

**Ref: SIPL/2023-24/014**

**Date: 28-05-2023**

To,  
The Manager (Listing)  
Corporate Relationship Dept.  
**BSE Limited**  
P J Tower,  
Dalal Street,  
Mumbai - 400 001

The Manager (Listing)  
**National Stock Exchange of India Limited**  
"Exchange Plaza",  
Plot No C/1, G Block  
BandraKurla Complex, Bandra (E)  
Mumbai - 400 051

**Company Code: 539346 (BSE)**

**NSE Symbol: SADBHIN (NSE)**

Dear Sir / Madam,

**Sub: Submission of Outcome of the Meeting of the Board of Directors of Sadbhav Infrastructure Project Limited (the Company) held on 27<sup>th</sup> May, 2023 (Day-1) and 28<sup>th</sup> May 2023 (Day-2) and submission of Audited Financial Results of the Company for the quarter and year ended on 31<sup>st</sup> March, 2023.**

With reference to above, meeting of Board of Directors of the Company was held on 27<sup>th</sup> May, 2023 & also extended to 28<sup>th</sup> May, 2023. On 28<sup>th</sup> May, 2023, Board has approved and adopted the standalone and consolidated Audited Financial Results of the Company for the Quarter and year ended 31<sup>st</sup> March, 2023. Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the following:

- Standalone and consolidated Audited Financial Results of the Company for quarter and year ended on 31<sup>st</sup> March, 2023.
- 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 31<sup>st</sup> March, 2023. A statement on impact of Audit Qualifications (in respect of modified opinion on Standalone and consolidated Audited Financial Result) is enclosed herewith.

The Meeting held on day 1 meeting i.e. May 27, 2023 started at 9:30 p.m. and was decided to take it to the next day at 11:30 p.m.

The Meeting held on day 2 meeting i.e. May 28, 2023 starts at 4:00 p.m. concluded at 6:45 p.m.

You are requested to take the same on record.

Thanking You,

Yours Faithfully,

**For Sadbhav Infrastructure Project Limited**

**Shashin V. Patel**  
**Executive Chairman**  
**DIN: 00048328**  
**Encl: as stated**



**Sadbhav Infrastructure Project Limited**

Regd Office: "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad – 380006

T : +91 79 26463384 F : +91 79 26400210 E : [investor@sadbhavinfra.co.in](mailto:investor@sadbhavinfra.co.in) Web: [www.sadbhavinfra.co.in](http://www.sadbhavinfra.co.in) CIN: L45202GJ2007PLC049808

**SADBHAV INFRASTRUCTURE PROJECT LIMITED**  
**CIN : L4502GJ2007PLC049808**

**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS**  
**FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023**

Sr. No.	Particulars	(INR in Million except Earning Per Share)				
		Quarter ended			Year ended	
		March 31, 2023 (Audited)	Dec 31, 2022 (Unaudited)	March 31, 2022 (Audited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
1	Revenue from operations	131.73	222.92	485.31	894.14	2,042.10
2	Other income	98.34	131.16	125.38	379.48	302.35
3	<b>Total Income (1 +2)</b>	<b>230.07</b>	<b>354.08</b>	<b>610.69</b>	<b>1,273.62</b>	<b>2,344.45</b>
4	<b>Expenses</b>					
	a. Sub-contractor charges and Operating Expenses	94.91	96.64	478.30	643.48	1,542.96
	b. Employee benefits expenses	17.38	8.50	13.15	47.53	52.11
	c. Finance costs	319.56	314.93	331.87	1,277.44	1,427.87
	d. Depreciation and amortisation expenses	0.17	0.18	0.24	0.70	0.54
	e. Other expenses	5.30	78.96	45.56	101.00	144.31
	<b>Total expenditure</b>	<b>437.32</b>	<b>499.21</b>	<b>869.12</b>	<b>2,070.15</b>	<b>3,167.79</b>
5	<b>(Loss) before exceptional item and tax (3-4)</b>	<b>(207.25)</b>	<b>(145.13)</b>	<b>(258.43)</b>	<b>(796.53)</b>	<b>(823.34)</b>
6	Exceptional Items (net) (Note 6)	-	(86.89)	(785.19)	(3,173.53)	(1,444.21)
7	<b>(Loss) before tax (5-6)</b>	<b>(207.25)</b>	<b>(232.02)</b>	<b>(1,043.62)</b>	<b>(3,970.06)</b>	<b>(2,267.55)</b>
8	Tax expense					
	Current tax	-	-	(56.00)	-	77.52
	Deferred tax expense / (credit)	(150.54)	(3.97)	(3.63)	(212.05)	(428.60)
	Adjustment of tax relating to earlier period	(77.52)	(42.79)	-	(182.54)	-
9	<b>Profit / (Loss) for the period / year (7-8)</b>	<b>20.81</b>	<b>(185.26)</b>	<b>(983.99)</b>	<b>(3,575.48)</b>	<b>(1,916.47)</b>
10	Other Comprehensive Income					
	Items that will not be reclassified to Profit or Loss in subsequent periods					
	Remeasurements gain of the defined benefit plans (net of tax)	0.38	-	2.57	0.38	2.57
	Less: Income tax relating to above items					
	Income tax effect on above					
11	<b>Total Comprehensive Income for the period / year (net of tax) (9+10)</b>	<b>21.19</b>	<b>(185.26)</b>	<b>(981.42)</b>	<b>(3,575.10)</b>	<b>(1,913.90)</b>
12	Paid up equity share capital (face value of INR 10/- each)	3,522.25	3,522.25	3,522.25	3,522.25	3,522.25
13	Other equity excluding revaluation reserve	-	-	-	9,219.48	12,794.64
14	Basic and diluted earnings/(loss) per share (EPS) (face value of INR 10/- each)	0.06	(0.53)	(2.79)	(10.15)	(5.43)
	See accompanying notes to the standalone financial results					

*SV Patel*



**Sadbhav Infrastructure Project Ltd.**

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

Particulars	(INR in million)	(INR in million)
	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>		
<b>Non-current Assets</b>		
(a) Property, plant and equipments	1.37	2.07
(b) Investment property	2.88	2.88
(c) Financial assets		
(i) Investments	17,011.05	21,941.14
(ii) Loans	515.10	466.92
(iii) Other financial assets	-	2.50
(d) Other non current assets	128.73	29.92
<b>Total Non-current Assets (A)</b>	<b>17,659.13</b>	<b>22,445.43</b>
<b>Current Assets</b>		
(a) Financial assets		
(i) Trade receivables	1,101.64	1,169.66
(ii) Cash and cash equivalents	33.95	540.62
(iii) Bank Balances other than (ii) above	15.30	51.79
(iv) Loans	59.45	386.44
(v) Other financial assets	204.69	190.42
(b) Other current assets	929.09	835.87
(c) Current Tax assets	32.42	-
<b>Total Current Assets (B)</b>	<b>2,376.54</b>	<b>3,174.80</b>
<b>Assets classified as held for sale (note 6.1 and 6.5)</b>	<b>3,057.18</b>	<b>1,307.23</b>
	<b>23,092.85</b>	<b>26,927.46</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	3,522.25	3,522.25
(b) Other Equity	9,219.48	12,794.64
	<b>12,741.73</b>	<b>16,316.89</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	4,820.37	4,946.77
(ii) Other financial liabilities	800.03	351.39
(b) Provisions	5.97	2.82
(c) Deferred tax liabilities (net)	-	212.01
<b>Total Non-current Liabilities (B)</b>	<b>5,626.37</b>	<b>5,512.99</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	2,782.32	3,270.34
(ii) Trade payables		
Total outstanding dues to micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,096.37	1,102.79
(iii) Other financial liabilities	498.22	496.43
(b) Other current liabilities	339.21	103.23
(c) Provisions	8.64	8.53
(d) Current tax liabilities (net)	-	116.26
<b>Total Current Liabilities (C)</b>	<b>4,724.75</b>	<b>5,097.58</b>
<b>Total Liabilities (D=B+C)</b>	<b>10,351.12</b>	<b>10,610.57</b>
<b>Total Equity and Liabilities (E=A+D)</b>	<b>23,092.85</b>	<b>26,927.46</b>

See accompanying notes to the standalone financial results



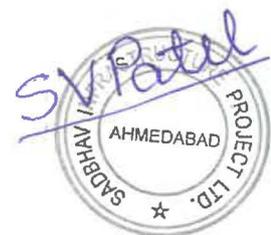
## Sadbhav Infrastructure Project Ltd.

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

**Notes :**

- 1 **Sadbhav Infrastructure Project Limited ('the Company')** is engaged in development, construction as well as operation and maintenance of infrastructure projects. The Company undertakes infrastructure development projects directly or indirectly through Special Purpose Vehicles (SPVs), in terms of the concession agreements.
- 2 The aforesaid audited standalone financial results for the quarter and year ended on March 31, 2023 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their meeting held on May 28, 2023 (Day 2 meeting). 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.
- 3 The Company has single reportable segment (operating segment) i.e Build Operate and Transfer (BOT) / Hybrid Annuity Projects and its related activities in accordance with Indian Accounting Standard - 108 "Segment Reporting".
- 4 The Company has investments of INR 217.74 million and subordinate debts of INR 4688.73 million and trade & other Receivables of INR 79.14 millions in Rohtak Panipat Tollway Private Limited, a subsidiary company which is engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India (NHAI). The net worth of this subsidiary company has fully eroded.  
Further the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws from December 25, 2020. Accordingly, the subsidiary company could not collect toll user fees from December 25, 2020. The subsidiary company had sent various communications to NHAI for such forceful suspension of toll. The said subsidiary company has issued notice for termination of concession agreement on July 27, 2021 considering the above event as Force Majeure Event in terms of concession agreement. The said subsidiary has filed claim amounting to INR 39,578.44 million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. with NHAI in terms of concession agreement. In respect of such claims, NHAI has approached to the company for settlement of all these claims by way of conciliation proceedings, which has been consented by the company.  
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 communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of investments made by the company in the subsidiary and consequently no provision/adjustment to the carrying value of investments and subordinate debts, loans and advances and trade and other receivables as at March 31, 2023 is considered necessary.  
The statutory auditors have expressed qualified opinion on financial results in respect of above as regards recoverable value of Company's investment (including subordinate debt) and loans, trade & other receivable given to RPTPL.
- 5 The Company has investments of INR 107.68 million and subordinate debts of INR 2893.42 million and other receivable of INR 44.17 millions in its one subsidiary namely Rohtak Hissar Tollway Private Limited, a subsidiary company which is engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India. The net worth of this subsidiary company has fully eroded.  
Further the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws from December 25, 2020. Accordingly, the subsidiary company could not collect toll user fees from December 25, 2020. The subsidiary company had sent various communications to NHAI for such forceful suspension of toll. The said subsidiary company has issued notice for termination of concession agreement on August 27, 2021 considering the above event as Force Majeure Event in terms of concession agreement. The said subsidiary has filed claim amounting to INR 14,969.77 million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc with NHAI in terms of concession agreement.  
Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement and communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of investments made by the company in the subsidiary and consequently no provision/adjustment to the carrying value of investments and subordinate debts and loans and advances as at March 31, 2023 is considered necessary.  
The statutory auditors have expressed qualified opinion on financial results in respect of above as regards recoverable value of Company's investment (including subordinate debt) and loans & other receivables given to RHTPL.



