

INDEPENDENT AUDITOR'S REPORT



To,
The Members of

Sadbhav Hybrid Annuity Projects Limited,

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Sadbhav Hybrid Annuity Projects Limited ("the Company"), which comprise the Balance sheet as at March 31 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with





Our opinion is not modified in respect of this matter.

The matter as described in the Emphasis of Matter paragraph, the outcome of these proceedings is uncertain and may have a significant impact on the financial position of the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Going Concern

Our opinion is not modified in respect of this matter.

The outcome of the aforesaid matter is presently uncertain. However, based on the information and explanations provided, management has concluded that no adjustment is required in the financial statements.

Delhi.

We draw attention to Note 14 and 22 to the financial statements regarding the corporate guarantee issued by the Company in respect of Non-Convertible Debentures raised by its holding company, SADBHAV Infrastructure Projects Limited (SIPL). The debenture holders of SIPL have initiated legal proceedings and have also invoked the said corporate guarantee. An application under the Insolvency and Bankruptcy Code, 2016 has been filed against the Company, which is currently pending before the National Company Law Tribunal, New

Emphasis on Matter

statements.

and appropriate to provide a basis for our qualified audit opinion on the financial statements. ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient fulfilled our other ethical responsibilities in accordance with these requirements and the statements under the provisions of the Act and the Rules made thereunder, and we have with the independence requirements that are relevant to our audit of the financial the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together



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

specified under section 133 of the Act.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Based on the work we have performed, we conclude that there is no material misstatement of other information, we have nothing to report in this regard.

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

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Ind AS financial statements and our auditor's report thereon.

Information other than the Ind AS financial statements and auditors' report thereon



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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the



company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the Ind AS financial statement that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the Ind AS financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of audit work and in evaluating the result of our work; and (ii) to evaluate the effect of any identified misstatement in the Ind AS financial statement.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with



them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.



- (e) On the basis of the written representations received from the directors as on 31st March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the act as amended:
- In our opinion and to the best of our information and according to the explanations given to us provisions of section 197 are applicable to the company for the financial year ended on 31st March 2026 and complied with the same.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – as on date there was no pending litigation and hence no impact has been given to Ind AS financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The company has not paid any interim dividend during the year and hence the provisions of section 123 of the Companies Act, 2013 are not applicable to the company.



vi. Based on our examination, the company, has used accounting software for maintaining its books and accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Date: 24/04/2026

Place: Ahmedabad

FOR O R MALOO & CO.

(Chartered Accountants)

Reg No. : 135561W

CA OMKAR MALOO

Partner

M. No.: 044074

UDIN: 26044074SSMLY12579



"Annexure A" to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Sadbhav Hybrid Annuity Projects Limited.

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

We have audited the internal financial controls over financial reporting of **Sadbhav Hybrid Annuity Projects Limited**, as of March 31, 2026, in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and





Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Meaning of Internal Financial Controls over Financial Reporting

Our audit involves performing procedures to obtain audit evidence amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

Date: 24/04/2026

Place: Ahmedabad

FOR O R MALOO & CO.

(Chartered Accountants)

Reg No.: 135561W

CA OMKAR MALOO

Partner

M. No.: 044074



Annexure - B to the Independent Auditors' Report

Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020)
for the year ended on 31st March 2025

To,

The Members of

Sadbhav Hybrid Annuity Projects Limited

I. Property, Plant and Equipment

a. The Company had no property plant and equipment during and at the year end. Therefore, the reporting requirements of paragraph 3(i)(a),(b) & (d) of the Order are not applicable.

c. According to the information and explanation are given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

II. Inventory

As the Company was incorporated to provide, develop, own, maintain, operate, instruct, execute, carry out, improve, construct, repair, work, administer, manage, control or acquire, any infrastructure facilities including but not limited to roads, bridges, airports, ports, waterways, rail system, highway projects, water supply projects, pipelines, sanitation and sewerage systems, supply and distribution of electricity, power projects, other works or convenience, and does not hold any inventory and hence this clause is not applicable.

III. Loans and Advances granted

During the year, the Company has not made any investment in, however, have provided corporate guarantee to its holding company, except that the company has not provided any guarantee or security to companies, firms, limited liability partnerships or any other parties.





We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records maintained by the company as the same are not applicable.

