

Catalysing Infrastructural
Growth of the Nation

14TH ANNUAL REPORT 2019-20

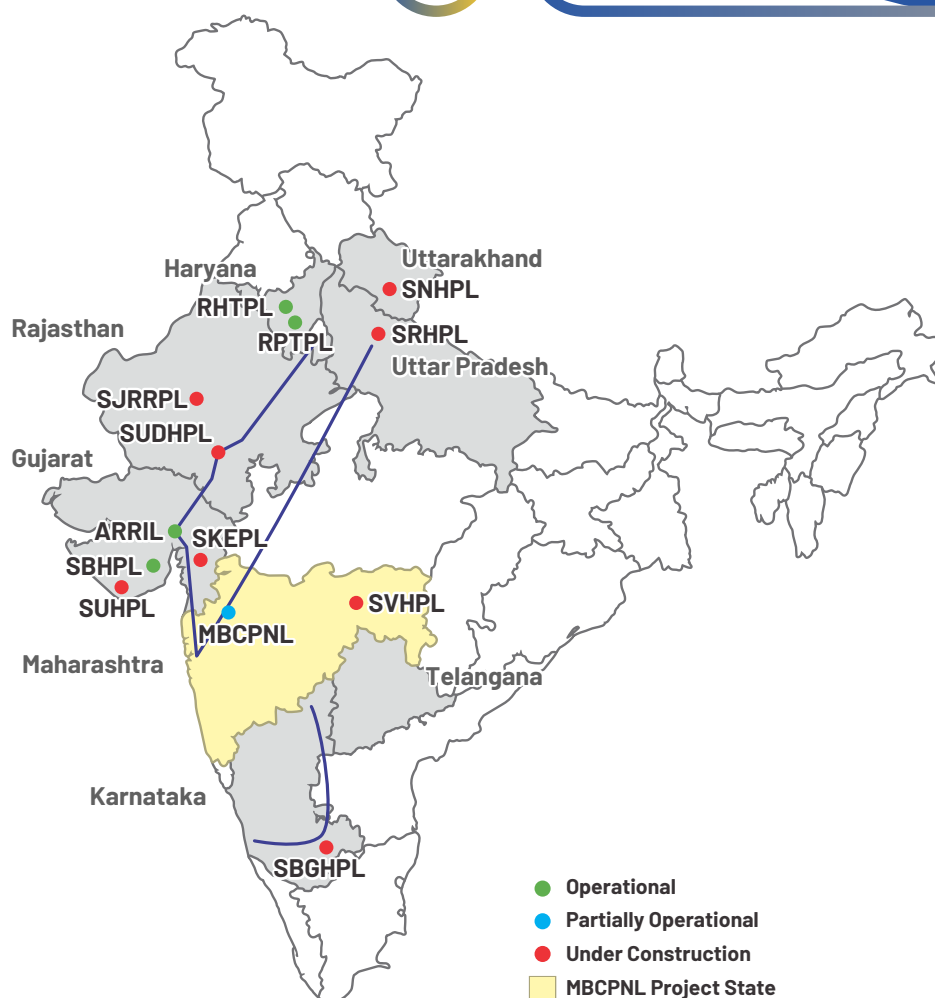
Sadbhav Infrastructure Project Limited



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India





Late Shri Vishnubhai M. Patel

27 January, 1942 – 25 December, 2018
Founder and Former Chairman
Sadbhav Infrastructure Project Ltd.

Road that you showed,
Zenith that you conquered.

Vision that you imparted,
Leadership that you illustrated.

Relationships that you nurtured,
Ethics that you embedded.

Care that you extended,
Generosity that you exemplified.
**will always be cherished
by all of us at Sadbhav.**





Catalysing Infrastructural Growth of the Nation

Infrastructural growth increases trade and transport and is a very important determinant for national trade expansion and sustained growth. Sadbhav Infrastructure Project Limited (SIPL) is catalysing the infrastructure growth of the nation through its superlative services and taking our clients' experiences to a new zenith. In this rewarding transit during the year from accomplishments to the excellence, SIPL has successfully achieved the Net Profit of ₹ 3766.18 million for the year and is looking forward to be part of larger picture foreseen by the Sadbhav Group in times to come.

Serving the Rising Infrastructure Needs of the Nation

The Indian economy is expanding significantly and substantial investment in infrastructure continues to be required in order to sustain India's economic progress. The country's capacity to absorb and benefit from new technology and industries depends on the availability, quality and efficiency of more basic forms of infrastructure including energy, water and land transportation. Major infrastructure

development requires a substantial influx of investment capital.

The policies of the Indian Government seek to encourage investments in domestic infrastructure from both local and foreign private capital and it also sets and monitors targets every year to fast pace the infrastructure growth. Construction projects account for a substantial portion of the proposed investments, making the EPC sector one of the biggest beneficiaries of the infrastructure boom in India. Private sector participation is integral to these plans. PPPs have been identified as the most suitable mode for the implementation of projects.

The Government of India has given massive push to all forms of connectivity infrastructure through Pradhan Mantri Gram Sadak Yojana, Industrial Corridors, dedicated freight corridors, Bharatmala and Sagarmala Projects etc. India has second largest road networks in the world, spanning a total of 58.98 Lakh Kms. Out of this, around 1.14 Lakh Km are the National Highways.



Significantly, NHs constitute approximately 2% of the Country's travel network but carry almost 40 % of the traffic.

MoRTH is planning to construct around 60,000 kms of National Highways in next five years. Salient features of the Government's infrastructure development programmes include implementation of important projects and expressways, focus on smooth traffic movement and enhancement of logistics efficiency through multi-modal integration, focus on Road Safety, increasing use of information technology applications, initiatives related to augmentation of existing funding resources and emphasis on green initiatives.

Sadbhav Infrastructure Project Limited has been a progressive company serving the rising infrastructure needs of the nation since its inception. SIPL is the subsidiary of Sadbhav Engineering Limited (SEL) and has signed an ROFO agreement with IndInfravit Trust, the infrastructure investment trust (InvIT) floated by L&T Infrastructure Development Projects during

the year. During the year, SIPL has sold its 100% stakes of eight operational road assets. Under this agreement, SIPL retains the maintenance contract for all these projects worth ₹ 4000 Crores. Board of SEL and SIPL have also approved the Scheme of Merger of SIPL into SEL on October 19, 2019 to consolidate business operations.





Operating Assets

(₹ in Million)

Particulars	ARRIL ¹	RPTPL	MBCPNL	RHTPL
Current Stake	99.99%	99.99%	89.53% ²	99.99%
Project Type	Toll	Toll	Service Fee	Toll
State	Gujarat	Haryana	Maharashtra	Haryana
JV Partner	N.A.	N.A	SREI Infra, SREI Sahaj e-village Limited, DTCPL	N.A
Client	AUDA	NHAI	Govt. of Maha.	NHAI
Lane km	305.4	323.4	24 Border CPs	395.2
Concession Start	1-Jan-07	18-Apr-11	5-May-09	26-Dec-13
Original Concession (yrs)	20 Y	25 Y	24 Y 6 M	22 Y
PCOD/COD	30-May-08	6-Jan-14	Diff. for all CPs	30-Jul-16
Residual Life (Yrs/Months)	6 Y 9 M	16 Y 0 M	13 Y 7 M	15 Y 9 M
Revenue Sharing	Grant	Annual Premium	Upfront Premium	Grant
Project Cost	5,435	11,610	16,639	12,716
Total Equity + Subdebt of SIPL	1,036	4,906	4,926	3,001
Debt Outstanding	1,403	9,054	11,116	9,354

Notes

- Share purchase agreement (SPA) has been signed for stake transfer of 100% stake from SIPL to Indinfravit Trust
- Share purchase agreement (SPA) has been signed for stake transfer of 10.0% stake from Srei group and of 0.47% stake from D.Thakkar Construction Private Ltd (DTCPL) to SIPL.

9 HAM projects

(₹ in Million)

Particulars	SRHPL	SNHPL	SBHPL	SUHPL	SUDHPL
Current Stake	99.99%	99.99%	99.99%	99.99%	99.99%
Project Type (Pavement)	HAM (Rigid)	HAM (Rigid)	HAM (Rigid)	HAM (Rigid)	HAM (Rigid)
State	Uttar Pradesh	Uttarakhand	Gujarat	Gujarat	Rajasthan
Client	NHAI	NHAI	NHAI	NHAI	NHAI
Lane kms	173.8	199.1	192.2	163.8	143.3
Concession Start	31-Mar-17	28-Oct-17	7-Feb-17	9-Feb-17	30-Nov-17
Original Concession (yrs)	17 Y	17 Y	17 Y 6 M	17 Y 6 M	17 Y
Total Project Cost	7,380	6,570	8,190	6,230	8,910
Total Equity + Subdebt of SIPL invested	929	511	638	342	1,000
Debt drawn down	2,203	1,480	3,234	1,778	3,850
Balance Equity + Subdebt to be invested	-	277	344	405	80
Balance Debt to be drawn down	1,340	1,674	697	1,213	416
1 st year O&M	75.6	90	105	84.5	30

(₹ in Million)

Particulars	SBGHPL	SVHPL	SJRRPL	SKEPL
Current Stake	99.99%	99.99%	99.99%	99.99%
Project Type (Pavement)	HAM (Flexible)	HAM (Rigid)	HAM (Rigid)	HAM (Rigid)
State	Karnataka	Maharashtra	Rajasthan	Gujarat
Client	NHAI	NHAI	NHAI	NHAI
Lane kms	341.8	267.5	298.5	196.6
Concession Start	21-Aug-17	21-May-17	14-Dec-18	1-Nov-19
Original Concession (yrs)	17 Y	17 Y 6 M	17 Y	17 Y
Total Project Cost	10,080	10,710	11,060	14,040
Total Equity + Subdebt of SIPL invested	1,208	1,047	472	67
Debt drawn down	4,338	3,691	-	-
Balance Equity + Subdebt to be invested	-	237	855	1,757
Balance Debt to be drawn down	500	1,450	5,309	6,600
1 st year O&M	315	66.6	35	63



Corporate Information

Board of Directors



Mr. Shashin V. Patel
Chairman &
Non-Executive Director



Mr. Vasistha C. Patel
Managing Director



Mr. Nitin R. Patel
Non-Executive Director



Mr. Sandip V. Patel
Independent Director



Mr. Atul N. Ruparel
Independent Director
(up to May 25, 2020)



Mr. Arun S. Patel
Independent Director



Mr. Mirat N. Bhadlawala
Independent Director
(up to January 05, 2020)



Mrs. Daksha N. Shah
Independent Director

BOARD COMMITTEES

Audit Committee

Mr. Sandip V. Patel

Chairman

Mr. Arun S. Patel

Member

Mr. Nitin R. Patel

Member

Nomination and Remuneration Committee

Mr. Arun S. Patel

Chairman

(w.e.f. July 06, 2020)

Mr. Sandip V. Patel

(Member)

(w.e.f. February 12, 2020)

Mr. Atul N. Ruparel

(Member)

(up to May 25, 2020)

Mr. Mirat N. Bhadlawala

Member

(up to January 05, 2020)

Mr. Shashin V. Patel

Member

Stakeholders Relationship Committee

Mr. Nitin R. Patel

Chairman

Mr. Vasistha C. Patel

Member

Mr. Arun S. Patel

Member

Mr. Sandip V. Patel

Member

Finance and Investment Committee

Mr. Shashin V. Patel

Chairman

Mr. Vasistha C. Patel

Member

Mr. Nitin R. Patel

Member

Mr. Arun S. Patel

Member

Corporate Social Responsibility Committee

Mr. Vasistha C. Patel

Chairman

Mr. Nitin R. Patel

Member

Mr. Sandip V. Patel

Member

Mr. Atul N. Ruparel

Member

(up to May 25, 2020)

BANKERS

IDBI Bank

Union Bank of India

COMPANY SECRETARY

Mr. Hardik Modi

CHIEF FINANCIAL OFFICER

Mr. Varun Mehta

STATUTORY AUDITORS

M/s. SRBC & Co. LLP

M/s. S G D G & Associates LLP

REGISTERED OFFICE

"Sadbhav House",

Opp. Law Garden Police Chowki,

Ellisbridge,

Ahmedabad - 380006.

Web: www.sadbhavinfra.co.in

CIN: L45202GJ2007PLC049808

CORPORATE OFFICE

"Sadbhav", Nr. Havmor

Restaurant, B/h. Navrangpura

Bus Stand, Navrangpura,

Ahmedabad - 380009.

REGISTRAR & TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West),

Mumbai - 400083.





“Leadership is about transcending values. We believe that a leader has to outdo in taking organizational values to the highest and most inclusive or holistic levels of human consciousness.”

Message From Chairman

Dear Stakeholders,

I am happy to say that during 2019-2020 your Company has completed one of the landmark transactions in the roads and highways industry by completing sale of stake in 8 operational assets for an equity value of ₹ 2,364 Crs. As against this, Company has received 10% stake in IndInfravit Trust and Rs. 1641 Crs in cash. Company is in the process of completing stake sale in 1 more operational project. Sadbhav Infrastructure Project Limited (SIPL), a subsidiary of Sadbhav Engineering Limited (SEL) has been thriving upon its competencies gained over the years since its inception. SIPL has been one of the key contributors in infrastructure sector, dedicated for the nation building and playing an important role in the development, operation and maintenance of highways, roads and other service infrastructure. SIPL has completed the entire lifecycle (i.e. Bidding,

Financial Closure, Construction, Toll Collection, O&M, Refinancing and selling of stake) of road projects by completing sale of stake in 8 operational assets. Company shall follow the strategy of churning of the assets once the projects have reached mature stage. Economic environment has changed in last year due to various setbacks in the country however your Company has withstand all those hurdles and has emerged much stronger.

After stake sale of 8 operational assets, SIPL is having portfolio of 13 projects that consists of 4 operational BOT (Toll) projects, 9 under construction Hybrid Annuity Mode (“HAM”) projects. Total project cost of all the projects (including under construction) is approximately INR 129 billions.

This year’s financials reflect SIPL’s paradigm shift to become a lean organization through stake sale and transfer of 8 assets to IndInfravit Trust. While the pandemic impacted the overall economy, your Company was successful in managing the challenges astutely and does not foresee any long term impact. The government



has also extended support in the form of moratorium for existing loans, increase in working capital limits, NHAI loans and an extension of concession period of projects, to combat liquidity challenges caused due to the lockdown and compensate for slowed economic activities. These government initiatives are expected to make the COVID impact NPV neutral. Your Company has meticulously planned and used each of these options selectively – to conserve cash and shore up liquidity on books.

Your Company has been focusing on training and development of its employees. We have created a cohesive internal culture, provide equal opportunity of growth to all the employees and provide the perks and remunerations matching the industry standards and statute. Our internal SOPs have been aligned keeping in view safety, health and environment norms. Your Company keeps on enhancing efficiency by utilizing advanced technologies. We are committed to make continuous improvements in the bottom line of the company.

Stakeholder engagement with all the

stakeholders through various means available is the important aspect of your Company's sustainability strategy. We take feedbacks and use it to make our processes and performance better.

I am thankful to all the shareholders, customers, government authorities, financiers, suppliers, vendors, employees and community at a large for supporting us in serving the nation. On behalf of the board of directors, I assure you that your company will continue to strive and remain focused on creating more value for all. I would like to thank the entire team at SIPL for their untiring efforts and persistent commitment to achieve the high goals we have set.

Regards,

Sv Patel

Shashin V. Patel
Chairman





“We give utmost importance to the stakeholder value. SIPL is committed to maximize long-term economic, social, and environmental well-being through our business practices, policies and resources.”

Message From Managing Director

Dear Stakeholders,

I am once again delighted to report to you a promising year.

During the year, your company has consolidated its operations and has coursed strategic maneuvering.

At standalone level, your Company has reported the Revenue from Operations amounting to ₹ 1817.67 million as against ₹ 2,950.27 million in the previous year. The Net Profit for the year was ₹ 3766.18 million as against ₹ 565.44 million reported in the previous year. Pursuant to stake sale of 8 operation assets, Company earned profit of ₹ 6275.77 million.

The Consolidated Revenue from Operations was ₹ 22,704.03 million as against ₹ 35,479.32 during

the previous year. The Consolidated Net Profit was ₹ 10,293.62 million as against loss of ₹ 2478.65 million in previous year.

Increase in cash profits is due to increase in revenue from better margin under-construction HAM projects and stake sale of 8 operations assets to the IndInfravit Trust. Due to prepayment of Non-Convertible Debentures during the financial year 2019-20, Company has reduced its significant debt and interest burden. Company is also in planning to reduce further debt obligation during the financial year 2020-21. Company's main focus in the financial year 2021-22 is to achieve Provision completion (PCoD) for the under-construction projects.

The COVID-19 pandemic is rapidly spreading across the world as well as in India and has caused shutdown across the country. The Company has resumed operations in a phased manner in line with the directives of the Government of India. The Company's management has made initial assessment of likely adverse impact on business and believes



that the impact may not be significant over the terms of its contracts. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company used corroborative information. As on current date, the company has concluded that the impact of COVID-19 is not material based on the evaluations. Due to the nature of the pandemic, the company will continue to monitor developments to identify significant uncertainties in future, if any. The management does not see any long-term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

Going Forward

With a stable Government at the central level, we expect Government of India to continue its focus on roads and highways segment similar to what, we have seen in the last tenure of this Government. Due to COVID-19 pandemic, government has also given relaxations in timelines for completion of projects. In the coming years, we would concentrate more on

monetization of assets, completion of under-construction projects and deleveraging the debt.

With this, I would like to heartily thank for the support and confidence extended to the Management.

I hereby reiterate our resolute commitment to all our shareholders that your Company will relentlessly pursue its goal to deliver you the sustainable returns.

Regards,

Vasistha C. Patel
Managing Director





Financial Highlights

(INR in Million)

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Turnover	1,817.67	2,950.27	3,377.92	2,854.45	857.97
Total Income	2,584.20	3,680.16	3,847.50	3,137.11	1,263.53
Depreciation	0.59	0.96	4.12	6.88	0.66
Interest (Finance Cost)	2,132.91	1,748.51	1,634.20	1,294.99	1,400.02
Exceptional Items	6,198.05	-152.95	0.00	0.00	1,400.02
Profit After Tax	3,766.18	565.44	677.40	411.57	10.38
Equity Dividend %	0.00	0.5%	0.5%	0.00	0.00
Dividend Payout	0.00	176.11	176.11	0.00	0.00
Equity Share Capital	3,522.25	3,522.25	3,522.25	3,522.25	3,522.25
Other equity	14,490.85	10,851.50	10,497.23	9,905.04	8,935.98
Net worth	18,013.10	14,373.75	14,019.48	13,427.29	12,458.23
Total Assets	30,314.29	34,176.46	31,122.17	27,765.40	25,019.01
Total Debt (Loan Fund)	7,945.03	14,732.61	12,376.50	12,654.38	11,721.23
Earning Per Share (in ₹)	10.69	1.61	1.92	1.17	0.03
Book Value Per Share (in ₹)	51.14	40.81	39.80	38.12	35.37

Notice

NOTICE is hereby given that the 14th Annual General Meeting of SADBHAV INFRASTRUCTURE PROJECT LIMITED will be held on Tuesday, 29th day of September, 2020 at 02:00 p.m. (Indian Standard Time) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt :

- (a) the audited Standalone financial statement of the Company for the financial year ended on 31st March, 2020, the reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statement of the Company for the financial year ended on 31st March, 2020 and the report of Auditors thereon.

2. To appoint a Director in place of Mr. Shashin V. Patel (DIN: 00048328), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. Ratification of Remuneration to Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. J. B. Mistri & Co., Cost Accountants in Practice having Firm Reg. No. 101067 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2020-21 amounting to ₹ 25,000/- per annum plus applicable tax and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

4. Issue of Secured/Unsecured Non-Convertible Debentures and/or other Debt Securities on private placement basis.

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

"RESOLVED THAT in accordance with the provisions of Section 42, 71, and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2012 and other applicable SEBI regulations and guidelines, issued, from time to time, the provisions of the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules, regulations and guidelines, Consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by the Resolution) for making offers or invitations to subscribe to Secured/Unsecured/ Redeemable Non-Convertible Debentures ("NCDs") including but not limited to subordinated Debentures, bond, and/or other debt securities etc. on a private placement basis in one or more tranches during the period of one year from the date of passing of the Special Resolution by the Members, within the overall borrowing limits of the Company, as may be approved by the Members from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board be and is hereby authorized to determine the terms of issue including the class of investors to whom NCDs are to be issued, time, securities to be offered, the numbers of NCDs, tranches, issue price, tenor, interest rate, premium/discount, listing and to do all such acts, things, deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/documents/ undertakings/ agreements/papers/writings, as may be required in this regard."

Date: 31st August, 2020

Place: Ahmedabad

By Order of the Board of Directors
Sadbhav Infrastructure Project Limited

Registered Office:

"Sadbhav House", Opp. Law Garden Police Chowki,

Ellisbridge, Ahmedabad - 380006

CIN: L45202GJ2007PLC049808

Hardik Modi

Company Secretary

Membership No.: F9193

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 14th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company's website www.sadbhavinfra.co.in.
2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 1800225533
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 and in pursuance to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in pursuance to Secretarial Standards issued by the Institute of Company Secretaries of India which required to make certain additional disclosures in respect of the Directors seeking re-appointment/ appointment is annexed.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Members seeking any information with regard to accounts of the Company are requested to write to Company at its Registered Office, so as to reach at least 10 days before the date of Meeting to enable Management to keep information ready.
7. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM alongwith Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.sadbhavinfra.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
9. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. Book Closure. - The Register of Members and Share Transfer Books of the Company will remain closed from, Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020 (both day inclusive).

11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Share Registrars and Transfer Agents, Link Intime India Private Limited for assistance in this matter.

In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, it has been mandated the Company/RTA to obtain copy of PAN Card and Bank Account details from all the shareholders holding shares in physical form. Accordingly, shareholders who are holding shares in physical mode are requested to kindly furnish self-attested copy of your PAN card and original cancelled Cheque leaf/Attested Bank Passbook showing the name of Account holder along with an application.

With effective from 1st April, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Therefore, all shareholders who are holding shares in physical mode are requested to kindly dematerialize the equity shares of the Company at the earliest.

12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.sadbhavinfra.co.in (under 'Investors' section). Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to Link Intime India Private Limited in case the shares are held by them in physical form.

13. Unclaimed Dividends

Members are hereby informed that under the Act, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ('the Fund') established by the Central Government.

Members are also requested to note that, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) ('IEPF Rules'), the Company is also obliged to transfer all shares on which dividend has not been paid or claimed for seven consecutive years or more to the Demat Account of the IEPF Authority notified by the Ministry of Corporate Affairs ('IEPF Demat Account').

In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

14. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 14th Annual General Meeting ('AGM') by electronic means and the business may be transacted through remote e-voting and the e-voting services provided by Central Depository Services (India) Ltd. (CDSL) as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

The procedure and instructions for voting through electronic means are as follows:

SECTION A - E-VOTING PROCESS

- (i) The shareholders should log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" module.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip / communicated by mail indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN of Sadbhav Infrastructure Project Limited.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also use Mobile app - “m - Voting” for e voting. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xviii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

15. Process for those shareholders whose email ids are not registered:

- a) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@sadbhavinfra.co.in, on or before Tuesday 15th September, 2020.

- b) For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@sadbhavinfra.co.in, on or before Tuesday 15th September, 2020.

SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- i. The facility for voting through electronic voting system shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting earlier shall be able to exercise their right at the meeting through e-voting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting through VC/OAVM but shall not be entitled to cast their vote again.
 - ii. The remote e-voting period commences on Saturday, 26th September, 2020 (9:00 a.m. IST) and ends on, Monday, 28th September, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, 22nd September, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
 - iii. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, cut-off date means a date not earlier than 7 days before the date of general meeting.
 - iv. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evotingindia.com.
 - v. Mr. Ravi Kapoor, Practicing Company Secretary, Proprietor of M/s. Ravi Kapoor & Associates (M. No.: FCS 2587; CP No: 2407) (Shaival Plaza, 4th Floor, Gujarat College Road, Ellisbridge, Ahmedabad: 380006) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - vi. The Scrutinizer shall submit, not later than three days from the conclusion of AGM through VC/OAVM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
 - vii. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sadbhavinfra.co.in and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
 - viii. The resolutions shall be deemed to be passed on the date of the AGM through VC/OAVM, subject to receipt of requisite number of votes.
 - ix. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
 - x. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
 - xi. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
- 16.** The instructions for shareholders voting on the day of the AGM on e-voting system are as under
1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
 3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.

4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders'/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. For ease of conduct, members who would like to ask questions may send their questions in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at investor@sadbhavinfra.co.in and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Relevancy of question & order of speakers at the meeting will be decided by the Chairman.
6. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
7. Since the AGM will be held through VC/OAVM, the Attendance slip, Proxy form & Route Map is not annexed in this Notice.

Details of Directors Seeking Re-Appointment at the Annual General Meeting

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India requires certain additional disclosures with respect to Directors seeking appointment/re-appointment at the ensuing Annual General Meeting which is mentioned below:.

Director	Mr. Shashin V. Patel
Directors Identification Number (DIN)	00048328
Date of Birth	2 nd April, 1981
Date of Appointment	18 th January, 2007
Disclosures of relationship between Directors inter-se	N.A
Functional Expertise & Experience	More than 18 years, in field of Management Information System, Project bidding and execution
Qualification	Master's degree in Business Administration
Brief Profile of Director	Mr. Shashin Patel holds a Master's degree in Business Administration from K.S. School of Business Management, Gujarat University. He is associated with company since May 23, 2000. His scope of work includes overview of the affairs of our company and making strategic management decisions and suggestions. He is also in-charge of the Management Information System in our office. He is actively participating in bidding process and execution of various mining and irrigation projects.
Directorship in other Listed Companies	1. Sadbhav Engineering Limited
Chairman/ Member of Committee in other Companies	NIL*
No. of Equity Shares held in the Company	814110 Equity Shares
No. of Board Meetings attended	9 Meeting

* Only Audit Committee and the Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding Sadbhav Infrastructure Project Limited) have been considered for committee position.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Special business:

Item No. 3

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. J. B. Mistri & Co, Cost Accountant in Practice (Firm Reg. No. 101067), to conduct the audit of the cost records maintained by the Company for the financial year 2020-21, at their meeting held on 6th July, 2020.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2020-21 as set out in the resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, either financially or otherwise, in the resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

Item No. 4

As per provisions of Section 42, 71 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, including all modifications and amendments time to time, a company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for “non-convertible debentures”, it shall be sufficient if the company passes a previous Special Resolution only once in a year for all the offer(s) or invitation(s) for such debentures during the year.

It is proposed to raise funds through Private Placement of Secured/Unsecured Non-Convertible and/ or other Debt Securities by way of issue of secured/ unsecured non-convertible debentures of the Company, in one or more tranches, to such person or persons, who may or may not be the debenture holders of the Company, within the overall market borrowing programme of the Company. In order to facilitate raising of funds thereafter and in line with the aforesaid statutory provisions, it is necessary to pass a Special Resolution at this Annual General Meeting for raising of funds through private placement of secured / unsecured non-convertible debentures and/ or other Debt Securities during a period of one year from the date of passing of this resolution. Though this resolution does not require members approval pursuant to Notification of Ministry of Corporate Affairs dated 7th August, 2018, Company has taken the same as a good Corporate Governance Measure.

Further, the Board of Directors of the Company (the “Board”) or any Committee duly constituted by the Board or such other authority as may be approved by the Board, shall be authorized to determine the terms of the issue, including the class of investors to whom the debentures are to be allotted, the number of debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of debenture holders, listing, issuing any declaration/undertaking etc. required to be included in the Private Placement Offer documents and to do and execute all such acts, deeds and things under any other regulatory requirement for the time being in force.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, either financially or otherwise, in the resolution.

The Board of Directors recommends the resolution mentioned in Item no. 4 of the Notice for approval of members.

Date: 31st August, 2020

Place: Ahmedabad

By Order of the Board of Directors
Sadbhav Infrastructure Project Limited

Registered Office:

“Sadbhav House”,
Opp. Law Garden Police Chowki,
Ellisbridge, Ahmedabad – 380006
CIN: L45202GJ2007PLC049808

Hardik Modi
Company Secretary
Membership No.: F9193

Directors' Report

To,
The Members,

Your Directors have pleasure in submitting their 14th Annual Report of the Company together with the Audited Statements of Accounts for the year ended on 31st March, 2020.

FINANCIAL RESULTS

The Group's financial performances for the year under review along with previous year's figures are given hereunder: (₹ in Million)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	1,817.67	2,950.27	22,704.03	35,479.32
Other Income	766.53	729.89	3,123.60	1,820.44
Total Revenue	2,584.20	3,680.16	25,827.63	37,299.76
Profit Before Taxation	4,388.09	935.55	(3,999.97)	(2,406.22)
Tax Expense	621.91	370.11	734.87	607.00
Profit/(Loss) for the period after tax and minority interest	3,766.18	565.44	10,336.53	(2,452.73)
Other comprehensive income	0.36	0.37	0.22	(1.44)
Total comprehensive income (after tax)	3,766.54	565.81	10,336.75	(2,454.17)

DIVIDEND

Directors do not recommend any dividend for the year ended 31st March, 2020.

DIVIDEND DISTRIBUTION POLICY

Securities and Exchange Board of India ('SEBI'), by its notification dated 8th July, 2016, has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), introducing new Regulation 43A mandating the top 500 listed entities, based on market capitalization calculated as on 31st March of every financial year, to formulate a Dividend Distribution Policy and disclose the same in their Annual Reports and on their websites.

Accordingly, the Board of the Company has adopted a Dividend Distribution Policy, which is available on the website of the Company.

RESERVES

Company does not propose to carry any amount to any Reserve Account.

SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2020 is ₹352,22,52,160/-. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the year, Company reported at standalone level, the Revenue from Operations amounting to ₹1,817.67 million as against ₹2,950.27 million in the previous year. The Net Profit reported for the year was ₹3,766.18 million against ₹565.44 million as per previous year. The Consolidated Revenue from Operations increased to ₹22,704.03 million as against ₹35,479.32 million in the previous year. Your Company has achieved consolidated total income of ₹25,827.63 million as against ₹37,299.76 million in the previous year.

MERGER OF SADBHAV INFRASTRUCTURE PROJECT LIMITED ("SIPL") WITH THE SADBHAV ENGINEERING LIMITED ("SEL")

In order to improve operational efficiency, the Board of Directors of the Company in its meeting held on October 19, 2019, after considering the recommendations of the Audit Committee, approved the merger of Sadbhav Infrastructure Project Limited ("SIPL") (The Transferor Company) with the Sadbhav Engineering Limited ("SEL"), a holding Company, (The Transferee Company) through a Scheme of Amalgamation ("Scheme") under Section 230 to 234 of the Companies Act, 2013 subject to necessary approvals of Shareholders, Creditors, the Registrar of Companies, the Stock Exchanges, Hon'ble National Company Law Tribunal, Securities and Exchange Board of India and/or other competent statutory/regulatory authorities and other third party approvals, as may be applicable. The Company has applied for observation letters on May 18, 2020 to BSE Limited and the National Stock Exchange of India Limited, in terms of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

EMERGENCE OF COVID-19

The COVID-19 pandemic is rapidly spreading across the world as well as in India and has caused shutdown across the country, accordingly as per the directives issued by Ministry of Road Transport & Highways (MoRTH)/ National Highway Authority of India (NHAI), in accordance with the MHA guidelines about commercial and private establishment in the wake of COVID-19 pandemic operations at all toll plazas of the Group and its under construction sites of Hybrid Models across the country had been closed down. The Group has resumed operations in a phased manner as per the directives issued by NHAI and by ensuring compliance with preventive measures in line with the directives of the Government of India. The Group's management has made initial assessment of likely adverse impact on business, and believes that the impact may not be significant over the terms of its contracts. The group has / is in the process of filing of claims for appropriate relief as per the terms of concession agreement with NHAI/Local Authority and has also availed the relief provided by its lenders by way of moratorium on certain principal / interest payment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the group, as at date of approval of these financial statements has used corroborative information. As on current date, the group has concluded that the impact of Covid-19 is not material based on the evaluations. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of this report and the group will continue to monitor developments to identify significant uncertainties in future periods, if any. The management does not see any long term risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.

The Company operates its business in conformity with the highest ethical and moral standards and employee centricity. In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of its employees at all its under-construction sites. The office based employees were allowed to work from home by providing adequate digital and other assistance. The Company observed all the government advisories and guidelines thoroughly and in good faith.

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements under the Companies Act, 2013, and as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on corporate governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with the certificate from the Practicing Company Secretary confirming the compliance, is annexed and forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

MDA, for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges is presented in a separate section, which forms a part of the Annual Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There are no material changes in the nature of business during the year.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitment if any affecting the financial position of the company occurred between the ends of the financial year to which this financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

RISK MANAGEMENT

Risk management comprises all the organizational rules and actions for early identification of risks in the course of doing business and the management of such risks.

