14 The Company had incurred losses during the preceding years, experienced delays/defaults in servicing its debt obligations, payment of certain statutory and other dues and reduction in revenue from operation. Further, the borrowings of the Company had been classified as Non-Performing Assets (NPA) by majority of the lenders, which indicated the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. In order to address its financial stress, the Company submitted a Resolution Plan to its consortium lenders under the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2019 dated June 7, 2019. (subsequently substituted by the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2025) (RBI Direction)

During the quarter ended March 31, 2026, the Restructuring Plan was approved and implemented by the consortium lenders in accordance with the Reserve Bank of India (Commercial Banks – Resolution of Stressed Assets) Directions, 2019 and the Company has executed the Master Restructuring Agreement.

The Resolution Plan, inter alia, 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. Further, the Company continues to possess the requisite technical expertise, execution capabilities, financial qualifications and pre-qualification credentials required for participation in infrastructure projects and has commenced the process of evaluating and bidding for new projects.





Based on the successful implementation of the Restructuring Plan, the restructuring of debt obligations, the expected realization of receivables and other assets and the management's assessment of future business opportunities and projected cash flows, the 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, notwithstanding the existence of material uncertainty, the accompanying financial results for the quarter and year ended March 31, 2026 have been prepared on a going concern basis.

- 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. 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.

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). In context to outstanding series NCD-II amounting to Rs. 44411 lakhs, 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.

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.

- 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. Company has filed revision applications with the office of Joint Director, Department of Mining and Geology, Mysore pursuant to the Rule 53 of The Karnataka Minor Mineral Concession Rules, 1994 and amendments thereon from time to time. The same is under the consideration with the respective authorities. The management believes that demand is not sustainable and hence no provision is required in respect thereof.



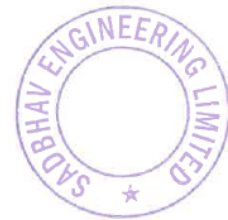


- 17 The Board of Directors of the Company had approved the Sadbhav Engineering Limited Employee Stock Option Scheme, 2024 ("ESOP 2024") at its meeting held on August 14, 2024, which was subsequently approved by the shareholders of the Company on September 30, 2024. The Company received in-principle 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 Based Employee Benefits and Sweat Equity) Regulations, 2021.

- 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 a. The Company had issued Corporate Guarantee in respect of Non-Convertible Debentures ("NCDs") raised by Sadbhav Infrastructure Project Limited ("SIPL"). The debenture holders of SIPL have initiated legal proceedings and invoked the said Corporate Guarantee. Further, an application under the Insolvency and Bankruptcy Code, 2016 has been filed against the Company, which is currently pending before the Hon'ble NCLT, New Delhi. Considering the current status of the matter and uncertainty associated with the outcome of the proceedings, no adjustment has been made in the financial statements for the year ended March 31, 2026.
- b. In case of Sadbhav Hybrid Annuity Projects Limited (SHAPL), one of the step down subsidiary of the Group, 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. Since the outcome of the aforesaid matter is presently uncertain, no adjustment is required in the financial statements of SHAPL for the year ended on March 31, 2026.
- 20 a. As at March 31, 2026, the outstanding amount of unlisted non-convertible debentures of the Sadbhav infrastructure Project Limited, subsidiary of the Company 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.





b.As at March 31, 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.

c. 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 redeemed 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.

22 The figures for the quarter ended March 31, 2026 are balancing figures between the audited figures in respect of the full financial year up to March 31, 2025 and the unaudited published year to date figures up to third quarter ended December 31, 2025, being the date of the end of the third quarter of the financial year which were subjected to limited review.

23 Consolidated Audited Statement of Cash flow for the year ended March 31, 2026 and March 31, 2025 is given in Annexure I.