VI. Cost Record

The Company has not accepted any deposits or amounts which are deemed to be deposited from the public. Accordingly, clause 3(v) of the Order is not applicable.

V. Deposits

The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

IV. Compliances with Sections 185 and 186 in case of loans, investments, guarantees and security

f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable

e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

d) In respect of loans granted by the Company, there is no amount overdue for more than 90 days at the balance sheet date.

c) In respect of loans, the schedule of repayment of principal and payment of interest has been not stipulated as no loan granted. No repayments of principal or interest was due in the current year.

b) The terms of the grant of the loan, guarantees are not prejudicial to the Company's interest. The Company has not made any investment, provided any guarantee or given security.

Sr. No.	Guarantee Nature	Name of Entity	Amount
1	Corporate Guarantee	Sadbhav Infrastructure Projects Limited (Holding Company)	Rs. 1426.00 Million

a) The Company has not provided loans during the year. The details of guarantees issued are given below:



VII. Statutory Dues

a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities. There were no undisputed amounts payable in respect of except as mentioned in the table below, Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2026, for a period of more than six months from the date they became payable.

Sr. No.	Nature of Undisputed Statutory Dues	Amount
1	INTEREST AND LATE FEES PAYABLE ON TDS - 2022	3,82,258.00

b) There were no cases where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, hence, the clause is not applicable.

VIII. Income tax Assessment

According to the information and explanations are given to us and on the basis of our examination of the records, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

IX. Dues To Financial Institutions/Banks

a) According to the information and explanations are given to us and on the basis of our examination of the records, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest during the year.

b) According to the information and explanations are given to us and based on our examination of the records, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

c) According to the information and explanations are given to us and based on our examination of the records, the Company has not obtained fresh term loans during the year.

d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on a short-term basis by the Company are used for the said purpose only.

e) The Company has not taken any funds from any entity/person on account of or to meet the obligation of its subsidiaries, associates or joint ventures during the year ended 31st March 2026.



According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

XIII. Compliances with Sections 177 and 188 in case of transactions with related parties

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

XII. Nidhi Companies

- c) During the year under audit, we have not received any complaints under the whistle-blower mechanism.
- b) In the absence of any fraud, there is no requirement to submit ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

a) Based upon the audit procedures performed and according to the information and explanations given to us by the management, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the company or on the company by its officers/employees has been noticed or reported during the course of the audit.

XI. Frauds

- b) According to the information and explanations are given to us and on the basis of our examination of the records of the Company, the Company has not made preferential allotment of equity shares during the year under audit, in compliance with the requirements of Section 42 of the Companies Act, 2013.
- a) The Company has not raised any money by way of an initial public offer or further public offer. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

X. Application of Initial Public Offer

- f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, so this clause is not applicable.



XIV. Internal Audit

- a) Based on information and explanations provided to us and our audit procedures, in our opinion, The internal audit system of the Company is commensurate with the size and nature of its business as the internal audit is carried out by the management.
- b) We have not considered the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedure.

XV. Compliances with Sections 192 in case of non-cash transactions with Directors

In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, paragraph 3(xv) of the Order is not applicable.

XVI. Registration with RBI

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

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

- c) The Company is not the Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India Accordingly, clause 3(xvi)(c) of the Order is not applicable.

- d) Accordingly, to the information and explanations provided to us during the course of the audit, Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

XVII. Cash Losses

The Company has incurred cash losses of Rs. 0.05 million during the year under audit and in the immediately preceding financial year Rs. 1.61 million.

XVIII. Resignation of Statutory Auditor

There has been no resignation of the statutory auditors during the year and accordingly clause 3 (xviii) of the Order is not applicable.

XIX. Financial Viability

According to the information and explanations are given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there is a material uncertainty regarding the company's ability to meet its financial liabilities as and when they fall due within a period of one year from the balance sheet date. Further, the matter as described in the Emphasis of Matter paragraph, the outcome of proceedings is uncertain and may have a significant impact on the financial position of the Company. These conditions indicate the existence of a material uncertainty. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

XX. Corporate Social Responsibility

The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of subsection (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

XXI. Consolidated Financial Statements

The Company does not have any subsidiary or associate company and hence this clause is not applicable.