Although not mandatory, as a measure of good governance, the Company has constituted a Risk Management Committee of the Board. The Committee reviews the Company's performance against identified risks, formulates strategies towards identifying new and emergent risks that may materially affect the Company's overall risk exposure and reviews the Risk Management Policy and structure.

This robust Risk Management framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Company has adopted a Risk Management Policy, pursuant to Section 134 of the Act.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Company has appropriate internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations. It has documented policies and procedures covering financial and operating functions and processes. These policies and procedures are updated from time to time and compliance is monitored by the internal audit function as per the audit plan. The Company continues its efforts to align all its processes and controls with best practices.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Board's Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

i) Changes in Directors and Key Managerial Personnel

Pursuant to Section 152 of the Companies Act, 2013, Mr. Shashin Patel (DIN: 00048328), Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Mirat N. Bhadlawala, Independent Director has resigned from the Company on 5th January, 2020. The Board hereby places on record its sincerest thanks and gratitude for the invaluable contribution made by Mr. Mirat N. Bhadlawala towards the growth and development of the company during his tenure as an Independent Director.

There were no other changes in Key Managerial Personnel during the year.

During the year 2020-21 and upto the date of approval of Director's Report, Mr. Atul N. Ruparel Independent Director has resigned from the Company on 25th May, 2020. The Board hereby places on record its sincerest thanks and gratitude for the invaluable contribution made by Mr. Atul N. Ruparel towards the growth and development of the company during his tenure as an Independent Director.

ii) Declaration by an Independent Director(s)

Mr. Sandip V. Patel, Mr. Arun S. Patel, Mr. Atul Ruparel and Mrs. Daksha Shah, Independent Directors, hold office for a term of five years. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of strategy, auditing, tax and risk advisory services, financial services, corporate governance, etc. and that they hold highest standards of integrity. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

iii) Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the CVs of potential candidate's vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

iv) Criteria for Determining Qualifications, Positive Attributes and Independence of a Director:

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meets with the criteria for 'Independent Director' as laid down in the Act and Regulation 16 (1) (b) of the Listing Regulations.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

v) Annual Evaluation of Board Performance and Performance of its Committees and of Directors:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia structure of the Board, including qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development; degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and management.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director.

Directors were evaluated on aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Areas on which the Committees of the Board were assessed included mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and management.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole. The NRC also reviewed the performance of the Board, its Committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

NOMINATION AND REMUNERATION POLICY

The Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the Listing Regulations. The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

The Nomination and Remuneration Committee has considered following factors while formulating Policy:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company.

Details of the Remuneration Policy are given in the Corporate Governance Report.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The annual financial statements of the subsidiaries and related detailed information will be kept at the Registered Office of the Company, as also at the registered offices of the respective subsidiary companies and will be available to investors seeking information at any time.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16 (1) (c) of Listing Regulations. The Policy, as approved by the Board, is uploaded on the Company's website.

The consolidated financial results reflect the operations of the following subsidiaries.

Sr. No.	Name of Company	CIN/GLN	Address of The Company	Holding/ Subsidiary / Associate
1	Ahmedabad Ring Road Infrastructure Limited	U45203GJ2006PLC048981	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad – 380006.	Wholly owned Subsidiary Company
2	Maharashtra Border Check Post Network Limited	U45201GJ2009PLC056327	- do -	Subsidiary Company
3	Rohtak Hissar Tollway Private Limited	U45203GJ2013PTC074446	- do -	Wholly owned subsidiary Company
4	Rohtak Panipat Tollway Private Limited	U45202GJ2010PTC059322	- do -	Wholly owned subsidiary Company
5	Sadbhav Nainital Highway Private Limited	U45309GJ2016PTC091777	- do -	Wholly owned subsidiary Company
6	Sadbhav Rudrapur Highway Private Limited	U45203GJ2016PTC091774	- do -	Wholly owned subsidiary Company
7	Sadbhav Bhavnagar Highway Private Limited	U45309GJ2016PTC092557	- do -	Wholly owned subsidiary Company
8	Sadbhav Una Highway Private Limited	U45500GJ2016PTC092589	- do -	Wholly owned subsidiary Company
9	Sadbhav Bangalore Highway Private Limited	U45202GJ2016PTC094257	- do -	Wholly owned subsidiary Company
10.	Sadbhav Vidarbha Highway Private Limited	U45500GJ2017PTC097040	- do -	Wholly owned subsidiary Company
11.	Sadbhav Udaipur Highway Private Limited	U45309GJ2017PTC097508	- do -	Wholly owned subsidiary Company
12.	Sadbhav Jodhpur Ring Road Private Limited	U45309GJ2018PTC100367	- do -	Wholly owned subsidiary Company
13.	Sadbhav Tumkur Highway Private Limited	U45309GJ2018PTC101396	- do -	Wholly owned subsidiary Company

14.	Sadbhav Bhimasar Bhuj Highway Private Limited	U45309GJ2018PTC101821	- do -	Wholly owned subsidiary Company
15.	Sadbhav Kim Expressway Private Limited	U45309GJ2018PTC101800	- do -	Wholly owned subsidiary Company
16.	Sadbhav Vizag Port Road Private Limited	U45309GJ2018PTC101832	- do -	Wholly owned subsidiary Company
17.	Sadbhav Hybrid Annuity Projects Limited	U45500DL2018PLC335787	Block No. J-59, Ground Floor SAKET, New Delhi: 110017	Wholly owned subsidiary Company
18.	*Aurangabad-Jalna Tollway Limited	U45203GJ2007PLC049814	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad – 380006.	- Wholly owned subsidiary Company Up to 06.03.2020
19.	*Bijapur-Hungund Tollway Private Limited	U45203GJ2010PTC059669	- do -	Subsidiary Company Up to 13.02.2020
20.	*Bhilwara-Rajsamand Tollway Private Limited	U45203GJ2012PTC072902	- do -	Wholly owned subsidiary Company Up to 14.02.2020
21.	*Hyderabad Yadgiri Tollway Private Limited	U45203GJ2010PTC059262	- do -	Wholly owned subsidiary Company Up to 13.02.2020
22.	*Shreenathji-Udaipur Tollway Private Limited	U45201GJ2012PTC069676	- do -	Wholly owned subsidiary Company Up to 14.02.2020
23.	*Nagpur-Seoni Expressway Limited	U45203GJ2007PLC049963	- do -	Wholly owned subsidiary Company Up to 13.02.2020
24.	*Mysore-Bellary Highway Private Limited	U45203GJ2014PTC078848	- do -	Wholly owned subsidiary Company Up to 18.03.2020
25.	*Dhule Palesner Tollway Limited	U45203MH2009PLC191222	701,7th Floor, "C" Wing, Godrej Coliseum, B/h Everard Nagar, Sion (East) Mumbai - 400022	Wholly owned subsidiary Company Up to 14.02.2020

* During the year under review, Sadbhav Infrastructure Project Limited (SIPL) has entered into a share purchase agreement dated July 1, 2019 with inter alia IDBI Trusteeship Services Limited and LTIDPL INDVIT Services Limited, acting in their capacities as the trustee and investment manager of IndInfravit Trust, an irrevocable trust set-up under the relevant provisions of the Indian Trusts Act, 1882, and registered with the Securities and Exchange Board of India as an infrastructure investment trust under the relevant provisions of the InvIT Regulations (as defined below) (the "Trust"), respectively, and the Company (the "SIPL SPA"). In terms of the SIPL SPA, subject to the terms and conditions therein, and that upon achievement of closing under the SIPL SPA, SIPL has transferred its holding in the above 8 SPVs namely Bijapur Hungund Tollway Private Limited, Aurangabad Jalna Tollway Limited, Hyderabad Yadgiri Tollway Private Limited, Dhule Palesner Tollway Limited, Nagpur Seoni Expressway Limited, Shreenathji Udaipur Tollway Private Limited, Bhilwara Rajsamand Tollway Private Limited and Mysore Bellary Highway Private Limited (MBHPL), a subsidiary of the Sadbhav Infrastructure Project Limited to IndInfravit Trust during the year under review and the Trust now holds 100% (hundred percent) of the total issued, subscribed and paid-up share capital of the above 8 SPVs, on a fully diluted basis as on date of this report. (As per the Share Purchase Agreement executed by the Company with SEL for acquisition of 100% Equity Shares of MBHPL and pursuant to receipt of approval from KSHIP and Lenders of MBHPL, Equity Shares of MBHPL has been acquired on 18th March, 2020 and pursuant to said SIPL SPA, Company has back to back transferred 100% Equity Shares of MBHPL to IndInfravit Trust on 18th March, 2020).

The Company has applied for regulatory approvals for the 9th SPV under the SIPL SPA, i.e. Ahmedabad Ring Road Infrastructure Limited (ARRIL), and the same will be closed as and when the necessary approvals are received from the authority.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules made thereunder and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 attached as Annexure-1 which forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The provisions of Section 186 (except sub-section) of the Companies Act, 2013, with respect to a loan, guarantee or security is not applicable to the Company as the Company is engaged in providing infrastructural facilities. The details of investment made during the year under review are disclosed in the financial statements.

FIXED DEPOSITS

During the year under review, your Company has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on 31st March, 2020, there were no deposits which were unpaid or unclaimed and due for repayment.

INSURANCE

All properties and insurable interests of the company to the extent required have been adequately insured.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC 2 is not applicable.

There are no materially significant related party transactions made by the company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the company at large. The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website at the web link: <http://www.sadbhavinfra.co.in/en/pdf/policy-on-related-party-transaction.pdf>

NUMBER OF MEETINGS OF THE BOARD

During the year, Nine (9) board meetings were convened and held. Details of board meetings and committee meeting are given in the corporate governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

COMMITTEES OF BOARD

The Board has constituted an Audit Committee with Mr. Sandip V. Patel as Chairman and Mr. Arun S. Patel and Mr. Nitin R. Patel, as Members. There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board.

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations.

DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures;
- (ii) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they had prepared the annual accounts on a going concern basis;
- (v) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (vi) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF).

The provisions of Section 125(2) of the Act do not apply as there was no unclaimed and unpaid dividend or any other amount which require transferring to Investor Education and Protection Fund (IEPF).

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is a company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods. The Company believes in conducting its business responsibly, fairly and in utmost transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates and as apart of its social objectives. This policy has been formally formulated and adopted in terms of Section 135 of the Act and Rules framed thereunder to undertake CSR activities.

The Board has constituted a Corporate Social Responsibility Committee headed by Mr. Vasistha C. Patel as Chairman and Mr. Nitin R. Patel and Mr. Sandip V. Patel as Members of the Committee.

The responsibilities of the CSR Committee include:

- i. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken.
- ii. Recommending the amount of expenditure for the CSR activities.
- iii. Monitoring CSR activities from time to time.

In view of the net average loss under review, your Company was not required to spend any amount towards the CSR activities, as per the applicable provisions of Section 135 of the Act. Accordingly, the details of the CSR activities during the year under review are not provided in this Report. The Report on CSR activities is attached as Annexure-2.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

Pursuant to provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Complaint Redressal Committee has been Re-constituted with Mrs. Janki Shah as Chairperson, Mrs. Rajal Patel as Presiding Officer, Ms. Aakansha Shah as Member, Ms. Radhika Ranninga as Member, Mr. Manish Pandya as Member, Mr. Nitin Patel as Member and Mr. Bhadresh K. Soneji as Member.

The Company has not received any complaint of sexual harassment during the financial year 2019-20 and No meeting of Complaint Redressal Committee was held during the year.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has made complaint under Vigil Mechanism/ Whistle Blower Mechanism.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report. The same is also uploaded on the Company's website. i.e. www.sadbhavinfra.co.in

AUDITORS

(i) Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. S R B C & CO. LLP, Chartered Accountants, Ahmedabad having Firm Registration No. 324982E/E300003 were appointed as Statutory Auditors of the Company from conclusion of the 13th Annual General Meeting (AGM) of the Company till the conclusion of the 14th AGM to be held in the year 2020.

As M/s. S R B C & CO. LLP, have completed total 1st term of 5 years and 2nd term of 1 year as Statutory Auditor. As per the provisions of section 139 of the Companies Act, 2013, M/s. S R B C & CO. LLP, Chartered Accountants are not eligible for re-appointment for a fresh term.

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. S G D G & Associates LLP, Chartered Accountants, Ahmedabad (S G D G) (Firm Registration No. W100188) were appointed as Statutory Auditor of the Company from conclusion of 12th AGM held in the year 2018 till the conclusion of the 17th AGM to be held in the year 2023.

The Auditors' Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended 31st March, 2020. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

(ii) Cost Auditors

The company has received a letter from the cost auditor M/s. J B Mistri & Co., Cost Accountants in Practice having Firm Reg. No. 101067 to the effect that their appointment, if made, would be within the prescribed limits under section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for appointment.

The board of directors of the company has appointed M/s. J B Mistri & Co. & Associates, Cost Accountants as the cost auditors of the Company to conduct the audit of cost records maintained by the Company as required by the Companies (Cost Records and Audit) Rules 2014 as amended from time to time. The Cost Audit Report for the year 2018-2019 was filed with the Ministry of Corporate Affairs. The members are requested to ratify the remuneration to be paid to the cost auditors of the company.

(iii) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Ashish Shah & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended on 31st March, 2020. The Secretarial Audit Report is annexed as Annexure-3.

There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in his report.

SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT.9 is annexed as Annexure-4.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no earning and expenditure in the foreign currency.

Since the Company does not have any manufacturing activities, the other particulars required to be provided in terms of Section 134(3)(m) of the Companies Act, 2013 are not applicable.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 (12) of the Act and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided separately as Annexure-5 to this Report.

The Statement containing the names of top ten employees will be made available on request sent to the Company on investor@sadbhavinfra.co.in.

BUSINESS RESPONSIBILITY REPORTING

As per Regulation 34 (2) (f) of the Listing Regulations, (corresponding to provisions of Clause 55 of the Listing Agreement), listed companies shall submit, as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, social and governance perspective, in the prescribed format. This provision is applicable to top 500 listed companies based on market capitalization as on 31st March, 2020. The Business Responsibility Report of the Company for the financial year ended on 31st March, 2020 has been provided separately as Annexure-6 and forming part of the Annual Report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
2. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
3. The Managing Director of the Company has not received any commission from the Company and not disqualified from receiving any remuneration or commission from any of subsidiaries of the Company.
4. No fraud has been reported by the Auditors to the Audit Committee or the Board.
5. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year and look forward to their continued support in future. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors

Date: 6th July, 2020
Place: Ahmedabad

Shashin V. Patel
Chairman
DIN: 00048328

Annexure - 1

FORM AOC-1

(Pursuant to first provision to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures

Part "A": Subsidiaries

Sr. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Name of the Subsidiary Company	Ahmedabad Ring Road Infrastructure Limited	Maharashtra Border Check Post Network Limited	Rohtak-Hissar Tollway Private Limited	Rohtak-Tollway Private Limited	Sadbhav Rudrapur Highway Private Limited	Sadbhav Narmal Highway Private Limited	Sadbhav Bhavnagar Highway Private Limited	Sadbhav Una Highway Private Limited	Sadbhav Bangalore Highway Private Limited	Sadbhav Vidarbha Highway Private Limited	Sadbhav Udaipur Highway Private Limited	Sadbhav Adipur Ringroad Private Limited	Sadbhav Tumkur Highway Private Limited	Sadbhav Kim Expressway Private Limited	Sadbhav Bhimsar Bhuj Highway Private Limited	Sadbhav Vizag Port Road Private Limited	Sadbhav Hybrid Annuity Projects Limited	* Auranga bad-Jalna Toll Way Limited	* Bijapur-Hungund Tollway Private Limited	* Bhilwara-Rajsamand Tollway Private Limited	* Dhule Palesner Tollway Private Limited	* Hyderabad-Tadgaon Private Limited	* Nagpur-Seoni Expressway Private Limited	*Shreenathji-Udaipur Tollway Private Limited
Reporting period	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Share Capital	104.60	0.50	107.68	21.86	10.00	10.00	40.00	40.00	309.03	226.49	269.66	116.50	0.50	0.50	0.50	0.50	0.50	19.71	1009.60	173.40	687.80	32.47	480.00	337.43
Reserves & Surplus	468.39	3349.12	-863.17	-4200.49	1021.01	638.39	588.69	338.12	985.97	898.93	769.77	392.47	-1.48	66.41	-0.59	-1.95	-116.53	-221.24	-1292.78	934.76	-245.19	-449.77	-562.09	513.66
Total Assets	3010.60	15012.51	9673.26	17630.80	4735.95	3617.83	5473.22	3053.05	6720.75	5535.63	5144.80	2493.37	3.05	695.71	2.94	0.08	450.24	252.74	8191.62	4066.29	10540.13	6130.09	1780.17	14159.80
Total Liabilities (excluding Share Capital and Reserves & Surplus)	2437.01	11662.89	10428.75	21809.43	3724.94	2969.44	4844.53	2674.93	5425.75	4410.21	4105.37	1984.40	4.03	628.80	3.03	1.53	566.27	2743.88	8716.66	2981.15	10199.38	6667.37	2051.30	13373.64
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19.61	241.86	23.02	101.86	119.98	189.04
Turnover	1051.08	2208.27	715.07	867.71	731.08	692.83	1127.82	931.96	1417.89	2074.03	1620.34	1982.96	65.27	370.29	-	-	-	678.17	1114.94	494.47	1888.19	749.45	32.55	1142.59
Profit/(Loss) Before Taxation	237.53	(131.02)	(939.07)	(998.54)	130.69	99.41	8.35	49.30	67.27	46.99	25.26	50.45	(15.11)	(0.27)	(26.30)	(33.54)	(69.87)	103.93	(186.57)	3.70	(73.37)	(145.79)	43.21	(337.82)
Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Taxation	43.01	0.00	0.00	0.00	0.04	37.45	-2.76	1.50	26.51	19.08	9.81	12.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/(Loss) After Taxation	195.74	-132.43	-939.04	-998.53	130.65	61.96	11.11	47.80	40.76	27.91	15.45	37.46	-15.11	-0.27	-26.30	-33.54	-69.87	103.62	-143.66	3.70	-38.70	-145.79	43.21	-337.82
Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
% of Shareholding	100.00%	97.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	77.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Figures in bracket show negative figures.

* Pursuant to Share Purchase Agreement dated 1st July, 2019, SIPL has transferred its 100% stake in 8 SPVs to the IndInfra Trust during the financial year.

Notes:

- Name of Subsidiaries which are yet to commence operations
 - SADHAV TUMKUR HIGHWAY PRIVATE LIMITED
 - SADHAV BHIMASAR BHUJ HIGHWAY PRIVATE LIMITED
 - SADHAV VIZAG PORT ROAD PRIVATE LIMITED
- Name of Subsidiaries which have been liquidated or sold during the year:
 - BIJAPUR-HUNGUND TOLLWAY PRIVATE LIMITED (Up to 13/02/2020)
 - HYDERABAD-YADGIRI TOLLWAY PRIVATE LIMITED (Up to 13/02/2020)
 - NAGPUR -SEONI EXPRESSWAY PRIVATE LIMITED (Up to 13/02/2020)
 - BHILWARA-RAJSAMAND TOLLWAY PRIVATE LIMITED (Up to 14/02/2020)
 - DHULE PALESNER TOLLWAY PRIVATE LIMITED (Up to 14/02/2020)
 - SHREENATHJI -UDAIPUR TOLLWAY PRIVATE LIMITED (Up to 14/02/2020)
 - AURANGABAD-JALNA TOLL WAY PRIVATE LIMITED (Up to 06/03/2020)
 - MYSCORE-BELLARY HIGHWAY PRIVATE LIMITED (Up to 18/03/2020)
- Part B is not applicable as there are no associate Companies/ Joint Ventures of the Company as on 31st March, 2020.

For and on behalf of Board of Directors

Vasistha C. Patel
Managing Director
DIN: 00048324

Shashin V. Patel
Chairman
DIN: 00048328

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date: July 06, 2020
Place: Ahmedabad

Annexure - 2 Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Company recognizes that as a responsible corporate entity its functions and operations have an impact on society and on the environment. In addition to ensuring that operations are conducted efficiently and in a manner that meets governmental environmental standards, the Company is committed in ensuring that the communities where it operates also benefits and develops together.

Company with an intention to actively participate in the development of the communities where projects are located, has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and is placed on the website of the Company at <http://www.sadbhavinfra.co.in/en/pdf/corporate-social-responsibility-policy.pdf>.

2. The Composition of the CSR Committee:

Mr. Vasistha C. Patel	-	Chairman and Member
Mr. Nitin R. Patel	-	Member
Mr. Sandip V. Patel	-	Member
Mr. Atul N. Ruparel	-	Member (upto May 25, 2020)

3. Average net profit/(loss) of the company for last three financial years: ₹ 835.85 Million.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 16.72 Million

5. Details of CSR spent during the financial year:

- (a) Total amount to be spent for the financial year: ₹ 16.72 Million
- (b) Amount unspent, if any: ₹ 16.72 Million
- (c) Manner in which the amount spent during the financial year is detailed below: NIL

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: Keeping in view the overall vision of our Ex-Chairman Mr. Vishnubhai Patel, that a basic infrastructure should be created by way of setting Primary/Secondary school with all basic facility. While identification/discussion for such project were undertaken in the nearby areas, the implementation of the same could not be initiated owing to some technical/legal issue. The Board is of the view that any project so implemented should have a positive impact on the areas in which such amount is being spent. Company is hopeful of resolving the technical/legal issues in the current years to take up the education related projects.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company: The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For, Sadbhav Infrastructure Project Limited

Vasistha C. Patel
Chairman of CSR Committee and Managing Director
DIN: 00048324

Shashin V. Patel
Director
DIN: 00048328

Date: 6th July, 2020
Place: Ahmedabad

Form No. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

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

To,
The Members,
Sadbhav Infrastructure Project Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sadbhav Infrastructure Project Limited (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Sadbhav Infrastructure Project Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sadbhav Infrastructure Project Limited ("the Company") for the financial year ended on 31st March, 2020 verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) There are no laws which are specifically applicable to the Company.

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Changes took place in the Composition of the Board were in Compliance with the provisions of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company there are no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For, Ashish Shah & Associates

Ashish Shah

Company Secretary in practice

FCS No.: 5974 • C P No.: 4178

UDIN: F005974B000417374

Date: 6th July, 2020

Place: Ahmedabad

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

Annexure - A

To,
The Members,
Sadbhav Infrastructure Project Limited

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

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

For, Ashish Shah & Associates

Ashish Shah

Company Secretary in practice

FCS No.: 5974 • C P No.: 4178

UDIN: F005974B000417374

Date: 6th July, 2020

Place: Ahmedabad

Annexure - 4

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 & Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L45202GJ2007PLC049808
Registration Date	18 th January, 2007
Name of the Company	Sadbhav Infrastructure Project Limited
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of Registered Office and Contact Details	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006 Tel: 079-26463384; Fax: 079-26400210 Email: investor@sadbhavinfra.co.in Website: www.sadbhavinfra.co.in
Whether listed company	Yes
Name, Address and Contact Details of Registrar & Transfer Agent (RTA), if any	M/s. Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Tel: 022-49186000; Fax: 022-49186060 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Development, construction as well as operation & maintenance of infrastructure projects and related consulting and advisory services	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	Sadbhav Engineering Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	L45400GJ1988PLC011322	Holding	Nil	2(46)
2.	Ahmedabad Ring Road Infrastructure Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2006PLC048981	Subsidiary	100%	2(87)
3.	Maharashtra Border Check Post Network Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45201GJ2009PLC056327	Subsidiary	99.63%	2(87)
4.	*Nagpur – Seoni Expressway Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2007PLC049963	Subsidiary	99.99%	2(87)
5.	Rohtak-Hissar Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2013PTC074446	Subsidiary	100%	2(87)
6.	Rohtak-Panipat Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45202GJ2010PTC059322	Subsidiary	100%	2(87)

7.	Sadbhav Bangalore Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45202GJ2016PTC094257	Subsidiary	100%	2(87)
8.	Sadbhav Bhavnagar Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2016PTC092557	Subsidiary	100%	2(87)
9.	Sadbhav Nainital Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2016PTC091777	Subsidiary	100%	2(87)
10.	Sadbhav Rudrapur Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2016PTC091774	Subsidiary	100%	2(87)
11.	Sadbhav Una Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45500GJ2016PTC092589	Subsidiary	100%	2(87)
12.	Sadbhav Jodhpur Ring Road Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2018PTC100367	Subsidiary	100%	2(87)
13.	Sadbhav Vidarbha Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45500GJ2017PTC097040	Subsidiary	100%	2(87)
14.	Sadbhav Udaipur Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2017PTC097508	Subsidiary	100%	2(87)
15.	Sadbhav Tumkur Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2018PTC101396	Subsidiary	100%	2(87)
16.	Sadbhav Bhimasar Bhuj Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2018PTC101821	Subsidiary	100%	2(87)
17.	Sadbhav Vizag Port Road Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2018PTC101832	Subsidiary	100%	2(87)
18.	Sadbhav Kim Expressway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2018PTC101800	Subsidiary	100%	2(87)
19.	Sadbhav Hybrid Annuity Projects Limited Block No. J -59, G/Floor Saket New Delhi- 110017	U45500DL2018PLC335787	Subsidiary	100%	2(87)
20.	*Aurangabad - Jalna Tollway Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2007PLC049814	Subsidiary	100%	2(87)
21.	*Bijapur-Hungund Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2010PTC059669	Subsidiary	100%	2(87)
22.	*Bhilwara-Rajsamand Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2012PTC072902	Subsidiary	100%	2(87)
23.	*Dhule Palesner Tollway Limited 701, 7th Floor, "C" Wing, Godrej Coliseum, B/h Everard Nagar, Sion (East), Mumbai-400022	U45203MH2009PLC191222	Subsidiary	99.99%	2(87)
24.	*Hyderabad-Yadgiri Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2010PTC059262	Subsidiary	100%	2(87)
25.	*Shreenathij-Udaipur Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45201GJ2012PTC069676	Subsidiary	100%	2(87)
26.	*Mysore-Bellary Highway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2014PTC078848	Subsidiary	100%	2(87)

* During the year under review, Sadbhav Infrastructure Project Limited (SIPL) has entered into a share purchase agreement dated July 1, 2019 with inter alia IDBI Trusteeship Services Limited and LTIDPL INDVIT Services Limited, acting in their capacities as the trustee and investment manager of IndInfravit Trust, an irrevocable trust set-up under the relevant provisions of the Indian Trusts Act, 1882, and registered with the Securities and Exchange Board of India as an infrastructure investment trust under the relevant provisions of the InvIT Regulations (as defined below) (the "Trust"), respectively, and the Company (the "SIPL SPA"). In terms of the SIPL SPA, subject to the terms and conditions therein, and that upon achievement of closing under the SIPL SPA, SIPL has transferred its holding in the above 8 SPVs to IndInfravit Trust during the year and the Trust now holds 100% (hundred percent) of the total issued, subscribed and paid-up share capital of the above 8 SPVs, on a fully diluted basis as on date of this report..

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) AS ON 31ST MARCH, 2020
A) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2027484	-	2027484	0.58	2027484	-	2027484	0.58	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	243213577	-	243213577	69.05	244802602	-	244802602	69.5	0.45
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	245241061	0	245241061	69.63	246830086	0	246830086	70.08	0.45
(2) Foreign									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other- Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter(A)= (A)(1)+(A)(2)	245241061	0	245241061	69.63	246830086	0	246830086	70.08	0.45
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	20049082	-	20049082	5.69	30001157	-	30001157	8.52	2.83
b) Banks / FI	75	-	75	0	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	1161514	-	1161514	0.33	0.33
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign Portfolio Investors	40092719	-	40092719	11.38	10399667	-	10399667	2.95	-8.43
Sub-total (B)(1):-	60141876	0	60141876	17.07	41562338	0	41562338	11.8	-5.27
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	6542825	-	6542825	1.86	13785543	-	13785543	3.91	2.05
ii) Overseas	29121860	-	29121860	8.27	29121860	-	29121860	8.27	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2392486	13	2392499	0.68	3888368	3	3888371	1.10	0.42
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	7426842	0	7426842	2.10	13144477	0	13144477	3.73	1.63
c) Others(Trust)									
Hindu Undivided Family	571191	-	571191	0.16	1544568	-	1544568	0.44	0.28
NRI (Non Repat)	194518	-	194518	0.06	399542	-	399542	0.11	0.05
NRI (Repat)	60952	-	60952	0.02	781150	-	781150	0.22	0.20
Clearing Member	93914	-	93914	0.03	548687	-	548687	0.16	0.13
Trust	434728	-	434728	0.12	618594	-	618594	0.18	0.06
NBFC's registered with RBI	2950	-	2950	-	-	-	-	-	-
Sub-total (B)(2):-	46842266	13	46842279	13.30	63832789	3	63832792	18.12	4.82
Total Public Shareholding (B)=(B)(1)+(B)(2)	106984142	13	106984155	30.37	105395127	3	105395130	29.92	-0.45

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	352225203	13	352225216	100.00	352225213	3	352225216	100.00	0

B) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Sadbhav Engineering Limited	243213577	69.05	19.16	244802602	69.50	57.64	0.45
Shashin Vishnubhai Patel	814110	0.23	-	814110	0.23	-	-
Shantaben Vishnubhai Patel	1213374	0.35	-	1213374	0.35	-	-
Total	245241061	69.63	19.16	246830086	70.08	57.64	0.45

C. Change in Promoters' shareholding

For Each of the Promoters	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Sadbhav Engineering Limited	243213577	69.05	13-03-2020	Purchase of Shares	572753	0.162	243786330	69.21
			20-03-2020	Purchase of Shares	525766	0.149	244342096	69.36
			27-03-2020	Purchase of Shares	455235	0.129	244767331	69.49
			31-03-2020	Purchase of Shares	35271	0.010	244802602	69.50
			31-03-2020	At the end of the year	-	-	243213577	69.50
Shashin V. Patel	814110	0.23	31-03-2020	At the end of the year	-	-	814110	0.23
Shantaben V. Patel	1213374	0.35	31-03-2020	At the end of the year	-	-	1213374	0.35

D) Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding	
	No. of shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Norwest Venture Partners Vii-A-Mauritius	29121860	8.27	31-03-2020	At the end of the year	-	-	29121860	8.27
Reliance Capital Trustee Co Ltd- A/C Nippon India Equity Hybrid Fund		4.04	17-01-2020	Purchase of Shares	10000000	2.84	24215931	6.88
			31-03-2020	At the end of the year	-	-	4752226	3.58
Kuwait Investment Authority Fund F238	0	0.00	17-01-2020	Purchase of Shares	5032842	1.43	5032842	1.43
			31-03-2020	At the end of the year	-	-	5032842	1.43
HDFC Trustee Company Limited - HDFC Tax Saver Fund	4752226	1.35	31-03-2020	At the end of the year	-	-	29121860	8.27

LTS Investment Fund Ltd	2634375	0.75	31-03-2020	At the end of the year	-	-	2634375	0.75
Winro Commercial (India) Ltd	438629	0.12	13-12-2019	Purchase of Shares	1551430	0.44	1990059	0.56
			03-01-2020	Purchase of Shares	27500	0.01	2017559	0.57
			17-01-2020	Purchase of Shares	432441	0.12	2450000	0.69
			31-03-2020	Sale of Shares	(4000)	-0.00	2446000	0.69
			31-03-2020	At the end of the year	-	-	2446000	0.69
Saraswati Commercial (India) Ltd	435295	0.12	06-12-2019	Purchase of Shares	381	0.00	435676	0.12
			13-12-2019	Purchase of Shares	1700000	0.49	2135676	0.61
			20-12-2019	Purchase of Shares	50000	0.01	2185676	0.62
			31-12-2019	Purchase of Shares	9877	0.00	2195553	0.62
			17-01-2020	Purchase of Shares	447	0.00	2196000	0.62
			31-03-2020	Sale of Shares	(86000)	-0.02	2110000	0.60
			31-03-2020	At the end of the year	-	-	2110000	0.60
Meena A Kothari	750000	0.21	13-12-2019	Purchase of Shares	1700000	0.48	2450000	0.69
			20-03-2020	Sale of Shares	(180000)	-0.05	2270000	0.64
			27-03-2020	Sale of Shares	(427500)	-0.12	1842500	0.52
			31-03-2020	Purchase of Shares	60000	0.02	1902500	0.54
			31-03-2020	At the end of the year	-	-	1902500	0.54
Profitex Shares And Securities Private Limited	0	0.00	17-01-2020	Purchase of Shares	1362000	0.39	1362000	0.39
			24-01-2020	Purchase of Shares	481812	0.13	1843812	0.52
			31-03-2020	At the end of the year	-	-	1843812	0.52
Woodstock Securities Private Ltd	0	0.00	03-01-2020	Purchase of Shares	209038	0.06	209038	0.06
			17-01-2020	Purchase of Shares	1500000	0.43	1709038	0.49
			27-03-2020	Sale of Shares	(1000000)	-0.28	709038	0.21
			31-03-2020	Purchase of Shares	1000000	0.28	1709038	0.49
			31-03-2020	At the end of the year	-	-	1709038	0.49
Icici Prudential Life Insurance Company Limited	1619801	0.46	29-06-2019	Sale of Shares	(2759)	-0.00	1617042	0.46
			12-07-2019	Sale of Shares	(20006)	-0.01	1597036	0.45
			19-07-2019	Sale of Shares	(26636)	-0.01	1570400	0.44
			09-08-2019	Sale of Shares	(42513)	-0.01	1527887	0.43
			16-08-2019	Sale of Shares	(57509)	-0.02	1470378	0.41
			30-08-2019	Sale of Shares	(12233)	0.00	1458145	0.41
			27-09-2019	Sale of Shares	(169430)	-0.04	1288715	0.37
			30-09-2019	Sale of Shares	(127201)	-0.04	1161514	0.33
			31-03-2020	At the end of the year	-	-	1161514	0.33
Tata Infrastructure Fund	1080925	0.30	02-08-2019	Sale of Shares	10000	0.00	26265995	7.45
			10-01-2020	Sale of Shares	(12877931)	-3.65	13388064	3.80
			17-01-2020	Sale of Shares	(13388064)	-3.80	0	0.00
			31-03-2020	At the end of the year	-	-	0	0.00
Nomura India Investment Fund Mother Fund	26255995	7.45	02-08-2019	Purchase of Shares	10000	0.00	26265995	7.45
			10-01-2020	Sale of Shares	(12877931)	-3.65	13388064	3.80
			17-01-2020	Sale of Shares	(13388064)	-3.80	0	0.00
			31-03-2020	At the end of the year	-	-	0	0.00

Nomura Funds Ireland Public Limited Company- Nomura Funds Ireland - India Equity Fund	4599429	1.31	10-01-2020	Sale of Shares	(2255050)	-0.64	2344379	0.67
			17-01-2020	Sale of Shares	(2344379)	-0.67	0	0.00
			31-03-2020	At the end of the year	-	-	0	0.00
Hsbc Global Investment Funds - Indian Equity	3350520	0.95	13-12-2019	Sale of Shares	(3350520)	-0.95	0	0.00
			31-03-2020	At the end of the year	-	-	0	0.00
Hsbc Indian Equity Mother Fund	1160996	0.33	29-11-2019	Sale of Shares	(19209)	-0.01	1141787	0.32
			13-12-2019	Sale of Shares	(1141787)	-0.32	0	0.00
			31-03-2020	At the end of the year	-	-	0	0.00

Shareholding of above top ten shareholders have been consolidated based on PAN.