**Sadbhav Infrastructure Project Ltd.**

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

6 Exceptional item includes :

Particulars	Year ended on	
	March 31, 2023	March 31, 2022
Loss on Sale of Unit of Indinfravit Trust	47.45	659.02
Loss / (Profit) on Sale of 49% stake in Maharashtra Boarder Checkpost Network Limited (Refer Note 6.1)	(37.21)	785.19
Loss on Substitution of concession agreement of Sadbhav Banglore Highway Private Limited (Refer Note 6.2)	1927.35	-
Loss on Substitution of concession agreement of Sadbhav Jodhpur Ringroad Private Limited (Refer Note 6.3)	1149.56	-
Profit on Sale of Stake in Sadbhav PIMA private Limited (Refer Note 6.4)	(11.49)	-
Provision of impairment on Sale of Stake in Sadbhav Bhavnagar Highway Limited (Refer Note 6.5)	97.88	-
<b>Total</b>	<b>3,173.53</b>	<b>1,444.21</b>

- 6.1 The company and Adani Road Transport Limited (ARTL) executed Share Purchase Agreement (SPA) on August 16, 2021 (Amended and restated on January 27, 2022), for sale of its equity shares of Maharashtra Border Check Post Network Limited (MBCPNL) a wholly owned subsidiary of the Company, out of which 49% shares have been acquired by ARTL. During the year ended on March 31, 2022, the company has received consideration of INR 3,575 million and it has recognised loss of INR 785.19 million in relation of transfer of 49% stake. Balance 51% shares held by the company in MBCPNL will be transferred to ARTL in terms of SPA, subject to inter alia the satisfaction of the relevant conditions precedent and receipt of requisite regulatory approvals/consents ("the Transaction"). Consequent to this agreement, the amount of 51% shares of MBCPNL alongwith the short term loan to MBCPNL amounting to INR 1,307.23 Million have been classified as Assets held for Sale in accordance with IND AS-105 - Non current Assets held for Sale and Discontinuing Operations.
- 6.2 The Company has investments of INR 309.03 million and subordinate debts of INR 1,040.97 million in one of its subsidiaries namely (SBGHPL or concessionaire), a subsidiary company which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI), the lenders of the subsidiary have notified to NHAI about exercise of their right of substitution of concessionaire in the month of January, 2022. Subsequently, the lenders have approved the anchor offer received from the Gawar Construction Limited in the month of October 2022 for the purpose of substitution of the Company, subject to execution of appropriate documentation for recording the terms and conditions relating to the proposed substitution of the Company. Consequently, the balances of SBGHPL in the books of the company have written off, impaired during the twelve months ended on March 31, 2023.
- 6.3 The Company has investments of INR 116.50 million and subordinate debts of INR 1240.51 million in one of its subsidiaries namely (SJRRPL or concessionaire), a subsidiary company which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI), there is delay in physical work progress due to delay in handing over the land from Authority (NHAI), delay in approval of Change of scope of work, non-funding by the lenders and nationwide lockdown due to Covid-19. Further the NHAI in the month of January 2022 at the request of the company has given in principal approval for harmonious substitution of the concessionaire i.e. SJRRPL subject to various terms and conditions. Pursuant to this, definitive agreement was entered into between company, SJRRPL, Sadbhav Engineering Limited (The ultimate holding company) and Gawar Construction Limited (GCL) as on June 28, 2022 for substitution of the SJRRPL with the new SPV to be nominated by GCL and also executed endorsement agreement between the SJRRPL and JRR Highways Private Limited (new concessionaire) dated July 13, 2022 with the approval of NHAI for implementation of the project by new concessionaire in substitution of the SJRRPL. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of the SJRRPL are transferred the new concessionaire in consideration of INR 520 Millions. Consequently, all the balances outstanding in the books of SJRRPL as at Sept 30, 2022 related to project are adjusted against the consideration receivable from the GCL. Consequently, the following treatment related to the balances of SJRRPL in the books of the company are given during the year ended on March 31, 2023
- subordinate debts of INR 1,033.07 million (net of recovery of INR 17.56 million during the quarter ended on Sept 30, 2022) has been written off
  - investment in equity share of SJRRPL of INR 116.50 millions has been provided for impairment loss.



**Sadbhav Infrastructure Project Ltd.**

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

- 6.4 Pursuant to Share Purchase and Subscription Agreement dated November 1, 2022 the company has transferred its entire shareholding in Sadbhav PIMA Private Limited (Subsidiary Company) to Indinfravit Trust at an aggregate consideration of 11.50 millions. The profit on transfer of these shares amounting to INR 10.99 million is recognised as an exceptional item during the year ended on March 31, 2023. Consequently provision for Impairment in shares amounting to INR 0.50 millions made in earlier period is reversed during the quarter ended on September 30, 2022.
- 6.5 During the quarter ended on December 31, 2022, the company has entered into Memorandum of Understanding (MOU) with Kalthia Engineering and Construction Limited for proposed stake sale of Sadbhav Bhavnagar Highway Limited (SBHL) and Sadbhav Una Highway Limited (SUHL) whereby it has agreed to sell its entire shareholding in SBHL and SUHL at an enterprise value of INR 7,518.20 millions. The sale will be completed on fulfilment of conditions precedent as specified in the said MOUs after execution of Share Purchase agreement. Having regard to this transaction, the company has carried out impairment testing of investment in these subsidiary companies. Based on such assessment, the company has made provision for Impairment amounting to INR 97.88 millions in carrying value of investments in said subsidiaries during the quarter and nine months period ended December 31, 2022. Accordingly Investments (including sub-debt) and other receivables amounting to INR 1,749.95 Million have been classified as Assets held for Sale in accordance with IND AS-105 - Non current Assets held for Sale and Discontinuing Operations.
- 7 The Company has investments of INR 257.99 million and subordinate debts of INR 813.83 million and other receivables of INR 104.72 million in one of its subsidiaries namely Sadbhav Vidarbha Highway Limited (SVHL or concessionaire), a subsidiary company which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI), the lenders of the subsidiary in the month of February, 2023, have exercised its right to substitute concessionaire. The SVHL vide its letter dated May 5, 2023 had recommended National Highway Authority of India (NHAI), harmonious substitution of concessionaire. The approval of NHAI is awaited.
- Pending the final approval for substitution from NHAI, no adjustment to the carrying value of investments has been made in the financial statements.
- The statutory auditors have expressed qualified opinion on financial results in respect of above as regards recoverable value of Company's investment (including subordinate debt) and loans, trade & other receivable given to SVHL.
- 8 The Company has investments of INR 10 million and subordinate debts of INR 784.21 million and other receivables of INR 366.97 million in one of its subsidiaries namely Sadbhav Nainital Highway Limited (SNHL or concessionaire), a subsidiary company which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI), the lenders of the subsidiary have exercised its right to substitute concessionaire. The National Highway Authority of India (NHAI) vide its letter dated April 17, 2023, has approved harmonious substitution of concessionaire. The company is in the progress of compliance of the conditions prescribed by NHAI for substitution. Pending the compliance of condition for obtaining final approval of substitution, no adjustment to the carrying value of investments have been made in the financial statements.
- 9 The Company has investments of INR 0.5 million and subordinate debts of INR 152.66 million and other receivables of INR 527.23 million in one of its subsidiaries namely Sadbhav Hybrid Annuity Projects Limited (SHAPL), the subsidiary has accumulated losses of INR 332.57 Million as at March 31, 2023 (INR 281.99 Million as at March 31, 2022), which resulted in erosion of the subsidiaries's net worth. SHAPL has been able to meet its obligations in the ordinary course of the business complimented by the continuing financial support offered from the company. The company being an investment company and holding portfolio of various Toll and HAM assets, planning & churning the various strategic option to hive off the investment, to support the subsidiary, Having regard to all these aspects, the financial statements of SHAPL have been prepared assuming that the subsidiary will continue as a going concern.
- 10 The Company's current liabilities exceeded its current assets by INR 2,297.91 millions. The management represents that the company holds investments in various Toll and HAM assets, The liquidity position improved on account of receipt of PCOD for six HAM projects and conclusion of sale of stake in three of the SPVs. The management of the company has prepared projections of cash flows for the next 12 months with focus on enhancing resource availability by timely execution of HAM Projects, realisation of claims, monetization of assets and cost control. Basis the said projections, the management of the company believes that it will be able to pay debts as they fall due in coming 12 months period from the reporting date and there is no threat to going concern assumption adopted in preparation of financial results for the quarter and year ended on March 31, 2023.



**Sadbhav Infrastructure Project Ltd.**

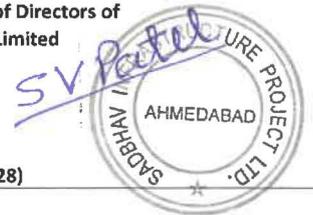
Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

- 11 The Board of Directors in the meeting held on 15th October, 2022 have resolved to withdraw Scheme of Amalgamation filed with Hon'ble National Company Law Tribunal with regard to amalgamation of Sadbhav Infrastructure Project Limited (Transferor Company) with Sadbhav Engineering Limited (Transferee Company) under section 230 to 232 of the Companies Act, 2013. Consequently, on application made by the company, the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order dated 19th October, 2022 has allowed the withdrawal of the said application. Accordingly, the Scheme of merger stands cancelled.
- 12 As on March 31, 2023 , the outstanding amount of unlisted non-convertible debentures of the Company is aggregating to INR 4,228.90 million . 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.
- 13 The figures for the quarter ended March 31, 2023 and March 31, 2022 are balancing figures between the audited figures in respect of the full financial year upto March 31, 2023 and March 31, 2022 and the unaudited published year to date figures up to third quarter ended December 31, 2022 and December 31, 2021 respectively, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 14 The confirmations of balances of some trade payables and incidental balances and loans and advances are pending. The management is confident that on receipt of confirmation there will not be any material impact on the financial statements.
- 15 Statement of Audited Cash flow for the year ended March 31, 2023 and March 31, 2022 is given in Annexure 1.
- 16 Figures for the previous period/year have been regrouped / rearranged, wherever necessary, to make them comparable with those for the current period/year.