FOR O R MALOO & CO.
(Chartered Accountants)
Reg No.: 0135561W

CA OMKAR MALOO
Partner

M. No.: 044074



Date: 24/04/2026
Place: Ahmedabad

Sadbhav Hybrid Annuity Projects Limited CIN : U45500DL2018PLC335787 Balance Sheet as at March 31, 2026 (INR in Million)			
Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
1			
Current Assets			
(a) Financial Assets	5	0.01	0.01
Cash and Cash Equivalents		0.01	0.01
Total Current Assets		0.01	0.01
Total Assets		0.01	0.01
EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share Capital	6	0.50	0.50
(b) Other Equity	7	(2.68)	(2.63)
Total Equity (A)		(2.18)	(2.13)
2. LIABILITIES			
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	8	-	-
-Total outstanding dues to Micro Enterprises and Small Enterprises		0.05	0.16
-Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	9	1.76	1.59
(ii) Other Financial Liabilities	10	0.38	0.39
(b) Other Current Liabilities		2.19	2.14
Total Current liabilities (B)		2.19	2.14
Total Equity and Liabilities (C) = (A) + (B)		0.01	0.01
Material Accounting Policies			
1 to 4			
1 to 26			
Accompanying notes are an integral part of the financial statements			
As per our report of even date attached			
For O R Maloo & Co.			
Chartered Accountants			
ICAI Firm Registration No. 0135561W			
CA Omkar Maloo			
Partner			
Membership No. 044074			
Place: Ahmedabad			
Date: April 24, 2026			
OR MALOO & CO.			
4TH FLOOR, SHAIVAL PLAZA, GUJARAT COLLEGE RD., AHMEDABAD - 6.			
CHARTERED ACCOUNTANTS			
SADBHAV HYBRID ANNUITY PROJECTS LIMITED			
For & On behalf of the Board of Directors of			
Sadbhav Hybrid Annuity Projects Limited			
Rajat Mondal			
Director			
DIN: 09811116			
Place: Ahmedabad			
Date: April 24, 2026			
Mohit Aggarwal			
Director			
DIN: 08249992			

Sadbhav Hybrid Annuity Projects Limited									
CIN : U45500DL2018PLC335787									
Statement of Profit and Loss for the year ended March 31, 2026									
(INR in Million)									
Particulars									
Note No.									
For the year ended									
March 31, 2026									
March 31, 2025									
INCOME									
I Revenue From Operations									
II Other Income									
III Total Income (I+II)									
EXPENSES									
Finance Cost									
Other Expenses									
IV Total Expenses									
V (Loss) before tax and exceptional item (III-IV)									
VI Exceptional item									
VII Profit/(Loss) before tax (V+VI)									
VIII Tax expenses									
IX Profit/(Loss) for the period/year (VII-VIII)									
X Other Comprehensive Income for the year									
Total Comprehensive Income for the year (IX+X)									
Earnings/(Loss) Per Share (Nominal Value of share INR 10/-)									
Basic & Diluted									
Material Accounting Policies									
1 to 4									
1 to 26									
Accompanying notes are an integral part of the financial statements									
As per our report of even date attached									
For O R Maloo & Co.									
Chartered Accountants									
ICAI Firm Registration No. 0135561W									
									
CA Omkar Maloo									
Partner									
Membership No. 044074									
Place: Ahmedabad									
Date: April 24, 2026									
									
Sadbhav Hybrid Annuity Projects Limited									
									
Rajat Mondal									
Director									
DIN: 09811116									
Mohit Aggarwal									
Director									
DIN: 08249992									
Place: Ahmedabad									
Date: April 24, 2026									
For & On behalf of the Board of Directors of									
Sadbhav Hybrid Annuity Projects Limited									

Sadbhav Hybrid Annuity Projects Limited
Statement of Cash Flows for the year ended March 31, 2026