For SADBHAV ENGINEERING LIMITED



Shashin V. Patel
Chairman and Managing Director
DIN: 00048328
Place : Ahmedabad
Date : May 30, 2026

ANNEXURE I

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Consolidated)**

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (INR in Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (INR in Lakhs)
	1.	Turnover / Total income	106610.73	Not ascertainable
	2.	Total Expenditure	99508.17	
	3.	Exceptional Items	10684.74	
	4.	(Loss) After Tax	9468.95	
	5.	Earnings Per Share	1.53	
	6.	Total Assets	453632.71	
	7.	Total Liabilities (excluding Net Worth)	586940.89	
	8.	Net Worth	-913.08	
	9.	Any other financial item(s) (as felt appropriate by the management)	-	
II.	Audit Qualification (each audit qualification separately):			
	<p>1. We refer to 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 March 31, 2026, relating to closed, substantially closed, or suspended projects. The Company is at various stages of negotiation/ discussion with the clients or matters under arbitration/litigation in respect of aforementioned receivables.</p> <p style="text-align: center;">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 statement.</p> <p>However, we were unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates</p>			

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

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 as at and for the quarter and year ended March 31, 2026.

2. The Holding Company has not complied with the requirements of Section 203 of the Companies Act, 2013 read with the applicable rules framed thereunder due to the non-appointment of Chief Financial Officer (CFO) with effect from April 8, 2024. The financial impact of this non-compliance is not ascertainable

We have expressed qualified opinion on the standalone financial Results and Standalone financial statement of the Holding Company for the quarter and year ended on March 31, 2026 and March 31, 2025 and qualified conclusion on the Standalone financial results for the quarter ended on December 31, 2025 in respect of above matters.

3. Accompanying consolidated financial results include audited financial results / information of Sadbhav Infrastructure Project Limited, a subsidiary Company, whose audited consolidated financial results / financial information reflect total revenue of Rs 17,512.60 Lakhs and Rs 82,739.80 Lakhs , total net profit after tax of Rs 8,594.30 Lakhs and Rs 4,510.20 Lakhs and total comprehensive income of Rs 8,491.20 Lakhs and Rs 4,390.70 Lakhs for the quarter and year ended March 31, 2026

4. As detailed in Note no. 4 & 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 rupee term loan from banks and financial institutions have not been accounted considering the fact that both subsidiaries have issued termination notices and lenders of both step down subsidiaries have classified all the secured borrowings as non-performing assets. This has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained. Further financial statement of RPTPL and RHTPL are prepared on non-going concern basis.

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

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

5. As detailed in Note No. 3.3 to the Consolidated Financial Results in respect of Sadbhav Udaipur Highway Limited (Concessionaire or SUDHL), step down subsidiary of the Group in which SUDHL has entered into endorsement agreement for harmonious substitution of the Concessionaire in favor of new concessionaire. Further, information regarding management's plans for undertaking alternative business activities 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 the financial statement of SUDHL for the year ended March 31, 2026 regarding material uncertainty relating to going concern.

6. As detailed in Note No 13 to the accompanying statement, tax credits amounting to Rs 11,949.20 lakhs are included in the consolidated Balance sheet under the Other Current Assets in respect of following step down subsidiaries.

S r N o	Name of Step Down Subsidiary	Amount of Tax Credit in Lakhs
1	Sadbhav Vidarbh Highway Limited (SVHL)	5,034.50
2	Sadbhav Banglore Highway Private Limited (SBGHPL)	4,206.80
3	Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.50
4	Sadbhav Nainital Highway Limited (SNHL)	1,186.40
	Total	11,949.20