For and on behalf of the Board of Directors of  
Sadbhav Infrastructure Project Limited

Shashin Patel  
Executive Director (DIN:00048328)



Place : Ahmedabad  
Date : May 28, 2023

## Sadbhav Infrastructure Project Ltd.

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808



**S G D G & ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**

**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
**The Board of Directors of  
Sadbhav Infrastructure Project Limited**

**Report on Audited Standalone Financial Results**

**Qualified Opinion**

We have audited the accompanying Statement of Standalone Financial Results of Sadbhav Infrastructure Project Limited (the "Company") for the quarter and year ended March 31, 2023 ("the 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 matter described in basis for qualified opinion of 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 Accounting Standards and other accounting principles generally accepted in India of the standalone net loss, standalone other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2023.

**Basis for Qualified Opinion**

1. We draw attention to Note 4 and Note 5 to the accompanying Standalone Financial Results with respect to investment in and loan & advances to Rohtak Panipat Tollway Private Limited and Rohtak Hissar Tollway Private Limited, subsidiaries of the Company. Both the subsidiaries have 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 investment in these subsidiaries 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 investment and loans & advances aggregating to INR 7976.40 million are necessary as at March 31, 2023.



**S G D G & Associates LLP, a Limited Liability Partnership with LLP Identity No. AAI-3248**

5-6, Shivalik Plaza, Opp. A.M.A., ATIRA,  
Polytechnic, Ambawadi, Ahmedabad - 380 015  
Branch Office : Mumbai

+91-9974940700, 9820851518  
info@sgdg.co.in www.sgdg.co.in

We have not been able to corroborate the management's contention of realising the carrying value of investments, loans and advances and Trade and other receivables related to both subsidiaries aggregating to INR 7976.40 million as on March 31, 2023. Accordingly, we are unable to comment on appropriateness of the carrying value of such investment and loans and advances and their consequential impact on the financial results and financial position of the Company as at and for the quarter and year ended on March 31, 2023.

Our Audit Opinion on financial statements for the financial year ended on March 31, 2023 and conclusion on financial results for the quarter ended on June 30, 2022, September 30, 2022 and December 31, 2022 were qualified in respect of this matter.

2. We draw attention to Note 7 of the accompanying Standalone Financial Results with respect to Sadbhav Vidarbha Highway Limited (Concessionaire or SVHL), subsidiary of the Company, in which case, lender of SVHL, in the month of February, 2023, have exercised its right to substitute concessionaire. The SVHL vide its letter dated May 5, 2023 had recommended National Highway Authority of India (NHAI), Harmonious substitution of concessionaire. The approval of NHAI is awaited. As explained in the said note, management has carried out impairment assessment of Investment (including subdebt), loan and other receivables in this subsidiary duly considering the expected payment arising out of aforesaid substitution and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of Investment (including subdebt), loan and other receivables aggregating to INR 1176.53 million is considered necessary as at March 31, 2023.

However, we have not been able to corroborate the management's contention of realizing the carrying value of Investment (including subdebt), loan and other receivables balance amounting to INR 1176.53 millions as at March 31, 2023.

Accordingly, we are unable to comment on appropriateness of the carrying value of Investment (including subdebt), loan and other receivables and their consequential impact on the financial results and financial position of the company as at reporting date and for the quarter and year ended on March 31, 2023.

3. We draw attention to Note 9 of the accompanying Standalone Financial Results with respect to Sadbhav Hybrid Annuity Project Limited (SHAPL), subsidiary of the company in which auditors of the said subsidiary expressed concerns over subsidiary's ability to continue as going concern as the net worth of the subsidiary has been completely eroded. As explained in the said note, management has carried out impairment assessment of Investment (including subdebt), loan and other receivables in this subsidiary duly considering expected payment to be received by the said subsidiary and based on the that, management has concluded that no impairment / adjustment to the carrying value of Investment (including subdebt), loan and other receivables aggregating to INR 680.39 millions is considered necessary as at March 31, 2023.



However, we have not been able to corroborate the management's contention of realizing the carrying value of Investment (including subdebt), loan and other receivables balance aggregating to INR 680.39 millions as at March 31, 2023. Accordingly, we are unable to comment on appropriateness of the carrying value of Investment (including subdebt), loan and other receivables and their consequential impact on the financial results and financial position of the company as at reporting date and for the quarter and year ended on March 31, 2023.

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 on the standalone financial results.

**Material uncertainty related to going concern**

We draw attention to Note no. 10 to the accompanying Standalone Financial Results, which indicates that, current liabilities exceeds current assets by INR 2348.21 millions and the Company finds difficulty in meeting obligations of payment to suppliers and statutory dues. Further, company is in the process of divestment of its investment in subsidiary companies and subsidiary companies finds difficulty in meeting obligation of lenders and accounts by the respective lenders have been classified as Non-Performing Assets. 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**

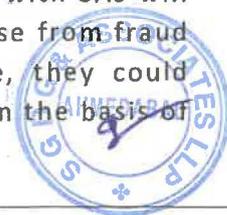
The Standalone Financial Results have been prepared on the basis of the Standalone Annual Financial Statements for the year ended March 31, 2023. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of 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 Section 133 of 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 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 Standalone Financial Results.

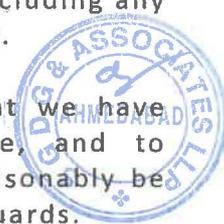


As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements 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 the Board of Directors.
- 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 standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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**

Attention is drawn to the fact that the Statement includes the results for the quarter ended March 31, 2023 and the corresponding quarter ended in the previous year, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the end of the third quarter of the respective financial year, which were subject to limited review by us as required under Listing Regulations.

**Place: Ahmedabad**

**Date: May 28, 2023**



**For S G D G & Associates LLP**  
**Chartered Accountants**  
**Firm Registration No.:W100188**

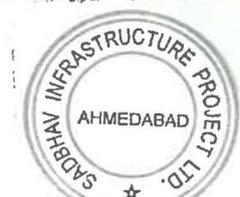
*Dgandhi*  
**Devansh Gandhi**  
**Partner**  
**Membership No.: 129255**  
**UDIN: 23129255BGWSSS1648**

**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, 2023  
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (INR in Million)	Adjusted Figures (audited figures after adjusting for qualifications) (INR in Million)
	1.	Turnover / Total income	1,273.62	Not ascertainable
	2.	Total Expenditure	2,070.15	
	3.	Exceptional Items (net)	(3,173.53)	
	4.	(Loss) after Tax	(3,575.48)	
	5.	Earnings Per Share	(10.15)	
	6.	Total Assets	23,092.85	
	7.	Total Liabilities (excluding Net Worth)	10,351.12	
	8.	Net Worth	12,741.73	
	9.	Any other financial item(s) (as felt appropriate by the management)	-	
II.	<b><u>Audit Qualification (each audit qualification separately):</u></b>			
	1.	<p>We draw attention to Note 4 and Note 5 to the accompanying Standalone Financial Results with respect to investment in and loan &amp; advances to Rohtak Panipat Tollway Private Limited and Rohtak Hissar Tollway Private Limited, subsidiaries of the Company. Both the subsidiaries have 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 investment in these subsidiaries 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 investment and loans &amp; advances aggregating to INR 7976.40 million are necessary as at March 31, 2023.</p> <p>We have not been able to corroborate the management's contention of realising the carrying value of investments, loans and advances and Trade</p>		



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

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

and other receivables related to both subsidiaries aggregating to INR 7976.40 million as on March 31, 2023. Accordingly, we are unable to comment on appropriateness of the carrying value of such investment and loans and advances and their consequential impact on the financial results and financial position of the Company as at and for the quarter and year ended on March 31, 2023.

Our Audit Opinion on financial statements for the financial year ended on March 31, 2023 and conclusion on financial results for the quarter ended on June 30, 2022, September 30, 2022 and December 31, 2022 were qualified in respect of this matter.

2. We draw attention to Note 7 of the accompanying Standalone Financial Results with respect to Sadbhav Vidarbha Highway Limited (Concessionaire or SVHL), subsidiary of the Company, in which case, lender of SVHL, in the month of February, 2023, have exercised its right to substitute concessionaire. The SVHL vide its letter dated May 5, 2023 had recommended National Highway Authority of India (NHAI), Harmonious substitution of concessionaire. The approval of NHAI is awaited. As explained in the said note, management has carried out impairment assessment of Investment (including subdebt), loan and other receivables in this subsidiary duly considering the expected payment arising out of aforesaid substitution and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of Investment (including subdebt), loan and other receivables aggregating to INR 1176.53 million is considered necessary as at March 31, 2023.

However, we have not been able to corroborate the management's contention of realizing the carrying value of Investment (including subdebt), loan and other receivables balance amounting to INR 1176.53 millions as at March 31, 2023.

Accordingly, we are unable to comment on appropriateness of the carrying value of Investment (including subdebt), loan and other receivables and their consequential impact on the financial results and financial position of the company as at reporting date and for the quarter and year ended on March 31, 2023.

3. We draw attention to Note 9 of the accompanying Standalone Financial Results with respect to Sadbhav Hybrid Annuity Project Limited (SHAPL), subsidiary of the company in which auditors of the said subsidiary expressed



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

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

concerns over subsidiary 's ability to continue as going concern as the net worth of the subsidiary has been completely eroded. As explained in the said note, management has carried out impairment assessment of Investment (including subdebt), loan and other receivables in this subsidiary duly considering expected payment to be received by the said subsidiary and based on the that, management has concluded that no impairment / adjustment to the carrying value of Investment (including subdebt), loan and other receivables aggregating to INR 680.39 millions is considered necessary as at March 31, 2023.

However, we have not been able to corroborate the management's contention of realizing the carrying value of Investment (including subdebt), loan and other receivables balance aggregating to INR 680.39 millions as at March 31, 2023. Accordingly, we are unable to comment on appropriateness of the carrying value of Investment (including subdebt), loan and other receivables and their consequential impact on the financial results and financial position of the company as at reporting date and for the quarter and year ended on March 31, 2023.

**4. Material uncertainty related to going concern**

We draw attention to Note no. 10 to the accompanying Standalone Financial Results, which indicates that, current liabilities exceeds current assets by INR 2348.21 millions and the Company finds difficulty in meeting obligations of payment to suppliers and statutory dues. Further, company is in the process of divestment of its investment in subsidiary companies and subsidiary companies finds difficulty in meeting obligation of lenders and accounts by the lenders of some subsidiary companies have been classified as Non-Performing Assets. 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.