Particulars	Year ended March 31, 2026 (INR in Million)	Year ended March 31, 2025 (INR in Million)
(A) Cash flows from operating activities		
Profit/(Loss) before Tax	(0.05)	(1.61)
Adjustments to reconcile profit before tax to net cash flows:		
Unwinding of discount on interest free loan received from Holding Company	-	-
Exceptional item	-	-
Operating Loss before working capital changes	(0.05)	(1.61)
Working Capital Changes:		
Increase/(Decrease) in other current assets	-	-
Increase/(Decrease) in other current liabilities	0.17	-
Increase/(Decrease) in trade payables	(0.11)	0.07
Increase/(Decrease) in other current liabilities	(0.01)	-
Cash flow (used in) operating activities	(0.00)	(0.01)
(+)/(-) : Tax Paid (Net of Refund)	-	-
Net cash flow (used in) operating activities	(0.00)	(0.01)
(A)		
(B) Cash flows from investing activities		
Net cash generated from/(used in) investing activities	-	-
(B)		
(C) Cash flows from financing activities		
Net cash flows generated from/(used in) financing activities	-	-
Net decrease in cash and cash equivalents	(0.00)	(0.01)
Cash and cash equivalents at beginning of the year	0.01	0.02
Cash and cash equivalents at end of the year	0.01	0.01
(A + B + C)		

(i) Components of cash and cash equivalents (Refer note 5)

Cash on hand	-	0.01
Balances with banks	-	0.00
in current accounts	-	0.01
Total Cash and cash equivalents	-	0.01

Reconciliation of Financial Liabilities	As at	Cash flows	Finance Cost	Non - Cash	Adjustments	Transaction cost	As at
(F.Y 2025-26)	March 31, 2025	-	-	-	-	-	March 31, 2026
Long Term Borrowings	-	-	-	-	-	-	-

Reconciliation of Financial Liabilities	As at	Cash flows	Finance Cost	Non - Cash	Adjustments	Transaction cost	As at
(F.Y 2024-25)	March 31, 2024	-	-	-	-	-	March 31, 2025
Long Term Borrowings	-	-	-	-	-	-	-

(iii) The Statement of cash flows has been prepared under indirect method as per Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

(iv) Figures in brackets represent cash outflows.

As per our report of even date attached
For O R Maloo & Co.
Chartered Accountants
ICAI Firm Registration No. 0135561W

[Signature]

CA Omkar Maloo
Partner
Membership No. 044074

Place: Ahmedabad
Date: April 24, 2026



Rajat Mondal
Director
DIN: 09811116

[Signature]

For & On behalf of the Board of Directors of
Sadbhav Hybrid Annuity Projects Limited

Mohit Aggarwal
Director
DIN: 08249992

[Signature]

Sabbhav Hybrid Annuity Projects Limited
Statement of Changes in Equity for the year ended March 31, 2026

Equity shares of INR 10 each issued, subscribed and fully paid		March 31, 2026		March 31, 2025	
No of Shares	Amount (INR in Million)	No of Shares	Amount (INR in Million)	No of Shares	Amount (INR in Million)
50,000	0.50	50,000	0.50	50,000	0.50
Balance at the beginning of the year		50,000	0.50	50,000	0.50
Changes in the equity share capital during the year due to prior period errors	-	-	-	-	-
Restated Balance at the beginning of the year		50,000	0.50	50,000	0.50
Changes in the equity share capital during the year		-	-	-	-
Balance at the end of the year		50,000	0.50	50,000	0.50

B Other Equity

Particulars		Equity	
Component of Retained Earnings	Compound Financial Instrument	Equity	Total other equity
		Equity	Total other equity
As at the April 01, 2024	(1.02)	(1.02)	(1.02)
Adjustment	-	-	-
Profit for the year (Refer Note 23)	(1.61)	(1.61)	(1.61)
As at the March 31, 2025	(2.63)	(2.63)	(2.63)
As at the April 01, 2025	(2.63)	(2.63)	(2.63)
Adjustment	-	-	-
(Loss) for the year	(0.05)	(0.05)	(0.05)
As at the March 31, 2026	(2.68)	(2.68)	(2.68)

As per our report of even date attached
For O R Maloo & Co.
Chartered Accountants
ICAI Firm Registration No. 0135561W

[Signature]

CA Omkar Maloo
Partner
Membership No. 044074



[Signature]

Rajat Mondal
Director
DIN: 09811116

Mohit Aggarwal
Director
DIN: 08249992

Place: Ahmedabad
Date: April 24, 2026

Place: Ahmedabad
Date: April 24, 2026



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2026

1. Company information:

Sadbhav Hybrid Annuity Projects Limited ("the Company") is a unlisted public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. It is wholly owned subsidiary of Sadbhav Infrastructure Project Limited.