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

	<p>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.</p> <p>In respect SBGHPL, we have qualified our audit opinion on financial statements for the year ended March 31, 2026 and March 31, 2025 as well as qualified review conclusion on financial results for the quarter ended December 31, 2025.</p> <p>The auditors of SJRRPL, SVHL and SNHL have qualified their audit opinion on financial statements for the year ended March 31, 2026 and March 31, 2025 as well as qualified review conclusion on financial results for the quarter ended December 31, 2025.</p>
	a. Type of Audit Qualification: Modified
	b. Frequency of qualification: Repetitive
	c. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	d. For Audit Qualification(s) where the impact is not quantified by the auditor:
	<p>1. Contract Assets of Rs. 35019.32 lakhs and other non-current financial assets of Rs. 14789.09 outstanding as at March 31, 2025 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 qualified opinion on financial results for the quarter and year ended March 31, 2025 in respect of above Contract Assets of Rs. 35019.32 lakhs.</p>



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

2. To ensure effective financial and internal control and discipline in the company the board of directors have appointed Mr. Hitesh Chelani as a Chief Financial Officer (CFO) of the company w.e.f. 30-05-2026 under section 203 of companies Act, 2013 and relevant SEBI (LODR) Regulations, 2015.
3. The Company has investment in Sadbhav Infrastructure Project Limited (SIPL) amounting Rs. 54864.44 lakhs and loan given amounting Rs. 32938.49 lakhs as on March 31, 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 assesment 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 receoverable 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 financial results for the quarter ended December 31, 2025 in respect of investment in equity shares of Sadbhav Infrastructure Project Limited (SIPL) and loan given to SIPL

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 Highway 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.

The management of RPTPL has lodged a total claim amounting to Rs. 193792 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)



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

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. 89020 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. 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 alongwith 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. During the

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

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, 2025 and March 31, 2024, 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 on financial statements in this regards.

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.

In this regard the management of RHTPL has lodged total claim amounting to Rs. 192871 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. 3,6658 lakhs. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are currently ongoing. The current stage of arbitral proceeding is of Arguments which are ongoing.

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 alongwith 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.

During the quarter ended on 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).

uring the year ended March 31, 2025 and March 31, 2024, RHTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

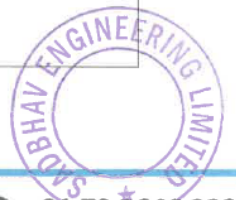
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

as well as loan from group Company since the lenders of RHTPL has classified borrowing as NPA and financial statements are prepared on nongoing concern basis, for which the statutory auditors of RHTPL have expressed qualified opinion on the financial statements in this regards.

5. 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. Since the conditions precedent to the harmonious substitution are under compliance, no adjustment to the carrying value of assets and liabilities related to this project have been made in these consolidated financial results, for which the statutory auditors of SUDHL have expressed qualified opinion of the financial statements for the year ended March 31, 2025 and qualified conclusion for the quarter and nine month ended December 31, 2025.


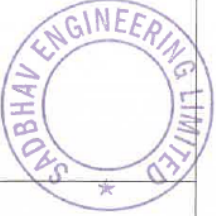

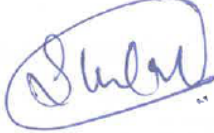


The Final approval of the NHAI is received and company has signed endorsement agreement date February 27, 2026 with NHAI, Trustee of Lenders and SPV of nominated company. Accordingly all project assets and Liabilities has been transferred to nominated SPV. The Group has provided for Rs. 10000 lakhs in the books of accounts and disclosed as an exceptional item in the standalone audited financial results for the year ended March 31, 2025; written off Rs. 3367.60 lakhs towards subordinate debt and made impairment provision of Rs. 2696.60 lakhs towards investment in shares of the SUDHL during the quarter and year ended March 31, 2026.