E) Shareholding of Directors and Key Managerial Personnel (KMP)

For Each Directors and KMP	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Vasistha C. Patel	440000	0.12	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	440000	0.12
Shashin V. Patel	814110	0.23	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	814110	0.23
Nitin R. Patel	1811	0.00	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	1811	0.00
Arun S. Patel	1885	0.00	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	1885	0.00
#Atul N. Ruparel	0	0.00	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	0	0.00
*Mirat N. Bhadlawala	0	0.00	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	0	0.00
Sandip V. Patel	1885	0.00	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	1885	0.00
Daksha N. Shah	0	0.00	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	0	0.00
Varun M. Mehta (CFO)	0	0.00	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	0	0.00
Hardik J. Modi (CS)	0	0.00	-	-	-	-	-	-
			31-03-2020	At the end of the year	-	-	0	0.00

* Resigned on 05/01/2020.

Resigned on 25/05/2020.

V) INDEBTEDNESS - indebtedness of the company including interest outstanding/accrued but not due for payment (₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year including				
i) Principal Amount	8,920.00	7,432.61	-	16,352.61
ii) Interest due but not paid	-	566.98	-	566.98
iii) Interest accrued but not due	1,462.87	-	-	1,462.87
Total (i+ii+iii)	10,382.87	7,999.59	-	18,382.46
Change in Indebtedness during the financial year				
*Addition	2,105.81	10,383.39	-	12,489.20
*Reduction	(7,470.99)	(13,264.53)	-	(20,735.52)
Net Change	(5,365.18)	(2,881.14)	-	(8,246.32)
Indebtedness at the end of the financial year				
i) Principal Amount	3,962.00	4,279.03	-	8,241.03
ii) Interest due but not paid	-	839.42	-	839.42
iii) Interest accrued but not due	1,055.69	-	-	1,055.69
Total (i+ii+iii)	5,017.69	5,118.45	-	10,136.14

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(₹ in Million)

Sr. No.	Particulars of Remuneration	Mr. Vasistha C. Patel Managing Director	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3.00	3.00
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify....	-	-
5	Others, (please specify) Leave Encashment	0.25	0.25
	Total (A)	3.25	3.25
	Ceiling as per the Act	As per Part II of Schedule V of the Companies Act, 2013	

B. Remuneration to other Directors

(i) Independent Directors

(₹ in Million)

Particulars of Remuneration	Mr. Sandip V. Patel	Mr. Arun S. Patel	Mr. Atul N. Ruparel	Mr. Mirat N. Bhadlawala	Mrs. Daksha N. Shah	Total
(a) Fee for attending Board and Committee meetings	0.120	0.120	0.075	0.030	0.105	0.450
(b) Commission	-	-	-	-	-	-
(c) Other, please specify	-	-	-	-	-	-
Total (i)	0.120	0.120	0.075	0.030	0.105	0.450

(ii) Other Non-Executive Directors

(₹ in Million)

Particulars of Remuneration	Mr. Shashin V. Patel	Mr. Nitin R. Patel	Total
(a) Fee for attending Board and Committee meetings	0.120	0.105	0.225
(b) Commission	-	-	-
(c) Other, please specify	-	-	-
Total (ii)	0.120	0.105	0.225
Total (i) + (ii)	0.120	0.105	0.225

C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in Million)

Sr. No.	Particulars of Remuneration	Mr. Varun M. Mehta Chief Financial Officer	Mr. Hardik J. Modi Company Secretary	Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	4.02	0.63	4.65
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5	Others, please specify			
	- Gratuity	-	-	-
	Total (A)	4.02	0.63	4.65

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Date: July 6, 2020
Place: Ahmedabad

Shashin V. Patel
Chairman
DIN: 00048328

Annexure - 5

Detail under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2019-20:

Name of Directors	Designation	Ratio of remuneration of the Directors to the median remuneration of the employees	% increase in remuneration in the financial year
Mr. Vasistha C. Patel	Managing Director	9.54:1	NIL

The percentage increase in remuneration of the Chief Financial Officer and the Company Secretary: Nil

- B. The percentage increase in the median remuneration of employees in the financial year 2019-20: Nil
- C. There were 33 employees on the rolls of Company as on March 31, 2020.
- D. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20 was nil whereas the increase in the managerial remuneration for the same financial year was also nil.
- E. It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

Annexure - 6

BUSINESS RESPONSIBILITY REPORT FOR THE FINANCIAL YEAR 2019-20

Section A: General Information about the Company

1.	Corporate Identity Number(CIN)	L45202GJ2007PLC049808	
2.	Name of the Company	Sadbhav Infrastructure Project Limited	
3.	Registered Address	Sadbhav House, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006	
4.	Website	www.sadbhavinfra.co.in	
5.	E-mailid	investor@sadbhavinfra.co.in	
6.	Financial Year reported	2019-20	
7	Sector(s) that the Company is engaged in (industrial activity code wise)	Industrial Group	Description
		42101	Development, construction as well as operations & maintenance of Infrastructure projects and related consulting and advisory services.
8.	List three key product/services that the Company manufactures/provides(as in balance sheet)	Development, operation and maintenance of national and state highways and roads in several states in India.	
9.	Total number of locations where business activity is undertaken by the Company: i. Number of International Locations ii. Number of National Locations	NIL Presently Company executes various projects across 4 states in India	
10.	Markets served by the Company (Local/State/National/International)	Company executed projects across various states in India.	

Section B: Financial Details of the Company

1	Paid up capital (INR)	₹ 3522.25 Million
2	Total turnover (INR)	₹ 1817.67 Million
3	Total Profit after taxes (INR)	₹ 3766.18 Million
4	Total Profit after taxes and other Comprehensive income (INR)	₹ 3766.54 Million
5	Total Spending on CSR as percentage of profit After tax (%)	Nil
6	List of activities in which expenditure in 5 above has been incurred	Not incurred

Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)?	Business Responsibility initiatives of the parent company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.
3	Do any other entity / entities (e.g. suppliers, distributors etc) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30- 60%, More than 60%]	No other entity / entities participate in the BR initiatives of the Company.

Section D: BR Information

1. Details of Director/Directors responsible for BR:

a) Details of the Director/Directors responsible for implementation of the BR Policy/Policies:

Directors Identification Number (DIN)	00048328
Name	Mr. Shashin V. Patel
Designation	Chairman

b) Details of the BR Head:

Sr. No.	Particulars	Details
1	DIN (if applicable)	00466330
2	Name	Mr. Nitin R. Patel
3	Designation	Director
4	Telephone Number	+91 79 40400400
5	E mail Id	investor@sadbhavinfra.co.in

2. Principle-wise (as per NVGs) BR Policy/Policies:

a) Details of compliance (Reply in Y/N)

Sr. No	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer - Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	All the policies are compliant with respective principles of NVG Guidelines.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	-	Y	Y	Y	Y	-	-	-
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.sadbhavinfra.co.in/en/about.html								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR:

a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Director periodically assesses the BR performance of the Company.
b	Does the Company publish a BR or a Sustainability Report? What is the hyper-link for viewing this report? How frequently it is published?	In line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVEG), company will publish Business Responsibility Report (BRR) Annually.

Section E: Principle-wise Performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability:

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?	The Company has adopted a Code of Conduct for its Directors and Senior Management. Additionally, the Policy on Code of Conduct for Employees applies to all employees of Group companies. These do not extend to other entities.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Nil

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and /or opportunities.	Development, operation and maintenance of national and state highways and roads in several states in India.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional): a. Reduction during sourcing / production / distribution achieved since the previous year through the value chain: b. Reduction during usage by consumers (energy, water) achieved since the previous year?	Not applicable. Not applicable. Company is not in business of manufacturing of goods or consumable products.

3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	<p>As part of sourcing strategy, our priority is to source local raw materials for construction of Roads and Toll Plazas. Moreover, we strive to design and construct sustainable Projects which incorporate conservation measures, continuous monitoring of environment and use of resources that are environment friendly, adoption of green technologies and deployment of fuel efficient plants and machineries.</p> <p>Invariably, construction material like sand and aggregates are procured locally eliminating unnecessary transportation. While, it may not be possible to procure Bitumen Steel and Cement locally, in such cases only, the nearest source is explored for procurement.</p>
4	<p>Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?</p> <p>If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>We always engage local contractors in the vicinity of our projects for supply of goods and services like housekeeping services, security, accommodation and provide mess facilities for staff. In addition, employment to local youth is provided in various functions in our Project / Toll offices and Toll plazas.</p> <p>Our regular interaction with the vendors and educating them the standards of quality required by us and their importance helps to enhance their approach and understanding of support functions. Apart from this, at the project sites, steps undertaken to award small / petty contracts to locals pertaining to job work, equipment supply, supplies, manpower, etc. thereby building the capability / capability at local level.</p>
5	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	Recycling the product is not applicable as consumable goods and the associated packing material is not applicable.

Principle 3: Business should promote the well being of all employees

1	Please indicate total number of employees	33
2	Please indicate total number of employees hired on temporary / contractual / casual basis	Nil
3	Please indicate the number of permanent women employees	1
4	Please indicate the number of permanent employees with disabilities	Nil
5	Do you have an employee association that is recognized by the Management?	No
6	What percentage of permanent employees is members of this recognized employee association?	N.A
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	No complaints
8	What percentage of undermentioned employees were given safety and skill up-gradation training in the last year?	<p>A. Permanent employees : 75%</p> <p>B. Permanent women employees : 100%</p> <p>C. Casual / Temporary / Contractual employee : 0%</p> <p>D. Employees with disabilities : N/A</p>

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes, Stakeholders of the company have been mapped through a formal process of consultations at all operations. The Company's key stakeholders include employees, suppliers, business partners, regulatory agencies and especially local communities around its sites of operations.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	As and when circumstances occur.

Principle 5: Business should respect and promote human rights:

1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	Yes. Policy on human rights covers employees of the company as well as employees of the subsidiaries.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Nil

Principle 6: Business should respect, protect, and make effort to restore the environment

1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	Yes, it extends to Company as well as subsidiaries.
2	Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc? Y/N. If yes, please give hyper-link for webpage etc.	No, the Company does not have any project globally.
3	Does the Company identify and assess potential environmental risks? Y/N	Yes
4	Does the Company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5	Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyper link for web page etc.	No
6	Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes. Complied with.
7	Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year.	Nil

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.	No
2	Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	We have been suggesting changes in policies to remove bottlenecks impacting the growth of infrastructure in the country and simplification of arbitration policies.

Principle 8: Business should support inclusive growth and equitable development

1	Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes. Company has a well drafted CSR Policy in line with Section 135 and Schedule VII of the Companies Act, 2013.
2	Are the programmes/projects undertaken through inhouse team/own foundation/external NGO/government structures/any other organization?	N.A
3	Have you done any impact assessment of your initiative?	No
4	What is the Company's direct contribution to community development projects - Amount in INR and details of the projects undertaken?	No
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	No

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Nil
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)	N.A
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
4	Did your Company carry out any consumer survey / consumer satisfaction trends?	No

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, equity, openness, fairness and accountability in all faces of its functioning and its interactions with stakeholders, employees, government, regulatory bodies and community at large. To create a culture of corporate governance, the company has adopted practices such as constitution of various Board Committees for effective internal control system, adequate and timely compliance, fair representation of professionally qualified, non-executive and independent directors on the Board, disclosure of material information, effective management control, etc. The company is committed to achieve good corporate governance for betterment of sustainable growth and enhancement of stakeholders' value. So far as compliance with the requirement of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is concerned, Company has complied with all the mandatory norms and disclosures that have to be made on Corporate Governance front.

2. BOARD OF DIRECTORS

A. Composition of Board:

In compliance with the code of Corporate Governance, the composition of Board of Directors comprised of both Executive and Non-Executive Directors including Independent Directors. As on March 31, 2020, the Board comprised of Seven directors which include one Executive Director and Six Non-Executive Directors including Four Independent Directors (including one woman Director). Non-Executive and Independent Directors have expert knowledge in the fields of finance, taxation, accounts, audit, legal and industry. Thus the Board represents a balanced mix of professionals, who bring the benefits of their knowledge and expertise to the Company and which enable them to effectively contribute to the Company in their capacity as Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March, 2020 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

During FY 2020, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

None of the Directors hold office in more than 20 companies and in more than 10 public companies as prescribed under Section 165(1) of the Act. No Director holds Directorships in more than 8 listed companies.

Further, none of the Independent Directors ('ID') served as ID in more than 7 listed companies. The Managing Directors did not serve as an Independent Director in any listed company.

The composition of Board of Directors as on 31st March, 2020 is as under.

Name	Designation	Category	No. of Equity Shares held	No. of Directorship held in other Public Limited Companies	No. of Committee Membership in other companies [#]	No. of Committee Chairmanship in other companies [#]	Directorship in other listed entity (Category of Directorship)
Mr. Vasistha C. Patel (DIN: 00048324)	Managing Director	Executive Director	440000	8	1	0	1. Sadbhav Engineering Limited (Executive Director)

Mr. Shashin V. Patel (DIN: 00048328)	Chairman & Non-Executive Director	Promoter, Non-Executive Director	814110	5	0	0	1. Sadbhav Engineering Limited (Chairman & Managing Director)
Mr. Nitin R. Patel (DIN: 00466330)	Director	Non- Independent, Non-Executive Director	191806	5	3	0	1. Sadbhav Engineering Limited (Executive Director)
Mr. Sandip V. Patel (DIN: 00449028)	Director	Independent, Non-Executive Director	1885	8	1	1	1. Sadbhav Engineering Limited (Independent Director, Non- Executive)
Mr. Arun S. Patel (DIN: 06365699)	Director	Independent, Non-Executive Director	1885	6	3	2	1. Sadbhav Engineering Limited (Independent Director, Non- Executive)
							2. Nagpur- Seoni Express Way Limited (Debt Listed) (Independent Director, Non- Executive)
Mr. Atul N. Ruparel (DIN: 00485470)	Director	Independent, Non-Executive Director	Nil	6	1	0	1. Sadbhav Engineering Limited (Independent Director, Non- Executive)
Mrs. Daksha N. Shah (DIN: 00376899)	Director	Independent, Non-Executive Director	Nil	5	1	0	1. Mas Financial Services Ltd. (Independent Director, Non- Executive)

Only Audit Committee and the Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding Sadbhav Infrastructure Project Limited) have been considered for committee position.

* Mr. Vasistha Patel and Mr. Shashin Patel are brother-in-laws. Except this, none of the other Directors are related to any other on the Board in terms of definition of 'relative' as per Companies Act, 2013.

B. Board Meeting And Procedure:

The Board meets at least once in a quarter and the maximum time gap between any two meetings is not more than four months. During the year under review, 9 (Nine) Board Meetings were held on 15th May, 2019, 27th May, 2019, 1st July, 2019, 18th July, 2019, 10th August, 2019, 12th August, 2019, 19th October, 2019, 13th November, 2019 and 12th February, 2020. The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, business plans, annual budgets, projects and capital expenditure, compliance with applicable laws and regulations.

The meetings of the Board of Directors are scheduled well in advance. The Company Secretary, in consultation with Managing Director and other Directors, prepares detailed agenda for the meetings. Directors are also free to bring up any matter for discussion at the Board Meetings with the permission of the Chairman. The draft minutes of the meeting approved by the Chairman is circulated to all the Directors within fifteen days after the conclusion of the meetings.

Attendance at Board meetings and Annual General Meeting (AGM)

Name	No. of Board Meetings held	No. of Board Meetings Attended	Attendance at the last AGM
Mr. Vasistha C. Patel	9	7	Yes
Mr. Shashin V. Patel	9	9	Yes
Mr. Nitin R. Patel	9	8	Yes
Mr. Sandip Patel	9	9	Yes
Mr. Arun S. Patel	9	9	Yes
Mrs. Daksha N. Shah	9	8	Yes
Mr. Atul N. Ruparel	9	6	Yes
Mr. Mirat N. Bhadlawala	9	3	No

C. Evaluation of Board Performance:

During the year, the Board in consultation with Nomination and Remuneration Committee, has adopted a formal mechanism to lay down the evaluation criteria for the performance of the Chairman, the Board, the Committees and Executive/Non-Executive/Independent Directors, excluding the Director being evaluated. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and of the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation on different criteria, which reflected the overall engagement of the Board and its Committees with the Company.

D. Separate Meeting of Independent Directors:

During the year under review, in compliance with the requirements of Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 read with Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company, without attendance of Non-Independent Directors and members of management, was held on 14th February, 2020, wherein, the Independent Directors:

1. Reviewed the performance of Non-Independent Directors;
2. Reviewed the performance of Board as a whole;
3. Reviewed the performance of Chairman of the Company;
4. Assessed the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

E. Familiarization Programme for Independent Directors:

The Company familiarized its Independent Directors with the Corporate Structure of the group, nature of the industry in which Company operates, business model of the Company, project details, toll income and financials, etc. through familiarization programme held on 14th February, 2020. The detailed familiarization programme for Independent Directors is available on the website of the Company.

F. Skills, Expertise and Competencies of the Board

The Board of Directors has, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), identified the following core skills/expertise/competencies of Directors as required in the context of business of the Company for its effective functioning:

- a) Leadership experience in managing companies and associations including general management.
- b) Industry experience including its entire value chain and indepth experience in corporate strategy and planning
- c) Expertise in the field of Infrastructure
- d) Experience in finance, tax, risk management, legal, compliance and corporate governance
- e) Experience in human resources and communication
- f) Relevant experience and knowledge in the matters of Safety and Corporate Social Responsibility including environment, sustainability, community and values

The Board as a whole possesses the identified skills, expertise and competencies as are required in the context of business of the Company.

The Board has identified the following skill set with reference to its Business and Industry which are available with the Board.

Name of the Director	Expertise in Specific functional area
Mr. Shashin Patel	Entrepreneur, Infrastructure domain, Business Strategy and Corporate Management
Mr. Vasistha C. Patel	General Corporate Management of construction industry, administration and operations at the various project site
Mr. Nitin R. Patel	Accounts, Project Finance, Fund Raising, Banking and Legal matters
Mr. Sandip V. Patel	Internal control systems, Cost Planning and Project Financing, Funds Raising and Taxation
Mrs. Dakshaben N. Shah	Microfinance, Corporate Governance and Strategy planing and implemantation
Mr. Arun S. Patel	Audit, Taxation, Accounts and Finance and Project Finance
Mr. Mirat N. Bhadlawala *	Procurement, Negotiation, Contract Management, Marketing and Business Strategy
Mr. Atul N. Ruparel #	Audit, Taxation, Finance and Consultancy

*Resigned w.e.f. 05-01-2020

Resigned w.e.f. 25-05-2020

3. COMMITTEES OF THE BOARD

The Board has following Committees as on 31st March, 2020:

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Stakeholder' Relationship Committee
- (4) Finance and Investment Committee
- (5) Corporate Social Responsibility Committee
- (6) Risk Management Committee

The terms of reference of the Board Committees are determined by the Board from time to time. The Board is responsible for constituting, re-constituting, assigning and co-opting the members of the Committees.

A. Audit Committee

I. Terms of Reference:

The Audit Committee functions in accordance with Section 177 of the Act, Regulation 18 of the Listing Regulations and its Charter adopted by the Board. During the year under review, the Audit Committee Charter was amended to align the role of the Committee with amendments to the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015. The terms of reference of the Audit Committee, inter alia, includes:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of the Statutory Auditor of the Company and fixation of audit fee;
- Reviewing and monitoring the Statutory Auditor's independence and performance and effectiveness of audit process;
- Approving payments to Statutory Auditors for any other services rendered by them;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- Reviewing with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval;

- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issued and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of funds raised through the proposed offer by the Company.
- Approval or any subsequent modifications of transactions of the Company with related parties;
- Scrutinizing of inter-corporate loans and investments;
- Valuing of undertakings or assets of the Company, wherever it is necessary;
- Evaluating of internal financial controls and risk management system;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances
- Reviewing with the management, the performance of Statutory and Internal Auditors and adequacy of internal control system;
- Reviewing the adequacy of internal audit function if any, including the structure of internal audit department, reporting structure coverage and frequency of internal audit;
- Discussing with Internal Auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with the Statutory Auditors before the audit commences about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
- Approving the appointment of the Chief Financial Officer or any other person handling the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

II. Composition and Attendance:

The Company has independent Audit Committee, constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Committee are financially literate. The Company Secretary acts as the secretary to the Committee. Mr. Sandip V. Patel, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 25th September, 2019.

During the year 2019-20, 5 (five) meetings of the Audit Committee were held on 27th May, 2019, 12th August, 2019, 19th October, 2019, 12th November, 2019, and 12th February, 2020.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Sandip V. Patel	Chairman	Independent, Non-Executive Director	5	5
Mr. Arun S. Patel	Member	Independent, Non-Executive Director	5	5
Mr. Nitin R. Patel	Member	Non-Independent, Non-Executive Director	5	5

B. Nomination and Remuneration Committee

I. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes following:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees;
- Formulating criteria for evaluation of the Independent Directors and the Board;
- Specifying the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance.
- Devising a policy on Board diversity;
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Identifying persons who qualify to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluations of every Director's performance;
- Analyzing, monitoring and reviewing various human resource and compensation matters;
- Determining the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment and determining remuneration packages of such Directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market related, usually consisting a fixed and variable component;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 1. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 2. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

II. Composition and Attendance:

The Company has independent Nomination and Remuneration Committee, constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Atul N. Ruparel, Chairman of the Nomination and Remuneration Committee, was present at the Annual General Meeting of the Company held on 25th September, 2019.

During the year 2019-20, 2 (two) meeting of the Nomination and Remuneration Committee was held on 12th August, 2019 and 12th February, 2020.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Atul N. Ruparel	Chairman	Independent, Non-Executive Director	2	2
Mr. Mirat N. Bhadlawala Till 05th January, 2020	Member	Independent, Non-Executive Director	1	0
Mr. Shashin V. Patel	Member	Promoter, Non-Executive Director	2	2
Mr. Sandip V. Patel Appointed from 12th February, 2020	Member	Independent, Non-Executive Director	-	-

III. Remuneration Policy:

The remuneration policy of the Company has been formulated by ensuring that the level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate Directors. Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis.

i) Remuneration to Non-Executive Directors

During the year 2019-20, Non-Executive Directors are paid sitting fees for each meeting of the Board attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ii) Remuneration to Managing Director

Remuneration paid to the Executive Directors is recommended by the Nomination & Remuneration Committee, approved by the Board and is subject to the overall limits as approved by the shareholders.

Mr. Vasistha C. Patel, Managing Director was paid remuneration of Rs.2.50 Lakh per month by way of salary for the financial year ended 31st March, 2020 excluding leave encashment. Mr. Vasistha C. Patel, Managing Director was also entitled to receive commission on profits as well as other perquisites as determined by the Board of Directors and approved by shareholders.

The Company has entered into an agreement with Mr. Vasistha C. Patel for his employment for a period of Five years. Either party to an agreement is entitled to terminate the agreement by giving not less than 90 days' notice in writing to other party.

Details of the remuneration paid to Executive and Non-Executive Directors during the year 2019-20 are as under.

Name of Directors	Salary (₹ In Lakh)	Sitting Fees (₹ In Lakh)	Term of Appointment
Mr. Vasistha C. Patel	32.50	Nil	5 years from 1 st January, 2018
Mr. Shashin V. Patel	Nil	1.20	Nil
Mr. Nitin R. Patel	Nil	1.05	Nil
Mr. Sandip V. Patel	Nil	1.20	5 years from 5 th September, 2019
Mr. Mirat N. Bhadlawala Resigned on 5th January, 2020	Nil	0.30	5 years from 22 nd October, 2019
Mr. Arun S. Patel	Nil	1.20	5 years from 22 nd October, 2019
Mr. Atul N. Ruparel	Nil	0.75	5 years from 22 nd October, 2019
Mrs. Daksha N. Shah	Nil	1.05	5 years from 24 th March, 2020

C. Stakeholders' Relationship Committee

I. Terms of Reference:

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. During the year under review, the terms of reference of the SRC were amended to align the role of the Committee with amendments to the Listing Regulations. The terms of reference of the SRC includes:

- Redressal of shareholders' / investors' grievances;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividend, balance sheets of the Company or any other documents or information to be sent by the Company to its shareholders;
- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.
- Carrying out any other function as prescribed under the Equity Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. Composition and Attendance:

The Company has constituted Stakeholders' Relationship Committee in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company Secretary acts as the secretary to the Committee. Mr. Nitin R. Patel, Chairman of the Stakeholders' Relationship Committee, was present at the Annual General Meeting of the Company held on 25th September, 2019.

During the year 2019-20, 4 (four) meetings of the Stakeholders' Relationship Committee were held on 27th May, 2019, 12th August, 2019, 13th November, 2019 and 12th February, 2020.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Nitin R. Patel	Chairman	Non-Independent, Non-Executive Director	4	4
Mr. Vasistha C. Patel	Member	Executive Director	4	4
Mr. Arun S. Patel	Member	Independent, Non-Executive Director	4	4
Mr. Sandip V. Patel	Member	Independent, Non-Executive Director	4	4

III. No. of Complaints received and resolved during the year:

Particulars	No. of Complaints
Complaints at the beginning of the year	Nil
Complaints received during the year	Nil
Complaints resolved during the year	Nil
Complaints remains unresolved at the end of the year	Nil

D. Finance and Investment Committee

The Board has constituted Finance Committee as "Finance and Investment Committee" comprising of Mr. Shashin Patel, Mr. Vasistha C. Patel, Mr. Nitin R. Patel and Mr. Arun Patel, to review investment of funds, approval of short terms and/or long terms loans, banking transactions, avail financial facilities for Company and any other matters related to finance and investments of the company as decided by the Board of Directors of the Company.

Finance and Investment Committee meets as and when the need to consider any matter assigned to it arises.

During the year 2019-20, 8 (Eight) meetings of the Finance and Investment Committee were held on 20th April, 2019, 23rd July, 2019, 19th September, 2019, 15th November, 2019, 29th January, 2020, 4th February, 2020, 13th March, 2020 and 19th March, 2020.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Shashin V. Patel	Chairman	Non-Independent, Non-Executive Director	8	8
Mr. Vasistha C. Patel	Member	Executive Director	8	8
Mr. Nitin R. Patel	Member	Independent, Non-Executive Director	8	8
Mr. Arun S. Patel	Member	Independent, Non-Executive Director	8	8

E. Corporate Social Responsibility Committee

Company has duly constituted Corporate Social Responsibility Committee (known as “CSR Committee”) in compliance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013, for the purpose of activities to be undertaken by the company towards the Corporate Social Responsibility (CSR).

The terms of reference of CSR Committee includes, formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder and providing guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

During the year 2019-20, 1 (one) meeting of the CSR Committee was held on 14th February, 2020.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Vasistha C. Patel	Chairman	Executive Director	1	1
Mr. Nitin R. Patel	Member	Non-Independent, Non-Executive Director	1	1
Mr. Sandip V. Patel	Member	Independent, Non-Executive Director	1	1
Mr. Atul N. Ruparel	Member	Independent, Non-Executive Director	1	1

F. Risk Management Committee

In compliance of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Risk Management Committee and majority of members of the Committee are members of Board of Directors. The Company has a well-defined risk management framework to identify, recognize, monitor and mitigate risks as also identify business opportunities. The Committee has been delegated powers to monitor and review risk management plans. The Committee is headed by Mr. Vasistha C. Patel as Chairman of the Committee. Mr. Nitin R. Patel and Mr. Sandip Patel are members of the Committee. The Committee meets as and when the need to review the management plans.

4. GENERAL BODY MEETINGS

Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:

Financial Year	Day, Date& Time	Venue	Special Resolution passed
2018-19	Wednesday, 25th September, 2019 (11.00 AM)	Lions Hall, Near Mithakhali Six Road, Ellisbridge, Ahmedabad-380006	Yes - Issue of Secured/Unsecured Non-Convertible Debenture and/or other Securities on private placement bases - Re-appointment of Mr. Sandip Patel (DIN: 00449028) as an Independent Director of the Company - Re-appointment of Mr. Atul Ruparel (DIN: 00485470) as an Independent Director of the Company - Re-appointment of Mr. Arun Patel (DIN: 06365699) as an Independent Director of the Company - Re-appointment of Mr. Mirat Bhadlawala (DIN: 01027984) as an Independent Director of the Company - Re-appointment of Mrs. Daksha Shah (DIN: 00376899) as an Independent Director of the Company
2017-18	Thursday, 27 th September, 2018 (11.00 AM)	Lions Hall, Near Mithakhali Six Road, Ellisbridge, Ahmedabad-380006	Yes - Issue of Secured/Unsecured Non-Convertible Debentures and/or other Debt Securities on private placement basis

2016-17	Tuesday, 26 th September, 2017 (11.00 AM)	Lions Hall, Near Mithakhali Six Road, Ellisbridge, Ahmedabad-380006	Yes - Issue of Secured/Unsecured Non-Convertible Debentures and/or other Debt Securities on private placement basis - To increase borrowing limits - To create charge on Company's properties - Approval of Conversion of loan in to equity - Considered and decided place of maintenance and keeping Register of Members and other registers at place other than the Registered office of the Company. - Alteration of Articles of Association.
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In the year F.Y. 2019-20, One (1) resolution was passed through Postal Ballot on 27th August, 2019. The details of resolution and result of Postal Ballot are as under:

Particulars of Resolutions	No. of shares & % of votes cast in favour	No. of shares & % of votes cast against
Sale of Equity Share Capital of Subsidiary Companies	305556741 (99.97)	87690 (0.03)

Mr. Ravi Kapoor, Practicing Company Secretary, was appointed as scrutinizer and has conducted the Postal Ballot for the aforesaid resolution.

The procedures prescribed under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 were duly followed for conducting the postal ballot process for approving the resolution mentioned above.

The aforesaid resolution was passed by the shareholders with requisite majority.

5. MEANS OF COMMUNICATION

- The quarterly, half yearly and annual financial results and other statutory information are generally communicated to the shareholders by way of an advertisement in an English newspaper viz. 'The Economic Times (English)' and in a vernacular language newspaper viz. 'The Economic Times (Gujarati)' as per requirements of the Listing Regulations.
- The Company is promptly reporting all material information including declaration of quarterly financial results, press releases, etc. to all Stock Exchanges where the securities of the Company are listed. Such information is also simultaneously displayed immediately on the Company's website www.sadbhavinfra.co.in
- The financials and other material information were uploaded by the Company on the websites of NSE and BSE i.e. www.nseindia.com and www.bseindia.com respectively through NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Online Portal of BSE Ltd. (BSE).
- Official press releases, presentations made to institutional investors or to the analysts and transcripts of Con-call are displayed on Company's corporate website, www.sadbhavinfra.co.in
- The main channel of communication to the shareholders is through Annual Report, which includes inter-alia, the Directors' Report, Management's Discussion and Analysis, Report on Corporate Governance and Audited Financial Results.