The Company was incorporated in June, 2018 to provide, develop, own, maintain, operate, instruct, execute, carry out, improve, construct, repair, work, administer, manage, control or acquire, any infrastructure facilities including but not limited to roads, bridges, airports, ports, waterways, rail system, highway projects, water supply projects, pipelines, sanitation and sewerage systems, supply and distribution of electricity, power projects, other works or convenience, either directly or through any subsidiary or associate Company through Hybrid Annuity Mode (HAM), build, operate and transfer (BOT) or build, own operate and transfer (BOOT) or build, operate, lease and transfer (BOLT) basis or any other mode. The Company is Core Investment Company referred to in the Core Investment Companies (Reserve Bank) Directions, 2016 is exempted from registration under section 45-IA of the Reserve Bank of India Act, 1934 in terms of Master Direction No DNBR.PD.001/03.10.119/2016-17 dated August 25, 2016 of Reserve Bank of India.

The financial statements were authorized for issue in accordance with a resolution of the directors on April 30, 2026.

2. Basis of preparation and presentation of financial statement:

(a.) Compliance with IND AS:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules issued thereafter.

The Company has applied the applicable standards and/or amendments to existing standards effective from April 1, 2024 in the preparation and presentation of financial statements for the year ending on March 31, 2025 and March 31, 2026.

Most of the amendments did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

(b.) Basis of Presentation:

The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

The financial statements are presented in INR, which is the functional currency and all values are rounded to the nearest million (INR 10,00,000), except when otherwise indicated.

(c.) Basis of Measurement:

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

3. Summary of material accounting policies

The following are the material accounting policies applied by the Company in preparing its financial statements:



3.1 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

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

3.2 Revenue Recognition

a. Revenue from Operations

The Company applies Ind AS 115 using cumulative catch-up transition method. The Company recognize revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied.

The Company earns revenue from construction, operation and maintenance, other related services and interest from financial asset.

(i)

Construction services

Revenue from construction services is recognised over a period as the customer simultaneously receives and consumes the benefits provided by the Company and measure revenue based on input method i.e. revenue recognised on the basis of cost incurred to satisfaction of a performance obligation relative to the total expected cost to the satisfaction of that performance obligation. If the outcome of a performance obligation satisfied over time cannot be reasonably measured, revenue is calculated using the zero-profit method in the amount of the contract costs incurred and probably recoverable.

Contract Balances

Contract Assets



A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract Liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

(iii) Construction, operation and maintenance and other related services:

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services.

For construction, operation and maintenance and other related services, the performance obligation is satisfied over time. For determining performance obligation of services, the Company uses output method for measurement of revenue.

Revenue is measured based on the transaction price which is the consideration, as specified in contract with the customer. Revenue excludes taxes collected from the customers.

(iiii)

Interest from financial asset:

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

b. Gain/loss on Mutual fund

Gain or Loss on sale of mutual fund is recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of mutual fund and other incidental expenses.

c. Others

Insurance and other claims are recognized as revenue on certainty of receipt on prudent basis.

3.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur. Borrowing cost consist of interest and other costs that Company incurs in connection with the borrowing of funds. Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

3.4 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessee



The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office building that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Assets

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

ii.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost:

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPi) on the principal amount outstanding.

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the above conditions mentioned in "Financial assets at amortized cost" are met. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Financial assets at fair value through other comprehensive income:

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPi) on the principal amount



outstanding. Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

• **Financial assets at fair value through profit or loss:**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, but has transferred control of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

b) Financial Liabilities

i. Initial recognition and measurement of financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments. All financial liabilities are recognized initially at fair value and, in the case of loan and borrowings and payable, net of directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)



• Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognized in the statement of profit or loss.

• Financial liabilities at amortised cost (Loans and Borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

III. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the Company currently has enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.6 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market price in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

3.7 Income tax

Income tax expense comprises current tax and deferred tax.

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with income tax 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current income taxes are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where



appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach. Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences excepts when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against those temporary differences, losses and tax credit can be utilized excepts when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.8 Provisions

General

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contractual obligation to restore the infrastructure to a specified level of service ability

The Company has contractual obligations to maintain the road to a specified level of serviceability or restore the road to a specified condition before it is handed over to the grantor of the Concession Agreements. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to such obligation.



The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of such obligation are reviewed annually and adjusted as appropriate.

3.9 Contingent liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Claim against the Company not acknowledged as debt are disclosed under contingent liabilities. Claim made by the Company are recognized as and when the same is approved by the respective authorities with whom the claim is lodged.