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

	<p>6. GST tax credit receivables amounting to Rs. 11949.20 lakhs are included in the consolidated books of accounts as at March 31, 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.</p>
	<p>(i) If management is unable to estimate the impact, reasons for the same:</p>
	<p>(ii) Auditors' Comments on (i) or (ii) above: Refer details of audit qualification vide [para II (a) above]</p>



<p>III. Signatories:</p>	
<ul style="list-style-type: none"> Chairman and Managing Director - Mr. Shashin V. Patel 	 
<ul style="list-style-type: none"> CFO – Mr. Hitesh Chelani 	
<ul style="list-style-type: none"> Audit Committee Chairman - Mrs. Shefali Manojbhai Patel 	
<ul style="list-style-type: none"> Statutory Auditors <p>Mr. Devansh Gandhi Partner Membership Number: 129255 For Manubhai & Shah LLP Chartered Accountants ICAI Firm Registration Number:106041 W /W100136</p>	 
<p>Place: Ahmedabad Date: 30-05-2026</p>	

Manubhai & Shah LLP

Chartered Accountants

INDEPENDENT AUDITORS' REPORT ON THE AUDIT OF CONSOLIDATED QUARTERLY AND ANNUAL FINANCIAL RESULTS PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

To

The Board of Directors of Sadbhav Engineering Limited

Report on the audit of Consolidated Financial Results

Qualified Opinion

We have audited the accompanying Statement of Consolidated Financial Results of Sadbhav Engineering Limited ("Holding Company" or the "Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and for the year ended March 31, 2026 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries, the consolidated financial results:

(i) include the results of the following entities:

Holding Company:

Sadbhav Engineering Limited

Subsidiaries:

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

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)

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878
Regd. Office : 4th Floor, Capital One, Opp. Ashok Vatika BRTS Stop, Ambli Bopal Road, Ahmedabad - 380058,
Gujarat, India. Phone : +91-79-2647 0000, +91-79-4107 0800

Email : info@msglobal.co.in

Website : www.msglobal.co.in

Ahmedabad • Mumbai • New Delhi • Rajkot • Jamnagar • Baroda • GIFT City • Udaipur • Indore • Surat • Pune



- (ii) except for the possible effect of the matters described in basis for qualified opinion of section of our report is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) except for the possible effect of the matters described in basis for qualified opinion of section of our report gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India of the consolidated net profit, consolidated other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2026.

Basis for Qualified Opinion

A. In respect of Holding Company

1. We refer to 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 March 31, 2026, relating to closed, substantially closed, or 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 statement.

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 as at and for the quarter and year ended March 31, 2026.

2. The Holding Company has not complied with the requirements of Section 203 of the Companies Act, 2013 read with the applicable rules framed thereunder due to the non-appointment of Chief Financial Officer (CFO) with effect from April 8, 2024. The financial impact of this non-compliance is not ascertainable.



We have expressed qualified opinion on the standalone financial Results and Standalone financial statement of the Holding Company for the quarter and year ended on March 31, 2026 and March 31, 2025 and qualified conclusion on the Standalone financial results for the quarter ended on December 31, 2025 in respect of above matters.

B. In respect of Subsidiary and Step Down Subsidiaries:

Accompanying consolidated financial results include audited financial results / information of Sadbhav Infrastructure Project Limited, a subsidiary Company, whose audited consolidated financial results / financial information reflect total revenue of Rs 17,512.60 Lakhs and Rs 82,739.80 Lakhs , total net profit after tax of Rs 8,594.30 Lakhs and Rs 4,510.20 Lakhs and total comprehensive income of Rs 8,491.20 Lakhs and Rs 4,390.70 Lakhs for the quarter and year ended March 31, 2026.

Auditors of said subsidiary of the Group, based on their audit, have issued qualified opinion on Consolidated Financial Results for the quarter and year ended on March 31, 2026 in their report dated May 27, 2026 in respect of following matters:

- (i) Auditors of seven step-down subsidiaries of the Group, based on their audit, have issued qualified opinion on financial results for the quarter and year ended March 31, 2026 as detailed hereunder:
1. As detailed in Note no. 4 & 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 rupee term loan from banks and financial institutions have not been accounted considering the fact that both subsidiaries have issued termination notices and lenders of both step down subsidiaries have classified all the secured borrowings as non-performing assets. This has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained. Further financial statement 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 year ended March 31, 2026 and March 31, 2025, as well as qualified review conclusion on financial results for the quarter ended December 31, 2025 in respect of this matter.