6. GENERAL SHAREHOLDERS INFORMATION

A. General Information:

- Annual General Meeting**
 - Date and Time** : Tuesday, 29th September, 2020 at 02:00 p.m.
 - Venue** : Through Video Conferencing or other Audio Visual means
- Financial Year** : 1st April, 2019 to 31st March, 2020
- Book Closure Date** : Wednesday, 23rd September, 2020 to Tuesday 29th September, 2020 (both day inclusive)
- Dividend Payment Date** : N.A.

**5. Listing on Stock Exchanges
Equity Shares**

: **BSE Limited**
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
: **National Stock Exchange of India Limited**
Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051

Debt Securities (Debentures)

: **BSE Limited**
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001

6. Listing Fees

: Company has paid the annual listing fees for the financial year 2019-20 to the above Stock Exchanges.

7. Stock Code

BSE Limited : 539346
National Stock Exchange of India Limited : SADBHIN
ISIN for Equity Shares : INE764L01010

B. Debt Securities (Debentures):

Following Redeemable, Secured, Non-Convertible Debentures of the Company are listed on Wholesome Debt Market at BSE Limited as on 31st March, 2020.

ISIN number	Issuance date	Maturity date	Payment frequency	Amount Outstanding (Amount in ₹)	Name of the Debenture Trustee
INE764L07082	27/02/2015	13/04/2020	Yearly Interest payment	19,90,00,000	IDBI Trusteeship Services Limited
INE764L07116	21/09/2016	15/04/2021	Yearly Interest payment	50,00,00,000	
INE764L07124	21/09/2016	15/04/2022	Yearly Interest payment	50,00,00,000	
INE764L07140	11/01/2017	28/04/2020	On redemption	9,70,00,000	
INE764L07157	20/03/2017	25/06/2021	On redemption	25,00,00,000	
INE764L07165	20/03/2017	27/06/2022	On redemption	25,00,00,000	
INE764L07173	23/04/2018	23/04/2023	N.A	89,20,00,000	CATALYST TRUSTEESHIP LIMITED
INE764L07181*	06/06/2018	06/06/2023	N.A	1,27,40,00,000	CATALYST TRUSTEESHIP LIMITED

* Unlisted Non-Convertible Debentures

C. Details of Debenture Trustee:

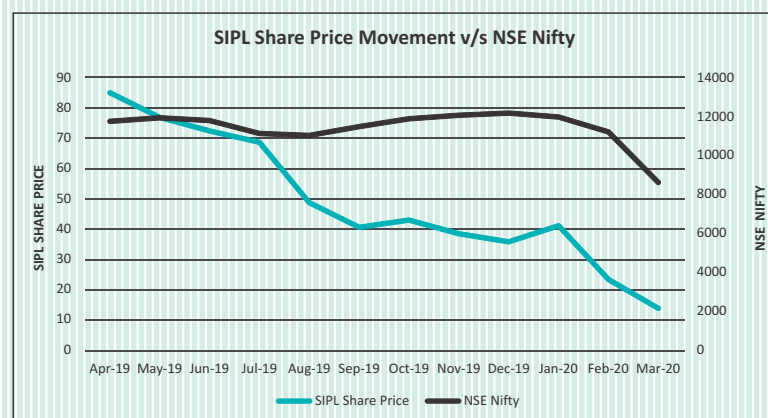
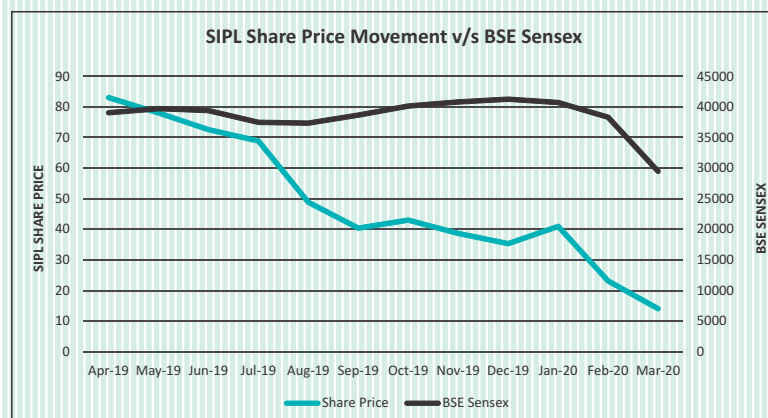
CATALYST TRUSTEESHIP LIMITED (Formerly known as GDA Trusteeship Limited)	Office No. 83 – 87, 8 th Floor, 'Mittal Tower', 'B' Wing, Nariman Point, Mumbai – 400021. Tel: 022-49220555; Fax: 022-49220505 Email: dt@ctltrustee.com Website: www.catalysttrustee.com
IDBI TRUSTEESHIP SERVICES LIMITED	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400001 Tel: 022-40807000; Fax: 022-66311776 Email: itsl@idbitrustee.com Website: http://www.idbitrustee.com

D. Market Price Data:

Below mentioned are the details of high/low, Number and Value of shares traded during each month in the last financial year.

Month	BSE Limited		National Stock Exchange Limited	
	High	Low	High	Low
Apr-19	100.00	80.00	94.00	82.50
May-19	92.00	72.00	85.95	73.00
Jun-19	85.30	58.75	85.65	58.30
Jul-19	80.00	45.00	88.70	51.60
Aug-19	66.00	40.20	67.25	45.05
Sep-19	56.00	37.05	57.00	37.60
Oct-19	49.10	38.30	49.00	38.80
Nov-19	47.00	35.25	47.50	31.65
Dec-19	44.00	34.00	44.00	32.60
Jan-20	45.25	35.65	45.25	35.40
Feb-20	42.30	22.15	42.30	22.80
Mar-20	24.00	12.85	24.50	12.65

E. Performance of the share price of the Company in comparison to BSE Sensex and NSE Nifty:



F. Registrar & Share Transfer Agent:

Name and Address : M/s. Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083
Phone : 022-49186000
Fax : 022-49186060
Email : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

G. Share Transfer System:

Trading in equity shares of the Company is permitted only in dematerialised form. However, for those cases which were received before 1st April, 2019 and in which there were some discrepancies in the documents submitted by the shareholders, have been re-logged and processed during the year. The Company has a Stakeholders' Relationship Committee for redressing the complaints / queries of shareholders and investors.

With effective from 1st April, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

According to SEBI, this amendment will bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors.

Pursuant to Regulation 40(9) of the Listing Regulations with the stock exchanges, the Company obtains a Certificate from a Practicing Company Secretary on half yearly basis, for due compliance of share transfer formalities. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, a certificate has also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting Secretarial Audit on a quarterly basis for reconciliation of the share capital of the Company. The Company files copy of these certificates with the stock exchanges as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

H. Shareholding as on 31st March, 2020:**i) Distribution of Shareholding as on 31st March, 2020**

No. of Shares	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Capital
1–500	8327	82.3070	1191340	0.3382
501–1000	704	6.9586	596349	0.1693
1001–2000	377	3.7264	602283	0.1710
2001–3000	158	1.5617	407207	0.1156
3001–4000	63	0.6227	229094	0.0650
4001–5000	99	0.9786	480353	0.1364
5001–10000	136	1.3443	1077054	0.3058
10001 & Above	253	2.5007	347641536	98.6987
Total	10117	100.00	352225216	100.00

ii) Categories of Shareholders as on 31st March, 2020

Category	No. of Shares held		Total No. of Shares	% of holding
	Demat	Physical		
Promoters	246830086	-	246830086	70.08
Mutual Fund	30001157	-	30001157	8.52
Banks/Financial Institutions/Central Govt./State Govt./Trusts & Insurance Companies	1161514	-	1161514	0.33
FII / Foreign Portfolio Investors	10399667	-	10399667	2.95
NRI (Repatriable & Non-Repatriable)	1180692	-	1180692	0.33
Foreign Companies	29121860	-	29121860	8.27
Other Corporate Bodies	13785543	-	13785543	3.91
Indian Public / HUF	18577413	3	18577413	5.27
Clearing Member	548687	-	548687	0.16
Trust	618594	-	618594	0.18
Total	352225213	3	352225216	100.00

I. Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. Equity Shares of the Company representing 99.9999% of the Company's paid up share capital is in dematerialized form as on 31st March, 2020 with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Details of which are as under.

Sr. No.	Mode of Holding	No. of Shares	% of Total Capital
1	NSDL	343988709	97.66
2	CDSL	8236504	2.34
3	Physical	3	0.00
	Total	352225216	100.00

The Company's shares are regularly traded on the 'BSE Limited' and 'National Stock Exchange of India Limited'.

ISIN number for dematerialization of the equity shares of the Company is INE764L01010.

J. Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion date and likely impact on equity: The Company has not issued any GDRs/ADRs/warrants or any convertible instruments.

K. Commodity price risk or foreign exchange risk and hedging: Not Applicable

L. Plant Locations: The Company does not have any manufacturing plant.

M. Address for Correspondence: Shareholders may correspond to the Company Secretary of the Company or at the office of Registrar & Transfer Agent at the below mentioned addresses.

Company Secretary & Compliance Officer Sadbhav Infrastructure Project Limited "Sadbhav", Nr. Havmor Restaurant, B/h Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380009 Phone: 079-40400400 Fax: 079-40400444 Email: investor@sadbhavinfra.co.in Website: www.sadbhavinfra.co.in	M/s. Link Intime India Private Limited Unit: Sadbhav Infrastructure Project Limited Registrar & Transfer Agent C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Phone: 022-49186000 Fax: 022-49186060 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in
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N. Credit Rating:

Facilities	Outstanding Amount (₹ Crores)	Rating
Non-Convertible Debenture (Listed)	19.90 (Reduced from ₹120 Crores)	CARE A- (CE); Stable
Non-Convertible Debenture (Listed)	159.70 (Reduced from ₹300 Crores)	CARE A- (CE); Stable
Non-Convertible Debenture (Listed)	89.20 (Reduced from ₹170.00 Crores)	CARE A- (CE); Stable
Non-Convertible Debenture (Unlisted)	127.40 (Reduced from ₹190.00 Crores)	CARE A- (CE); Stable
Long Term / Short Term Bank facilities	400.00	CARE A-; Stable / CARE A2+
Total	796.20	

7. OTHER DISCLOSURES

- A. All transactions entered into with related parties as defined under Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year 2019-20, were in the ordinary course of business and on an arm's length basis. There were no materially significant Related Party Transactions during the financial year 2019-20 that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report. The Board has approved a policy for related party transactions which is uploaded on the website of the Company at <http://www.sadbhavinfra.co.in/en/pdf/policy-on-related-party-transaction.pdf>
- B. There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. Further, there are no penalties or strictures imposed by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital market during the last three years.
- C. In accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Whistle Blower Policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The said policy is uploaded on the website of the Company at <http://www.sadbhavinfra.co.in/en/pdf/whistle-blower-policy.pdf>.

All protected disclosures should be in writing and can be submitted by hand delivery or by courier or post or by electronic mode addressed to the Chairman of the Audit Committee of the Company on below mentioned address.

Chairman of Audit Committee

Sadbhav Infrastructure Project Limited
 "Sadbhav", Nr. Havmor Restaurant,
 B/h Navrangpura Bus Stand, Navrangpura,
 Ahmedabad – 380009

- D. Code of Conduct for Prevention of Insider Trading: The Company has adopted the Code of Conduct for Prevention of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Code'). The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the securities of the Company.

Compliance Officer for ensuring compliance with and for the effective implementation of the Regulations and the Code across the Company. The Company has also adopted a Code of Corporate Disclosure Practices for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information ('UPSI') by the Company to enable the investor community to take informed investment decisions with regard to the Company's shares.

During the year under review, both the above Codes were amended to align them with the amendments to SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Corporate Disclosure Practices along with the Policy for Determination of Legitimate Purposes is also available on the website of the Company at <http://www.sadbhavinfra.co.in>

- E. The Company has complied with all the mandatory and non-mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Regulation 46 (1) & (2) relating to the dissemination of information on the website of the Company. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under:

The following non-mandatory requirements have been adopted by the Company:

- a. The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results (Standalone and consolidated) of the Company for the quarter and year ended on 31st March, 2020.
- b. The Company has appointed separate persons to the posts of Chairman and Managing Director.
- c. The Internal Auditors report directly to the Audit Committee.
- F.** The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at http://www.sadbhavinfra.co.in/en/pdf/policy_for_determining_material_subsidary_co.pdf
- G.** In accordance with the SEBI Circular dated 8th February, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr. Ashish Shah & Associates, Company Secretary in Practice confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended 31st March, 2020.
- H.** Mr. Ravi Kapoor, Company Secretary in Practice has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.
- I.** Company has obtained a certificate affirming the compliances of provisions of Corporate Governance from M/s. Ravi Kapoor & Associates, Practicing Company Secretaries and the same is attached to this report.
- J.** The Managing Director and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on 31st March, 2020 in compliance with Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same is attached to this report.
- K.** The Company has a well-defined risk management framework in place. The Audit Committee of the Board is also regularly informed about the business risks and the steps taken to mitigate the same. The implementation of the risk assessment and minimization procedures is an ongoing process and the Board members are periodically informed of the status.
- L.** The Board of Directors has adopted the Code of Conduct for Directors and Senior Management and the same has been placed on the Company's website <http://www.sadbhavinfra.co.in/en/pdf/code-of-conduct.pdf>. All Board Members and Senior Personnel have affirmed compliance of Code of Conduct. A declaration signed by the Managing Director to this effect is attached to this report.
- M.** In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed an Insider Trading Code to avoid any insider trading and it is applicable to all Directors, Officers and such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The said code laid down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing with the shares of the Company. The code has been placed on the Company's website <http://www.sadbhavinfra.co.in/en/pdf/insider-trading-code-SIPL.pdf>.
- N.** A Management Discussion and Analysis Report forms part of this Annual Report and includes discussion on various matters specified under Regulation 34(2)(e) and Schedule V (B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- O.** In preparation of financial statements, the Company has followed the Indian Accounting Standards (IndAS) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- P.** Details of utilisation of funds: The Company has not raised any funds through preferential allotment or qualified institutions placement.
- Q.** Confirmation by the Board of Directors regarding acceptance of recommendation of all Committees: In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from all its Committees, if any.
- R.** Fees paid to Statutory Auditor: Fees were paid by the Company and its subsidiaries, on a consolidated basis, for all services to respective Statutory Auditors and all entities in the network firm/ network entity of which they are part. The details of fees paid to the Statutory Auditors is mentioned in the notes of financial statement.

- S. Prevention, prohibition and redressal of sexual harassment at workplace: Status of complaints in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 for the FY 2019-20 is as follows:

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Nil

Number of complaints pending as on end of the financial year: Nil

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that all members of the Board and Senior Management personnel have affirmed compliance with Code of Conduct for the year ended 31st March, 2020.

For, Sadbhav Infrastructure Project Limited

Date: 6th July, 2020

Place: Ahmedabad

Vasistha C. Patel

Managing Director

DIN: 00048324

Certification on Financial Statements of the Company

We, Vasistha C. Patel, Managing Director and Varun Mehta, Chief Finance Officer of Sadbhav Infrastructure Project Limited ('the Company'), certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended 31st March, 2020 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 6th July, 2020

Place: Ahmedabad

Vasistha C. Patel

Managing Director

DIN: 00048324

Varun Mehta

Chief Financial Officer

Compliance Certificate on Corporate Governance

To,
The Members of
Sadbhav Infrastructure Project Limited

We have examined the Compliance Conditions of Corporate Governance by Sadbhav Infrastructure Project Limited for the year ended on 31st March, 2020 as per Para E of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 01st April, 2019 to 31st March, 2020. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The Compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Ravi Kapoor & Associates
Company Secretaries

Ravi Kapoor
Proprietor
Membership No.: 2587

Date: 6th July, 2020
Place: Ahmedabad

Management Discussion & Analysis

CAVEAT

This Annual Report contains certain forward-looking statements, and may contain certain projections. Similarly, statements that describe strategies, objectives, plans or goals are also forward-looking statements. 'SIPL' or 'the Company', are interchangeably used and mean Sadbhav Infrastructure Project Limited as may be applicable.

All forward-looking statements and projections are subject to risks, uncertainties and assumptions. Actual results may differ materially from those suggested by forward-looking statements or projections due to risks or uncertainties associated without expectations with respect to, but not limited to, regulatory changes pertaining to the infrastructure sector in India and the Company's ability to respond to them, the Company's ability to successfully implement its strategy and objectives, the Company's growth and expansion plans, technological changes, the Company's exposure to market risks, general economic and political conditions in India that have an impact on the Company's business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in competition in the infrastructure sector. Certain important factors that could cause the Company's actual results to differ materially from expectations include, but are not limited to, The business and investment strategy of the Company, Expiry or termination of the project Special Purpose Vehicles (SPVs) respective concession agreements, Future earnings, cash flow and liquidity, Potential growth opportunities, Financing plans, the competitive position and the effects of competition on the Company's investments, The general transportation industry environment and traffic growth and future government policy relating to the transportation industry in India.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated. Forward-looking statements and projections reflect current views as of the date hereof and are not a guarantee of future performance or returns to investors. These statements and projections are based on certain beliefs and assumptions, which in turn are based on currently available information. Although the Company believes the assumptions upon which these forward-looking statements and projections are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements and projections based on these assumptions could be incorrect. The Company and their respective affiliates/advisors do not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. There can be no assurance that the expectations reflected in the forward-looking statements and projections will prove to be correct. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements and projections and not to regard such statements to be a guarantee or assurance of the Company's future performance or returns to investors.

1. BUSINESS OVERVIEW

Sadbhav Infrastructure Project Limited ("SIPL") was incorporated in 2007. The Company is among India's leading infrastructure developers specialising in roadways and highways. It enjoys robust in-house of Operation and Maintenance (O&M)— across all its business verticals:

1. Build Operate Transfer (BOT)
2. Hybrid Annuity Model (HAM)

Over the years, the Company has developed rich in-house expertise in O&M verticals. The Company's clients primarily comprise government agencies such as NHAI, AUDA, PWD, among others.

SIPL is strategically growing its presence beyond its stronghold states of Maharashtra, Rajasthan, Haryana, Karnataka, Telangana and Gujarat and over the years, it has established a strong foothold in two more states i.e. Uttarakhand and Uttar Pradesh.

2. ROAD INFRASTRUCTURAL PERIPHERI IN THE INDIAN ECONOMY

The year 2019-20 witnessed a pick-up in project awards, improved clearances and fund allocation, resulting in a pick-up in execution momentum in the domestic market. The domestic economy continues to be driven by public sector investments, mainly in areas of water supply, irrigation, urban transportation, crude exploration and refining, roads allied infrastructure and rural electrification.

The domestic investment momentum was healthy despite the multiple challenges on the economic front, with volatile crude oil prices, currency swings, pressure on fiscal and current account deficits, sharp temporary contraction in liquidity.

As per the Ministry of Road Transport and Highways (MoRTH), FY 20 was the year of consolidation of the gains that accrued from major policy decisions taken in the previous five years. It was a time for monitoring of ongoing projects, tackling roadblocks and adding to the already impressive pace of work achieved during the past years.

During the year, the MoRTH and its associated organisations have carried forward the good work of the previous years, expanding the national highway network in the country, taking various steps to make these highways safe for the commuters and undertaking efforts to minimise any adverse impact on the environment. As a result, the length of India's National Highways (NHs) has increased from 91,287 kms in April 2014 to about 1,32,500 kms as on December 31, 2019.

The MoRTH has envisaged an ambitious highway development programme called 'Bharatmala Pariyojana', which includes development of about 65,000 kms of NHs. Under Phase-I of Bharatmala Pariyojana, the MoRTH has approved the implementation of 34,800 kms of NHS in five years with an outlay of Rs. 5,35,000 crore (US\$ 76.55 billion). The National Highways Authority of India has been mandated the development of about 27,500 kms of NHs under Bharatmala Pariyojana Phase-I.

The MoRTH had taken up a detailed review of the NH network and has given investment approval for the Bharatmala Pariyojana Phase-I Scheme for development of about 34,800 kms [including 10,000 kms residual National Highways development Project (NHDP) stretches] at an estimated outlay of Rs. 5,35,000 crore. Development of major highways will be done under this scheme, including the development of economic corridors, inter-corridors and feeder roads; efficiency improvements of national corridors; border and international connectivity roads; coastal and port connectivity roads; and expressways. Total 246 projects with a length of 10,100 kms have been awarded until February 2020. Further, 1,255 kms has been constructed under the Bharatmala Pariyojana Project in FY 20.

The MoRTH has also taken up the Connectivity Improvement Programme for Char Dham (Kedarnath, Badrinath, Yamunotri and Gangotri) in Uttarakhand. The Programme includes projects of improvement/development of 889 kms length of NHs at a total estimated cost of about Rs. 11,700 crore. Out of the 889 kms, 1.1 kms has been completed and 646 kms is under construction. Total length of 6,940 kms of NHs has been constructed in the country during FY 20 until December 2019, whereas 1,522 kms of NHs has been constructed during FY 20 under the Bharatmala Pariyojana.

NHAI has accomplished construction of 3,979 kms of NHs in FY 20. This is the highest ever highway construction achieved in a financial year by NHAI. The construction pace, as noticed in the previous years, has seen a steady growth with 3,380 kms in FY 19. Continuing the same trend with the development of 3,979 kms of NHs during FY 20, NHAI has achieved an all-time high construction since its inception in 1995.

3. OPPORTUNITIES & STRENGTHS

SIPL observes the stability and growth of toll revenues as strategic locations of our projects are in high economic growth areas. The organisation's competent teams for each areas of operation have enabled it to build-up a sizeable and diverse portfolio with effective toll collection and toll management systems. Your company looks forward to capture the immense growth opportunity in the Indian road sector by abiding to the Green Highways Policy (Plantation, Transplantation, Beautification and Maintenance Policy -2015). Under PPP financing scheme by NHAI in highway development, a model concession agreement was signed upon so as to benefit the contenders in the construction market. SIPL has already exhibited its credibility by timely executing projects of immense repute. SIPL is poised to participate in improving the road connectivity by building innovative structures under evolving models like Hybrid Annuity model. Ministry of Roads, Transport and Highways (MoRTH), Government of India has introduced various reforms in the bid and tender structure and invitation of public feedback through a mechanism of inviting a project for public comments. SIPL had lauded this move by the Government as it considers itself as an organisation contributing towards the society and believe in the inclusivity of all. Most Projects awarded in recent years by NHAI are in HAM mode and this model provides enormous opportunity to your company to grow with balanced risk-reward ratio.

4. RISKS & CHALLENGES

The management of company has identified the risk in various categories, described as follows:

Internal and Business Risks

The successful completion of projects depends on our joint venture partners & EPC contractors and is therefore, sometimes, contingent on their performance. These projects are high valued contracts. Some of these entail a penalty for delay in completion of the project on time. These may adversely affect our profitability. Also, cost overrun due to problems of land acquisitions, removal of encroachment and complying with environmental standard and our insurance coverage may not adequately protect us against possible risk of loss. Delay due to sub-contactor's performance and shortage in supply of raw materials can postpone projects and eventually result in delay of the payment. Non-maintenance / break-down, mishandling of machines and equipment of pose a major risk towards non execution of projects and liability towards the organization. A temporary setback is faced by the organization if any key managerial personnel were to leave.

Any negligence towards health and safety of workforce and employees can affect our performance. An additional financial burden on the company, due to repayment and interest on Non-Convertible Debentures, also contributes towards internal risks faced by the organisation.

External Risks

External Risks beyond the control of Management are identified in various ways. Any change in the government policy, political situation, regulatory environment and civil disturbances will have adverse effect on company's business. Natural risks like adverse weather condition, floods, earthquakes etc. However, these risks are passed on by taking the Insurance Coverage from Insurance Company. Changes in the tax structure like GST, entry tax, RTO tax etc. also play a major role. An increase or decrease or withdrawal of tax benefits and other incentives by the Government will have an impact on our net income. An increased competition from large national and international organizations is also an area of concern. Deviation from estimated traffic volume may affect future earnings in case of toll based BOT projects.

Availability of funds and interest rate risk

Infrastructure projects are typically capital intensive and require high levels of long-term debt financing. SIPL intends to pursue a strategy of continued investment in infrastructure development projects. In the past, the Company was able to infuse equity and arrange for debt financing to develop infrastructure projects on acceptable terms for the projects. However, SIPL believes that its ability to continue to arrange for fund requirements is dependent on various factors. These factors include: timing and internal accruals generation; timing and size of the projects awarded; credit availability from banks and financial institutions; the success of its current infrastructure development projects. Besides, there are also several other factors outside its control.

However, your Company's track record has enabled it to raise funds at competitive rates. Your Company had also raised funds through Non-Convertible Debenture ("Debentures") for refinancing of its old funds which helped it to reduce the interest rate burden.

Traffic growth risk

Toll revenue is a function of the toll rates and traffic growth.

Toll rates: The Government has been implementing a policy of linking toll rates increase to change in Wholesale Price Index (WPI). All Toll projects have fixed annual or periodical increase in their toll rates, according to the Concession Agreement with respective authorities.

Traffic growth: Rapid economic development increases traffic growth while low economic activity has a negative impact on traffic volume.

Competition risk

Attractive growth opportunities exist in the road construction sector, especially with the government going full throttle on infrastructure development with the Bharatmala Pariyojana. This may increase the number of players operating in the industry. However, the Company is confident about retaining its competitive edge, backed by its industry-leading experience in the roads and highways sector. Further, the Company has carved out a niche in the BOT segment. Higher competencies including financial strength required for this segment create entry barriers, thereby limiting competition. As a prudent strategic initiative, SIPL will continue to bid for projects based on their financial, operational and execution viability.

5. MINIMIZING RISKS

A risk management exercise not only identifies risks, but also reduces risks to an acceptable level. Your Company has risk management policies to manage and overcome these risks to ensure smooth functioning of the Company's business operations which are reviewed periodically by the Directors of the Company. This provides a window for quick decisions. SIPL, a subsidiary of Sadbhav Engineering Ltd., maneuvers to supply materials effectively and keep the cost escalation risk to a minimum. Before entering into any joint venture agreement, we thoroughly analyse the prospective venture partners' past performances and credentials. We plan elaborately to execute all our projects before the scheduled time. We have a proven track record of completing work within the stipulated time. We have a full-fledged team of technical experts at our workshop, who are responsible for the repairs and maintenance of the equipment. Therefore, work without stoppages or no significant labour disruptions during its operational history was paved way for by our extensive employee welfare scheme which looks after their health and safety. We have taken contractor's all risk insurance policy in respect of projects and workmen's compensation policies to protect against losses caused to workmen through accident. Most of the critical work during the operation period is done by us and only very minimal portion of the work is sub-contracted. We always insist to have a performance guarantee and quality assurance from them. As a company, our ability to foresee and manage business risks plays a crucial role in achieving positive results even from the downturn of economic situations. We also regularly conduct third audits of the toll management systems and toll collection systems in order to identify lacunas and improve our operational performance.

6. SEGMENT WISE PERFORMANCE

During the year 2019-20, the Company has only one reportable business segment, that of infrastructure development. A segment wise performance on consolidated basis is given in the consolidated financial statements.

7. INTERNAL CONTROLS SYSTEMS AND ADEQUACY

The Company possesses a suitable mechanism for internal controls. It follows a well-designed documentation system for policies and procedures covering all financial and operating functions. These controls have been developed and designed in a manner to properly maintain accounting records for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorised use or losses and compliance with regulations. The Company has digitalised all key process controls through the SAP S/4 HANA – systems to maximise automated control transactions. The auditor verifies IT-enabled controls as part of the review of functions and processes as part of the Internal Audit function.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit Auditor reports to the Chairman of the Audit Committee.

8. FINANCIAL OVERVIEW

We generate revenues primarily from toll collection, user fee and annuity receipts. The company also provides operation, maintenance, advisory and project management services for our projects. Review of financial performance for the financial year ended 31st March, 2020 are as follows:

PARTICULARS	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	1,817.67	2,950.27	22,704.03	35,479.32
Other Income	766.53	729.89	3,123.60	1,820.44
Total Revenue	2584.20	3,680.16	25,827.63	37,299.76
Profit Before Taxation	(1,809.96)	1,088.50	(3,999.97)	(2406.22)
Tax Expense	621.91	370.11	734.87	607.00
Profit/(Loss) for the period after tax and minority interest	3,766.18	565.44	10,336.53	(2452.73)
Other comprehensive income	0.36	0.37	0.22	(1.44)
Total comprehensive income (after tax)	3,766.54	565.81	10,336.75	(2454.17)

In accordance with the SEBI (Listing Obligations Disclosure Requirements 2018) Amendment Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector- specific financial ratios along with detailed explanations.

PARTICULARS	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Debtors Turnover	274	182	5	3
Inventory Turnover	0	0	0	0
Interest Coverage Ratio	3.06	1.54	0.69	0.80
Current Ratio	0.50	0.72	0.68	0.53
Debt Equity Ratio	0.52	1.23	12.29	N.A.
Operating Profit Margin (%)	12.50%	71.42%	24.82%	21.20%
Net Profit Margin (%)	207.20%	19.17%	45.34%	-6.99%
Return on net worth	20.91%	3.93%	220.89%	N.A.

9. OUTLOOK

The roads and highways sector is expected to take a mighty blow from the nationwide lockdown to contain the COVID-19 pandemic, which has pushed back a much anticipated economic recovery this fiscal by bringing movement of people, goods and all major industries to a standstill. However, the key to reversal in economic activity lies in the consumption propensity of people and ability of industries to achieve pre-COVID levels of operations. The government has been facilitating measures to safeguard liquidity, compensate developers/contractors for the losses experienced during lockdown and provide additional loans for a smooth resumption of operations. The Union Minister for Road Transport & Highways and MSMEs, in his communication dated April 07, 2020, has set a target of constructing roads worth Rs. 15 lakh crore in the next two years.

Furthermore, there are tremendous opportunities in the near and long term for the infrastructure space in India. The government's ambitious infrastructure development programmes provide significant opportunities for investors and market players to help transform the sector and partner India's socio-economic progress. Robust demand, higher investments, attractive opportunities and policy support changed the face of the road sector in the country within three years.

The government is implementing various projects across the length and breadth of the country to solve the woes of the common man. The MoRTH has introduced notable trends that will make India take lead position in road infrastructure in the times to come.

10. HUMAN RESOURCE DEVELOPMENT

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process and management development programs to upgrade skills of manager. Objective appraisal systems based on key result areas are in place for senior management staff.

Company strongly believes that people are the prime assets of the organization, and implements new initiatives to train and motivate them. Company believes in the potential of people to go beyond and be the game-changing force for business transformation and success. This potential is harnessed by fostering an open and inclusive work culture that enables breakthrough performance and comprehensive development of employees through the three pillars of Leading Self, Leading Teams and Leading Business. As on 31st March, 2020, the employee strength of the Company was 33 excluding trainees and contractors' employees.