A Contingent asset is not recognized in financial statements, however, the same is disclosed wherever an inflow of economic benefit is probable.

3.10 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

3.11 Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.12 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

4. A.) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make estimates, judgements and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosure, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2026

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Taxes

Deferred tax assets are recognized for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



5 Cash and Cash Equivalents

Cash on Hand
Balance with Banks
in current accounts*

March 31, 2026	March 31, 2025
(INR in Million)	(INR in Million)
-	0.01
0.01	0.00
Total	0.01

*Amount of INR 1300.74 (PY:INR 5061/-) is below Rounding-off norms adopted by the Company.





6 Equity Share Capital

Authorized Share Capital
Equity Shares of INR 10 each

Equity Shares of INR 10 each

Equity Shares of INR 10 each

Retained Earnings

(Deficit) at the beginning of the year

Add: Net Profit/(Loss) after tax transferred from Statement of Profit and Loss Statement

(Deficit) at the end of the year

8 Trade Payables

-Dues to Micro & small enterprises (Refer Note No. 17)

-Dues to Others

As at March 31, 2026As at March 31, 2025

* Date of transaction is considered as due date in case where no due date of payment is specified.

9 Other Current Financial Liabilities

Reimbursement Payable (Refer Note 15)

10 Other Current Liabilities

Statutory dues

11 Other Income

March 31, 2026	March 31, 2025
INR in Million	INR in Million
-	-
-	-
-	-
-	-
Total	

Interest on Income Tax Refund
Provision no longer required written back
Miscellaneous Income

12 Other Expenses

March 31, 2026	March 31, 2025
INR in Million	INR in Million
0.00	0.00
0.10	0.04
-	0.01
-	0.00
-	1.45
-	0.11
-	-
0.00	0.00
Total	1.61

Rates & Taxes*
Auditor Remuneration (Refer Note 12.1 below)
Professional Fees & Expenses
Stamp Duty and Filing Fees**
Corporate Social Responsibilities Expenses (CSR)
Director Sitting Fees
GST Write off
Miscellaneous Expenses ***
*Amount of INR 3740 (PY:INR 1370/-) is below Rounding-off norms adopted by the Company.
**Amount of INR 3200(PY:INR 4152/-) is below Rounding-off norms adopted by the Company.
***Amount of INR 328 (PY : INR 470/-) is below Rounding-off norms adopted by the company.

12.1 Auditor Remuneration

Statutory Audit Fees

March 31, 2026	March 31, 2025
INR in Million	INR in Million
0.10	0.04
0.10	0.04
Total	0.04



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for year ended March 31, 2026

13 Earnings Per Share (EPS):

Earnings/(Loss) per share is calculated by dividing the net Profit/(Loss) attributable to the equity shareholders to the weighted average number of equity shares outstanding during the year, as under :

Particulars	March 31, 2026	March 31, 2025
Net Profit/(Loss) as per Statement of Profit & Loss (in Million)	(0.05)	(1.61)
Total no. of equity shares at the end of the year	50 000	50 000
Weighted average of number of equity shares outstanding during the year	50 000	50 000
Nominal value of equity shares	10	10
Basic & Diluted Earnings/(Loss) per share	(1.02)	(32.20)

14 Contingent Liabilities & Commitments

(i) The company has given corporate guarantee for loan taken by Sadbhav Infrastructure Projects Limited (SIPL), a holding company. The SIPL has taken the loan by issuance of Non Convertible Debentures. Debenture Holders of the SIPL have initiated legal action against the SIPL and also against the Sadbhav hybrid Annuity Projects Limited under section 7 of IBC Code 2016 demanding payment pursuant to Directed Redemption Notice. The actual redemption of series B of Debenture is scheduled in July, 2026. Debenture holders has also invoke the corporate guarantee and filled the application under IBC against the company for recovery of outstanding dues of SIPL. The company has filled the reply for the same and the matter is pending at the National Company Law Tribunal (NCLT), New Delhi. Pending the outcome of the proceedings, the Company believes that no provision is required in respect of this matter at this stage.

There are no other contingent liabilities, pending litigations/claims against the Company except as disclosed as on March 31, 2026 and March 31, 2025.