2. As detailed in Note No. 3.3 to the Consolidated Financial Results in respect of Sadbhav Udaipur Highway Limited (Concessionaire or SUDHL), step down subsidiary of the Group in which SUDHL has entered into endorsement agreement for harmonious substitution of the Concessionaire in favor of new concessionaire. Further, information regarding management's plans for undertaking alternative business activities 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 the financial statement of SUDHL for the year ended March 31, 2026 regarding material uncertainty relating to going concern.

3. As detailed in Note No 13 to the accompanying statement, tax credits amounting to Rs 11,949.20 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 in Lakhs
1	Sadbhav Vidarbh Highway Limited (SVHL)	5,034.50
2	Sadbhav Banglore Highway Private Limited (SBGHPL)	4,206.80
3	Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.50
4	Sadbhav Nainital Highway Limited (SNHL)	1,186.40
	Total	11,949.20

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 SBGHPL, we have qualified our audit opinion on financial statements for the year ended March 31 ,2026 and March 31, 2025 as well as qualified review conclusion on financial results for the quarter ended December 31, 2025.

The auditors of SJRRPL, SVHL and SNHL have qualified their audit opinion on financial statements for the year ended March 31 ,2026 and March 31, 2025 as well as qualified review conclusion on financial results for the quarter ended December 31, 2025.



We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

Material uncertainty related to going concern

We draw attention to Note 14 to the accompanying Consolidated Financial Results, which indicates that the Company currently has no EPC contracts in hand, has not mobilized for any new EPC work, and consequently there is no operational cash inflow from EPC activities as at the reporting date. The Company is incurring operating losses, primarily due to fixed costs, 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 opinion is not modified in respect of this matter.

Emphasis of Matters

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 management of the Holding Company and Subsidiary Company are contesting the claims for additional amount by the vendors and they believe that such claims are not tenable and does not require provision in books of accounts.

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 May 27, 2026 on Consolidated Financial Results have given the Emphasis of Matter paragraph as under:



We draw attention to:

- a. Note No. 4 & 5 to the accompanying Consolidated Financial Results with respect to preparation of financial statement of Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hissar Tollway Private Limited (RHTPL) step-down subsidiaries of the Group, on non-going concern basis on account of issue of termination notice by RPTPL and RHTPL to Nation 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.
 - The lenders have filed a recovery case before the DRT, Ahmedabad. Subsequently, the consortium has assigned all outstanding debt and related securities to NARCL under a deed of assignment.
 - The majority arbitration award dated January 23, 2025 granted Rs. 1,08,054.50 lakhs in favor of RPTPL, which both parties have challenged before the Hon'ble Delhi High Court. In the Competing Road matter, the majority award dated May 30, 2023 favored NHAI, while a minority award dated June 5, 2023 supported RPTPL's claim of Rs. 85,098.00 lakhs; this too is under challenge before the Hon'ble Delhi High Court.
- b. Note No. 12(i) to the accompanying Consolidated financial results, relating to the termination notice, in respect of Concession Agreement issued by Government of Maharashtra (GOM) to the Maharashtra Border Check Post Network Limited (MBCPNL), Step-down Subsidiary. MBCPNL has contested the termination notice Based on its assessment, MBCPNL is confident of a favorable resolution, including settlement of the ongoing project-related cost variation claim.
- c. Note No. 12(ii) to the accompanying Consolidated Financial Results, which describes a disruption in Fastag services across all 23 Border Check Posts of MBCPNL due to a malicious cyber-attack on September 14, 2025. The management of MBCPNL has implemented manual processes to ensure continuity of revenue collection and has taken necessary steps to recover and reconcile the revenue for the affected period.
- d. Note No. 12(iii) to the 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") for acquiring equity shares of the MBCPNL by ARTL.