**a. Type of Audit Qualification : Qualified Opinion**

**b. Frequency of qualification: Appeared second time as at March 31, 2023**

**c. For Audit Qualification(s) where the impact is quantified by the auditor,**



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

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

Management's Views: Impact is not quantified by the Auditors.

**d. For Audit Qualification(s) where the impact is not quantified by the auditor:**

1. (a) The Company has investments of INR 217.74 million and subordinate debts of INR 4688.73 million and trade & other Receivables of INR 79.14 millions in Rohtak Panipat Tollway Private Limited, a subsidiary company which is engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India (NHAI). The net worth of this subsidiary company has fully eroded. Further the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws from December 25, 2020. Accordingly, the subsidiary company could not collect toll user fees from December 25, 2020. The subsidiary company had sent various communications to NHAI for such forceful suspension of toll. The said subsidiary company has issued notice for termination of concession agreement on July 27, 2021 considering the above event as Force Majeure Event in terms of concession agreement. The said subsidiary has filed claim amounting to INR 39,578.44 million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. with NHAI in terms of concession agreement. In respect of such claims, NHAI has approached to the company for settlement of all these claims by way of conciliation proceedings, which has been consented by the company.

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 communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of investments made by the company in the subsidiary and consequently no provision/adjustment to the carrying value of Investments and subordinate debts, loans and advances and trade and other receivables as at March 31, 2023 is considered necessary.

(b) The Company has investments of INR 107.68 million and subordinate debts of INR 2893.42 million and other receivable of INR 44.17 millions in its one subsidiary namely Rohtak Hissar Tollway Private Limited, a subsidiary company which is engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India. The net worth of this subsidiary company has fully eroded.



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

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

Further the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws from December 25, 2020. Accordingly, the subsidiary company could not collect toll user fees from December 25, 2020. The subsidiary company had sent various communications to NHAI for such forceful suspension of toll. The said subsidiary company has issued notice for termination of concession agreement on August 27, 2021 considering the above event as Force Majeure Event in terms of concession agreement. The said subsidiary has filed claim amounting to INR 14,969.77 million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc with NHAI in terms of concession agreement.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement and communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of investments made by the company in the subsidiary and consequently no provision/adjustment to the carrying value of Investments and subordinate debts and loans and advances as at March 31, 2023 is considered necessary.

2. The Company has investments of INR 257.99 million and subordinate debts of INR 813.83 million and other receivables of INR 104.72 million in one of its subsidiaries namely Sadbhav Vidarbha Highway Limited (SVHL or concessionaire), a subsidiary company which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI), the lenders of the subsidiary in the month of February, 2023, have exercised its right to substitute concessionaire. The SVHL vide its letter dated May 5, 2023 had recommended National Highway Authority of India (NHAI), harmonious substitution of concessionaire. The approval of NHAI is awaited.

Pending the final approval for substitution from NHAI, no adjustment to the carrying value of investments has been made in the financial statements.

3. Sadbhav Hybrid Annuity Projects Limited (SHAPL) has been able to meet its obligations in the ordinary course of the business complimented by the continuing financial support offered from the company. The company being an investment company and holding portfolio of various Toll and HAM assets, planning & churning the various strategic option to hive off the investment, to



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

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

	<p>support the subsidiary, Having regard to all these aspects, the financial statements of SHAPL have been prepared assuming that the subsidiary will continue as a going concern.</p> <p>4. The Company's current liabilities exceeded its current assets by INR 2,297.91 millions. The management represents that the company holds investments in various Toll and HAM assets, The liquidity position improved on account of receipt of PCOD for six HAM projects and conclusion of sale of stake in three of the SPVs. The management of the company has prepared projections of cash flows for the next 12 months with focus on enhancing resource availability by timely execution of HAM Projects, realisation of claims, monetization of assets and cost control. Basis the said projections, the management of the company believes that it will be able to pay debts as they fall due in coming 12 months period from the reporting date and there is no threat to going concern assumption adopted in preparation of financial results for the quarter and year ended on March 31, 2023.</p>
	<p>(i) If management is unable to estimate the impact, reasons for the same:</p> <p>Not Applicable</p>
	<p>(ii) Auditors' Comments on (i) or (ii) above:</p> <p>Refer details of audit qualification vide [para II (a) above]</p>
III	<p><u>Signatories:</u></p> <ul style="list-style-type: none"><li>Executive Chairman – Mr. Shashin V. Patel</li><li>CFO – Mr. Jatin Thakkar</li><li>Audit Committee Chairman Daksha Shah</li></ul>

*SV Patel*

*Jatin Thakkar*

*Daksha Niranjan*



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**  
**[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

	<ul style="list-style-type: none"><li>• Statutory Auditors</li></ul> <p>Mr. Devansh Gandhi Partner Membership Number: 129255 For S G D G &amp; Associates LLP Chartered Accountants ICAI Firm Registration Number: W100188</p>	<p><i>D. Gandhi</i></p> 
	<p>Place: Ahmedabad Date: May 28, 2023</p>	

SADBHAV INFRASTRUCTURE PROJECT LIMITED

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS  
FOR THE QUARTER AND YEAR YEAR ENDED MARCH 31, 2023

(INR in Million except as stated otherwise)

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2023 (Audited)	December 31, 2022 (Unaudited)	March 31, 2022 (Audited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
1	Revenue from operations (Note 2)	1,570.15	1,845.68	3,453.83	8,247.27	9,623.25
2	Other income	525.32	741.27	5,970.55	2,683.58	8,747.70
3	<b>Total income (1+2)</b>	<b>2,095.47</b>	<b>2,586.95</b>	<b>9,424.38</b>	<b>10,930.85</b>	<b>18,370.95</b>
4	<b>Expenses</b>					
	a. Sub-contract charges and Operating Expenses	473.40	653.70	2,794.72	3,829.69	6,097.35
	b. Employee benefits expense	73.61	77.71	87.47	289.82	310.53
	c. Finance costs (Note 15)	(1,092.24)	2,276.13	2,702.88	5,465.56	8,504.00
	d. Depreciation and amortization expenses	244.45	147.85	361.40	864.98	976.76
	e. Other expenses	91.81	114.53	1,020.11	341.60	1,342.73
	<b>Total Expenditure</b>	<b>(208.97)</b>	<b>3,269.92</b>	<b>6,966.58</b>	<b>10,791.65</b>	<b>17,231.37</b>
5	<b>Profit / (Loss) before exceptional item and tax (3-4)</b>	<b>2,304.44</b>	<b>(682.97)</b>	<b>2,457.80</b>	<b>139.20</b>	<b>1,139.58</b>
6	Exceptional Items (note 3)	981.88	(699.39)	(761.20)	(3,994.65)	(1,515.22)
7	<b>Profit / (Loss) before tax (5-6)</b>	<b>3,286.32</b>	<b>(1,382.36)</b>	<b>1,696.60</b>	<b>(3,855.45)</b>	<b>(375.64)</b>
8	<b>Tax Expense</b>					
	Current tax	84.17	126.85	(34.28)	211.03	99.24
	Deferred tax expenses / (credit)	(166.83)	(93.64)	(19.81)	(234.98)	(254.80)
	Adjustment of tax relating to earlier period	(80.82)	(44.40)	0.02	(182.35)	(7.29)
9	<b>Net Profit / (Loss) for the period / year before Minority Interest (7-8)</b>	<b>3,449.80</b>	<b>(1,371.17)</b>	<b>1,750.67</b>	<b>(3,649.15)</b>	<b>(212.79)</b>
10	<b>Other Comprehensive Income ('OCI')</b>					
	(i) Items that will not be reclassified to Profit or Loss					
	Remeasurements of the defined benefit plans (net of tax)	(0.09)	-	5.11	1.07	5.11
11	<b>Total Comprehensive Income for the period/year (net of tax) (9+10)</b>	<b>3,449.71</b>	<b>(1,371.17)</b>	<b>1,755.78</b>	<b>(3,648.08)</b>	<b>(207.68)</b>
12	<b>Profit / (Loss) for the period/year attributable to:</b>					
	Owners of the Company	3,420.57	(1,414.15)	1,753.22	(3,751.27)	(210.24)
	Non-controlling Interest	29.22	80.18	(2.55)	102.12	(2.55)
13	<b>Other Comprehensive Income for the period/year attributable to:</b>					
	Owners of the Company	(0.08)	-	5.11	0.51	5.11
	Non-controlling Interest	(0.01)	-	-	0.55	-
14	<b>Total Comprehensive Income for the period/year attributable to:</b>					
	Owners of the Company	3,420.49	(1,414.15)	1,758.33	(3,750.76)	(205.13)
	Non-controlling Interest	29.21	80.18	(2.55)	102.67	(2.55)
15	Paid up Equity share Capital (face value of INR 10 each)	3,522.25	3,522.25	3,522.25	3,522.25	3,522.25
16	Other Equity excluding revaluation reserve					-
17	Basic and Diluted Earning / (Loss) Per Share (EPS) (face value of INR 10 each) (not annualised for the quarters)	9.71	(4.01)	4.99	(10.65)	(0.58)
	See accompanying notes to the consolidated financial results					



**Sadbhav Infrastructure Project Ltd.**

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
(a) Property, Plant and Equipments	17.48	19.80
(b) Investment Property	9.41	9.41
(c) Goodwill on consolidation	265.30	265.30
(d) Other Intangible Assets	1,601.71	1,890.61
(e) Financial Assets		
(i) Investments	1,216.61	1,759.18
(ii) Loan	5.41	7.76
(iii) Receivable under Service Concession Arrangement	17,575.99	32,794.32
(iv) Others	0.11	3.53
(f) Other Non Current Assets	188.37	102.01
<b>Total Non-current Assets (A)</b>	<b>20,880.39</b>	<b>36,851.92</b>
<b>Current Assets</b>		
(a) Financial Assets		
(i) Trade receivables	268.00	120.12
(ii) Cash and cash equivalents	462.09	1,212.12
(iii) Bank balances other than (ii) above	57.79	458.92
(iv) Loans	331.83	0.58
(v) Receivable under Service Concession Arrangement	3,574.53	3,396.22
(vi) Others	24,075.17	24,756.05
(b) Current Tax Assets (net)	140.08	82.65
(c) Other current assets	5,042.23	8,189.47
<b>Total Current Assets (B)</b>	<b>33,951.72</b>	<b>38,216.13</b>
<b>Assets classified as held for sale (Note 15)</b>	<b>(C)</b>	<b>14,136.37</b>
<b>Total Assets (A+B+C)</b>	<b>76,993.33</b>	<b>89,204.42</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	3,522.25	3,522.25
(b) Other Equity	(5,173.84)	(1,231.57)
<b>Equity attributable to equity holders</b>	<b>(1,651.58)</b>	<b>2,290.69</b>
<b>Non controlling interest</b>	<b>(723.57)</b>	<b>(825.68)</b>
<b>Total Equity (A)</b>	<b>(2,375.15)</b>	<b>1,465.01</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	17,311.04	26,904.65
(ii) Other financial liabilities	800.03	351.39
(b) Provisions	12.15	7.23
(c) Deferred tax Liabilities (Net)	579.78	863.43
<b>Total Non-current Liabilities (B)</b>	<b>18,703.00</b>	<b>28,126.70</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	23,377.75	24,576.17
(ii) Trade Payables		
Total outstanding dues to micro and small enterprises	2.63	1.28
Total outstanding dues of creditors other than micro and small enterprises	3,317.03	5,513.99
(iii) Other financial liabilities	11,083.03	11,426.47
(b) Other current liabilities	1,472.72	2,913.28
(c) Provisions	504.86	350.79
(d) Current tax Liabilities (net)	152.76	116.27
<b>Total Current Liabilities (C)</b>	<b>39,910.78</b>	<b>44,898.25</b>
<b>Liabilities relating to assets classified as held for sale (Note 15)</b>	<b>(D)</b>	<b>14,714.46</b>
<b>Total Liabilities (E=B+C+D)</b>	<b>79,368.48</b>	<b>87,739.41</b>
<b>Total Equity and Liabilities (A+E)</b>	<b>76,993.33</b>	<b>89,204.42</b>

See accompanying notes to the consolidated financial results.