Independent Auditor's Report

To,
The Members of Sadbhav Infrastructure Project Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Sadbhav Infrastructure Project Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as 'Standalone Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act"), as amended in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to:

- a. Note 46 of the standalone financial statement relating to the claim of ₹ 11,905.30 million lodged on National Highway Authority of India pending settlement, other operational matters and its consequential impact thereof on the investments including sub-debts in subsidiary companies.
- b. Note 48 of the accompanying standalone Ind AS financial statement, as regards the management's evaluation of COVID-19 impact on the operations and assets of the Company.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Sale of investments and assets held for sale (refer note no 45 of the standalone Ind AS financial statements)	
<p>During the year, the Company has entered into the definitive share purchase agreement (SPA) dated July 01, 2019 with Indinfravit Trust for sale of its investments in equity share of 8 subsidiary companies and 1 subsidiary of Parent company i.e. Sadbhav Engineering Limited (SEL) with total consideration of INR 20,444.67 million.</p> <p>Out of above, equity shares of 8 subsidiaries (including subsidiary of SEL) have been transferred under above SPA to Indinfravit Trust on the closing date, upon receipts of all regulatory approvals and fulfilment of other conditions precedent as mentioned in the agreement. However, regulatory approval for 1 subsidiary is pending as at reporting date, accordingly investment of such subsidiary is disclosed as assets held for sale in accordance with requirement of Ind AS 105.</p> <p>Profit on sale of investments in the 8 subsidiaries of INR 6,275.77 million has been recorded in these standalone Ind AS financial statements under exceptional item.</p> <p>This is considered as key audit matter due to the materiality of the amounts and judgement involved to determine net equity considerations because there are certain holdback amounts as per SPA which will be released upon fulfilment of certain conditions precedent in respect of sale of investments.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Obtained and read the SPA dated July 01, 2019 and completion letter submitted by the Company to Indinfravit Trust toward fulfilment of conditions precedent. • We agreed the cash consideration to bank statements and units of Indinfravit Trust received to demat statement. Also tested transfer of shares of respective companies from demat statement. • Tested the arithmetical accuracy of the gain working on the sale of investments and also reconciled the consideration to the SPA and other incidental expenses incurred and the cost of investments to the underlying accounting records. • Inquired status on progress of condition precedents with respect to one subsidiary (disclosed as assets held for sale) and conditions with respect to holdback amount as per SPA for the subsidiaries sold. Also obtained and reviewed relevant supporting documents for such conditions. • Assessed the disclosures made in the financial statements.
Assessing impairment of investment in BOT asset operated under concession arrangements (refer note no 3.3 of the standalone Ind AS financial statements)	
<p>As at 31 March 2020, the Company had investment in BOT asset amounting to INR 4,926.85 million which are operated under concession agreement.</p> <p>The management has performed an impairment assessment of a BOT asset by comparing the carrying value of investment with its recoverable amount due to existence of impairment indicators including impact of COVID-19.</p> <p>For the purpose of impairment testing, recoverable amount has been determined based on discounted future cash flows. Further, the recoverable amount is highly sensitive to changes in key assumptions used for forecasting as well as the impact of the economic uncertainties arising from COVID-19 on the future cash flows including growth rate, discount rate, change in traffic and tolls and future operating and finance cost. Thus, the determination of the recoverable amount of such investment in BOT project involves significant judgement.</p> <p>Accordingly, the impairment of investment in BOT asset operated under concession arrangement was determined to be a key audit matter in our audit of the Ind AS standalone financial statements.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company's valuation methodology applied in determining the recoverable amount of its investment. • Obtained the financial model and understood the key assumptions around the cash flow forecasts like growth rate, change in traffic user fee and future operating and finance costs considering the current and estimated future economic conditions, including the impact of COVID-19 • Together with our valuation specialists, we assessed the inputs and assumptions around the key drivers of the cash flow forecasts against historical performance, economic and industry indicators. • Performed sensitivity analysis of key assumptions. • Tested the arithmetical accuracy of the model. • Assessed the adequacy of the disclosures made in the financial statements.

Recognition of revenue from construction services (refer note no 3.4 of the standalone Ind AS financial statements)	
Revenue from construction services of Rs. 1,320.17 comprised of Construction Contracts and Major Maintenance contracts. Revenue from these contracts are recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers.	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Read the accounting policy for revenue recognition of the Company. • Obtained an understanding of the Company's processes and controls for revenue recognition process, evaluated the key controls around such process and tested those controls for the operating effectiveness. • Performed tests of details, on a sample basis, and inspected the underlying customer contracts and relevant supporting documents. Also, on sample basis, inspected the relevant underlying documents of actual cost incurred during the year. • Compared costs incurred with estimated costs to identify significant variations and assessed whether those variations have been considered in estimating the remaining costs to complete and consequential determination of stage of completion. We assessed the management's evaluation for the status of completion for projects and total cost estimates. • Performed analytical audit procedures including analyzing material changes in overall contract margin from one period to another, for assessing reasonableness of revenues disclosed by type. • Checked that the risks of delays and cost overruns related to the performance of works were properly taken into account, along with estimates of completion costs, and reviewed the contingencies included in the budget and the extent to which disputes were covered. • Assessed the relevant disclosures made by the company in accordance with Ind AS 115.
Revenue recognition involves usage of stage of completion method which is determined based on proportion of contract costs incurred till balance sheet date compared to estimated total contract costs, which involves significant judgments relating to estimation of total cost for each contract.	
Revenue recognition involves aforesaid significant judgement and estimation. We therefore determined this to be a key audit matter.	

Information other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management 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 Ind AS Financial Statements

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 39 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 20101974AAAACF3388

Place of Signature: Ahmedabad

Date: July 6, 2020

For S G D G & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: W100188

per **Devansh Gandhi**

Partner

Membership Number: 129255

UDIN: 20129255AAAADB4393

Place of Signature: Ahmedabad

Date: July 6, 2020

Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Sadbhav Infrastructure Project Limited for the year ended March 31, 2020;

- (i) a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment;
- b) The property, plant and equipment have been physically verified by the management during the year. No material discrepancies were noticed on such verification;
- c) According to the information and explanations given by the management, there are no immovable properties held as property, plant and equipment by the company during the year. Accordingly, the provisions of clause 3(i)(c) of the order are not applicable to the Company and hence not commented upon.
- (ii) The management has conducted physical verification of inventories, in the nature of project inventory, at reasonable interval during the year and no material discrepancies were noticed on such physical verification.
- (iii) a) The Company has granted loans to fifteen Companies covered in the register maintained under section 189 of the Act including interest free perpetual debt of INR 16,922.23 million of the nature of Project Sponsor Contribution as per Sponsor Support and Equity Contribution Agreement entered with the lenders of each companies as per service concession arrangement of each project. In our opinion and according to the information and explanations given to us, the terms and conditions of the loans are not prejudicial to the Company's interest except for waiver of interest on loan given to two companies till December 31, 2019 amounting to INR 1,179.85 million. Also refer note 46. Apart from above, the Company has not granted any loans, secured or unsecured to firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- b) The Company has granted loans that are re-payable on demand to companies covered in the register maintained under section 189 of the Companies Act, 2013 except sub-ordinate debt in the nature of promoter's contribution which are recoverable on achievement of certain financial performance of respective investee entities. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular except interest amounting to INR 34.90 million related to certain loan transaction granted by the company to a subsidiary Companies. Also refer note 46.
- c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which are outstanding for more than ninety days except interest of INR 34.90 million on demand loan which is overdue for more than ninety days from a company covered in the register maintained under section 189 of the Act and in our opinion, reasonable steps have been taken by the Company for recovery of the interest.
- (iv) In our opinion and according to the information and explanations given to us and based on legal opinion taken by the Company on applicability of section 185 of Act, in respect of loans to subsidiary companies in the nature of interest free sub-ordinate debt as a project sponsor contribution, the Company has complied with the provisions of section 185 of the Companies Act, 2013. Further, based on the information and explanations given to us, being an Infrastructure Company, provision of section 186 of the Act is not applicable to the Company and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of deposits) rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable and hence not commented upon.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to road and other infrastructure projects related services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) a) According to information and explanations given to us and on the basis of examination of the records of the company provided to us, amount deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, goods and services tax, cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases. According to the information and explanation given to us there are no dues payable on account of customs duty during the year.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income-tax, goods and services tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- c) According to the information, explanation and records of the Company, there are no dues outstanding of income tax, goods and services tax and cess on account of any dispute.

- (viii) In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks and dues to debenture holders. The Company does not have any dues payable to the financial institutions and government.
- (ix) According to the information and explanations given by the management, the Company has utilized the monies raised by way of term loan for the purpose for which they were raised. The company has not raised any money way of initial public offer / further public offer (including debt instruments).
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties being of specialized nature are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirement under clause 3(xiv) are not applicable to the company and not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934 and hence reporting requirement under clause 3(xvi) are not applicable to the company and not commented upon.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 20101974AAAACF3388

Place of Signature: Ahmedabad

Date: July 6, 2020

For S G D G & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: W100188

per **Devansh Gandhi**

Partner

Membership Number: 129255

UDIN: 20129255AAAADB4393

Place of Signature: Ahmedabad

Date: July 6, 2020

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

We have audited the internal financial controls over financial reporting of Sadbhav Infrastructure Project Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these standalone Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 20101974AAAACF3388

Place of Signature: Ahmedabad

Date: July 6, 2020

For S G D G & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: W100188

per **Devansh Gandhi**

Partner

Membership Number: 129255

UDIN: 20129255AAAADB4393

Place of Signature: Ahmedabad

Date: July 6, 2020

Balance Sheet as at March 31, 2020

(INR in Million)			
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Non-current Assets			
(a) Property, plant and equipments	5	1.09	1.60
(b) Investment property	6	2.88	2.88
(c) Financial assets			
(i) Investments	7	25,945.13	26,214.72
(ii) Loans	8	4.45	4.09
(iii) Other financial assets	9	28.43	123.78
(d) Other non-current assets	12	5.23	18.78
Total Non-current assets - A		25,987.21	26,365.85
2 Current Assets			
(a) Financial assets			
(i) Trade receivables	10	1,364.16	1,467.66
(ii) Cash and cash equivalents	11	217.76	4.44
(iii) Bank balances other than (ii) above	11	93.02	-
(iv) Loans	8	894.85	5,293.89
(v) Other financial assets	9	679.86	930.39
(b) Other current assets	12	40.63	114.23
Total Current assets - B		3,290.28	7,810.61
Assets held for sale - C	45	1,036.80	
Total Assets (A+B+C)		30,314.29	34,176.46
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	3,522.25	3,522.25
Other equity	14	14,490.85	10,851.50
Total equity - A		18,013.10	14,373.75
LIABILITIES			
1 Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	15	4,098.49	7,689.63
(ii) Other financial liabilities	19	917.60	1,084.50
(b) Provisions	16	3.14	2.52
(c) Deferred tax liabilities (net)	29	654.51	112.47
Total Non-current liabilities - B		5,673.74	8,889.12
2 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	17	3,846.54	7042.98
(ii) Trade payables	18		
- Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises		753.59	751.51
(iii) Other financial liabilities	19	1,546.19	2,585.24
(b) Other current liabilities	20	414.88	388.73
(c) Provisions	16	0.67	1.09
(d) Current tax liabilities (net)	21	65.58	144.04
Total Current liabilities - C		6,627.45	10,913.59
Total Equity and Liabilities (A+B+C)		30,314.29	34,176.46
Summary of significant accounting policies	3		
The accompanying notes are an integral part of these Standalone financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003
per Sukrut Mehta
Partner
Membership No.: 101974
Date: July 06, 2020
Place: Ahmedabad

For S G D G & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: W100188
per Devansh Gandhi
Partner
Membership No.: 129255
Date: July 06, 2020
Place: Ahmedabad

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

Vasistha Patel
Managing Director
DIN: 00048324

Hardik Modi
Company Secretary
Membership No.: F9193
Date: July 06, 2020
Place: Ahmedabad

Shashin Patel
Director
DIN: 00048328

Varun Mehta
Chief Financial Officer

Statement of Profit and Loss for the year ended March 31, 2020

(INR in Million)			
Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
I Revenue from operations	22	1,817.67	2,950.27
II Other income	23	766.53	729.89
III Total Income (I + II)		2,584.20	3,680.16
EXPENSES			
a Consumption of project materials	24	0.27	22.39
b Sub-contractors charges	25	791.02	641.17
c Employee benefits expenses	26	33.43	34.17
d Finance cost	27	2,132.91	1,748.51
e Depreciation expenses	5	0.59	0.96
f Other expenses	28	239.52	144.46
g Balances written off	46	1,196.42	-
IV Total expenses		4,394.16	2,591.66
V (Loss)/Profit before exceptional item and tax (III - IV)		(1,809.96)	1,088.50
VI Exceptional Items	45	6,198.05	(152.95)
VII Profit before tax (V + VI)		4,388.09	935.55
VIII Tax expenses	29		
(a) Current tax		139.63	330.64
(b) Deferred tax		542.03	2.58
(c) Adjustment of tax relating to earlier years		(59.75)	36.89
Total tax expenses		621.91	370.11
IX Profit for the year (VII - VIII)		3,766.18	565.44
X Other Comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurements gain on defined benefit plans (net of tax) (refer note 34)		0.36	0.37
Total Comprehensive Income for the year (net of tax)		0.36	0.37
XI Total Comprehensive Income for the year net of tax (IX+X)		3,766.54	565.81
Earning per share [Face Value of share INR 10/- (31 March, 2019-INR 10/-)]			
Basic and Diluted (in INR)	33	10.69	1.61
Summary of significant accounting policies	3		
The accompanying notes are an integral part of these standalone financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
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per Sukrut Mehta
Partner
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Chartered Accountants
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Date: July 06, 2020
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For and on behalf of Board of Directors
Sadbhav Infrastructure Project Limited

Vasistha Patel
Managing Director
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Hardik Modi
Company Secretary
Membership No.: F9193
Date: July 06, 2020
Place: Ahmedabad

Shashin Patel
Director
DIN: 00048328

Varun Mehta
Chief Financial Officer

Statement of Changes in Equity for the year ended March 31, 2020

A Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid (note 13)	Nos.	INR in Million
As at April 01, 2018	352,225,216	3,522.25
Add/(Less): Changes during the year	-	-
As at March 31, 2019	352,225,216	3,522.25
As at April 01, 2019	352,225,216	3,522.25
Add/(Less): Changes during the year	-	-
As at March 31, 2020	352,225,216	3,522.25

B Other Equity

(INR in Million)

Particulars	Equity Component of Compound Financial Instruments (note 14)	Reserves and Surplus				Total
		Securities Premium (note 14)	Debenture Redemption Reserve (note 14)	General Reserves (note 14)	Retained Earning (note 14)	
As at April 01, 2018	532.22	9,039.27	795.74	-	130.00	10,497.23
Profit for the year	-	-	-	-	565.44	565.44
Other comprehensive Income						
Re-measurements gain on defined benefit plans, net of tax	-	-	-	-	0.37	0.37
Total comprehensive income for the year	-	-	-	-	565.79	565.79
Final Dividend Paid (including dividend distribution tax)	-	-	-	-	(126.78)	(126.78)
Interim Dividend Paid (including dividend distribution tax)	-	-	-	-	(84.75)	(84.75)
Transfer to debenture redemption reserve	-	-	358.93	-	(358.93)	-
Transfer from debenture redemption reserve to general reserve	-	-	(478.45)	478.45	-	-
As at March 31, 2019	532.22	9,039.27	676.22	478.45	125.34	10,851.50
As at April 01, 2019	532.22	9,039.27	676.22	478.45	125.34	10,851.50
Profit for the year	-	-	-	-	3,766.18	3,766.18
Other comprehensive Income						
Re-measurements gain on defined benefit plans, net of tax	-	-	-	-	0.36	0.36
Total comprehensive income for the year	-	-	-	-	3,766.54	3,766.54
Final dividend paid (including dividend distribution tax)	-	-	-	-	(127.19)	(127.19)
Transfer from debenture redemption reserve to general reserve	-	-	(454.33)	454.33	-	-
As at March 31, 2020	532.22	9,039.27	221.89	932.78	3,764.69	14,490.85

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003
per Sukrut Mehta
Partner
Membership No.: 101974
Date: July 06, 2020
Place: Ahmedabad

For S G D G & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: W100188
per Devansh Gandhi
Partner
Membership No.: 129255
Date: July 06, 2020
Place: Ahmedabad

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

Vasistha Patel
Managing Director
DIN: 00048324

Hardik Modi
Company Secretary
Membership No.: F9193
Date: July 06, 2020
Place: Ahmedabad

Shashin Patel
Director
DIN: 00048328

Varun Mehta
Chief Financial Officer

Cash flow statement for the year ended March 31, 2020

(INR in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A) Cash flows from operating activities		
Profit before tax	4,388.09	935.55
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation expenses	0.59	0.96
Interest and other borrowing cost	2,132.91	1,748.51
Profit on sale of units of mutual funds	-	(0.43)
Balances written off(refer note 46)	1,196.42	-
Liabilities no longer required written back	(120.78)	(123.44)
Exceptional items (refer note 45)	(6,198.05)	-
Income in relation to carve out assets	(103.70)	-
Interest Income	(542.05)	(606.02)
Operating profit before working capital changes	753.43	1,955.13
Movement in Working Capital:		
Decrease / (Increase) in other financial assets	73.73	(20.11)
Decrease / (Increase) in other assets	87.14	(80.98)
Decrease / (Increase) in trade receivables	103.50	(261.89)
(Decrease)/Increase in other financial liabilities	(78.28)	8.51
Increase/(Decrease) in other liabilities and provisions	5.08	(143.99)
Increase in trade payables	122.84	27.95
Cash generated from operations	1,067.44	1,484.62
Direct taxes paid / (net of refund received)	174.49	289.07
Net cash generated from operating activities (A)	892.95	1,195.55
(B) Cash Flows From Investing Activities		
Purchase of property plant and equipment	(0.07)	(0.75)
Proceed from sale of Investment	2,809.62	-
Sub-ordinate debt given	(1,355.04)	(1,314.63)
Sub-ordinate debt received back	7,941.47	-
Investments in subsidiaries	(221.65)	(667.37)
Short term loan given	(1,410.64)	(2,960.19)
Short term loan received	1,896.31	2,410.66
Investments in bank deposits (having original maturity of more than three months)	(8.87)	(95.35)
Redemption of bank deposits (having original maturity of more than three months)	11.21	21.08
Redemption of mutual fund units	-	368.82
Purchase of mutual fund units	-	(368.40)
Interest received	110.74	511.14
Net cash flow generated from / (used in) investing activities (B)	9,773.08	(2,094.99)
(C) Cash Flows From Financing Activities		
Proceeds from non-current borrowings	960.81	3,600.00
Repayment of non-current borrowings	(5,875.95)	(2,404.32)
Proceeds from current borrowings	6,495.94	6,017.49
Repayment of current borrowings	(9,883.18)	(4,555.67)
Dividend paid on equity shares	(105.56)	(211.53)
Interest and other borrowing cost paid	(2,235.57)	(1,555.70)
Net cash generated from / (used in) financing activities (C)	(10,643.51)	890.28
Net increase/(decrease) in cash and cash equivalents (A+B+C)	22.52	(9.16)
Cash and cash equivalents at beginning of the year	4.44	13.61
Cash and cash equivalents at end of the year	26.96	4.44

Cash flow statement for the year ended March 31, 2020

Notes:

(INR in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
1. Components of Cash and Cash Equivalents (refer note 11)		
Cash on hand	0.01	0.01
Balance with scheduled banks		
In current accounts	5.61	4.40
In current accounts - unpaid share application money and unclaimed dividend	0.14	0.03
Deposits with original maturity of less than 3 months	212.00	-
	217.76	4.44
Less: Bank overdraft	(190.80)	-
Cash and cash equivalents at end of the year	26.96	4.44

- The cash flow statement has been prepared under indirect method as per Indian Accounting Standard -7 "Cash Flow Statement".
- During the year, the company has converted short term loan given to subsidiaries of INR 4,450.97 Million (March 31, 2019: INR Nil) and amount paid on behalf of subsidiary towards expenses amounting to INR 16.85 Million (March 31, 2019: INR Nil) into a sub-ordinate debts. Thus, the impact of these transaction have not been given in the cash flow statement, being a non-cash item.
- The Company has received 62,041,118 units at Rs. 116/- each (INR 7,243.30 Million) and a recoverable of INR 222.33 million as against consideration towards sale of seven subsidiaries to Indinfravit Trust. The same has been treated as non -cash item and accordingly not reflected in the standalone cash flow statement (refer note 45a)

5. Changes in liabilities arising from financing activities:

(INR in Million)

Particulars	April 1, 2019	Net Cash flow	Change in fair value	Others*	March 31, 2020
Non-current borrowings (including current maturities)	9,309.63	(4,958.00)	42.86	-	4,394.49
Current borrowings	7,042.98	(3,387.24)	-	190.80	3,846.54
Interest accrued	2,029.85	(2,235.57)	-	2,057.96	1,852.24
Total	18,382.46	(10,580.81)	42.86	2,248.76	10,093.27

Particulars	April 1, 2018	Net Cash flow	Change in fair value	Others*	March 31, 2019
Non-current borrowings (including current maturities)	8,075.34	1,195.68	38.61	-	9,309.63
Current borrowings	5,581.16	1,461.82	-	-	7,042.98
Interest accrued	1,875.63	(1,555.70)	-	1,709.92	2,029.85
Total	15,532.13	1,101.82	38.61	1,709.92	18,382.46

* Represent interest accrued during the year

6. Figures in brackets represents cash outflows.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003
per Sukrut Mehta
Partner
Membership No.: 101974
Date: July 06, 2020
Place: Ahmedabad

For S G D G & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: W100188
per Devansh Gandhi
Partner
Membership No.: 129255
Date: July 06, 2020
Place: Ahmedabad

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

Vasistha Patel
Managing Director
DIN: 00048324

Hardik Modi
Company Secretary
Membership No.: F9193
Date: July 06, 2020
Place: Ahmedabad

Shashin Patel
Director
DIN: 00048328

Varun Mehta
Chief Financial Officer

Notes to Standalone Financial Statements for the year ended March 31, 2020

1. Company information:

Sadbhav Infrastructure Project Limited (the "Company or SIPL") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the company is located at "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad – 380 006.

The Company is engaged in development, construction as well as operation & maintenance of infrastructure projects and related consulting and advisory services. The Company undertakes infrastructure development projects directly or indirectly through Special Purpose Vehicles (SPVs) as per the concession agreements. The Company is a subsidiary of Sadbhav Engineering Limited ("SEL"), a listed company, engaged in providing engineering, procurement and construction services ("EPC") in the road and other infrastructure projects.

The Standalone Financial statements were approved for issue in accordance with a resolution of the board of directors on July 06, 2020.

2. Basis of preparation:

The Standalone Financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act 2013, (Ind AS compliant Schedule III), as applicable to Standalone Financial statements.

These Standalone Financial statements have been prepared on a historical cost convention and on an accrual basis, except for the followings assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The Standalone Financial statements are presented in INR and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

3. Summary of significant accounting policies

The following are the significant accounting policies applied by the company in preparing its Standalone Financial statements:

3.1 Current versus non-current classification

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

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- Held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

Operating cycle

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

3.2 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost comprises the purchase price, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the assets to its working condition for its intended use.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure are charged to the Standalone Statement of profit and loss for the period during which such expenses are incurred.

Notes to Standalone Financial Statements for the year ended March 31, 2020

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognized.

Depreciation

Depreciation on property, plant and equipment is provided on the written down value method basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The estimated useful lives, residual values and depreciation method of property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3.3 Impairment – Non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset which is based on the discounting of estimated future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the Standalone Statement of profit and loss.

The Company bases its impairment calculation on detailed budgets and forecasts calculation (DCF method). These budgets and forecasts calculations generally covering a period of the concession agreements using long terms growth rates applied to future cash flows.

3.4 Revenue from contract with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The specific recognition criteria described below must also be met before revenue is recognized. The company has concluded that it is principal in its revenue arrangements because its typically controls goods or services before transferring them to the customer.

Construction services

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

The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

Operation and Maintenance and Project management services:

Revenue from Operation and Maintenance and Project management services are recognized pro-rata over the period of the contract as and when services are rendered. Goods and Service tax collected on behalf of the government is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Contract Balances:

Contract assets

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

Trade Receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of Financial Instruments – initial recognition and subsequent measurement.

Notes to Standalone Financial Statements for the year ended March 31, 2020

Contract liabilities

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

3.5 Other Income

Interest

Interest income primarily comprise of interest from deposit with bank. Interest Income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Profit or loss on sale of Mutual Fund

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

Dividend

Income from dividend on investment is accrued in the year in which it is declared, whereby right to receive is established.

3.6 Investment Property

Investment Property is measured initially at cost including related transaction costs. Such cost comprises the purchase price, borrowing cost if capitalization criteria are met. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All day-to-day repair and maintenance expenditure are charged to the Standalone Statement of profit and loss for the period during which such expenses are incurred.

An Investment property is derecognised either when it has been disposed of or when it has been permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use.

3.7 Inventory

Project Inventories are valued at lower of cost and net realizable value. Cost comprise all cost of purchase, and other costs incurred in bringing the inventories to their present location and condition. Cost of materials is determined on first-in-first-out basis. Net realizable value is the estimated selling price less estimated cost necessary to make the sale.

3.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the year they occur. Borrowing cost consist of interest and other costs that company incurs in connection with the borrowing of funds as defined in Indian Accounting Standard 23 – Borrowing Cost.

3.9 Leases

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

Company as lessee

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

Short-term leases and leases of low-value assets

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

3.10 Investment in subsidiaries

Investments in subsidiaries are recognized at cost as per Ind AS 27. If there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a subsidiary (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated, then it is necessary to recognize impairment loss with respect the Company's investment in a subsidiary.

Notes to Standalone Financial Statements for the year ended March 31, 2020

3.11 Financial Instruments

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

a) Financial assets

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets

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

- Financial assets at amortized cost
- Financial assets at fair value through profit or loss

• Financial assets at amortized cost

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

• Debt instruments at amortized cost

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

• Perpetual securities

The Company invests in perpetual securities (subordinated debt), without coupon and redeemable at the issuer's option. The Company classifies this instrument as equity under Ind AS 32.

• Financial assets at fair value through profit or loss:

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

iii. De-recognition of financial assets

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

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

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

iv. Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Notes to Standalone Financial Statements for the year ended March 31, 2020

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the economic environment.

b) Financial Liabilities

i. Initial recognition and measurement of financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognized initially at fair value in case of loan and borrowings and payable, fair value is reduced by directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

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

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

• Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

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

• Financial liabilities at amortised cost (Loans and Borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

• Compound financial instruments

Compound financial instruments are separated into liability and equity components based on the terms of the contract. At inception, the fair value of the liability component is determined using a market rate. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption.

• Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another liability from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount is recognized in the Standalone Statement of Profit and Loss.

c) Offsetting of financial instruments

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

Notes to Standalone Financial Statements for the year ended March 31, 2020

3.12 Fair Value Measurement

The company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

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

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

The company's management determines the policies and procedures for both recurring fair value measurement.

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

3.13 Employee Benefits

a) Short Term Employee Benefits

All employee benefits payable are expected to be settled wholly within 12 months after the end of the reporting period are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensation etc. and the same are recognized as an expense in the Standalone Statement of Profit and Loss in the period in which the employee renders the related services.

b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme is defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognized and charged to Standalone Statement of Profit and Loss during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet.

Notes to Standalone Financial Statements for the year ended March 31, 2020

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to Standalone Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Standalone Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

c) Other Employment benefits

The employee's compensated absences, which is expected to be utilized or encashed within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave are expected to be carried forward beyond 12 months from the reporting date.

3.14 Income tax

Income tax expense comprises current tax and deferred tax.

Current Tax

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

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

Deferred Tax

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

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

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

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

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Notes to Standalone Financial Statements for the year ended March 31, 2020

3.15 Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss net of any reimbursement, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provision are reviewed at each balance sheet and adjusted to reflect the current best estimates.

3.16 Contingent liabilities

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

3.17 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of the Standalone Statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered as integral part of the Company's cash management.

3.18 Cash dividend distribution to equity holders

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

3.19 Earnings per share

Basic earnings per share is calculated by dividing the profit / loss for the year attributable to equity holders of the company by the weighted average number of shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit / loss attributable to equity holders by the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.20 Segment reporting

Based on management approach as defined in Indian Accounting Standard 108 – Operating Segment, Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker for evaluation of Company's performance.

3.21 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset excluding finance costs and income tax expense.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Notes to Standalone Financial Statements for the year ended March 31, 2020

3.22 Changes accounting policies and disclosure

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in March 2020, but do not have an impact on these Standalone Financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company adopted Ind AS 116 using the modified retrospective method of adoption. There were no significant adjustments required to the retained earnings as at April 01, 2019. The adoption of the standard did not have any material impact on these Standalone Financial statements.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately;
- The assumptions an entity makes about the examination of tax treatments by taxation authorities;
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates;
- How an entity considers changes in facts and circumstances.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Appendix did not have an impact on the financial statements of the company.

Annual improvements to Ind AS 2018

Ind AS 12 Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events. An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, they had no impact on the financial statements.

4. Significant accounting judgments, estimates and assumptions

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Standalone Financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of Investments

The Company reviews its carrying value of its investments carried at cost annually, or more frequently when there is indication for impairments. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Notes to Standalone Financial Statements for the year ended March 31, 2020

Taxes

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

Revenue from contract with customer

The Company use the input method for recognize construction revenue. Use of the input method require the company to estimate the efforts or costs expended to the date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion of performance obligation as there is a direct relationship between input and productivity. Provision for estimated losses, if any, on uncompleted performance obligation are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. Due to technical complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

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

5. Property, Plant and Equipment

(INR in Million)

Particulars	Office Equipments	Computers	Machineries	Vehicle	Total
At cost					
As at April 01, 2018	0.01	0.24	8.15	0.26	8.66
Addition	-	0.75	-	-	0.75
Disposal / adjustment	-	-	-	-	-
As at March 31, 2019	0.01	0.99	8.15	0.26	9.41
Addition	-	0.07	-	-	0.07
Disposal / adjustment	-	-	-	-	-
As at March 31, 2020	0.01	1.06	8.15	0.26	9.48
Accumulated Depreciation					
As at April 01, 2018	0.01	0.14	6.48	0.22	6.85
Charge for the year	-	0.11	0.82	0.03	0.96
On disposal /adjustment	-	-	-	-	-
As at March 31, 2019	0.01	0.25	7.30	0.25	7.81
Charge for the year	-	0.35	0.24	0.00	0.59
On disposal /adjustment	-	-	-	-	-
As at March 31, 2020	0.01	0.60	7.54	0.25	8.40
Net Amount					
As at March 31, 2019	-	0.74	0.85	0.01	1.60
As at March 31, 2020	-	0.46	0.61	0.01	1.09

Notes to Standalone Financial Statements for the year ended March 31, 2020

Notes:

- 1 The Company has elected to continue with the carrying value for all of its Property, plant and equipments as recognised in its previous GAAP (Indian accounting principle generally accepted in India as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Accounts Rules, 2014), as deemed cost at the transition date i.e. April 1, 2015 as per option permitted under Ind AS 101 for the first time adoption.
- 2 Property, Plant and Equipments has been pledged / hypothecated against Secured borrowings in order to fulfill the collateral requirement for the Lenders.(refer note 15)

6. Investment Property

(INR in Million)

Particulars	Freehold Land	Total
At cost		
As at April 01, 2018	2.88	2.88
Addition	-	-
Disposal / adjustment	-	-
As at March 31, 2019	2.88	2.88
Addition	-	-
Disposal / adjustment	-	-
As at March 31, 2020	2.88	2.88
Accumulated Depreciation		
As at April 01, 2018	-	-
Charge for the year	-	-
On disposal /adjustment	-	-
As at March 31, 2019	-	-
Charge for the year	-	-
On disposal /adjustment	-	-
As at March 31, 2020	-	-
Net Amount		
As at March 31, 2019	2.88	2.88
As at March 31, 2020	2.88	2.88

Notes:

- 1 There is no income arising from above investment properties. Further, the company has not incurred any expenditure for above property.
- 2 There are three lands with the company of which two lands are situated at Kadi Gujarat and one land at Tiruvallur, Chennai. These lands have been mortgaged against non-current borrowings to fulfill the collateral requirements of lenders (refer note 15).
- 3 The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- 4 The fair value disclosure for investment property is not given as the property is acquired specifically for offering as security for non-current borrowings and based on the information available with the management that there are no material development in the area where land is situated and accordingly, management believes that there is no material difference in fair value and carrying value of property.