15 Related Party Disclosures:

(i) Name of the related parties and description of relationship :
Related party disclosures as required under the Indian Accounting Standard (AS) – 24 on “Related Party Disclosures” are given below:

Sr. No	Description of Relationship	Name of the Related Party
(A)	Enterprises having control:	
	Ultimate Holding Company	Sadbhav Engineering Limited (SEL)
	Holding Company	Sadbhav Infrastructure Project Limited (SIPL)
	Fellow Subsidiary	Sadbhav Vidarbha Highway Limited (SVHL)
	Key Managerial Personnel	Mr. Purushottam Patel, Additional Director (upto 08.07.2025)
		Mr. Rajat Mondal (W.e.f 03.12.2022)
		Mr. Tarang M Desai (Independent Director) (W.e.f. 11.11.2024)
		Mr. Mohit Aggarwal, Director (W.e.f. 11.06.2025)
		Mr. Ravi Kapoor, Director (upto 19.02.2025)

(ii)	Transactions with Related Parties during the Year:	No. Particulars	March 31, 2026	March 31, 2025
	Reimbursement (Net)			
(i)	SIPL		-	-
	SEL		-	-
(iii)	Reversal of Reimbursement Payable		-	-
	SIPL		-	-
	SEL		-	-
(iiii)	Reversal of Subordinate debt		-	-
	SIPL		-	-
(iv)	Reversal of Long Term Borrowing		-	-
	SIPL		-	-
(v)	Reversal of Investment in Subdebt		-	-
	SVHL		-	-
(vi)	Director Sitting Fees		-	-
	Rajat Mondal		-	-
	Tarang Desai		-	-
	Purushottam Patel (including provision)		-	-
			0.05	0.01
			0.05	0.05



(InR in Millions)

March 31, 2026	March 31, 2025
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1.76	1.59
------	------

- 0.02

0.01

0.02 -

(iv) Terms and conditions of the balance outstanding:

1. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free excepts short term loan and settlement occurs in cash as per the terms of the agreement.

2. The Company has not provided any commitment to the related party as at March 31, 2026 and March 31, 2025.

16 Segment Reporting

The Operating segment of the Company is identified to be "Hybrid Annuity" projects and its related activities, as the Chief Operating Decision Maker (CODM) reviews business performance at an overall Company level as one segment and hence, does not have any additional disclosures to be made under Ind AS 108 Operation Segments. Further, the Company also primarily operates under one geographical segment

17 Trade dues to MSME

There are no Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues, which are outstanding for more than 45 days at the balance sheet date. This is based on the information available with the company.



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for year ended March 31, 2026

18 Income Tax expense

As there is no taxable income, current tax liability as per the provision of Income Tax Act, 1961 is INR Nil. There are no timing difference. Hence deferred tax adjustments are not made.

19 Financial Instruments

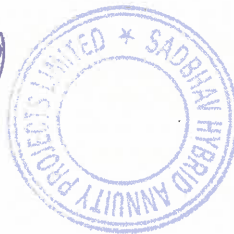
(i) Disclosure of Financial Instruments by Category

Financial instruments by categories					
	March 31, 2026			March 31, 2025	
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
Financial Asset					Amortized cost
Cash and Cash Equivalent	-	-	0.01	-	-
Total Financial Assets	-	-	0.01	-	0.01
Financial Liabilities					
Trade Payables	-	-	0.05	-	-
Current Financial Liabilities	-	-	1.76	-	-
Total Financial Liabilities	-	-	1.81	-	1.75

(iii) Fair value disclosures for financial assets and financial liabilities

a. The management assessed that the fair values of cash and cash equivalents, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

b. The carrying value of Company's interest-bearing borrowings are reasonable approximations of fair values as the borrowing are carries floating interest rate.



Financial instruments risk management objectives and policies

- (i) The Company's principal financial liabilities comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets includes loans and cash and bank balance that derive directly from its operations.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, investments, other receivables, trade and other payables and derivative financial instruments.

(b) Interest Rate Risk

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest. The Company is not exposed to credit risk as it does not undertake any such activities.

The Company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	31.03.2026	31.03.2025
Variable rate borrowings	-	-
	-	-

(c) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk as it does not undertake any such activities.