**Sadbhav Infrastructure Project Ltd.**

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

**Notes :**

- The aforesaid audited consolidated financial results of Sadbhav Infrastructure Project Limited ('the Company' or 'holding company') and its subsidiaries (holding company together referred to as 'Group') for the quarter and year ended March 31, 2023 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their respective meetings on May 28, 2023 (Day 2 meeting). 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.
- The revenue from operations includes revenue from construction contracts of INR 30.74 million, INR 452.12 million, INR 2371.65 million for quarter ended March 31, 2023, December 31, 2022 and March 31, 2022 respectively and INR 2,463.24 million and INR 4570.27 million for the year ended March 31, 2023 and March 31, 2022 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."

- Exceptional item includes following :

Particulars	(INR in Million)	
	Year ended on	
	March 31, 2023	March 31, 2022
Loss on Sale of Unit of Indinfravit Trust	47.45	659.02
(Profit)/Loss on Sale of 49% stake in Maharashtra Border Checkpost Network Limited (Refer Note 3.1)	(37.21)	785.20
Loss on account of substitution of concession agreement of Sadbhav Bangalore Highway Private Limited (Including provision of Impairment of INR 309.03 Million) (Refer Note 3.2)	2,008.06	-
Substitution of concession agreement of Sadbhav Jodhpur Ringroad Private Limited (Including provision of Impairment of INR 116.50 Million) (Refer Note 3.3)	1,279.92	-
Profit on Sale of Stake in Sadbhav PIMA private Limited( Including Reversal of Impairment provision of INR 0.5 Million) (Refer Note 3.4)	(10.99)	-
Provision of impairment on Investment in Sadbhav Bhavnagar Highway Private Limited (Refer Note 3.5)	97.88	-
Balance written off on account of proposed stake sale of Sadbhav Bhavnagar Highway Limited (Refer Note 3.5)	347.75	-
Balance written off on account of proposed stake sale of Sadbhav Una Highway Limited (Refer Note 3.5)	261.79	-
Write off of Input Tax Credit of Maharashtra Border Checkpost Network Limited	-	95.20
Net difference on account of claim received by Ahmedabad Ring Road Infrastructure Limited from AUDA	-	(24.20)
<b>Total</b>	<b>3,994.65</b>	<b>1,515.22</b>

- The holding company and Adani Road Transport Limited (ARTL) executed Share Purchase Agreement (SPA) on August 16, 2021 (Amended and restated on January 27, 2022), for sale of its equity shares of Maharashtra Border Check Post Network Limited (MBCPNL) a wholly owned subsidiary of the Company, out of which 49% shares have been acquired by ARTL. During the year ended on March 31, 2022, the company has received consideration of INR 3,575 million and it has recognised loss of INR 785.19 in relation of transfer of 49% stake. Consequent to this agreement, the amount of 51% shares of MBCPNL has been classified as assets held for sale in accordance with IND AS-105 - Non current Assets held for Sale and Discontinuing Operations.
- Sadbhav Bangalore Highway Private Limited (SBGHPL), one of the subsidiary company which is engaged in construction, operation and maintenance of road project under concession agreement with NHA, the lenders of the subsidiary have notified to NHA about exercise of their right of substitution of concessionaire i.e SBGHPL in the month of January, 2022. Subsequently, the lenders have approved the anchor offer received from the Gawar Construction Limited in the month of October 2022 for the purpose of substitution of the Company, subject to execution of appropriate documentation for recording the terms and conditions relating to the proposed substitution of the Company. In terms of concession agreement, in case of substitution of the concessionaire, the project of the company shall be transfer to nominated company selected by the lenders. Consequently, the Company has written off the assets and written back the liability which is shown as exceptional items in the Statement of Profit and loss.
- In view of the Harmonious substitution of Sadbhav Jodhpur Ringroad Private limited (SJRRPL), a Definitive agreement entered into between holding company, SJRRPL, one of the subsidiary, Sadbhav Engineering Limited (The ultimate holding company) and Gawar Construction Limited (GCL) as on June 28, 2022 for substitution of the SJRRPL with the new SPV to be nominated by GCL and also endorsement agreement was executed between the SJRRPL and JRR Highways Private Limited (new concessionaire) dated July 13, 2022 with the approval of NHA for implementation of the project by new concessionaire in substitution of the SJRRPL. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of the SJRRPL are transferred the new concessionaire. Consequently, the Company has written off the assets and written back the liability which is shown as exceptional items in the Statement of Profit and loss.
- The company has entered into Share Purchase and Subscription Agreement on November 1, 2022 whereby it has agreed to sell its entire shareholding in Sadbhav PIMA Private Limited (Subsidiary Company) to Ind Indinfravit Trust at an aggregate consideration of 11.50 millions. During the quarter ended on December 31, 2022, the company has transferred shares in subsidiary company on 12.12.2022. The profit on transfer of these shares amounting to INR 10.99 million is recognised as an exceptional item during the quarter and nine months period ended on December 31, 2022. Further provision for Impairment in shares amounting to INR 0.50 millions made in earlier period is reversed during the quarter ended on September 30, 2022.



**Sadbhav Infrastructure Project Ltd.**

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

3.5 During the year ended on March 31, 2023, the company has entered into Binding Term Sheet with Kalthia Engineering and Construction Limited for proposed stake sale of Sadbhav Bhavnagar Highway Limited (SBHL) and Sadbhav Una Highway Limited (SUHL) whereby it has agreed to sell its entire shareholding in SBHL and SUHL at an enterprise value of INR 7,518.20 millions. The sale will be completed on fulfilment of conditions precedent as specified in the said MOUs after execution of Share Purchase agreement. Having regard to this transaction, the company has carried out impairment testing of investment in these subsidiary companies. Based on such assessment, the company has made provision for Impairment in shares amounting to INR 97.88 millions in value of investments in said subsidiaries during the quarter and nine months period ended December 31, 2022. Further, all the balance outstanding, pertaining to EPC Contractor, in the books of the SBHL And SUHL have been adjusted and net difference of INR 347.75 Million and 261.79 million respectively have been written off by SBHL and SUHL respectively.

4 Key numbers of standalone financial results of the Company for the quarter and year end are as under:-

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2023 (Audited)	Decemeber 31, 2022 (Unaudited)	March 31, 2022 (Audited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
		(INR in Million)				
1	Revenue from operations	131.73	222.92	485.31	894.41	2,042.10
2	Net Profit / (loss) before tax	(207.25)	(232.02)	(1,043.62)	(3,970.06)	(2,267.55)
3	Net Profit / (loss) after tax	20.81	(185.26)	(983.99)	(3,575.48)	(1,916.47)
4	Total other comprehensive income for the period / year	21.19	(185.26)	(981.42)	(3,575.10)	(1,913.90)

The standalone financial results are available at the Company's website [www.sadbhavinfra.co.in](http://www.sadbhavinfra.co.in) and on the web site of the stock exchanges [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

5 As on September 30, 2022, the outstanding amount of unlisted non-convertible debentures of the holding company is aggregating to INR 4,228.90 million. Said debentures are not listed. Hence the disclosure required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is not required.

6 The Group has a single reportable segment (operating segment) i.e Build Operate and Transfer (BOT)/Annuity Projects and its related activities in accordance with Indian Accounting Standard - 108 "Segment Reporting".

7 One of the 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. In this regard the management of RPTPL lodged total claims amounting to INR 39,578.44 million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In view of the above, RPTPL has given following accounting treatments in its financial statements for the quarter and year ended 31.03.2022:

- Impaired intangible assets related to Toll Collection Rights, amounting to INR 909.78 million and transferred balance amount from Intangible Assets to "Receivable from the NHAI" under the head Other Current Financial Assets. The management of RPTPL is of the view that amount recoverable from NHAI are fully recoverable.
- Written back the liability of premium obligation amounting to INR 3,695.92 million.
- Written back major maintenance provision amounting to INR 929.43 million.

During the quarter ended on March 31, 2023, RPTPL has reversed interest of INR 1,026.94 million 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.

8 One of the 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. In this regard the management of RHTPL lodged total claims amounting to INR 14,969.77 million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In view of this RHTPL has given following accounting treatments in its financial statements for the quarter and year ended 31.03.2022:

- Transferred amount of Toll Collection Rights from Intangible Assets to Receivable from the NHAI under the head Other Current Financial Assets. Further, the management of RHTPL is of the view that amounts recoverable from NHAI are fully recoverable and hence no impairment loss is envisaged.
- Written back major maintenance provision amounting to INR 786.18 million.

During the quarter ended on March 31, 2023, RHTPL has reversed interest of INR 1,228.09 million 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.