Notes to Standalone Financial Statements for the year ended March 31, 2020

7. Non-current Investments

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
(a) Investments in equity instruments (unquoted, valued at cost)		
Investments in subsidiaries companies		
Nil (31 March 2019: 1,971,053) fully paid up equity shares of INR 10 each in Aurangabad Jalna Tollway Limited (AJTL) (refer note 45a)	-	835.73
Nil (31 March 2019: 77,739,200) fully paid up equity shares of INR 10 each in Bijapur Hungund Tollway Private Limited (BHTPL) (refer note 45a)	-	777.39
Nil (31 March 2019: 3,247,383) fully paid up equity shares of INR 10 each in Hyderabad Yadgiri Tollway Private Limited (HYTPL) (refer note 45a)	-	173.24
Nil (31 March 2019: 33,743,237) fully paid up equity shares of INR 10 each in Shreenathji-Udaipur Tollway Private Limited (SUTPL) (refer note 45a)	-	337.43
Nil (31 March 2019: 17,340,000) fully paid up equity shares of INR 10 each in Bhilwara-Rajsamand Tollway Private Limited (BRTPL) (refer note 45a)	-	173.40
Nil (31 March 2019: 47,999,700) fully paid up equity shares of INR 10 each in Nagpur Seoni Expressway Limited (NSEL) (refer note 45a)	-	316.77
Nil (31 March 2019: 68,779,700) fully paid up equity shares of INR 10 each in Dhule Palenser Tollway Limited (DPTL) (refer note 45a)	-	556.59
10,460,000 (31 March 2019: 10,460,000) fully paid up equity shares of INR 10 each in Ahmedabad Ring Road Infrastructure Limited (ARRIL)	1,036.80	1,036.80
2,186,445 (31 March 2019: 2,186,445) fully paid up equity shares of INR 10 each in Rohtak Panipat Tollway Private Limited (RPTPL) (refer note 46)	217.74	217.74
49,815 (31 March 2019: 49,815) fully paid up equity shares of INR 10 each in Maharashtra Border Check Post Network Limited (MBCPNL) (refer note (c) below)	507.73	507.73
10,768,000 (31 March 2019: 10,768,000) fully paid up equity shares of INR 10 each in Rohtak-Hissar Tollway Private Limited (RHTPL) (refer note 46)	107.68	107.68
4,000,000 (31 March 2019: 4,000,000) fully paid up equity shares of INR 10 each in Sadbhav Bhavnagar Highway Private Limited (SBHPL)	40.00	40.00
1,000,000 (31 March 2019: 1,000,000) fully paid up equity shares of INR 10 each in Sadbhav Nainital Highway Private Limited (SNHPL)	10.00	10.00
1,000,000 (31 March 2019: 1,000,000) fully paid up equity shares of INR 10 each in Sadbhav Rudrapur Highway Private Limited (SRHPL)	10.00	10.00
4,000,000 (31 March 2019: 4,000,000) fully paid up equity shares of INR 10 each in Sadbhav Una Highway Private Limited (SUHPL)	40.00	40.00
30,902,690 (31 March 2019: 30,902,690) fully paid up equity shares of INR 10 each in Sadbhav Bangalore Highway Private Limited (SBGHPL)	309.03	309.03
26,966,000 (31 March 2019: 17,799,340) fully paid up equity shares of INR 10 each in Sadbhav Udaipur Highway Private Limited (SUDHPL)	269.66	177.99
22,648,550 (31 March 2019: 9,650,000) fully paid up equity shares of INR 10 each in Sadbhav Vidarbha Highway Private Limited (SVHPL)	226.49	96.50
11,650,000 (31 March 2019: 11,650,000) fully paid up equity shares of INR 10 each in Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	116.50	116.50
50,000 (31 March 2019: 50,000) fully paid up equity shares of INR 10 each in Sadbhav Kim Expressway Private Limited (SKEPL)	0.50	0.50
50,000 (31 March 2019: 50,000) fully paid up equity shares of INR 10 each in Sadbhav Tumkur Highway Private Limited (STHPL) (refer note 45b)	0.50	0.50
50,000 (31 March 2019: 50,000) fully paid up equity shares of INR 10 each in Sadbhav Bhimasar Bhuj Highway Private Limited (SBBHPL) (refer note 45b)	0.50	0.50
50,000 (31 March 2019: 50,000) fully paid up equity shares of INR 10 each in Sadbhav Vizag Port Road Private Limited (SVPRPL) (refer note 45b)	0.50	0.50
50,000 (31 March 2019: 50,000) fully paid up equity shares of INR 10 each in Sadbhav Hybrid Annuity Private Limited (SHAPL)	0.50	0.50
Total - a	2,894.13	5,843.02

Notes to Standalone Financial Statements for the year ended March 31, 2020

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
(b) Investment in unsecured Perpetual Securities (unquoted, valued at cost)		
Sub-ordinate debts to subsidiaries (refer notes (b) below, 38 and 46)	16,922.22	20,371.70
Total - b	16,922.22	20,371.70
(c) Other investments (FVTPL) (quoted)		
62,041,118 (31 March 2019: Nil) fully paid up units of INR 116 each in Indinfravit Trust (refer note 45a)	7,243.30	-
Total - c	7,243.30	-
Total = (a+b+c)	27,059.65	26,214.72
(d) Less :		
i) Assets classified as held for sale (refer note 45a)	1,036.80	-
ii) Impairment loss in the value of Investment (refer note 45b)	77.72	-
Total - d	1,114.52	-
Total = (a+b+c+d)	25,945.13	26,214.72
Aggregate book value of quoted investments	7,243.30	-
Market value of quoted investments	7,243.30	-
Aggregate value of unquoted investments (excluding perpetual securities)	2,894.13	5,843.02
Aggregate amount of impairment in value of investments	77.72	-

Note:

- (a) Aggregate cost of unquoted investments (including sub-debts) as at March 31, 2020 INR 19,738.63 million (March 31, 2019: INR 26,214.72 million).
- (b) Investment in perpetual debts in form of Sub-ordinate securities are interest free, redeemable at issuer's option and redemption can be deferred indefinitely as per the terms of contract.
- (c) Pursuant to Share purchase agreement dated November 04, 2014 between the company, Sadbhav Engineering Limited (SEL) and Maharashtra Border Checkpost Network Limited (MBCPNL), the company will acquire 5,000 equity shares of MBCPNL from SEL which in turn SEL needs to acquire from SRE Infrastructure Finance Limited (SREI) and SRE Sahaj e- village Limited (SREIS), after three years from completion of project (COD), as per option agreement executed on November 11, 2011 between SEL, SREI and SREIS. As at reporting date, the MBCPNL project has not yet achieved full COD and hence the shares will be transferred on completion of 3 years post achievement of full COD.
- (d) The Company has pledged following investment in equity shares of subsidiaries, in favour of lenders for term loan facilities availed by the respective SPVs:

	As at March 31, 2020			As at March 31, 2019		
	Total Shares Held	Shares Pledged	% of shares pledged	Total Shares Held	Shares Pledged	% of shares pledged
AJTL	-	-	-	1,971,053	591,315	30.00%
BRTPL	-	-	-	17,340,000	5,202,000	30.00%
BHTPL	-	-	-	77,739,200	51,489,600	66.23%
HYTPL	-	-	-	3,247,383	1,656,166	51.00%
NSEL	-	-	-	47,999,700	47,520,000	99.00%
SUTPL	-	-	-	33,743,237	10,122,971	30.00%
DPTL	-	-	-	68,779,700	22,697,400	33.00%
ARRIL	10,460,000	3,138,000	30.00%	10,460,000	3,138,000	30.00%
MBCPNL (refer note (c) above)	43,450	15,000	30.00%	49,815	15,000	30.11%
RHTPL	10,768,000	5,491,681	51.00%	10,768,000	5,491,681	51.00%
RPTPL	2,186,445	1,115,087	51.00%	2,186,445	1,115,087	51.00%
SUHPL	4,000,000	2,040,000	51.00%	4,000,000	2,040,000	51.00%
SBHPL	4,000,000	2,040,000	51.00%	4,000,000	2,040,000	51.00%
SRHPL	1,000,000	510,000	51.00%	1,000,000	510,000	51.00%
SNHPL	1,000,000	510,000	51.00%	1,000,000	510,000	51.00%
SJRRPL	11,650,000	5,941,500	51.00%	11,650,000	5,941,500	51.00%
SUDHPL	26,966,000	13,752,660	51.00%	17,799,340	5,635,500	31.66%
SBGHPL	30,902,690	15,760,372	51.00%	30,902,690	15,760,372	51.00%
SVHPL	22,648,550	11,550,761	51.00%	9,650,000	4,728,500	49.00%

Notes to Standalone Financial Statements for the year ended March 31, 2020

SBBHPL	50,000	25,500	51.00%	50,000	25,500	51.00%
SKEPL	50,000	25,500	51.00%	50,000	-	-
STHPL	50,000	-	-	50,000	-	-
SVPRPL	50,000	-	-	50,000	-	-
SHAPL	50,000	25,500	51.00%	50,000	25,500	51.00%

(e) Following investment in equity shares of subsidiaries are pledged in favour of lenders for long term borrowing availed by the company.

	March 31, 2020			March 31, 2019		
	Total Shares Held	Shares Pledged	% of shares pledged	Total Shares Held	Shares Pledged	% of shares pledged
ARRIL	-	-	-	10,460,000	7,321,940	70.00%
MBCPNL (refer note (c) above)	43,450	21,857	43.71%	49,815	8,000	16.06%
RPTPL	2,186,445	1,071,198	48.99%	2,186,445	1,071,198	48.99%
AJTL	-	-	-	1,971,053	965,816	49.00%
BRTPL	-	-	-	17,340,000	8,496,450	49.00%
DPTL	-	-	-	68,779,700	46,082,270	67.00%
HYTPL	-	-	-	3,247,383	616,663	18.99%
SUTPL	-	-	-	33,743,237	15,184,457	45.00%

(f) Following investment in equity shares of subsidiaries are pledged in favour of lenders for long term borrowing availed by Sadbhav Hybrid Annuity Project Limited, one of the subsidiary of the company:

	March 31, 2020			March 31, 2019		
	Total Shares Held	Shares Pledged	% of shares pledged	Total Shares Held	Shares Pledged	% of shares pledged
SUHPL	4,000,000	1,959,940	49.00%	4,000,000	1,959,940	49.00%
SBHPL	4,000,000	1,959,940	49.00%	4,000,000	1,959,940	49.00%
SRHPL	1,000,000	489,940	48.99%	1,000,000	489,940	48.99%
SNHPL	1,000,000	489,940	48.99%	1,000,000	489,940	48.99%
SJRRPL	11,650,000	5,708,485	49.00%	11,650,000	5,708,485	49.00%
SUDHPL	26,966,000	5,414,440	20.08%	17,799,340	5,414,440	30.42%
SBGHPL	30,902,690	15,142,258	49.00%	30,902,690	15,142,258	49.00%
SVHPL	22,648,550	4,728,485	20.88%	9,650,000	4,728,485	49.00%

8. Loans (unsecured, considered good)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non-current		
Loans to employees	4.45	4.09
Total - A	4.45	4.09
Current		
Loans to related parties (refer note 38)	185.34	5,122.07
Inter-corporate loans	708.67	170.71
Loans to employees	0.84	1.11
Total - B	894.85	5,293.89
Total = A+B	899.30	5,297.98

Note:

- The Company has granted interest bearing loans in the nature of loans aggregating INR 894.01 million (March 31, 2019: INR 5,122.07 million)(including renewals on due dates) as at March 31, 2020 to its subsidiaries. The funds are advanced based on business needs of the subsidiaries company in accordance with Lender's Loan agreements and Sponsor Support and Equity Contribution Agreement of the respective entities.
- Since all the above loans given by the Company are unsecured and considered good, the bifurcation of loans in other categories as required to be disclosed by Schedule III of the Companies Act 2013 viz: a) secured b) loans which have significant increase in credit risk and c) credit impaired is not applicable and accordingly, not disclosed above.
- There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.
- The fair value of non-current loans is not materially different from the carrying value presented.
- For terms and conditions relating to loan to related parties, refer note 38.

Notes to Standalone Financial Statements for the year ended March 31, 2020

9. Other financial assets (unsecured, considered good)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non Current		
Deposits with banks having remaining maturity period more than 12 months	28.43	123.78
Total - A	28.43	123.78
Current		
Receivable from subsidiaries (refer note 38)	107.49	100.29
Receivable towards sale of subsidiaries	222.33	-
Receivable toward carve out assets (refer note (a) below)	279.12	-
Interest receivable from related parties (refer note 38)	57.45	827.09
Interest receivable on deposit with bank	5.93	1.39
Others	7.54	1.62
Total - B	679.86	930.39
Total = A+B	708.29	1,054.17

Note

- Pursuant to the definitive share purchase agreement (SPA) dated 1 July 2019 related to sale of equity share of subsidiaries as mentioned in note 45 in detailed, certain assets such as land, investment properties and arbitration claim receivable ('carve out assets') do not form part of the equity consideration and hence, all beneficial rights of the same are retained by the company. Accordingly, the company has accounted such carve out assets as receivable from respective entities in these standalone financial statement.
- There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.
- For terms and conditions relating to receivable from subsidiaries, refer note 38.

10. Trade Receivables

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Secured, considered good	-	-
Unsecured, considered good (refer note 38)	1,364.16	1,467.66
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
Total	1,364.16	1,467.66

Notes

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. None of the trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- For terms and conditions relating to related party receivable, refer note 38.
- Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.
- The Company has not identified any credit impairment loss as at March 31, 2020 and March 31, 2019

Notes to Standalone Financial Statements for the year ended March 31, 2020

11. Cash and Bank Balance

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents		
Cash on hand	0.01	0.01
Balance with banks		
In Current Accounts	5.61	4.40
In current accounts - unpaid share application refund money and unclaimed dividend	0.14	0.03
Deposits with original maturity of less than 3 months	212.00	-
Total - A	217.76	4.44
Other bank balances		
Deposits with remaining maturity less than 12 months	93.02	-
Total - B	93.02	-
Total = A+B	310.78	4.44

Notes

- (a) Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.
- (b) The company has pledged a part of its deposits to fulfil collateral requirements for the bank overdraft (refer note 17).

12. Other Assets (unsecured, considered good)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non Current		
Advance income tax (net of provisions)	3.66	3.66
Tax paid under protest (refer note 39)	-	4.32
Tax credits and receivables	1.57	10.80
Total - A	5.23	18.78
Current		
Advance to suppliers	5.78	12.97
Prepaid expenses	9.77	19.77
Contract assets (refer note 37)	5.75	81.49
Goods and service tax credit receivable	19.33	-
Total - B	40.63	114.23
Total = A+B	45.86	133.00

13. Equity Share Capital

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)
Authorized share capital				
Equity Shares of INR 10 each	403,000,000	4,030.00	403,000,000	4,030.00
	403,000,000	4,030.00	403,000,000	4,030.00
Issued, subscribed and fully paid				
Equity Shares of INR 10 each	352,225,216	3,522.25	352,225,216	3,522.25
Total	352,225,216	3,522.25	352,225,216	3,522.25

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

	As at March 31, 2020		As at March 31, 2019	
Particulars	No. of Shares	(INR in Million)	No. of Shares	(INR in Million)
At the beginning of the year	352,225,216	3,522.25	352,225,216	3,522.25
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	352,225,216	3,522.25	352,225,216	3,522.25

Notes to Standalone Financial Statements for the year ended March 31, 2020

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share held.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

(c) Aggregate number of shares allotted as fully paid-up for consideration other than cash during Five years immediately preceding the reporting period:

The Company had issued and allotted 282,693,710 equity shares of INR 10/- each as fully paid bonus shares in the ratio of 10:1 by capitalisation of INR 2,826.94 Million from Securities Premium in the financial year 2014-15.

(d) Shares held by holding company:

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Sadbhav Engineering Limited, holding company 244,802,602 (31 March 2019: 243,213,577) equity shares	2,448.03	2,432.14

(e) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% holding in class	No. of Shares	% holding in class
Equity shares of INR 10/- each fully paid				
Sadbhav Engineering Limited	244,802,602	69.50%	243,213,577	69.05%
Norwest Venture Partners VII-A Mauritius	29,121,860	8.27%	29,121,860	8.27%
Reliance Capital Trustee Company Limited	24,215,931	6.88%	-	-
Nomura India Investment Fund Mother Fund	-	-	26,255,995	7.45%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

14. Other Equity

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
a. Equity Component of Compound Financial Instrument (refer note below and note 38)		
Balance at the beginning of the year	532.22	532.22
Balance at the end of the year	Total - A 532.22	532.22
Interest free loan given by Holding company (Sadbhav Engineering Limited) pursuant to the conversion of Compulsory Convertible Cumulative Preference Shares (CCCPs) into equity shares, whereby Holding company has given a commitment to keep the loan balance of INR 779.56 Million in the Company for a period of 11 years from the date of conversion of CCCPS i.e. November 27, 2014. Accordingly, this Interest free loan has been separated into liability and equity components based on the terms of the contract and equity components has been accounted under Other Equity and liability component under non-current borrowings (refer note 15). Interest on liability component is recognised using the effective interest method.		
b. Securities premium		
Balance at the beginning of the year	9,039.27	9,039.27
Balance at the end of the year	Total - B 9,039.27	9,039.27

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Notes to Standalone Financial Statements for the year ended March 31, 2020

c. Debenture redemption reserve			
Balance at the beginning of the year		676.22	795.74
Add: Transfer from surplus of statement of Profit & Loss		-	358.93
Less: Transfer to General Reserves		(454.33)	(478.45)
Balance at the end of the year	Total - C	221.89	676.22

The Company issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules 2014 (as amended), require the company to create Debenture Redemption Reserve (DRR) out of profit of the company available for payment of dividend. DRR is required to be created to an amount equal to 25% of the value of debentures issued over the life of debenture. Upon redemption of debenture, DRR amount are transferred to general reserve. During the year, the Ministry of Corporate Affairs has issue Companies (Share Capital and Debentures) Amendment rules, 2019 dated August 16, 2019 whereby it has exempted listed companies from creation of DRR. Accordingly, the company has not created additional DRR during the year. However, the company has carried forward opening balance of DRR as it pertains to earlier reporting period. Further, the Company has transferred INR 454.33 million (March 31, 2019: INR 478.45 million) from DRR to general reserve upon redemption of debentures during the year ended March 31, 2020.

d. General Reserves			
Balance at the beginning of the year		478.45	-
Add: Transfer from Debenture Redemption Reserve		454.33	478.45
Balance at the end of the year	Total - D	932.78	478.45

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer between components of equity and is not an item of other comprehensive income.

e. Retained Earnings			
Balance at the beginning of the year		125.34	130.00
Add: Profit for the year		3,766.18	565.44
Less : Final dividend paid (including dividend distribution tax)		(127.19)	(126.78)
Less : Interim dividend paid (including dividend distribution tax)		-	(84.76)
Add : Re-measurements gain on defined benefit plans, net of tax		0.36	0.37
Less: Transfer to Debenture Redemption Reserve		-	(358.93)
Balance at the end of the year	Total -E	3,764.69	125.34
Total (A+B+C+D+E)		14,490.85	10,851.50

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

15. Non-Current Borrowings

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
<u>Secured</u>		
Redeemable, Non Convertible Debentures		
199 (31 March 2019: 1,200) of INR 1,000,000 each	199.00	1,200.00
Nil (31 March 2019: 1,120) of INR 1,000,000 each	-	1,120.00
1,597 (31 March 2019: 3,000) of INR 1,000,000 each	1,597.00	3,000.00
2,166 (31 March 2019: 3,600) of INR 1,000,000 each	2,166.00	3,600.00
	3,962.00	8,920.00
<u>Unsecured</u>		
Liability component of compound financial instrument (refer note 38)	432.49	389.63
Total (A)	4,394.49	9,309.63
Less: Current Maturities of non-current borrowing (refer note 19)		
Redeemable, Non Convertible Debentures	296.00	1,620.00
Total (B)	296.00	1,620.00
Total (C=A-B)	4,098.49	7,689.63

Notes to Standalone Financial Statements for the year ended March 31, 2020

(a) 199 (March 31, 2019: 1,200) Redeemable Non Convertible debentures (NCD) are secured by:

(i) first ranking charge created on 10,71,198 Shares of the Company in the Rohtak Panipat Tollway Private Limited(RPTPL); (ii) the Corporate guarantee by Sadbhav Engineering Limited ('SEL') (Holding Company); and (iii) first and exclusive mortgage over the mortgaged property, in accordance with the respective security documents.

(b) Nil (March 31, 2019: 1,120) Redeemable Non Convertible debentures (NCD) were secured by:

(i) an unconditional, irrevocable and continuing corporate guarantee from Sadbhav Engineering Limited- holding company (SEL), covering the entire redemption amount. (ii) Pledge of 10,287,215 shares of Sadbhav Engineering Limited (SEL) by Sadbhav Finstock Pvt. Ltd. (iii) Pledge of 56% shareholding of Ahmedabad Ring Road Infrastructure Limited (ARRIL) representing 5,857,540 equity shares have been pledged. (iv) Working Capital Demand Loan (WCDL) facility to the extent of next repayment instalment to be lien marked for the NCD to be obtained by the Company/ SEL and to be utilised only towards repayment of the NCD at least 20 days before each redemption payment date for amount which are due in next 20 days.

(c) 1,597 (March 31, 2019: 3,000) Redeemable , Non Convertible debentures (NCD) are secured by:

(i) Pledge of 43.71% shareholding of Maharashtra Border Check Post Network Limited representing 21,857 equity shares held by the Company and (ii) A first charge over the Designated A/c-Debtenture Payments and all funds and monies lying therein present & future.

(d) 2,166 (March 31, 2019: 3,600) Redeemable, Non Convertible debentures (NCD) are secured by:

(i) The Corporate Guarantee by Sadbhav Engineering Limited ('SEL') (Holding Company); (ii) first ranking charge created by way of hypothecation over the designated account and (iii) first and second ranking exclusive mortgage over the mortgaged property, in accordance with the respective Security Documents.

(e) Terms of Repayment for:

(i) 199 Redeemable, Non Convertible debentures (NCDs)

Series of NCDs	No. of NCDs issued	Coupon Rate p.a %	Terms of Repayment	Earliest Date of Redemption
Series C	199	5.00%	Bullet Repayment	13-Apr-20

The debenture holders at the end of Year 3 and Year 4 shall have the right to seek prepayment / early redemption of Series C debentures in whole or part or in such proportion as it may deem fit. Thereupon, the Company shall be obliged to prepay debentures in such manner that debenture holders may achieve the IRR at the rate of 11.75% on value of the debentures for which the Put option is exercised.

(ii) 1,597 Redeemable, Non Convertible debentures (NCDs)

Series of NCDs	No. of NCDs issued	Coupon Rate p.a %	Terms of Repayment	Earliest Date of Redemption
Series III	500	2.60%	Bullet Repayment	15-Apr-21
Series IV	500	2.60%	Bullet Repayment	15-Apr-22
Series B	97	0%	Bullet Repayment	28-Apr-20
Series C	250	0%	Bullet Repayment	25-Jun-21
Series D	250	0%	Bullet Repayment	27-Jun-22

The debenture holders at the end of Year 3 shall have the right to seek prepayment / early redemption of Series III and Series IV debentures in full. Thereupon, the Company shall be obliged to pay all accrued coupon thereon and redemption premium set forth at Part B of Schedule IV of the Debenture Trust Deed.

(iii) 2,166 Redeemable , Non Convertible debentures (NCD):

Series of NCDs	No. of NCDs issued	Coupon Rate p.a %	Terms of Repayment	Earliest Date of Redemption
Series I	892	0%	Bullet Repayment	23-Apr-23
Series II	1,274	0%	Bullet Repayment	06-Jun-22

Notes to Standalone Financial Statements for the year ended March 31, 2020

(iv) Liability Component of Compound Financial Instrument :

Interest free loan given by Promoters (Sadbhav Engineering Limited) pursuant to the conversion of Compulsory Convertible Cumulative Preference Shares (CCCPS) into equity shares, whereby promoters have given a commitment to keep the loan balance of INR 779.56 Million in the Company for a period of 11 years from the date of conversion of CCCPS i.e. November 27, 2014. Accordingly, this Interest free loan has been separated into liability and equity components based on the terms of the contract and equity components has been classified in the Other Equity (refer note 14) and liability component in the non-current borrowings. Interest on liability component is recognised using the effective interest method.

(v) Debt covenants:

Non current borrowings contain debt covenants relating to debt-equity ratio and total debt to net worth. The Company has satisfied all the debts covenants prescribed in the terms of respective loan agreement as at reporting date.

16. Provisions

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non Current		
Provision for employee benefits - Gratuity (refer note 34)	3.14	2.52
Total - A	3.14	2.52
Current		
Provision for employee benefits - Gratuity (refer note 34)	0.26	0.52
Provision for employee benefits - leave encashment	0.41	0.58
Total - B	0.67	1.09
Total = A+B	3.81	3.61

17. Current Borrowings

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Bank overdrafts (secured)	190.80	-
Loans repayable on demand (unsecured):		
Related parties (refer note 38)	3,645.74	6,942.98
Inter-corporate loan	10.00	-
Working capital demand loan from banks	-	100.00
Total	3,846.54	7,042.98

Notes

- The bank overdrafts are secured by bank deposits. The bank overdraft is repayable within 90 days of borrowing and carries interest of 11% p.a.
- Loan from related parties carries interest of 8.75% to 11% p.a. and is repayable on demand/call notice.
- Inter-corporate loan carries interest of 9.05% p.a. and is repayable on demand/call notice.
- Working Capital Demand Loan facility from banks was secured against Corporate guarantee of Sadbhav Engineering Limited (SEL) i.e. the Holding company. The Working Capital Demand Loan was repayable within 90 days of borrowing and carries interest of 11% p.a.

18. Trade Payables

(INR in Million)

	March 31, 2020	March 31, 2019
Total outstanding dues of micro and small enterprises (refer note (a) below)	-	-
Total outstanding dues of creditors other than micro and small enterprises (refer note 38)	753.59	751.51
Total	753.59	751.51

Notes

- As per intimation available with the Company, there are no micro, small and medium enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no related additional disclosure have been made. This has been relied upon by the Auditors.
- Trade payables are non-interest bearing and are normally settled on 90 day terms.
- For terms and conditions relating to receivable from subsidiaries, refer note 38.

Notes to Standalone Financial Statements for the year ended March 31, 2020

19. Other Financial Liabilities

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non current		
Interest accrued but not due on debentures	1,040.45	1,376.16
Less: Current maturities of Interest accrued but not due on debentures	122.85	291.66
Total - A	917.60	1,084.50
Current		
Current maturities of non-current borrowing (refer note 15)	296.00	1,620.00
Current maturities of Interest accrued but not due on debentures	122.85	291.66
Interest accrued but not due on borrowing	15.23	86.71
Interest accrued and due on borrowing (refer note 38)	839.42	566.98
Employee emoluments payable	8.07	3.37
Payable toward unclaimed dividend and unpaid share application refund money*	0.14	0.03
Others	264.48	16.48
Total - B	1,546.19	2,585.24
Total = A+B	2,463.79	3,669.74

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2020 (March 31, 2019: Nil).

20. Other Current Liabilities

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Contract liabilities (refer note 37 and 38)	210.23	274.40
Statutory dues payable	204.65	114.33
Total	414.88	388.73

21. Current Tax Liabilities (Net)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Income tax payable (net of advance tax and tax deducted at source)	65.58	144.04
Total	65.58	144.04

22. Revenue from Operations

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contract with customer (refer note 37 and 38)		
Revenue from construction services (refer note (a) below)	1,320.17	2,476.99
Revenue from operation and maintenances and project management services	497.50	473.28
Total	1,817.67	2,950.27

Note

(a) The revenue from construction services includes cost escalation claim, of INR Nil (31 March 2019: INR 2.82 Million) from Maharashtra Border Check Post Network Limited, a subsidiary, in line with cost escalation principal (cost escalation formula) recommended by Technical Evaluation Committee duly appointed by project steering committee of Maharashtra State Road Development Corporation ('The Project Authority'), which has also been approved by Lender's engineers of the customer, however, the same has been pending for approval of Government of Maharashtra (GoM).

Notes to Standalone Financial Statements for the year ended March 31, 2020

23. Other Income

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest Income on		
Corporate loan (refer note 38)	532.78	602.38
Banks deposits	9.27	3.64
Profit on sale of units in mutual funds	-	0.43
Income in relation to carve out assets (refer note 9(a))	103.70	-
Liabilities no longer required written back	120.78	123.44
Total	766.53	729.89

24. Consumption of Project Materials

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Inventory at the beginning of the year	-	-
Add: Purchase of materials during the year	0.27	22.39
	0.27	22.39
Less: inventory at the end of the year	-	-
Total	0.27	22.39

25. Sub-contractors Charges

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Construction contract charges to sub-contractors	450.31	78.70
Operation and maintenance charges to sub-contractors	340.71	562.47
Total	791.02	641.17

26. Employee Benefit Expenses

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus (including managerial remuneration) (refer note no. 34 and 38)	31.74	32.38
Contribution to provident fund and other funds (refer note 34)	0.82	0.84
Gratuity expenses (refer note 34)	0.80	0.87
Staff welfare expenses	0.07	0.08
Total	33.43	34.17

27. Finance cost

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest on		
Debenture	923.56	1,003.04
Current borrowings (refer note 38)	1,042.50	641.42
Others	32.09	23.47
Unwinding of discount on interest free loan	42.86	38.61
Other borrowing costs	91.90	41.97
Total	2,132.91	1,748.51

Notes to Standalone Financial Statements for the year ended March 31, 2020

28. Other expenses

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Expense relating to short-term leases (refer note no 36 and 38)	0.90	0.90
Rates and taxes	25.39	3.69
Repairs and maintenance - Others	0.03	-
Insurance	0.08	0.08
Travelling expenses	3.76	4.57
Legal and professional charges (refer note 38)	203.26	129.87
Auditors' remuneration (refer below)	2.04	2.04
Director sitting fees (refer note 38)	0.66	0.51
Annual listing fees	1.24	1.15
Miscellaneous expenses	2.16	1.65
Total	239.52	144.46

Payment to auditors

(INR in Million)

Particular	Year ended March 31, 2020	Year ended March 31, 2019
Towards		
Statutory audit fees (includes limited review)	2.03	1.98
Certification fees	0.01	0.06
Total	2.04	2.04

29. Income Tax Expense

The major component of income tax expenses for the year ended March 31, 2020 and March 31, 2019 are as under :

(a) Profit and Loss Section

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
Current income tax charges	139.63	330.64
Adjustment in respect of tax of earlier years	(59.75)	-
Total - (A)	79.88	330.64
Deferred tax		
Relating to origination and reversal of temporary differences	542.03	2.58
Adjustment in respect of deferred tax of earlier years	-	36.89
Total deferred tax charged in the statement of profit and loss	542.03	39.47
MAT credit utilised against tax payments for the year	-	21.69
	542.03	61.16
Tax expense reported in the statement of profit and loss	621.91	370.11
Total=(A)+(B)		

(b) A Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(INR in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Accounting profit before tax	4,388.09	935.55
Statutory Income tax rate (refer note (a) below)	25.63%	34.94%
Expected Income tax expenses	1,124.67	326.88
Tax Effect of adjustments to reconcile expected Income tax expenses to reported income tax expenses		
i) Tax effect of non deductible items	7.67	7.95
ii) Tax in respect of earlier years	(59.75)	36.89
iii) Tax effect due to indexation benefit	(348.99)	-
iv) Tax on effect due to change in rate	(35.72)	-
v) Tax on income at different rates	(65.96)	(1.61)
Income tax expenses as per normal tax rate	621.91	370.11
Consequent to reconciliation items shown above, the effective tax rate	14.17%	39.56%

Notes to Standalone Financial Statements for the year ended March 31, 2020

(c) Deferred Tax

The movement in deferred tax assets and liabilities during the year ended March 31, 2020 and March 31, 2019:

(INR in Million)

Particulars	Balance sheet		Statement of Profit and Loss	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
i) Impact on liability component of Compound instruments	(88.94)	(136.26)	47.32	12.05
ii) Depreciation difference between books and tax purpose.	1.74	2.30	(0.83)	(0.17)
iii) Expenditure allowed on payment basis	2.79	3.98	(1.19)	3.05
iv) Expenditure allowed over the period	-	17.51	(17.51)	(17.51)
v) Income taxable on actual receipts basis	(569.83)	-	(569.83)	-
vi) Tax credit entitlement under MAT	-	-	-	(58.58)
Total deferred tax expenses /(Income)			(542.03)	(61.16)
Net deferred tax assets/(liabilities)	(654.51)	(112.47)		

Notes

- (a) The Company has assessed tax benefit under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 (the ordinance) and opted option available under the ordinance. Accordingly, the Company has recognised Provision of Income Tax for the year ended 31 March 2020 and re-measured its Deferred Tax Assets basis the rate prescribed in the said section.
- (b) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

30. Disclosure of Financial Instruments by Category

(INR in Million)

Particulars	Note no.	As at March 31, 2020				As at March 31, 2019			
		FVTPL	FVTOCI	Amortized cost	Cost	FVTPL	FVTOCI	Amortized cost	Cost
Financial asset									
Investments	7	7,243.30	-	-	19,738.63	-	-	-	26,214.72
Trade receivables	10	-	-	1,364.16	-	-	-	1,467.66	-
Cash and cash equivalents	11	-	-	217.76	-	-	-	4.44	-
Other bank balances	11	-	-	93.02	-	-	-	-	-
Loans	8	-	-	899.30	-	-	-	5,297.98	-
Other financial assets	9	-	-	708.29	-	-	-	1,054.17	-
Total financial asset		7,243.30	-	3,282.53	19,738.63	-	-	7,824.25	26,214.72
Financial liabilities									
Non-current borrowings	15	-	-	4,098.49	-	-	-	7,689.63	-
Current borrowings	17	-	-	3,846.54	-	-	-	7,042.98	-
Trade payables	18	-	-	753.59	-	-	-	751.51	-
Other financial liabilities	19	-	-	2,463.79	-	-	-	3,669.74	-
Total financial liabilities		-	-	11,162.41	-	-	-	19,153.86	-

Notes to Standalone Financial Statements for the year ended March 31, 2020

31. Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(INR in Million)

Particulars	Note No.	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Investments in unit of Indinfravite Trust	7	7,243.30	7,243.30	-	-
Total Financial Assets		7,243.30	7,243.30	-	-
Financial liabilities					
Debentures	15	5,017.03	5,446.65	10,382.87	10,434.10
Total Financial Liabilities		5,017.03	5,446.65	10,382.87	10,434.10

Notes:

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

32. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2020 and March 31, 2019

(INR in Million)

	Note No.	Fair value measurement using					
		As at March 31, 2020			As at March 31, 2019		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value							
Fair value through profit and loss							
Investments in unit of Indinfravit Trust	7	7,243.30	-	-	-	-	-
Liabilities measured at fair value							
Liabilities for which fair value are disclosed							
Debentures	15	-	5,446.65	-	-	10,434.10	-

The fair values of the financial assets and financial liabilities included in the level 2 category above has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counter parties.

There have been no transfers between level 1 and level 2 during the years.