(d) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position. It maintains adequate sources of financing including debt at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at March 31, 2026	Carrying Amount	On Demand	up to 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities	0.05	-	0.05	1.53	0.06	-
Trade Payables	1.76	-	0.17	-	-	-
Current Financial Liabilities	-	-	-	-	-	-

As at March 31, 2025	Carrying Amount	On Demand	up to 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities	0.16	-	0.13	0.03	-	-
Trade Payables	1.59	-	1.53	-	-	-
Current Financial Liabilities	-	-	-	-	-	-



21 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, Equity bank guarantee, Other equity in form of Subordinate Debt.

The Company's objective for capital management is to maximize shareholder value and safeguard business continuity. The Company determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity share capital, equity in form of subordinate debt and operating cash flows generated.

Summary of Quantitative Data is given hereunder:

Particulars	March 31, 2026	March 31, 2025
Equity	0.50	0.50
Other Equity	-	-
Total	0.50	0.50

22 The Company has no business and no investment and loans. Having regard to these aspects, these financial statements have been prepared on non going concern basis.

The company has given corporate guarantee for loan taken by Sadbhav Infrastructure Projects Limited (SIPL), a holding company. The SIPL has taken the loan by issuance of Non Convertible Debentures.

Debenture Holders of the SIPL have initiated legal action against the SIPL demanding payment pursuant to Directed Redemption Notice. The actual redemption of series B of Debenture is scheduled in July, 2026. Debenture holders has also invoke the corporate guarantee and filled the application under IBC against the company for recovery of outstanding dues of SIPL. The company has filled the reply for the same and the matter is pending at the National Company Law Tribunal (NCLT), New Delhi!



Sr No	Ratio	Numerator	Denominator	As at	As at	Deviation	Reason for Deviation if > 25%
1	Current Ratio	Current Assets	Current Liabilities	0.00	0.00	-2.28%	-
2	Debt – Equity Ratio	Total Debt	Shareholder's Equity	N.A.	N.A.	N.A.	-
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service (Interest+ Principal repayments)	N.A.	N.A.	N.A.	No borrowing at the end of the year
4	Return on Equity	Net Profit after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.02	1.21	-98.04%	Due to loss there is change in average shareholder's equity in current year as compared to last year
5	Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	N.A.	N.A.	N.A.	As the Company does not have inventory, the ratio has not been calculated.
6	Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	N.A.	N.A.	N.A.	As the Company does not have trade receivables, the ratio has not been calculated.
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	N.A.	N.A.	N.A.	As the Company has not incurred any construction expenses, the ratio has not been calculated.
8	Net capital turnover ratio	Net Sales	Working Capital	N.A.	N.A.	N.A.	As the Turnover of the Company is Nil, ratio is not calculated.
9	Net profit ratio	Net Profit	Total Sales	N.A.	N.A.	N.A.	Due to Accumulated losses, ratio has not been calculated
10	Return on capital employed	Earning before interest and taxes	Tangible net worth+ Total debt+ Deferred tax	N.A.	N.A.	N.A.	-
11	Return on Investment	$\{MV(T1) - MV(T0) - \text{Sum of } C(t)\}$	$\{MV(T0) + \text{Sum of } W(t) * C(t)\}$	N.A.	N.A.	N.A.	-

24 Other Regulatory Requirements:

- (a) The Company has not received disbursement of working capital loan from financial institution/bank. Hence it is not required to file quarterly statements to financial institution.
- (b) The Company does not hold any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (c) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (e) The Company does not have any charges or satisfaction, which is yet to be registered with Registrar Of Companies beyond the statutory period.
- (f) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Company (Ultimate Beneficiaries).
- (g) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (h) The Company has no transaction and or outstanding balance as at March 31, 2026 and March 31, 2025 with the Companies struck off under Companies Act, 2013.

- 25 Events Occurring after balance sheet date:
According to the management's evaluation of events subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed/given effect to, in these financial statements.
- 26 Previous year figures have been regrouped/reclassified wherever necessary.

Accompanying notes are an integral part of the financial statements

As per our report of even date attached
For O R Maloo & Co.
Chartered Accountants
ICAI Firm Registration No. 0135561W
CA Omkar Maloo
Partner
Membership No. 030083
Place: Ahmedabad
Date: April 24, 2026



For & On behalf of the Board of Directors of
Sadbhav Hybrid Annuity Projects Limited
Rajat Mondal
Director
DIN: 09811116
Mohit Agarwal
Director
DIN: 08249992
Place: Ahmedabad
Date: April 24, 2026