- 9 a. Sadbhav Jodhpur Ringroad Private Limited (SJRRPL), one of the subsidiary company which is engaged in construction, operation and maintenance of road project under concession agreement with NHAI, was delayed in due to delay in handing over the land from Authority (NHAI), delay in approval of change of scope work, non-funding by the lenders and nationwide lockdown due to Covid-19. At the request of the SJRRPL, NHAI in the month of January 2022 had given in principal approval for harmonious substitution of the concessionaire i.e. SJRRPL subject to various terms and conditions.
- Pursuant to this, definitive agreement was entered into between holding company, SJRRPL, Sadbhav Engineering Limited (The ultimate holding company) and Gawar Construction Limited (GCL) as on June 28, 2022 for substitution of the SJRRPL with the new SPV to be nominated by GCL and also endorsement agreement was executed between the SJRRPL and JRR Highways Private Limited (new concessionaire) dated July 13, 2022 with the approval of NHAI for implementation of the project by new concessionaire in substitution of the SJRRPL. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of the SJRRPL are transferred the new concessionaire in consideration of INR 520 Millions. Consequently, all the balances outstanding in the books of SJRRPL as at June 30, 2022 related to project are adjusted against the consideration receivable from the GCL. The net difference of INR 1181.17 Million is transferred to Statement in Profit and Loss and disclosed as loss on endorsement of concession on harmonious substitution of the SJRRPL.
- In view of the Harmonious substitution of the Company, the net amount of consideration of INR 374.88 Million to be received/receivable by the company will be utilised for payment of sub debt provided by the holding company and balance amount of Sub debt of INR 1050.63 Million is waived by the holding company and hence written back in the statement of Profit and loss and shown as exceptional items. (Refer note 3)
- b. Sadbhav Jodhpur Ring Road Private Limited (SJRRPL), subsidiary of the group in which Tax credit receivables are carried in the Balance sheet at INR 155.45 Million under the Other Current assets. Presently, the company does not carry out any business activity. However management of SJRRPL is evaluating various option for utilising above mention credit and is confident about the utilization of the credit. For which the statutory auditors have expressed qualified opinion on financial results in this regards.
- 10 a. Sadbhav Banglore Highway Private Limited (SBGHPL), one of the subsidiary company which is engaged in construction, operation and maintenance of road project under concession agreement with NHAI, the lenders of the subsidiary have notified to NHAI about exercise of their right of substitution of concessionaire i.e SBGHPL in the month of January, 2022. Subsequently, the lenders have approved the anchor offer received from the Gawar Construction Limited in the month of October 2022 for the purpose of substitution of the Company, subject to execution of appropriate documentation for recording the terms and conditions relating to the proposed substitution of the Company. In terms of concession agreement, in case of substitution of the concessionaire, the project of the company shall be transfer to nominated company selected by the lenders. Consequently, the Company has written off the assets and written back the liability which is shown as exceptional items in the Statement of Profit and loss. (Refer note 3)
- b. Sadbhav Banglore Highway Private Limited (SBGHPL), subsidiary of the group in which Tax credit receivables are carried in the Balance sheet at INR 426.74 Million under the Other Current assets. Presently, the company does not carry out any business activity. However management of SBGHPL is evaluating various option for utilising above mention credit and is confident about the utilization of the credit. For which the statutory auditors have expressed qualified opinion on financial results in this regards.
- 11 Sadbhav Vidarbha Highway Limited (Concessionaire or SVHL), subsidiary of the group in which case lenders of SVHL has exercised right of substitution of concessionaire in the month of February, 2023. The proposed buyer, Gawar Construction Limited (GCL), has submitted Expression Of Interest (EOI) to the Lenders. However, the Concessionaire vide its letter dated May 5, 2023 had recommended National Highway Authority of India (NHAI), Harmonious substitution of concessionaire. The approval of NHAI is awaited. The company and SVHL are in active discussion with GCL for executing endorsement agreement. Owing to the uncertainty of outcome of substitution proceeding note, no adjustment is made to the carrying value of assets and liabilities in the financial statements of SVHL and the financial statements of SVHL is prepared on going concern basis.
- 12 Sadbhav Nainital Highway Limited (Concessionaire or SNHL), subsidiary of the group in which case National Highway Authority of India (NHAI) vide its letter dated April 17, 2023 has given In-Principal approval for harmonious substitution of concessionaire. The proposed buyer, Gawar Construction Limited (GCL), has submitted Expression Of Interest (EOI) to the SNHL. SNHL are in active discussion with Gawar Construction Limited for executing endorsement agreement. As per the Binding Term Sheet, the recoverability of the amount invested by the company as Equity and Sub-debt is substantially certain and hence as per management estimate, no provision is required to be made to the carrying value of assets and liabilities in the financial statements of SNHL and the financial statements of SNHL is prepared on going concern basis.
- 13 The Board of Directors in the meeting held on 15th October, 2022 have resolved to withdraw Scheme of Amalgamation filed with Hon'ble National Company Law Tribunal with regard to amalgamation of Sadbhav Infrastructure Project Limited (Transferor Company) with Sadbhav Engineering Limited (Transferee Company) under section 230 to 232 of the Companies Act, 2013. Consequently, on application made by the company, the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order dated 19th October, 2022 has allowed the withdrawal of the said application. Accordingly, the Scheme of merger stands cancelled.
- 14 Maharashtra Border Check Post Network Limited ('MBCPNL') one of the subsidiary, has accepted and accounted certain project related cost variation towards increased cost of construction due to delay in execution of the Modernization and Computerisation of 22 Border Check Post Project including 2 additional check post ('BCP Project'). Such cost variations incurred due to various reasons not attributable to MBCPNL, in terms of service concession agreement, up to March 31, 2022 is INR 2,228.84 Million (March 31, 2021 INR 2,228.84 Million). The costs has been accounted as intangible asset/ intangible assets under development. Further, such cost variation is required to be approved by Government of Maharashtra (GoM) although the Independent Engineer of the Project, Technical Evaluation Committee duly appointed by Project Steering Committee of Maharashtra State Road Development Corporation Limited ('the Project Authority') which is monitoring the project progress and the lender's independent engineer have in-principle accepted and recommended MBCPNL's cost variation claim. Based on the recommendations at the project steering committee, GoM (Grantor) will conclude in regard to cost variation claim of the MBCPNL although MBCPNL is confident that the additional costs accounted in the books will be fully accepted by the GoM.
- 15 Finance cost includes Interest expenses in respect of two subsidiary companies namely Rohtak Hissar Tollways Private Limited (RHTPL) and Rohtak Panipat Tollways Private Limited (RPTPL) amounting to INR 1,228.09 millions and INR 1,026.94 million reversed during the quarter ended March 31, 2023 which were provided in earlier period where Financials of RPTPL & RHTPL are prepared on non going concern basis due to issue of termination notice to NHAI by RPTPL & RHTPL.



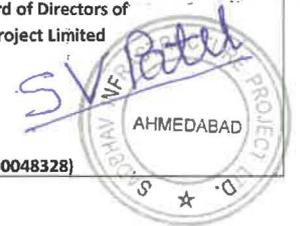
## Sadbhav Infrastructure Project Ltd.

Regd Office : "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.

T : +91 79 26463384 F : +91 79 26400210 E : investor@sadbhavinfra.co.in Web : www.sadbhavinfra.co.in CIN : L45202GJ2007PLC049808

- 16 There is delay in physical progress of work as at March 31, 2023 in respect of projects being executed by Sadbhav Kim Expressway Private Limited (SKEPL), Sadbhav Rudrapur Highway Private Limited (SRHPL) subsidiaries of the company on account of delay in handing of over land from authority, occurrence of Force Majeure event of pandemic of COVID-19 various other reasons beyond the control of the said subsidiary. Further the Company, SKEPL and SRHPL could not execute the project due to resource constrain. The company is exploring various option for completion of the project. Further respective subsidiary have sought for extension of Concession Period including Construction period and is confident that necessary approvals relating to extension of Concession Period including Construction period will be received.
- 17 The confirmations of balances of some trade payables and incidental balances and loans and advances are pending. The management is confident that on receipt of confirmation there will not be any material impact on the financial statements.
- 18 The Group has accumulated losses as at March 31, 2023, which has resulted in erosion of the Group's net worth; mainly because of COVID-19 exceptional situation, inflationary pressure and constraint of the resources of the parent. The Management of the Group is focused on speedy monetization and execution of the projects, cost controls and deleveraging the business. The liquidity position is improved on account of receipt of PCODs for six HAM projects and conclusion of some of the monetization events and progress for the monetization of the balance SPVs. The management of the group has prepared projections of cash flows for the next 12 months with a focus on optimizing the resources by way of timely monetization of the SPVs, legal process of the claims, and cost control. Basis on the said projections, the management of the group believes that it will be able to service the debt as they fall due in the coming 12 months' period from the reporting date out of the above mentioned monetization events and there is no threat to going concern assumption adopted in preparation of financial results for the quarter and year ended on March 31, 2023.
- 19 The figures for the quarter ended March 31, 2023 are balancing figures between the audited figures in respect of the full financial year up to March 31, 2023 and the unaudited published year to date figures up to third quarter ended December 31, 2022, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 20 Statement of Audited Cash flow for the year ended March 31, 2023 and March 31, 2022 is given in Annexure 1.
- 21 Figures for the previous periods have been regrouped / rearranged, wherever necessary, to make them comparable with those of the current period/year.

For and on behalf of Board of Directors of  
Sadbhav Infrastructure Project Limited



Shashin Patel  
Executive Director (DIN:00048328)

Place: Ahmedabad  
Date: May 28, 2023

Annexure 1 Statement of Audited Consolidated Cash Flow for the year ended March 31, 2023

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
	INR In Million	INR In Million
<b>(A) Cash-flows from operating activities</b>		
(Loss) before tax	(3,855.46)	(375.64)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortisation expense	864.98	976.76
Finance cost	5,465.56	8,504.00
Change in Minority Interest	102.12	(825.68)
Provision of Periodic maintenance expenses	223.55	335.27
Exceptional item	2,055.81	1,515.22
Liabilities no longer required written back		(33.65)
Interest income	(120.75)	(298.19)
Dividend received	(22.26)	(10.24)
<b>Operating Profit before working capital changes</b>	<b>4,713.56</b>	<b>9,787.84</b>
<b>Movement in working capital:</b>		
(Increase)/Decrease in trade receivables (including receivable under service concession)	11,901.69	(2,133.59)
Decrease / (Increase) in other financial assets	684.30	(751.63)
(Increase) in other assets	3,035.70	801.89
Increase/(Decrease) in trade payables	(2,195.60)	(1,735.39)
Increase/(Decrease) in other financial liabilities	105.21	(4,727.79)
Increase/ (Decrease) in other liabilities	(1,411.71)	(1,374.50)
Increase/ (Decrease) in provisions	(64.55)	(1,753.30)
<b>Cash generated from operating activities</b>	<b>16,768.61</b>	<b>(1,886.48)</b>
Direct taxes paid (net of refund received)	(334.97)	(62.67)
<b>Net cash flows generated from/(used in) operating activities</b>	<b>(A) 16,433.64</b>	<b>(1,949.15)</b>
<b>(B) Cash flows from investing activities</b>		
Sale/(Purchase) of PPE and other intangible assets (including Intangible asset under development)	(573.78)	14,494.93
Proceed from Sale of Units / Mutual fund	494.82	4,770.45
Investments & bank deposits	401.13	(423.61)
Proceeds from carved out Assets	(60.14)	
Loans received back/(Given)	(328.90)	195.83
Interest received	120.75	298.19
Assets/liability held for Sale	(1,984.61)	(8,471.31)
Dividend received	22.26	10.24
<b>Net cash flows generated from/(used in) investing activities</b>	<b>(B) (1,908.47)</b>	<b>10,874.72</b>
<b>(C) Cash flows from financing activities</b>		
Proceeds/(Repayment) of non-current borrowings	(8,611.22)	277.28
Proceeds/(Repayment) of current borrowings	(1,198.41)	(1,263.62)
Proceeds from compound financial instruments		796.82
Interest and other borrowing cost paid	(5,465.56)	(8,504.00)
<b>Net cash flows (used) in financing activities</b>	<b>(C) (15,275.20)</b>	<b>(8,693.52)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(A+B+C) (750.03)</b>	<b>232.05</b>
Cash and cash equivalents at beginning of the year	1,212.12	980.07
<b>Cash and cash equivalents at end of the year</b>	<b>462.09</b>	<b>1,212.12</b>