33. Earning Per Share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax for the year available for equity shareholders	3,766.18	565.44
Number of equity shares at the end of the year	352,225,216	352,225,216
Weighted average number of equity shares for basic and diluted EPS	352,225,216	352,225,216
Nominal value of equity shares	10	10
Basic and diluted earnings per share	10.69	1.61

Notes to Standalone Financial Statements for the year ended March 31, 2020

34. Employee Benefits Disclosure

A Defined Contribution Plans:

The following amount recognised as expenses in statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(INR in Million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contribution to Provident funds	0.75	0.74
Contribution to Employee state insurance	0.05	0.09
Contribution to Benevolent fund	0.02	0.01
Total	0.82	0.84

B Defined benefit plans - Gratuity benefit plan:

The Company has a Gratuity benefit plan. Every employee who has completed five years or more of service gets a gratuity on the termination of his employment at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded. The present value of obligation in respect of gratuity is determined based on actuarial valuation using the Project Unit Credit Method as prescribed by the Indian Accounting Standard - 19. Gratuity has been recognised in the financial statement as per details given below:

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Defined benefit obligations as at beginning of the year- A	3.04	2.57
<u>Cost charged to statement of profit and loss</u>		
Current service cost	0.60	0.68
Interest cost	0.20	0.19
<u>Sub-total included in statement of profit and loss - B</u>	0.80	0.87
<u>Remeasurement gains/(losses) in other comprehensive income</u>		
Actuarial Loss due to change in financial assumptions	0.17	0.03
Actuarial Loss/(Gain) due to change in demographic assumptions	(0.00)	-
Actuarial (gain) due to experience	(0.53)	(0.40)
<u>Sub-total included in OCI - C</u>	(0.36)	(0.37)
<u>Benefit paid - D</u>	(0.08)	(0.04)
Defined benefit obligations as at end of the year (A+B+C+D)	3.40	3.04
Non-current	3.14	2.52
Current	0.26	0.52

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

	As at March 31, 2020	As at March 31, 2019
Discount rate	6.60%	7.35%
Salary growth rate	6.00%	6.00%
Withdrawal rate	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Notes to Standalone Financial Statements for the year ended March 31, 2020

A quantitative sensitivity analysis for significant assumption is as shown below:

(INR in

Particulars	Sensitivity level	As at March 31, 2020	As at March 31, 2019
Discount rate	0.50% increase	(0.12)	(0.18)
	0.50% decrease	0.12	0.01
Salary Growth Rate	0.50% increase	0.08	(0.03)
	0.50% decrease	(0.08)	(0.19)
Withdrawal rate	10% increase	0.02	(0.06)
	10% decrease	(0.03)	(0.11)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Since the obligation is unfunded, there is no Assets-Liability Matching strategy device for the plan. Accordingly, there is no expected contribution in the next annual reporting period reported.

C Maturity Profile of the Defined Benefit Obligation:

As at March 31, 2020		
	INR in Million	%
2021	0.26	4.40%
2022	0.31	5.30%
2023	0.36	6.20%
2024	0.30	5.20%
2025	0.27	4.70%
2026-2030	1.90	74.20%
As at March 31, 2019		
	INR in Million	%
2020	0.52	9.90%
2021	0.22	4.20%
2022	0.26	4.90%
2023	0.29	5.60%
2024	0.25	4.80%
2025 - 2029	1.51	70.60%

The average future duration of the defined benefit plan obligation at the end of the reporting period is 19.21 years (March 31, 2019: 20.37 years).

D Other employee benefit:

Salaries, Wages and Bonus include INR 2.63 million (March 31, 2019: INR 2.87 million) towards provision made as per actual basis in respect of accumulated leave encashment/compensated absences, bonus and leave travel allowance.

35. Segment Reporting

The operating segment of the company is identified to be "Build Operat and Transfer (BOT)/ Annuity Projects and its related activities", as the Chief Operating Decision Makers (CODM) reviews business performance at an overall group level as one segment and hence, no additional disclosure are require to be made under Ind AS 108 "Operating Segments". Further, the Company also primarily operates under one geographical segment namely India. There are no single customer which contribute morethan 10% of total revenue of the Company.

Notes to Standalone Financial Statements for the year ended March 31, 2020

36. Leases:

The Company has taken office space on operating lease on short term basis. There are no sub-leases and the leases which are cancellable in nature at any point of time by either of parties. There are no restrictions imposed under the lease arrangements. There are neither any contingent rent nor any escalation clause in the lease arrangements. The Company has applied the 'short-term lease' recognition exemptions for above lease. During the year, the Company has incurred expense relating to short-term leases (included in other expenses) INR 0.90 million (March 31, 2019: INR 0.90 million) toward above lease premises.

37 Revenue from contract with customers

37.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	(INR in Million)	
	Year ended March 31, 2020	Year ended March 31, 2019
Type of service rendered		
Revenue from construction services	1,320.17	2,476.99
Revenue from operation and maintenances and project management services	497.50	473.28
Total revenue from contracts with customers	1,817.67	2,950.27
Place of service rendered		
India	1,817.67	2,950.27
Total revenue from contracts with customers	1,817.67	2,950.27
Timing of revenue recognition		
Services transferred over time	1,817.67	2,950.27
Total revenue from contracts with customers	1,817.67	2,950.27

37.2 Contract balances

	(INR in Million)	
	As at March 31, 2020	As at March 31, 2019
Contract assets	5.75	81.49
Contract liabilities	210.23	274.40

Contract assets are recognised for project management services render to customer as per the agreement. Upon completion of work, the contract assets are classified as trade receivable.

Contract liabilities for the year ended March 31, 2020 includes INR 30.60 million (March 31, 2019 : INR 90.00 million) related to advances received toward services under major maintenances agreement and INR 179.63 million (March 31, 2019 : 184.40 million) pertains to excess billing over the work completed.

37.3 Performance obligation

Information about the company's performance obligations are summarised below:

a. Construction services

The performance obligation is satisfied over time as the assets is under control of customer and they simultaneously receives and consumes the benefits provided by the Company. The Company received progressive payment toward provision of construction services.

b. Operation and maintenances and project management services

There are contract with subsidiaries entities for operation & maintenances and project management services. The performance obligation is satisfied over-time and payment is generally due on completion of services i.e. monthly basis.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March are, as follows:

	(INR in Million)	
	As at March 31, 2020	As at March 31, 2019
Within one year	1,075.42	1,714.20
More than one year	83.97	304.42

Notes to Standalone Financial Statements for the year ended March 31, 2020

37.4 Reconciliation of the amount of revenue recorded in standalone statement of Profit & loss is not required as there are no adjustments to the contracted price.

38. Related Party Disclosures

Related party disclosures as required under the Indian Accounting Standard (Ind AS) - 24 on "Related Party Disclosures" are given below:

(a) Name of related party and nature of relationship

Related Parties where control exists :

Holding Company	Sadbhav Engineering Limited (SEL)
Subsidiaries	Ahmedabad Ring Road Infrastructure Limited (ARRIL)
	Aurangabad Jalna Toll Way Limited (AJTL) (upto March 06, 2020)
	Bijapur Hungund Tollway Private Limited (BHTPL) (upto February 14, 2020)
	Hyderabad Yadgiri Tollway Private Limited (HYTPL) (upto February 14, 2020)
	Rohtak Panipat Tollway Private Limited (RPTPL)
	Maharashtra Border Check Post Network Limited (MBCPNL)
	Nagpur Seoni Express Way Limited (NSEWL) (upto February 14, 2020)
	Shreenathji-Udaipur Toll way Private Limited (SUTPL) (upto February 14, 2020)
	Bhilwara-Rajsamand Toll way Private Limited (BRTPL) (upto February 14, 2020)
	Rohtak Hissar Tollway Private Limited (RHTPL)
	Dhule Palesnar Tollway Limited (DPTL) (upto February 14, 2020)
	Sadbhav Bhavnagar Highway Private Limited (SBHPL)
	Sadbhav Nainital Highway Private Limited (SNHPL)
	Sadbhav Rudrapur Highway Private Limited (SRHPL)
	Sadbhav Una Highway Private Limited (SUHPL)
	Sadbhav Bangalore Highway Private Limited (SBGHPL)
	Sadbhav Udaipur Highway Private Limited (SUDHPL)
	Sadbhav Vidarbha Highway Private Limited (SVHPL)
	Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)
	Sadbhav Tumkur Highway Private Limited (STHPL)
	Sadbhav Kim Expressway Private Limited (SKEPL) (w.e.f April 12, 2018)
	Sadbhav Bhimasar Bhuj Highway Private Limited (SBBHPL) (w.e.f April 13, 2018)
	Sadbhav Vizag Port Road Private Limited (SVPRPL) (w.e.f April 16, 2018)
	Sadbhav Hybrid Annuity Projects Limited (SHAPL) (w.e.f June 26, 2018)

Fellow Subsidiary	Mysore-Bellary Highway Pvt.Ltd. (MBHPL) (upto March 18, 2020)
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(b) Related parties with whom transactions have taken place:

Entities in which Key Managerial Personnel (KMP) having substantially interest	Ennar Infra Solutions LLP
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Key managerial personnel	Mr. Shashin V. Patel, Chairman and Non-Executive Director
	Mr. Vasistha C. Patel, Managing Director
	Mr. Nitin R. Patel, Non-Executive Director
	Mr. Atul Ruparel, Independent Director
	Mr. Arun Kumar Patel, Independent Director
	Mr. Mirat Bhadlawala, Independent Director
	Mrs. Dakshaben Shah, Independent Director
	Mr. Sandip Patel, Independent Director
	Varun Mehta, Chief Financial Officer
	Hardik Modi, Company Secretary

Notes to Standalone Financial Statements for the year ended March 31, 2020

(c) Transactions with Related Parties during the year

(INR in Million)

Sr. No.	Particulars	Holding		Subsidiaries		Entities over which KMP having substantially interest		Fellow Subsidiaries		Key Management Personnel	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Current borrowing taken										
	SEL	5,491.46	5,476.52	-	-	-	-	-	-	-	-
	ARRIL	-	-	-	83.31	-	-	-	-	-	-
	HYTPL	-	-	-	256.50	-	-	-	-	-	-
	DPTL	-	-	230.00	50.89	-	-	-	-	-	-
	BRTPL	-	-	70.00	19.89	-	-	-	-	-	-
	AJTL	-	-	285.00	16.73	-	-	-	-	-	-
	SHAPL	-	-	150.00	113.65	-	-	-	-	-	-
2	Current borrowing repaid (including Interest)										
	SEL	8,879.55	5,071.09	-	-	-	-	-	-	-	-
	ARRIL	-	-	13.40	80.26	-	-	-	-	-	-
	HYTPL	-	-	-	2.08	-	-	-	-	-	-
	DPTL	-	-	54.11	21.16	-	-	-	-	-	-
	BRTPL	-	-	-	0.01	-	-	-	-	-	-
	AJTL	-	-	70.30	0.08	-	-	-	-	-	-
	SHAPL	-	-	181.30	0.02	-	-	-	-	-	-
3	Interest expense										
	SEL	919.95	602.65	-	-	-	-	-	-	-	-
	ARRIL	-	-	6.08	9.17	-	-	-	-	-	-
	HYTPL	-	-	27.65	19.63	-	-	-	-	-	-
	DPTL	-	-	11.82	1.91	-	-	-	-	-	-
	AJTL	-	-	11.62	0.80	-	-	-	-	-	-
	BRTPL	-	-	3.75	0.07	-	-	-	-	-	-
	SHAPL	-	-	10.57	1.58	-	-	-	-	-	-
4	Loan given										
	BRTPL	-	-	-	5.45	-	-	-	-	-	-
	MBCPNL	-	-	21.00	1,160.37	-	-	-	-	-	-
	NSEL	-	-	5.18	67.80	-	-	-	-	-	-
	MBHPL	-	-	-	-	-	-	191.48	-	-	-
	RHTPL	-	-	230.70	604.95	-	-	-	-	-	-
	RPTPL	-	-	192.95	914.10	-	-	-	-	-	-
	SBHPL	-	-	28.00	18.20	-	-	-	-	-	-
	SUHPL	-	-	0.88	17.60	-	-	-	-	-	-
	SNHPL	-	-	-	15.44	-	-	-	-	-	-
	SRHPL	-	-	-	71.00	-	-	-	-	-	-
	SBGHPL	-	-	-	24.10	-	-	-	-	-	-
	SUDHPL	-	-	8.50	16.60	-	-	-	-	-	-
	SVHPL	-	-	-	10.20	-	-	-	-	-	-
	SHAPL	-	-	-	34.38	-	-	-	-	-	-
5	Proceeds from loan given including interest										
	AJTL	-	-	-	82.08	-	-	-	-	-	-
	BRTPL	-	-	-	90.69	-	-	-	-	-	-
	MBCPNL	-	-	6.00	1,741.33	-	-	-	-	-	-
	DPTL	-	-	-	2.50	-	-	-	-	-	-
	NSEL	-	-	91.56	591.17	-	-	-	-	-	-
	RHTPL	-	-	1.00	16.80	-	-	-	-	-	-
	RPTPL	-	-	-	24.10	-	-	-	-	-	-
	SBHPL	-	-	28.00	17.85	-	-	-	-	-	-
	SRHPL	-	-	71.00	0.12	-	-	-	-	-	-
	SUTPL	-	-	14.00	263.16	-	-	-	-	-	-
	SUHPL	-	-	14.03	4.07	-	-	-	-	-	-
	SHAPL	-	-	-	36.43	-	-	-	-	-	-
	SNHPL	-	-	-	0.31	-	-	-	-	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2020

SVHPL	-	-	-	10.21	-	-	-	-	-	-
SBGHPL	-	-	-	25.85	-	-	-	-	-	-
SUDHPL	-	-	13.49	11.92	-	-	-	-	-	-
6 Sub-ordinate debt given										
MBCPNL	-	-	-	133.00	-	-	-	-	-	-
SUDHPL	-	-	260.12	150.27	-	-	-	-	-	-
SBGHPL	-	-	260.10	181.71	-	-	-	-	-	-
SBHPL	-	-	92.26	188.70	-	-	-	-	-	-
SUHPL	-	-	57.86	53.40	-	-	-	-	-	-
SRHPL	-	-	285.95	354.33	-	-	-	-	-	-
SNHPL	-	-	50.35	3.00	-	-	-	-	-	-
SVHPL	-	-	79.61	78.25	-	-	-	-	-	-
SJRRPL	-	-	243.96	111.55	-	-	-	-	-	-
SKEPL	-	-	61.58	5.10	-	-	-	-	-	-
SBBHPL	-	-	3.25	55.32	-	-	-	-	-	-
STHPL	-	-	14.78	-	-	-	-	-	-	-
SVPRPL	-	-	33.04	-	-	-	-	-	-	-
7 Sub-ordinate debt received back										
SBBHPL	-	-	30.17	-	-	-	-	-	-	-
8 Loan converted to sub-ordinate debt										
RHTPL (refer note 46)	-	-	1,900.30	-	-	-	-	-	-	-
RPTPL (refer note 46)	-	-	2,479.67	-	-	-	-	-	-	-
SRHPL	-	-	71.00	-	-	-	-	-	-	-
9 Reimbursement converted to sub-ordinate debt										
SRHPL	-	-	16.85	-	-	-	-	-	-	-
10 Interest receivable, written off										
RHTPL (refer note 46)	-	-	384.63	-	-	-	-	-	-	-
RPTPL (refer note 46)	-	-	795.22	-	-	-	-	-	-	-
SUTPL	-	-	16.24	-	-	-	-	-	-	-
NSEL	-	-	49.57	-	-	-	-	-	-	-
11 Interest payable, written back										
AJTL	-	-	10.46	-	-	-	-	-	-	-
BRTPL	-	-	3.37	-	-	-	-	-	-	-
DPTL	-	-	10.64	-	-	-	-	-	-	-
HYTPL	-	-	24.88	-	-	-	-	-	-	-
12 Rending services (excluding taxes)										
SEL	504.87	345.95	-	-	-	-	-	-	-	-
AJTL	-	-	14.36	15.39	-	-	-	-	-	-
ARRIL	-	-	49.23	30.12	-	-	-	-	-	-
BHTPL	-	-	465.69	-	-	-	-	-	-	-
DPTL	-	-	38.96	206.14	-	-	-	-	-	-
HYTPL	-	-	94.47	254.17	-	-	-	-	-	-
MBCPNL	-	-	41.14	30.22	-	-	-	-	-	-
MBHPL	-	-	-	-	-	-	125.06	93.41	-	-
NSEL	-	-	14.78	16.91	-	-	-	-	-	-
RPTPL	-	-	28.41	32.67	-	-	-	-	-	-
SUTPL	-	-	33.96	38.89	-	-	-	-	-	-
BRTPL	-	-	30.40	34.75	-	-	-	-	-	-
SUHPL	-	-	-	177.00	-	-	-	-	-	-
SBHPL	-	-	-	246.00	-	-	-	-	-	-
SRHPL	-	-	-	103.50	-	-	-	-	-	-
SNHPL	-	-	-	146.00	-	-	-	-	-	-
SBGHPL	-	-	-	280.00	-	-	-	-	-	-
SUDHPL	-	-	124.66	299.31	-	-	-	-	-	-
SVHPL	-	-	225.00	600.00	-	-	-	-	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2020

13	Reimbursement of expenses (net)									
	SEL	(2.88)	0.04	-	-	-	-	-	-	-
	AJTL	-	-	0.17	0.50	-	-	-	-	-
	ARRIL	-	-	-	(0.46)	-	-	-	-	-
	DPTL	-	-	0.50	3.41	-	-	-	-	-
	BHTPL	-	-	0.03	0.50	-	-	-	-	-
	HYTPL	-	-	(0.28)	0.33	-	-	-	-	-
	MBCPNL	-	-	(13.98)	(68.33)	-	-	-	-	-
	MBHPL	-	-	-	-	-	3.29	28.67	-	-
	RPTPL	-	-	0.00	-	-	-	-	-	-
	RHTPL	-	-	0.11	1.09	-	-	-	-	-
	SUTPL	-	-	-	0.88	-	-	-	-	-
	NSEL	-	-	0.25	-	-	-	-	-	-
	SBGHPL	-	-	1.30	98.61	-	-	-	-	-
	SBHPL	-	-	-	0.01	-	-	-	-	-
	SRHPL	-	-	-	29.87	-	-	-	-	-
	SVHPL	-	-	4.51	24.92	-	-	-	-	-
	SHAPL	-	-	4.07	3.01	-	-	-	-	-
	SBBHPL	-	-	-	0.01	-	-	-	-	-
	STHPL	-	-	-	0.01	-	-	-	-	-
	SUDHPL	-	-	2.46	7.14	-	-	-	-	-
	SJRRPL	-	-	26.23	-	-	-	-	-	-
14	Interest Income									
	AJTL	-	-	-	3.43	-	-	-	-	-
	BRTPL	-	-	-	6.34	-	-	-	-	-
	DPTL	-	-	-	0.02	-	-	-	-	-
	MBCPNL	-	-	16.44	38.44	-	-	-	-	-
	NSEL	-	-	55.09	105.98	-	-	-	-	-
	RHTPL	-	-	181.08	167.93	-	-	-	-	-
	RPTPL	-	-	253.63	240.98	-	-	-	-	-
	SUTPL	-	-	17.69	31.62	-	-	-	-	-
	SNHPL	-	-	4.65	3.31	-	-	-	-	-
	SRHPL	-	-	3.61	1.20	-	-	-	-	-
	SUHPL	-	-	0.16	0.38	-	-	-	-	-
	SBHPL	-	-	0.33	0.05	-	-	-	-	-
	SBGHPL	-	-	0.01	0.17	-	-	-	-	-
	SUDHPL	-	-	0.09	0.22	-	-	-	-	-
	SVHPL	-	-	0.01	0.12	-	-	-	-	-
	SHAPL	-	-	-	2.18	-	-	-	-	-
15	Rent (excluding GST)									
	SEL	0.90	0.90	-	-	-	-	-	-	-
16	Availment of professional services									
	Ennar Infra Solutions LLP	-	-	-	27.00	-	-	-	-	-
17	Remuneration									
	Vasistha Patel	-	-	-	-	-	-	3.00	3.00	-
	Varun Mehta	-	-	-	-	-	-	4.02	4.01	-
	Hardik Modi	-	-	-	-	-	-	0.52	1.02	-
18	Sitting Fees									
	Shashin V Patel	-	-	-	-	-	-	0.12	0.08	-
	Sandip Patel	-	-	-	-	-	-	0.12	0.08	-
	Nitin R Patel	-	-	-	-	-	-	0.11	0.08	-
	Mirat N.Bhadlawala	-	-	-	-	-	-	0.03	0.05	-
	Daksha Shah	-	-	-	-	-	-	0.11	0.08	-
	Atul Ruparel	-	-	-	-	-	-	0.06	0.06	-
	Arunkumar Patel	-	-	-	-	-	-	0.11	0.08	-

Notes to Standalone Financial Statements for the year ended March 31, 2020

(d) Balances of related parties at the year end:

(INR in million)

Sr. No.	Particulars	Holding		Subsidiaries		Fellow Subsidiary		Key Managerial Personnel	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Trade receivable								
	SEL	-	275.31	-	-	-	-	-	-
	AJTL	-	-	-	2.97	-	-	-	-
	ARRIL	-	-	40.81	10.96	-	-	-	-
	BRTPL	-	-	-	3.30	-	-	-	-
	DPTL	-	-	-	4.72	-	-	-	-
	HYTPL	-	-	-	74.23	-	-	-	-
	MBCPNL	-	-	38.55	38.00	-	-	-	-
	MBHPL	-	-	-	-	-	36.65	-	-
	RPTPL	-	-	48.26	25.51	-	-	-	-
	SBHPL	-	-	165.50	165.50	-	-	-	-
	SNHPL	-	-	160.60	160.60	-	-	-	-
	SRHPL	-	-	113.85	113.85	-	-	-	-
	SUHPL	-	-	160.30	174.70	-	-	-	-
	SVHPL	-	-	321.20	213.69	-	-	-	-
	SUTPL	-	-	-	44.27	-	-	-	-
	SBGHPL	-	-	41.50	41.50	-	-	-	-
	SUDHPL	-	-	-	81.90	-	-	-	-
2	Loan given								
	MBCPNL	-	-	141.31	120.31	-	-	-	-
	NSEL	-	-	-	663.03	-	-	-	-
	RHTPL	-	-	-	1,670.60	-	-	-	-
	RPTPL	-	-	-	2,286.72	-	-	-	-
	SUTPL	-	-	-	248.87	-	-	-	-
	SBHPL	-	-	1.50	1.50	-	-	-	-
	SNHPL	-	-	41.56	41.56	-	-	-	-
	SRHPL	-	-	-	71.00	-	-	-	-
	SUHPL	-	-	0.88	13.60	-	-	-	-
	SVHPL	-	-	0.10	0.10	-	-	-	-
	SUDHPL	-	-	-	4.78	-	-	-	-
3	Sub-ordinate debt								
	AJTL	-	-	-	282.00	-	-	-	-
	BRTPL	-	-	-	1,159.60	-	-	-	-
	BHTPL	-	-	-	620.62	-	-	-	-
	DPTL	-	-	-	3,267.23	-	-	-	-
	HYTPL	-	-	-	1,017.23	-	-	-	-
	MBCPNL	-	-	4,419.13	4,419.13	-	-	-	-
	NSEL	-	-	-	118.29	-	-	-	-
	RHTPL	-	-	2,893.42	993.12	-	-	-	-
	RPTPL	-	-	4,688.73	2,209.06	-	-	-	-
	SBHPL	-	-	598.68	506.42	-	-	-	-
	SNHPL	-	-	501.31	450.96	-	-	-	-
	SRHPL	-	-	919.30	633.35	-	-	-	-
	SUHPL	-	-	302.33	244.47	-	-	-	-
	SUTPL	-	-	-	2,777.17	-	-	-	-
	SUDHPL	-	-	730.29	470.17	-	-	-	-
	SBGHPL	-	-	899.31	639.21	-	-	-	-
	SVHPL	-	-	471.33	391.71	-	-	-	-
	SBHPL	-	-	28.40	55.32	-	-	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2020

SKEPL	-	-	66.68	5.10	-	-	-	-
SJRRPL	-	-	355.50	111.54	-	-	-	-
STHPL	-	-	14.78	-	-	-	-	-
SVPRPL	-	-	33.04	-	-	-	-	-
4 Interest payable								
SEL	827.95	542.38	-	-	-	-	-	-
ARRIL	-	-	0.54	2.11	-	-	-	-
HYTPL	-	-	-	18.87	-	-	-	-
DPTL	-	-	-	1.42	-	-	-	-
AJTL	-	-	-	0.72	-	-	-	-
BRTPL	-	-	-	0.06	-	-	-	-
SHAPL	-	-	10.93	1.42	-	-	-	-
5 Contract liabilities - advances received								
BHTPL	-	-	-	90.00	-	-	-	-
SUDHPL	-	-	30.60	-	-	-	-	-
6 Trade payable								
SEL	71.68	74.56	-	-	-	-	-	-
7 Interest receivable								
MBCPNL	-	-	43.33	34.60	-	-	-	-
NSEL	-	-	-	9.85	-	-	-	-
RHTPL	-	-	-	227.75	-	-	-	-
RPTPL	-	-	-	541.59	-	-	-	-
SBHPL	-	-	0.34	0.03	-	-	-	-
SNHPL	-	-	9.08	4.89	-	-	-	-
SRHPL	-	-	4.46	1.21	-	-	-	-
SVHPL	-	-	0.02	0.01	-	-	-	-
SUTPL	-	-	-	6.55	-	-	-	-
SBGHPL	-	-	0.17	0.15	-	-	-	-
SUDHPL	-	-	-	0.12	-	-	-	-
SUHPL	-	-	0.05	0.34	-	-	-	-
8 Expense receivable/(payable)								
ARRIL	-	-	(0.72)	(0.72)	-	-	-	-
AJTL	-	-	-	0.01	-	-	-	-
BHTPL	-	-	-	(0.03)	-	-	-	-
HYTPL	-	-	-	0.28	-	-	-	-
RPTPL	-	-	0.05	0.05	-	-	-	-
RHTPL	-	-	1.19	1.08	-	-	-	-
MBHPL	-	-	-	-	-	1.00	-	-
BRTPL	-	-	-	(0.06)	-	-	-	-
DPTL	-	-	-	(0.49)	-	-	-	-
MBCPNL	-	-	26.90	40.86	-	-	-	-
SUTPL	-	-	-	(0.02)	-	-	-	-
SUDHPL	-	-	2.78	0.31	-	-	-	-
SBGHPL	-	-	1.33	0.03	-	-	-	-
SBHPL	-	-	0.07	0.07	-	-	-	-
SKEPL	-	-	-	0.00	-	-	-	-
SNHPL	-	-	0.06	0.04	-	-	-	-
SRHPL	-	-	13.01	29.86	-	-	-	-
SVHPL	-	-	29.43	24.92	-	-	-	-
SUHPL	-	-	0.06	0.06	-	-	-	-
SJRRPL	-	-	26.26	0.03	-	-	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2020

	SHAPL	-	-	7.08	3.01	-	-	-	-
9	Current borrowings								
	SEL	3,498.03	6,343.73	-	-	-	-	-	-
	ARRIL	-	-	65.36	71.73	-	-	-	-
	HYTPL	-	-	-	347.02	-	-	-	-
	DPTL	-	-	-	30.23	-	-	-	-
	AJTL	-	-	-	16.73	-	-	-	-
	BRTPL	-	-	-	19.89	-	-	-	-
	SHAPL	-	-	82.36	113.65	-	-	-	-
10	Remuneration payable								
	Vasistha Patel	-	-	-	-	-	1.00	0.18	-
	Varun Mehta	-	-	-	-	-	1.33	0.49	-
	Hardik Modi	-	-	-	-	-	-	0.05	-
11	Interest free unsecured loan (Equity and liability components less finance cost recognised till date reporting date)								
	SEL	779.56	779.56	-	-	-	-	-	-

Notes:

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except loan given and settlement occurs in cash as per the terms of the agreement.
- Non convertible debenture of INR 3,962.00 Million as at 31 March 2020 (31 March 2019: INR 8,920.00 million) are secured by way of corporate guarantee by Sadbhav Engineering Limited (SEL), the Parent Company, first ranking charge created on shares of Company's certain subsidiaries and of SEL.
- The loans given to subsidiaries company is based on business needs of the subsidiaries company in accordance with Lender's Loan agreements and Sponsor Support and Equity Contribution Agreement of the respective SPV entities. The loan given to subsidiaries on demand basis which carries interest of 8.30% to 11.20% based on cost of fund of respective subsidiaries entities.
- The loans received from Sadbhav Engineering Limited (SEL), the Parent Company and subsidiaries is based on demand which carries interest of 8.75% to 11.00%.
- The Remuneration disclosed above given to key managerial personnel is mainly related to short term employee benefits and does not includes post employee benefits as the same is not determinable.
- The Contract liabilities (unearned revenue) of INR 179.63 Million (31 March 2019: INR 184.40 million) and Contract assets of INR Nil (31 March 2019: INR 81.49 million) related to subsidiaries outstanding as at the year as per the company accounting policy does and not included above outstanding balance. However, the movement during the year has been considered in 'rendering services' disclosed above.
- During the year, the company has converted loan given to subsidiaries of INR 4,450.97 Million (March 31, 2019: INR Nil) into a sub-ordinate debts, the movement of the same disclosed under respective items.
- The Impairment loss in the value of Investment in Sadbhav Tumkur Highway Private Limited (STHPL), Sadbhav Vizag Port Road Private Limited (SVPRPL) and Sadbhav Bhimasar Bhuj Highway Private Limited (SBBHPL) recorded during the year amounting to INR 77.72 million due to termination of the concession agreements with National Highway Authority of India (NHAI) on account of non availability of required 80% right of way (ROW) by NHAI within the stipulated time period. However, the company has disclosed outstanding sub-ordinate debts from such subsidiaries above considering that such sub-ordinate debts are not written off as at balance sheet date.

Notes to Standalone Financial Statements for the year ended March 31, 2020

39. Contingent liabilities and commitments

(INR in Million)

I	Contingent liabilities (to the extent not provided for)	As at March 31, 2020	As at March 31, 2019
	Claims against the Company not acknowledged as debts		
	Service Tax*	-	43.48
		-	43.48

* Towards service tax demand from authorities for recovery of CENVAT credit on input service availed during the financial years 2009-10 and 2010-11. In respect of said matter, the Company had preferred appeal with Tribunal, and received stay order from tribunal for recoveries of demands against deposit of 2.5 Millions. During the year, the matter has been settled byway of payment of INR 12.69 million under AMENSTY scheme (Sabka Vikas scheme) of Gujarat Government.

II Commitments

The followings are the estimated amount of contractual commitments of the company:

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
(i) EPC sub-contract commitments	261.90	332.44
(ii) Other Commitments towards sub ordinate debts/equity shares in various subsidiaries	8,654.87	9,958.82
(iii) The BOT/HAM projects of below subsidiary companies has been funded through various credit facility agreements with banks. Against the said facilities availed by the subsidiary companies from the lenders, the Company has executed agreements with respective lenders whereby the Company has committed to hold minimum shareholding and pledge of its holding in the respective subsidiary company, details of which is as follows:		

Name of Subsidiary	% of Non Disposal Undertaking		% of Shares to Pledge As at March 31,2020	% of Shares to Pledge As at March 31,2019
	Upto Commercial Operation Date	After Commercial Operation Date		
Ahmedabad Ring Road Infrastructure Limited	70.00%	45.00%*	30.00%	30.00%
Maharashtra Border Check Post Network Limited	70.00%	51.00%	30.11%	30.11%
Rohtak-Hissar Tollway Private Limited	51.00%	51.00%	51.00%	51.00%
Rohtak Panipat Tollway Private Limited	51.00%	51.00%	51.00%	51.00%
Sadbhav Una Highway Private Limited	51.00%	51.00%	51.00%	51.00%
Sadbhav Udaipur Highway Private Limited	51.00%	51.00%	51.00%	31.66%
Sadbhav Bangalore Highway Private Limited	51.00%	51.00%	51.00%	51.00%
Sadbhav Tumkur Highway Private Limited	-	-	-	-
Sadbhav Vizag Port Road Private Limited	-	-	-	-
Sadbhav Vidarbha Highway Private Limited	51.00%	51.00%	51.00%	49.00%
Sadbhav Bhavnagar Highway Private Limited	51.00%	51.00%	51.00%	51.00%
Sadbhav Rudrapur Highway Private Limited	51.00%	25.00%	51.00%	51.00%
Sadbhav Jodhpur Ring Road Private Limited	51.00%	21.00%	51.00%	51.00%
Sadbhav Hybrid Annuity Projects Limited	-	-	51.00%	51.00%
Sadbhav Kim Expressway Private Limited	51.00%	51.00%	51.00%	-
Sadbhav Bhimasar Bhuj Highway Private Limited	-	-	51.00%	51.00%
Sadbhav Nainital Highway Private Limited	51.00%	25.00%	51.00%	51.00%

* In case of ARRIL the undertaking for non disposal of shares shall be reduced to 21% on repayment of 80% of the total Loan given by lenders.