- e. Note no 11 to the accompanying Consolidated Financial Results regarding Original Application filed by State Bank of India & Bank of India against the Sadbhav Bangalore Highway Private Limited, one of the step-down subsidiaries of the group, for recovery of balance outstanding loan which has been challenged by the Company on various grounds.
- f. Note no. 9 to the accompanying Unaudited Consolidated Financial Results in respect of Sadbhav Nainital Highway Limited (Concessionaire or SNHL), a step-down subsidiary of the Group in which case SNHL has executed agreements in July and August 2023, approved by NHAI, for its substitution by a new concessionaire, transferring the project and related assets for a consideration of Rs 9000 lakhs. Accordingly, the financial statements has been prepared on a non-going concern basis.
- g. Note No 3.4 to the accompanying Consolidated Financial Results, in respect of Sadbhav Rudrapur Highway Limited (Concessionaire or SRHL), a 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), IndusInd Bank Limited (representative of lenders), and NHAI, for substitution of the company 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 company, have been transferred to the new concessionaire. As disclosed in the said note, the financial statements have been prepared on a non-going concern basis.
- h. Note No. 3.5 to the accompanying Consolidated Financial Results regarding the agreement entered into by Sadbhav Kim Expressway Private Limited (SKEPL), one of the step-down subsidiary of the Group, with Sadbhav Engineering Limited (SEL) at an agreed consideration on the basis of valuation report from independent valuer for transfer of its business undertaking on slump sale basis and resultant write off of net carrying value of assets and liabilities as exceptional loss.
- i. Note No. 20(b) to the Consolidated Financial Results relates to a corporate guarantee issued by Sadbhav Hybrid Annuity Projects Limited (SHAPL), a step-down subsidiary of the Group, in respect of non-convertible debentures raised by Sadbhav Infrastructure Project Limited (SIPL), a subsidiary company. The debenture holder of SIPL has initiated legal proceedings and invoked the corporate guarantee. Further, an application under the Insolvency and Bankruptcy Code, 2016 has been filed against SHAPL and is currently pending before the National Company Law Tribunal, New Delhi.

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



Responsibilities of Management and those charged with governance for the Consolidated Financial Results

The Consolidated Financial Results have been prepared on the basis of the consolidated annual financial statements of the Company for the year ended March 31, 2026. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that gives a true and fair view of the consolidated net profit, consolidated other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2026 in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations.

The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

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

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



- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entity included in the Consolidated Financial Results, which have been audited by other auditor, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the Circular issued by the Securities Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

- a. The Consolidated Financial Results include the audited financial results and other financial information, in respect of 1 subsidiary and 11 step-down subsidiary companies, whose financial results reflect total assets (before consolidation adjustments) of Rs.4,05,656.28 Lakhs as at March 31, 2026, total revenues (before consolidation adjustments) of Rs. 9,942.80 Lakhs and Rs. 36,996.54 Lakhs, total net profit/(loss) after tax (before consolidation adjustments) of Rs. 497.56 Lakhs and (Rs. 10,973.29) Lakhs, total comprehensive income of (before consolidation adjustments) Rs. 520.26 Lakhs and (Rs. 10,950.59) Lakhs for the quarter ended March 31, 2026 and year ended March 31, 2026 respectively and net cash inflows (before consolidation adjustments) for year ended March 31, 2026 of Rs. 464.31 Lakhs, as considered in the Statement which have been audited by its respective independent auditors.



The independent auditor's report on the Consolidated Financial Results of these entities have been furnished to us by the management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and step-down subsidiary companies, is based solely on the reports of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- b. The Consolidated Financial Results include the Results for the quarter ended March 31, 2026 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

Place: Ahmedabad

Date: May 30, 2026



For Manubhai & Shah LLP
Chartered Accountants
Firm Regn No.:106041W/W100136

Devansh Gandhi
Partner
Membership No.: 129255
UDIN: 26129255VYOREO6352