Notes:

1 Components of cash and cash equivalents:

	As at	As at
	March 31, 2023	March 31, 2022
	INR In Million	INR In Million
Cash on hand	3.44	7.50
Balances with banks:		
- In current accounts	409.21	1,196.32
- In current accounts - unpaid share application refund money and unclaimed dividend	0.14	0.14
- Deposits with original maturity of less than 3 months	49.30	8.16
	<b>462.09</b>	<b>1,212.12</b>
<b>Cash and cash equivalents at end of the year</b>	<b>462.09</b>	<b>1,212.12</b>

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





**S G D G & ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**

**Independent Auditors' Report on the Quarterly and Year to Date Audited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**  
**The Board of Directors of**  
**Sadbhav Infrastructure Project Limited**

**Report on the audit of Consolidated Financial Results**

**Qualified Opinion**

We have audited the accompanying statement of quarterly and year to date Consolidated Financial Results of Sadbhav Infrastructure Project Limited ("Holding Company" or the "Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2023 ("the 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 Statement:

- (i) includes the results of entities mentioned in Annexure 1 of this report
- (ii) except for the possible effect of the matters described in basis for qualified opinion paragraph below, 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 paragraph below, gives a true and fair view in conformity with the applicable Indian Accounting Standards 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 ended on March 31, 2023 and of the Consolidated net loss, Consolidated other comprehensive income and other financial information for the year ended on March 31, 2023.



**S G D G & Associates LLP, a Limited Liability Partnership with LLP Identity No. AAI-3248**

5-6, Shivalik Plaza, Opp. A.M.A., ATIRA,  
Polytechnic, Ambawadi, Ahmedabad - 380 015  
Branch Office : Mumbai

+91-9974940700, 9820851518  
info@sgdg.co.in www.sgdg.co.in

### **Basis for Qualified Opinion**

1. As detailed in Note 7 & Note 8 of the accompanying Consolidated Financial Results, with respect to Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hisar Tollway Private Limited (RHTPL), subsidiaries of the Group in which interest on rupee term loan from banks and financial institutions as well as unsecured loans from group companies have not been accounted considering the fact that both subsidiaries have issued termination notices and lenders of both subsidiaries have classified all the secured borrowings as non-performing assets. This has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained.

The auditors of RPTPL and RHTPL have expressed qualified opinion on the financial statement of RPTPL and RHTPL for the year ended March 31, 2023 vide their report dated May 25, 2023.

2. As detailed in Note 9(b) of the accompanying consolidated Financial Results, with respect to Sadbhav Jodhpur Ring Road Private Limited (SJRRPL), subsidiary of the group in which Tax credit receivables are carried in the Balance sheet at INR 155.45 Million under Other Current assets. However, during financial year 2022-2023, the SJRRPL does not have any business activity nor are we informed about the management plan for taking up other business activity.
3. As detailed in Note 10(b) of the accompanying consolidated Financial Results, with respect to Sadbhav Bangalore Highway Private Limited (SBGHPL), subsidiary of the group in which Tax credit receivables are carried in the Balance sheet at INR 426.74 Million under the Other Current assets. However, during financial year 2022-2023, the SBGHPL does not have any business activity nor are we informed about the management plan for taking up other business activity.

The auditors of SBGHPL have expressed qualified opinion on the financial statement of SBGHPL for the year ended March 31, 2023 vide their report dated May 26, 2023 mentioning that they are unable to comment about the utilization of tax credits in foreseeable future.

4. As detailed in Note 11 of the accompanying statement, with respect to Sadbhav Vidarbha Highway Limited (Concessionaire or SVHL), subsidiary of the group in which case lenders of SVHL has exercised right of substitution of concessionaire in the month of February, 2023. The Concessionaire vide its letter dated May 5, 2023 had recommended National Highway Authority of India (NHAI), Harmonious substitution of concessionaire. The approval of NHAI is awaited. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial statements of SVHL and the financial statements of SVHL is prepared on going concern basis. Owing to the uncertainty of outcome of substitution proceedings and lack of other alternate audit evidence, we are unable to comment about adjustment that may be required to the carrying value of assets and liabilities and their consequential impact on the financial position of the Group as on March 31, 2023.

The auditors of SVHL have expressed qualified opinion on the financial statement of SVHL for the year ended March 31, 2023 vide their report dated May 26, 2023.

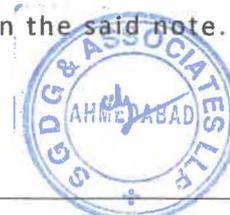
5. As detailed in Note 12 of the accompanying statement, with respect to Sadbhav Nainital Highway Limited (Concessionaire or SNHL), subsidiary of the group in which case National Highway Authority of India (NHAI) vide its letter dated April 17, 2023 has given In-Principal approval for harmonious substitution of concessionaire. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial statements of SNHL and the financial statements of SNHL is prepared on going concern basis pending finalization of substitution.

The auditors of SNHL have expressed qualified opinion on the financial statement of SNHL for the year ended March 31, 2023 vide their report dated May 26, 2023.

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 on the consolidated financial results.

#### **Material uncertainty related to going concern**

We draw attention to Note no. 18 to the accompanying consolidated Financial Results, which indicates that, Group's accumulated losses exceeds paid-up capital and reserves by INR 1651.58 million and, as of that date the current liabilities of the Group exceeded the current assets by INR 5959.06 million. and the Group finds difficulty in meeting obligations of payment to suppliers and statutory dues. Further, Group is in the process of divestment of its investment in subsidiary companies and subsidiary companies finds difficulty in meeting obligation of lenders and accounts by the lenders of some of the subsidiary companies have been classified as Non-Performing Assets. 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 Group's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the said note.



**Emphasis of Matter**

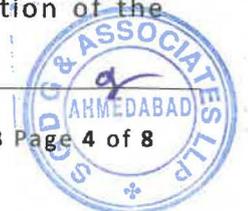
We draw attention to:

- a) Note 7 and Note 8 of 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), subsidiaries of the group, on non-going concern basis on account of issue of termination notice by RPTPL and RHTPL to Nation Highway 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.
- b) Note 14 of the consolidated financial results in respect of accounting of Intangible Asset/ Intangible Assets under Development of INR 2,228.84 million under the Service Concession Arrangement of one of the subsidiaries of the group namely Maharashtra Border Check Post Network Limited (MBCPNL) based upon recommendation made by the project lenders' engineer and technical experts appointed by project authorities. Pending final approval by the Government of Maharashtra, no adjustments are considered necessary in these consolidated financial results.

Our opinion is not modified in respect of these 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. The Holding Company's Board of Directors are responsible for the preparation and presentation of consolidated financial results that gives a true and fair view of the consolidated net profit, consolidated other comprehensive income for the quarter ended on March 31, 2023 and of the consolidated net loss, consolidated other comprehensive income for the year ended on March 31, 2023 and other financial information of the Group 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 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 results that give a true and fair view and is free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.



In preparing the Consolidated Financial Results, the respective 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 is 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 our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 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 Statement 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 No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

#### **Other Matters**

The consolidated financial results include the audited financial results and other financial information, in respect of 14 subsidiary companies, whose financial results reflect total assets (before consolidation adjustments) of Rs. 72,056.31 Million as at March 31, 2023, total revenues (before consolidation adjustments) of Rs.1276.15 Million and Rs. 7,939.51 Million, total net profit/(loss) after tax (before consolidation adjustments) of Rs. 3265.10 Million and Rs. (793.89) Million, total comprehensive income of (before consolidation adjustments) Rs. 3265.25 Million and Rs. (792.58) Million, for quarter and the year ended on that date respectively and net cash inflows/(outflows) (before consolidation adjustments) for year ended March 31, 2023 of Rs. (467.39) Million, as considered in the Statement which have been audited by its respective independent auditors.

The independent auditor's report on the consolidated financial results/information 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.

Attention is drawn to the fact that the Statement includes the results for the quarter ended March 31, 2023 and the corresponding quarter ended in the previous year, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the end of the third quarter of the respective financial year, which were subject to limited review by us as required under Listing Regulations.

**Place: Ahmedabad**

**Date: May 28, 2023**



**For S G D G & Associates LLP**  
**Chartered Accountants**  
**Firm's Registration No.: W100188**

*Dgunolhi*  
**Devansh Gandhi**  
**Partner**

**Membership No.: 129255**  
**UDIN: 23129255BGWSST1070**

**Annexure 1 to the Review Report on consolidated financial results for the quarter and year ended on March 31, 2023.**

Results of following entities are included in these financial results:

**Parent Company**

Sadbhav Infrastructure Project Limited

**Subsidiaries**

1. Ahmedabad Ring Road Infrastructure Limited
2. Sadbhav Jodhpur Ring Road Private Limited
3. Maharashtra Border Check Post Network Limited
4. Rohtak-Panipat Tollway Private Limited
5. Rohtak Hissar Tollway Private Limited
6. Sadbhav Rudrapur Highway Limited (earlier known as Sadbhav Rudrapur Highway Private Limited)
7. Sadbhav Una Highway Limited (earlier known as Sadbhav Una Highway Private Limited)
8. Sadbhav Bhavnagar Highway Limited (earlier known as Sadbhav Bhavnagar Highway Private Limited)
9. Sadbhav Nainital Highway Limited (earlier known as Sadbhav Nainital Highway Private Limited)
10. Sadbhav Bangalore Highway Private Limited
11. Sadbhav Udaipur Highway Limited (earlier known as Sadbhav Udaipur Highway Private Limited)
12. Sadbhav Vidarbha Highway Limited (earlier known as Sadbhav Vidarbha Highway Private Limited)
13. Sadbhav Kim Expressway Private Limited
14. Sadbhav Infra Solutions Private Limited (earlier known as Sadbhav Bhimasar Bhuj Highway Private Limited)
15. Sadbhav Maintenance Infrastructure Private Limited (earlier known as Sadbhav Vizag Port Road Private Limited)
16. Sadbhav Hybrid Annuity Projects Limited



**ANNEXURE I**

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

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023</b>				
<b>[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]</b>				
<b>I.</b>	<b>Sl. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications) (INR in Million)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications) (INR in Million)</b>
	1.	Turnover / Total income	10,930.85	Not ascertainable
	2.	Total Expenditure	10,791.65	
	3.	Exceptional Items	(3,994.65)	
	4.	(Loss) After Tax	(3,649.15)	
	5.	Earnings Per Share	(10.65)	
	6.	Total Assets	76,993.33	
	7.	Total Liabilities (excluding Net Worth)	79,368.48	
	8.	Net Worth	(2375.15)	
	9.	Any other financial item(s) (as felt appropriate by the management)	-	
<b>II.</b>	<b>Audit Qualification (each audit qualification separately):</b>			
	<p>1. As detailed in Note 13 of the accompanying statement, with respect to Sadbhav Vidarbha Highway Limited (Concessionaire or SVHL), subsidiary of the group in which case lenders of SVHL has exercised right of substitution of concessionaire in the month of February, 2023. The Concessionaire vide its letter dated May 5, 2023 had recommended National Highway Authority of India (NHAI), Harmonious substitution of concessionaire. The approval of NHAI is awaited. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial statements of SVHL and the financial statements of SVHL is prepared on going concern basis. Owing to the uncertainty of outcome of substitution proceedings and lack of other alternate audit evidence, we are unable to comment about adjustment that may be required to the carrying value of assets and liabilities and their consequential impact on the financial position of the Group as on March 31, 2023.</p> <p>The auditors of SVHL have expressed qualified opinion on the financial statement of SVHL for the year ended March 31, 2023 vide their report dated May 26, 2023.</p>			



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**  
**[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

2. As detailed in Note 14 of the accompanying statement, with respect to Sadbhav Nainital Highway Limited (Concessionaire or SNHL), subsidiary of the group in which case National Highway Authority of India (NHAI) vide its letter dated April 17, 2023 has given In-Principal approval for harmonious substitution of concessionaire. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial statements of SNHL and the financial statements of SNHL is prepared on going concern basis pending compliance of conditions prescribed by NHAI for substitution.

The auditors of SNHL have expressed qualified opinion on the financial statement of SNHL for the year ended March 31, 2023 vide their report dated May 25, 2023.

3. As detailed in Note 9 & Note 10 of the accompanying Consolidated Financial Results, with respect to Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hisar Tollway Private Limited (RHTPL), subsidiaries of the Group in which interest on rupee term loan from banks and financial institutions as well as unsecured loans from group companies have not been accounted considering the fact that both subsidiaries have issued termination notices and lenders of both subsidiaries have classified all the secured borrowings as non-performing assets. This has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained.

The auditors of RPTPL and RHTPL have expressed qualified opinion on the financial statement of RPTPL and RHTPL for the year ended March 31, 2023 vide their report dated May 25, 2023.

4. As detailed in Note 11 of the accompanying consolidated Financial Results, with respect to Sadbhav Jodhpur Ring Road Private Limited (SJRRPL), subsidiary of the group in which Tax credit receivables are carried in the Balance sheet at INR 155.45 Million under Other Current assets. However, during financial year 2022-2023, the SJRRPL does not have any business activity nor are we informed about the management plan for taking up other business activity.

5. As detailed in Note 12 of the accompanying consolidated Financial Results, with respect to Sadbhav Bangalore Highway Private Limited (SBGHPL), subsidiary of the group in which Tax credit receivables are carried in the Balance sheet at INR 426.74 Million under the Other Current assets. However, during financial year 2022-2023, the SBGHPL does not have any business activity nor are we informed about the management plan for taking up other business activity.



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

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

The auditors of SBGHPL have expressed qualified opinion on the financial statement of SBGHPL for the year ended March 31, 2023 vide their report dated May 26, 2023 mentioning that they are unable to comment about the utilization of tax credits in foreseeable future.

**6. Material uncertainty related to going concern**

We draw attention to Note no. 20 to the accompanying consolidated Financial Results, which indicates that, Group's accumulated losses exceeds paid-up capital and reserves by INR 1651.58 million and, as of that date the current liabilities of the Group exceeded the current assets by INR 5959.10 million. and the Group finds difficulty in meeting obligations of payment to suppliers and statutory dues. Further, Group is in the process of divestment of its investment in subsidiary companies and subsidiary companies finds difficulty in meeting obligation of lenders and accounts by the lenders of the some of the subsidiary companies have been classified as Non-Performing Assets. 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 Group's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the said note.

**a. Type of Audit Qualification :** Qualified Opinion

**b. Frequency of qualification:** Appeared second time as at March 31, 2023

**c. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Impact is not quantified by the Auditors.

**d. For Audit Qualification(s) where the impact is not quantified by the auditor:**



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

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

**Management's estimation on the impact of audit qualification:**

1. Sadbhav Vidarbha Highway Limited (Concessionaire or SVHL), subsidiary of the group in which case lenders of SVHL has exercised right of substitution of concessionaire in the month of February, 2023. The proposed buyer, Gawar Construction Limited (GCL), has submitted Expression of Interest (EOI) to the Lenders. However, the Concessionaire vide its letter dated May 5, 2023 had recommended National Highway Authority of India (NHAI), Harmonious substitution of concessionaire. The approval of NHAI is awaited. The company and SVHL are in active discussion with GCL for executing endorsement agreement. Owing to the uncertainty of outcome of substitution proceeding note, no adjustment is made to the carrying value of assets and liabilities in the financial statements of SVHL and the financial statements of SVHL is prepared on going concern basis.
2. Sadbhav Nainital Highway Limited (Concessionaire or SNHL), subsidiary of the group in which case National Highway Authority of India (NHAI) vide its letter dated April 17, 2023 has given In-Principal approval for harmonious substitution of concessionaire. The proposed buyer, Gawar Construction Limited (GCL), has submitted Expression of Interest (EOI) to the SNHL. SNHL are in active discussion with Gawar Construction Limited for executing endorsement agreement. As per the Binding Term Sheet, the recoverability of the amount invested by the company as Equity and Sub-debt is substantially certain and hence as per management estimate, no provision is required to be made to the carrying value of assets and liabilities in the financial statements of SNHL and the financial statements of SNHL is prepared on going concern basis.
3. (a) One of the 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. In this regard the management of RPTPL lodged total claims amounting to INR 39,578.44 million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In view of the above, RPTPL has given following accounting treatments in its financial statements for the quarter and year ended 31.03.2022:  
  
- Impaired intangible assets related to Toll Collection Rights, amounting to INR 909.78 million and transferred balance amount from Intangible Assets to "Receivable from the NHAI" under the head Other Current Financial Assets. The management of RPTPL is of the view that amount recoverable from NHAI are



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**  
**[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

fully recoverable.

- Written back the liability of premium obligation amounting to INR 3,695.92 million.

- Written back major maintenance provision amounting to INR 929.43 million.

During the quarter ended on March 31, 2023, RPTPL has reversed interest of INR 1,026.94 million 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.

(b) One of the 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.

In this regard the management of RHTPL lodged total claims amounting to INR 14,969.77 million relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In view of this RHTPL has given following accounting treatments in its financial statements for the quarter and year ended 31.03.2022:

- Transferred amount of Toll Collection Rights from Intangible Assets to Receivable from the NHAI under the head Other Current Financial Assets. Further, the management of RHTPL is of the view that amounts recoverable from NHAI are fully recoverable and hence no impairment loss is envisaged.

- Written back major maintenance provision amounting to INR 786.18 million.

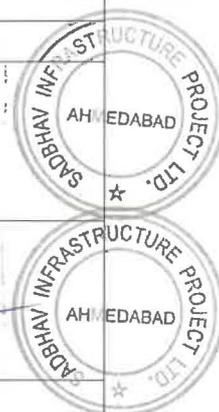
During the quarter ended on March 31, 2023, RHTPL has reversed interest of INR 1,228.09 million provided during the earlier period considering the fact that the project of RPTPL has been terminated and lenders have classified loans as Non-Performing Assets.

4. **Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)**, subsidiary of the group in which Tax credit receivables are carried in the Balance sheet at INR 155.45 Million under the Other Current assets. Presently, the company does not carry out any business activity. However, management of SJRRPL is evaluating various option for utilising above mention credit and is confident about the utilization of the credit.
5. **Sadbhav Bangalore Highway Private Limited (SBGHPL)**, subsidiary of the group in



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023****[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

	<p>which Tax credit receivables are carried in the Balance sheet at INR 426.74 Million under the Other Current assets. Presently, the company does not carry out any business activity. However, management of SBGHPL is evaluating various option for utilising above mention credit and is confident about the utilization of the credit.</p> <p>6. The Group has accumulated losses as at March 31, 2023, which has resulted in erosion of the Group's net worth; mainly because of COVID-19 exceptional situation, inflationary pressure and constraint of the resources of the parent. The Management of the Group is focused on speedy monetization and execution of the projects, cost controls and deleveraging the business. The liquidity position is improved on account of receipt of PCODs for six HAM projects and conclusion of some of the monetization events and progress for the monetization of the balance SPVs. The management of the group has prepared projections of cash flows for the next 12 months with a focus on optimizing the resources by way of timely monetization of the SPVs, legal process of the claims, and cost control. Basis on the said projections, the management of the group believes that it will be able to service the debt as they fall due in the coming 12 months' period from the reporting date out of the above mentioned monetization events and there is no threat to going concern assumption adopted in preparation of financial results for the quarter and year ended on March 31, 2023.</p>
	<p>(i) <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p>Not Applicable</p>
	<p>(ii) <b>Auditors' Comments on (i) or (ii) above:</b></p> <p>Refer details of audit qualification vide [para II (a) above]</p>
<b>III</b>	<p><b>Signatories:</b></p> <ul style="list-style-type: none"><li>• <b>Executive Chairman – Mr. Shashin V. Patel</b> </li><li>• <b>CFO – Mr. Jatin Thakkar</b> </li><li>• <b>Audit Committee Chairman</b> Daksha Shah </li></ul>



**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

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

• **Statutory Auditors**

Mr. Devansh Gandhi  
Partner  
Membership Number: 129255  
For S G D G & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: W100188

*Devansh Gandhi*



**Place: Ahmedabad**

**Date: May 28, 2023**