Notes to Standalone Financial Statements for the year ended March 31, 2020

40. The following are the details of loans and advances in the nature of loans (includes in the nature of sub-ordinate debts) given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53(F) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2015).

(INR in Million)

Name of Entities	Outstanding amount as at		Maximum amount Outstanding during the year	
	As at	As at	As at	As at
	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Aurangabad Jalna Toll Way Limited	-	282.00	-	359.92
Bijapur Hungund Tollway Private Limited	-	620.62	-	620.62
Bhilwara-Rajsamand Toll way Private Limited	-	1,159.60	-	1,237.18
Dhule Palesnar Tollway Limited	-	3,267.23	-	3,269.51
Hyderabad Yadgiri Tollway Private Limited	-	1,017.23	-	1,017.23
Nagpur Seoni Express Way Limited	-	781.32	-	949.38
Shreenathji-Udaipur Toll way Private Limited	-	3,026.04	-	3,226.77
Maharashtra Border Check Post Network Limited	4,560.44	4,539.44	4,560.44	6,147.97
Rohtak Panipat Tollway Private Limited	4,688.73	4,495.78	4,688.73	4,495.78
Rohtak Hissar Tollway Private Limited	2,893.42	2,663.72	2,894.42	2,663.72
Sadbhav Bangalore Highway Private Ltd	899.31	639.21	899.31	663.19
Sadbhav Udaipur Highway Private Ltd	730.29	474.95	743.58	484.27
Sadbhav Bhavnagar Highway Private Ltd	600.18	507.92	628.18	507.92
Sadbhav Nainital Highway Private Ltd	542.87	492.52	542.87	492.52
Sadbhav Rudrapur Highway Private Ltd	919.30	704.35	990.30	704.35
Sadbhav Vidarbha Highway Private Ltd	471.43	391.81	485.03	399.41
Sadbhav Una Highway Private Ltd	303.21	258.07	303.21	262.12
Sadbhav Kim Expressway Private Limited	66.68	5.10	66.68	5.10
Sadbhav Bhuj Bhimasar Highway Private Limited	28.40	55.32	58.57	55.32
Sadbhav Hybrid annuity Private Limited	-	-	-	34.38
Sadbhav Tumkur Highway Private Limited	14.78	-	14.78	-
Sadbhav Vizag Port Road Private Limited	33.04	-	33.04	-
Sadbhav Jodhpur Ring Road Private Limited	355.50	111.54	355.50	111.55

Note: All loans are given on interest bearing excepts loan given as subordinate debts (in the nature of promoters contribution) by the Company (as a sponsor) in accordance with the Lender's Loan agreement and Sponsor Support and Equity Contribution agreement with the respective SPV entities.

41. Disclosure Significant interest in subsidiaries as per Ind AS 27 para 17.

Sr. No.	Name of Entities	Relationship	Place of Business	Ownership %	
				As at March 31, 2020	As at March 31, 2019
1	Aurangabad Jalna Toll Way Limited (AJTL) (upto March 06, 2020)	Subsidiary	India	-	100%
2	Bijapur Hungund Tollway Private Limited (BHTPL) (upto February 14, 2020)	Subsidiary	India	-	77%
3	Hyderabad Yadgiri Tollway Private Limited (HYTPL) (upto February 14, 2020)	Subsidiary	India	-	100%
4	Nagpur Seoni Express Way Limited (NSEWL) (upto February 14, 2020)	Subsidiary	India	-	100%
5	Shreenathji-Udaipur Toll way Private Limited (SUTPL) (upto February 14, 2020)	Subsidiary	India	-	100%
6	Bhilwara-Rajsamand Toll way Private Limited (BRTPL) (upto February 14, 2020)	Subsidiary	India	-	100%
7	Dhule Palesnar Tollway Limited (DPTL) (upto February 14, 2020)	Subsidiary	India	-	100%
8	Ahmedabad Ring Road Infrastructure Limited (ARRIL)	Subsidiary	India	100%	100%

Notes to Standalone Financial Statements for the year ended March 31, 2020

9	Maharashtra Border Check Post Network Limited (MBCPNL)	Subsidiary	India	100%	100%
10	Rohtak Hissar Tollway Private Limited (RHTPL)	Subsidiary	India	100%	100%
11	Rohtak Panipat Tollway Private Limited (RPTPL)	Subsidiary	India	100%	100%
12	Sadbhav Bhavnagar Highway Private Ltd (SBHPL)	Subsidiary	India	100%	100%
13	Sadbhav Nainital Highway Private Ltd (SNHPL)	Subsidiary	India	100%	100%
14	Sadbhav Rudrapur Highway Private Ltd (SRHPL)	Subsidiary	India	100%	100%
15	Sadbhav Una Highway Private Ltd (SUHPL)	Subsidiary	India	100%	100%
16	Sadbhav Bangalore Highway Private Ltd (SBGHPL)	Subsidiary	India	100%	100%
17	Sadbhav Vidarbha Highway Private Ltd (SVHPL)	Subsidiary	India	100%	100%
18	Sadbhav Udaipur Highway Private Ltd (SUDHPL)	Subsidiary	India	100%	100%
19	Sadbhav Jodhpur Ring Road Private Ltd (SJRRPL)	Subsidiary	India	100%	100%
20	Sadbhav Tumkur Highway Private Ltd (STHPL)	Subsidiary	India	100%	100%
21	Sadbhav Kim Expressway Private Limited (SKEPL) (w.e.f April 12, 2018)	Subsidiary	India	100%	100%
22	Sadbhav Bhimasar Bhuj Highway Private Limited (SBBHPL) (w.e.f April 13, 2018)	Subsidiary	India	100%	100%
23	Sadbhav Vizag Port Road Private Limited (SVPRPL) (w.e.f April 16, 2018)	Subsidiary	India	100%	100%
24	Sadbhav Hybrid Annuity Projects Limited (SHAPL) (w.e.f June 26, 2018)	Subsidiary	India	100%	100%

42. Details of Corporate Social Responsibility (CSR) Expenditure

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Gross amount required to be spent by the company during the year		
- CSR obligation for current financial year	17.74	6.05
- Unspent amount of CSR obligation of previous financial year	6.05	-
- Total CSR obligation	23.79	6.05
(b) Amount spent during the year:		
(i) On purposes other than construction / acquisition of any assets-Already Paid:	-	-
(ii) On purposes other than construction / acquisition of any assets-To be Paid:	-	-

43. Financial instrument risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations as well development and maintenance of SPVs project. The Company's principal financial assets include investments, trade receivables, other receivables, loans and cash and bank balances, which are been derived directly from its operations. The Company's activities expose it to market risk, credit risk and liquidity risk.

The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

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

Notes to Standalone Financial Statements for the year ended March 31, 2020

(a) Market risk

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

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 25-basis points of the interest rate yield curves in all currencies

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analysis:-

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

(i) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from non - current borrowings with variable rates. The Company maintains its borrowings at fixed rate using interest rate swaps to achieve this when necessary. The company manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. The company measures risk through sensitivity analysis.

The banks are now finance at variable rate only, which is the inherent business risk.

Interest rate sensitivity

The Company is not exposed to interest rate risk because its borrowings in Non convertible debenture carries fixed interest rate.

(ii) Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions. Such Financial Assets are not impaired as on the reporting date.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk related to operating activities (primarily trade receivables and other financial assets), financing activities including temporary Investment in mutual fund and other financial instruments.

Trade receivable mainly consist of receivable from related parties. Accordingly, the Company is not exposed to credit risk in relation to Trade receivable.

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only in accordance with company policy. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk from balance with bank and financial instructions as of March 31, 2020 is INR 339.21 million (March 31, 2019 is INR 128.22 million).

(c) Liquidity risk

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

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

Notes to Standalone Financial Statements for the year ended March 31, 2020

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

(INR in Million)

Particular	Total Amount	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
As at March 31, 2020						
Non-current borrowings	4,741.56	-	296.00	75.00	3,591.00	779.56
Current borrowings	3,846.54	3,645.74	190.80	-	-	-
Trade payables	753.59	-	753.59	-	-	-
Other financial liabilities	2,167.79	-	1,250.19	241.76	675.84	-
Total	11,509.48	3,645.74	2,490.58	316.76	4,266.84	779.56
As at March 31, 2019						
Non-current borrowings	9,699.56	-	1,620.00	2,200.00	5,100.00	779.56
Current borrowings	7,042.98	7,042.98	-	-	-	-
Trade payables	751.51	-	751.51	-	-	-
Other financial liabilities	2,049.74	-	965.24	440.72	643.78	-
Total	19,543.79	7,042.98	3,336.75	2,640.72	5,743.78	779.56

44. Capital Management

For the purpose of the Company's capital management, the Company's capital consist of share capital, securities premium, other equity and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares. The Company monitors capital using debt equity ratio which is total Borrowings divided by total equity.

The key performance ratios as on 31 March are as follows

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non current borrowings* (refer note 15)	4,394.49	9,309.63
Current borrowings (refer note 17)	3,846.54	7,042.98
Total Debts - A	8,241.03	16,352.61
Equity share capital (refer note 13)	3,522.25	3,522.25
Other equity (refer note 14)	14,490.85	10,851.50
Total Equity - B	18,013.10	14,373.75
Debt equity ratio (A/B)	0.46	1.14

* Includes current maturities of non current borrowing disclosed under other current financial liabilities.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2020 and year ended March 31 2019.

45. a) Pursuant to the definitive share purchase agreement ('the agreement') dated July 1, 2019 with IndInfravit Trust, the entire equity shareholding in seven of its subsidiary companies i.e. Bijapur Hungund Tollway Private Limited, Aurangabad Jalna Tollway Limited, Hyderabad Yadgiri Tollway Private Limited, Dhule Palesner Tollway Limited, Nagpur Seoni Expressway Limited, Shreenathji Udaipur Tollway Private Limited, Bhilwara Rajsamand Tollway Private Limited and Mysore Bellary Highway Private Limited (MBHPL), a subsidiary of Parent company i.e. Sadbhav Engineering Limited (SEL) have been transferred to IndInfravit Trust with effect from 14th February, 2020 closing date for consideration of INR 20,444.67 million (including sale consideration of MBHPL). Against total sale consideration, the Company has received INR 7,243.30 million units of IndInfravit Trust and balance consideration received / receivable in cash. This has resulted into profit of INR 6,275.77 million which have been disclosed as exceptional item. Further, the net gain on assets carved out during the purchase of these subsidiaries amounting to INR 103.70 million has been included under 'other income'.

Further, the condition precedents mentioned in the agreement such as regulatory approvals, lender's consent, other customary approvals with respect to one entity i.e. Ahmedabad Ring Road Infrastructure Limited (ARRIL), is in process as at reporting date and accordingly, investments amounting to INR 1036.80 million in this subsidiary company has been classified as assets held for sale in accordance with Ind AS 105 - "Non-Current Assets Held for Sale and Discontinuing Operations"

Notes to Standalone Financial Statements for the year ended March 31, 2020

b) The concession agreements with National Highway Authority of India (NHAI) are terminated in case of Sadbhav Tumkur Highway Private Limited (STHPL), Sadbhav Vizag Port Road Private Limited (SVPRPL) and Sadbhav Bhimasar Bhuj Highway Private Limited (SBBHPL) during the year, due to non availability of required 80% right of way (ROW) by NHAI within the stipulated time period as a consequence of which, these subsidiaries were inoperative. Accordingly, the Impairment loss in the value of Investment in these subsidiaries amounting to INR 77.72 million is recorded in the books and disclosed under exceptional item in this Standalone statement of profit and loss.

c) During the previous year, the company entered into settlement agreement dated October 20, 2018 with the minority shareholders of Bijapur Hungud Tollway Private Limited ('BHTPL') whereby the company has paid INR 152.95 million towards settlement of dispute. The said amount has been disclosed as exceptional item in the Standalone statement of profit and loss.

46. The Company has investments of INR 325.42 million and subordinate debts of INR 7,582.15 million in its 2 subsidiaries engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India. The net worth of these subsidiary companies has fully eroded. Considering the gestation period required for break even for such infrastructure investments, expected higher cash flows based on future business projections, claims of INR 11,905.30 million lodged in terms of conditions of concession agreements which is backed by legal opinion on tenability of the claim, debt refinancing, internal plan of revival to meet its dues and obligations and the strategic nature of these investments, the management believes that the network of these entities would become positive in due course. Considering the same, no provision/adjustment to the carrying value of Investments and subordinate debts and loans and advances as at March 31, 2020 is considered necessary at this stage.

Considering the above pending claims and revival plans, the company has decided to grant waiver from payment of interest accrued till December 31, 2019 amounting to INR 1,179.85 million and converted outstanding loan to sub-ordinate debt in these 2 subsidiary companies to support the operational ability of these subsidiaries. Pursuant to the waiver, the outstanding interest receivable has been written off in statement of profit and loss account and has been included under 'balances written off'.

47. The Board of Directors at their meeting dated October 19, 2019 have approved a scheme of merger and arrangement with Sadbhav Engineering Limited (SEL - the holding company) under Section 230 to 232 of Companies Act 2013, subject to the regulatory approvals required whereby, the company will merge into the holding company. The Company is in the process of carrying out necessary procedures in this regards.

48. The COVID-19 pandemic is rapidly spreading across the world as well as in India and has caused shutdown across the country. The Company has resumed operations in a phased manner in line with the directives of the Government of India. The Company's management has made initial assessment of likely adverse impact on business, and believes that the impact may not be significant over the terms of its contracts. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at date of approval of these financial statements has used corroborative information. As on current date, the company has concluded that the impact of Covid-19 is not material based on the evaluations. Due to the nature of the pandemic, the company will continue to monitor developments to identify significant uncertainties in future periods, if any. The management does not see any long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

49. Previous year comparatives:

Previous year figures have been regrouped/reclassified wherever necessary, to facilitate comparability with current year's classification.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No.: 101974

Date: July 06, 2020
Place: Ahmedabad

For S G D G & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: W100188

per Devansh Gandhi
Partner
Membership No.: 129255

Date: July 06, 2020
Place: Ahmedabad

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

Vasistha Patel
Managing Director
DIN : 00048324

Hardik Modi
Company Secretary
Membership No.: F9193

Date: July 06, 2020
Place: Ahmedabad

Shashin Patel
Director
DIN: 00048328

Varun Mehta
Chief Financial Officer

Consolidated Financial Statements

Independent Auditor's Report on the Consolidated Financial Statements

To,
The Members of Sadbhav Infrastructure Project Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Sadbhav Infrastructure Project Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act"), as amended in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit including other comprehensive income and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to:

- a. Note 48 of the accompanying consolidated Ind AS financial statements relating to the claim of Rs. 11,905.30 million lodged on National Highway Authority of India pending settlement, other operational matters and its consequential impact thereof on intangible assets of the subsidiary companies.
- b. Note 50 of the accompanying consolidated Ind AS financial statement in respect of accounting of Intangible Asset / Intangible Assets under Development of INR 2,228.84 million (31 March 2019: INR 2,212.30 million) under the Service Concession Arrangement of Maharashtra Border Check Post Network Limited, a subsidiary company, 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 Ind AS financial statement.
- c. Note 56 of the accompanying consolidated Ind AS financial results, as regards the management's evaluation of COVID-19 impact on the operations and assets of the Group.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit report furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Sale of subsidiaries and assets held for sale (refer note no 53 and 54 of the consolidated Ind AS financial statements)	Sale of subsidiaries and assets held for sale (refer note no 53 and 54 of the consolidated Ind AS financial statements)
<p>During the year, the Holding Company has entered into the definitive share purchase agreement (SPA) dated July 01, 2019 with Indinfravit Trust for sale of its equity share of its 8 subsidiary and 1 subsidiary of Parent company i.e. Sadbhav Engineering Limited (SEL) with total consideration of INR 20,444.67 million.</p> <p>Out of above, equity shares of 8 subsidiaries (including subsidiary of SEL) have been transferred under above SPA to Indinfravit Trust on the closing date, upon receipts of all regulatory approvals and fulfilment of other conditions precedent as mentioned in the agreement. However, regulatory approval for 1 subsidiary is pending as at reporting date, accordingly assets and liabilities of such subsidiary are disclosed as assets / liabilities held for sale in accordance with requirement of Ind AS 105.</p> <p>Accordingly, revenue, expenses and taxes in these entities have been included up to the closing date in these consolidated Ind AS financial statements and the resultant gain on sale of subsidiaries of INR 15,028.46 million recorded under exceptional item.</p> <p>This is considered as key audit matter due to the materiality of the amounts and judgement involved to determine net equity considerations because there are certain holdback amounts as per SPA which will be released upon fulfilment of certain conditions precedent in respect of sale of subsidiaries.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Obtained and read the SPA dated July 01, 2019 and completion letter submitted by the Company to Indinfravit Trust toward fulfilment of conditions precedent. • We agreed the cash consideration to bank statements and units of Indinfravit Trust received to demat statement. Also tested transfer of shares of respective companies from demat statement. • Tested the arithmetical accuracy of the gain working on sale of equity shares of subsidiaries and also reconciled the consideration to the SPA, other incidental expenses incurred to underlying accounting records and the net assets on the date of transfer to the audited interim special purpose financials of the subsidiaries. • Inquired status on progress of condition precedents with respect to one subsidiary (whose assets and liabilities are disclosed as held for sale) and conditions with respect to holdback amount as per SPA for the subsidiaries sold. Also obtained and reviewed relevant supporting documents for such conditions. • Assessed the disclosures made in the consolidated financial statements.
Impairment of BOT asset (Intangible) (as described in note 3.8 of the consolidated Ind AS financial statements)	Impairment of BOT asset (Intangible) (as described in note 3.8 of the consolidated Ind AS financial statements)
<p>The Group operates toll asset which is constructed on Build Operate and Transfer (BOT) basis. The carrying value of the user fee rights ('UFR') as at March 31, 2020 is INR 14,650.26 million.</p> <p>The management has performed an impairment assessment by comparing the carrying value of UFR with its recoverable amount due to existence of impairment indicators including impact of COVID-19.</p> <p>For the purpose of impairment testing, recoverable amount has been determined based on discounted future cash flows. Further, the recoverable amount is highly sensitive to changes in key assumptions used for forecasting as well as the impact of the economic uncertainties arising from COVID-19 on the future cash flows including growth rate, discount rate, change in traffic and tolls and future operating and finance cost. Thus, the determination of the recoverable amount of the UFR involves significant judgement.</p> <p>Accordingly, the impairment of UFR accounted under concession arrangement was determined to be a key audit matter in our audit of the Ind AS consolidated financial statements.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Group's valuation methodology applied in determining the recoverable amount of UFR. • Obtained the financial model and understood the key assumptions around the cash flow forecasts like growth rate, change in traffic, user fee and future operating and finance costs considering the current and estimated future economic conditions, including the impact of COVID-19. • Together with our valuation specialists, we assessed the inputs and assumptions around the key drivers of the cash flow forecasts against historical performance, economic and industry indicators. • Performed sensitivity analysis of key assumptions. • Tested the arithmetical accuracy of the model. • Assessed the adequacy of the disclosures made in the consolidated financial statements.

Revenue from Toll Operation and Construction services under Service Concession Arrangement (refer note no 3.4 of the consolidated Ind AS financial statements)	
<p>The Group has certain operational BOT assets and under construction hybrid annuity assets of road infrastructure under the concession agreement with National Highway Authority of India (NHAI) or state/local authorities which falls within the scope of appendix D of Ind AS 115, Service Concession Arrangements.</p> <p>In case of operational BOT assets (intangible), the company operates and earns revenue by collecting toll on the road constructed. This involves large volume of cash collection and use of technology, specifically, customized equipment installed at the toll plaza for correctly identifying vehicle type, calculating fare and for appropriate billing and collection.</p> <p>In case of hybrid annuity assets (financial assets), the group provides construction and operational services against fixed annuity receivable from NHAI under the concession agreement. Revenue recognition involves significant judgement and estimates relating to identification of distinct performance obligations, determination of fair value of services and finance income on financial assets using effective interest rate.</p> <p>Based on above, we regard this as the key audit matter.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Obtained an understanding of the processes and controls placed for revenue recognition process, evaluated the key controls around such process and tested those controls for the design and operating effectiveness. <p>Below are our audit procedures in respect of revenue from Toll Operation:</p> <ul style="list-style-type: none"> • Involved our specialists in testing of Information Technology General Controls (ITGCs) and application controls relating to the tolling systems' operation, including access, operations and change management controls. • Obtained and tested reconciliation of toll collected as per transaction report (generated from toll system) with cash deposited in bank and revenue recorded in the books. • Tested the rationalisation done by management by multiplying the toll rate charged for each category of vehicle as per NHAI or state/local authorities' notification with the number of vehicles (as per transaction report) and its reconciliation with the revenue recorded in the books. • On test check basis, traced the daily collection from bank statement to daily cash toll collected and the revenue recorded. • Performed analytical procedures to detect unusual transactions/trends for further examination, including testing of exemptions and other dispensations allowed. • On test check basis, tested classification of vehicle independently from stored images and videos recorded by the Group. • Performed revenue cut off procedures. <p>Below are our audit procedures in respect of revenue from hybrid annuity assets:</p> <ul style="list-style-type: none"> • Obtained and assessed key terms of the concession agreement. • Obtained and assessed basis of identification performance obligation and determination of fair value of services. • Obtained and assessed the key assumptions around the financial model like forecasting of price escalation and corresponding costs which is used during financial closure documents. • Tested the arithmetical accuracy of the model as well determination of effective interest rate. <p>Assessed the relevant disclosures made by the Group relating to the revenue.</p>

Provision toward periodical major maintenance obligations (as described in note 42 of the consolidated Ind AS financial statements)	
<p>As at March 31, 2020, the Group has recognised provision of INR 1,906.02 million (including INR 553.29 million pertaining to subsidiary classified as held for sale) towards its periodical major maintenance obligation, required to ensure maintenance of the project highways as per the requirement of concession agreement.</p> <p>The estimate made by the Group over the concession period, involves detailed calculation and estimation of traffic forecast and cost of resurface. In view of the judgement involved in determination of provision and the amount involved, the provision for major maintenance obligation is considered to be a key audit matter.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Understood the terms of concession agreement and the Group's process associated with the estimation of periodical major maintenance obligation. • Obtained and checked estimation working of major maintenance obligation prepared by the management and tested key assumptions such as traffic forecast and cost of resurface used in determining the provisions. • Also compared these assumptions with previous year and enquired into reasons for any variations; • Tested the arithmetical accuracy and also assessed the disclosure in the consolidated Ind AS financial statement.
Receivable from authorities toward various claims (as described in note 13 of the consolidated Ind AS financial statements)	
<p>As at March 31, 2020, the Group has recognised INR 1,321.60 million of receivables from authorities towards various claims.</p> <p>The receivables comprise of receivables towards arbitration claim toll suspension and toll exemption claim. The assessment of the recoverability of receivables requires significant judgment and hence, this is considered as a key audit matter.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Inquired status of receivable with the management and understood the management rational of recoverability of such receivable. • Obtained and assessed supporting documents / correspondences with authorities related to such receivable. • Assessed the disclosures made by the Group in relation to this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, 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 management 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 also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of 17 subsidiaries whose Ind AS financial statements include total assets of INR 45,133.54 million as at March 31, 2020, and total revenues of INR 1,990.84 million and net cash inflows of INR 93.37 million for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, 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.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We / the other auditors whose reports, we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account mentioned for the purpose of preparation of the consolidated Ind AS financial statement;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure" to this report;

- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company and its subsidiaries to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate Ind AS financial statements as also the other financial information of the subsidiaries as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 41 to the consolidated Ind AS financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2020.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 20101974AAAACH7661

Place of Signature: Ahmedabad

Date: July 06, 2020

For S G D G & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: W100188

per **Devansh Gandhi**

Partner

Membership Number: 129255

UDIN: 20129255AAAADC2744

Place of Signature: Ahmedabad

Date: July 06, 2020

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

In conjunction with our audit of the consolidated Ind AS financial statements of Sadbhav Infrastructure Project Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Sadbhav Infrastructure Project Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the holding company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to these seventeen subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 20101974AAAACH7661

Place of Signature: Ahmedabad

Date: July 06, 2020

For S G D G & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: W100188

per **Devansh Gandhi**

Partner

Membership Number: 129255

UDIN: 20129255AAAADC2744

Place of Signature: Ahmedabad

Date: July 06, 2020

Consolidated Balance Sheet as at March 31, 2020

(INR in Million)			
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	5	67.41	173.78
(b) Investment properties	6	8.38	21.92
(c) Goodwill on consolidation	7	265.30	2,043.74
(d) Other Intangible assets	7	39,966.85	90,095.15
(e) Intangible assets under development	7	955.28	929.57
(f) Financial assets			
(i) Investments	8	7,243.30	-
(ii) Loans	11	4.45	-
(iii) Receivable under service concession arrangement	12	27,138.40	21,672.25
(iv) Other financial assets	13	89.26	181.77
(g) Deferred tax assets (net)	33	21.82	0.08
(h) Other non-current assets	14	737.28	1,283.38
Total Non-current assets	A	76,497.73	1,16,401.64
2 Current assets			
(a) Financial assets			
(i) Investments	8	-	978.57
(ii) Trade receivables	9	305.39	320.50
(iii) Cash and cash equivalents	10	719.91	725.21
(iv) Bank Balances other than (iii) above	10	93.02	-
(v) Loans	11	880.22	170.70
(vi) Receivable under service concession arrangement	12	2,814.47	4,176.75
(vii) Other financial assets	13	2,264.91	2,044.97
(b) Other current assets	14	5,976.52	4,923.40
(c) Current tax assets (net)	15	111.28	36.08
Total Current assets	B	13,165.72	13,376.18
Assets classified as held for sale	C	3,328.74	-
Total Assets	(A+B+C)	92,992.19	1,29,777.82
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	3,522.25	3,522.25
Other equity	17	1,137.72	(9,008.19)
Equity attributable to owners of the company		4,659.97	(5,485.94)
Non controlling interest		-	(18.55)
Total equity	A	4,659.97	(5,504.49)
LIABILITIES			
1 Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	18	52,872.06	88,156.10
(ii) Other financial liabilities	21	11,227.03	17,101.85
(b) Provisions	23	1,374.50	2,169.69
(c) Deferred tax liabilities (net)	33	767.94	750.17
(d) Other non-current liabilities	22	290.25	870.75
Total Non-current liabilities	B	65,531.78	1,09,048.56
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	4,411.83	6,443.73
(ii) Trade payables	20		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		6,058.71	7,158.21
(iii) Other financial liabilities	21	5,379.27	6,455.78
(b) Other current liabilities	22	3,414.32	3,727.87
(c) Provisions	23	25.66	2,205.47
(d) Current tax liabilities (net)	24	82.62	242.69
Total Current liabilities	C	19,372.41	26,233.75
Liabilities relating to assets classified as held for sale	D	2,428.03	-
Total Equity and Liabilities	(A+B+C+D)	92,992.19	1,29,777.82
Summary of significant accounting policies			
The accompanying notes are an integral part of these consolidated financial statements.			
As per our report of even date attached			
For S R B C & CO LLP Chartered Accountants ICAI Firm Registration No.: 324982E/E300003 per Sukrut Mehta Partner Membership No.: 101974 Date: July 06, 2020 Place: Ahmedabad	For S G D G & ASSOCIATES LLP Chartered Accountants ICAI Firm Registration No.: W100188 per Devansh Gandhi Partner Membership No.: 129255 Date: July 06, 2020 Place: Ahmedabad	For and on behalf of Board of Directors Sadbhav Infrastructure Project Limited Vasistha Patel Managing Director DIN: 00048324 Hardik Modi Company Secretary Membership No.: F9193 Date: July 06, 2020 Shashin Patel Director DIN: 00048328 Varun Mehta Chief Financial Officer Place: Ahmedabad	

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(INR in Million)			
Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
INCOME			
I Revenue from operations	25	22,704.03	35,479.32
II Other income	26	3,123.60	1,820.44
III Total Income (I+II)		25,827.63	37,299.76
IV EXPENSES			
(a). Consumption of project materials	27	0.27	22.39
(b). Sub - Contractors charges		10,566.57	21,438.44
(c). Operating expenses	28	2,184.99	2,398.64
(d). Employee benefits expenses	29	492.41	529.17
(e). Finance costs	30	12,758.60	11,747.52
(f). Depreciation and amortisation expenses	31	2,927.25	2,963.10
(g). Other expenses	32	897.51	606.72
Total Expenses		29,827.60	39,705.98
V (Loss) before exceptional item and tax (III - IV)		(3,999.97)	(2,406.22)
VI Exceptional items	53	15,028.46	534.57
VII Profit/(Loss) before tax (V - VI)		11,028.49	(1,871.65)
VIII Tax expense:	33		
(a) Current tax		216.55	531.24
(b) Deferred tax		593.34	53.50
(c) Adjustment of Current Tax relating to earlier years		(75.02)	22.26
Total tax expense (a+b+c)		734.87	607.00
IX Profit/(Loss) for the year (VII-VIII)		10,293.62	(2,478.65)
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans (net of tax) (refer note 38)		0.22	(1.45)
Total Other Comprehensive Income for the year (net of tax)		0.22	(1.45)
XI Total Comprehensive Income for the year (net of tax) (IX+X)		10,293.84	(2,480.10)
Net Profit/(Loss) for the year attributable to:			
Owners of the company		10336.53	(2,452.73)
Non-controlling Interest		(42.91)	(25.92)
Other comprehensive Income attributable to:			
Owners of the company		0.22	(1.44)
Non-controlling Interest		-	(0.01)
Total Comprehensive Income for the year attributable to:			
Owners of the company		10,336.75	(2,454.17)
Non-controlling Interest		(42.91)	(25.93)
Earning / (Loss) per equity share [Face value of shares INR 10/- each (31 March 2019 - INR 10/-)]			
Basic and diluted (in INR)	37	29.35	(6.97)
Summary of significant accounting policies	3		
The accompanying notes are an integral part of these consolidated financial statements.			

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003
per Sukrut Mehta
Partner
Membership No.: 101974
Date: July 06, 2020
Place: Ahmedabad

For S G D G & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: W100188
per Devansh Gandhi
Partner
Membership No.: 129255
Date: July 06, 2020
Place: Ahmedabad

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

Vasistha Patel Managing Director DIN: 00048324 Hardik Modi Company Secretary Membership No.: F9193 Date: July 06, 2020	Shashin Patel Director DIN: 00048328 Varun Mehta Chief Financial Officer Place: Ahmedabad
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Consolidated Statement of Changes in Equity for the year ended March 31, 2020

A Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid (Note 16)	Number of shares	INR in Million
As at April 1, 2018	35,22,25,216	3,522.25
Add/(Less): Changes during the year	-	-
As at March 31, 2019	35,22,25,216	3,522.25
As at April 1, 2019	35,22,25,216	3,522.25
Add/(Less): Changes during the year	-	-
As at March 31, 2020	35,22,25,216	3,522.25

B Other Equity

(INR in Million)

Particulars	Equity component of compound financial instrument (Note 17)	Attributable to the equity holders of the parent					Total	Non Controlling Interest	Total
		Reserve & Surplus							
		Securities premium (Note 17)	Capital reserve (Note 17)	Debenture Redemption Reserve (Note 17)	General Reserve (Note 17)	Retained earnings (Note 17)			
As at April 1, 2018	532.22	9,039.27	75.80	795.74	-	(16,623.02)	(6,179.98)	106.14	(6,073.83)
Loss for the year	-	-	-	-	-	(2,452.73)	(2,452.73)	(25.92)	(2,478.64)
Other comprehensive income									
Remeasurement (losses) on defined benefit plans, net of tax	-	-	-	-	-	(1.44)	(1.44)	(0.01)	(1.45)
Total comprehensive income for the year	-	-	-	-	-	(2,454.17)	(2,454.17)	(25.94)	(2,480.10)
Reduction in compound financial instrument	-	-	-	-	-	-	-	(30.00)	(30.00)
Final dividend paid (including dividend distribution tax)	-	-	-	-	-	(84.75)	(84.75)	-	(84.75)
Interim dividend paid (including dividend distribution tax)	-	-	-	-	-	(126.78)	(126.78)	-	(126.78)
Transfer from retained earnings to debenture redemption reserve	-	-	-	358.93	-	(358.93)	-	-	-
Transfer from debenture redemption reserve to general reserve	-	-	-	(478.45)	478.45	-	-	-	-
Transfer of amount from non-controlling interest	199.26	-	-	-	-	(358.11)	(158.85)	(68.75)	(227.60)
Share issue expense	-	-	-	-	-	(3.66)	(3.66)	-	(3.66)
As at March 31, 2019	731.48	9,039.27	75.80	676.22	478.45	(20,009.41)	(9,008.19)	(18.55)	(9,026.74)
As at April 1, 2019	731.48	9,039.27	75.80	676.22	478.45	(20,009.41)	(9,008.19)	(18.55)	(9,026.74)
Profit for the year	-	-	-	-	-	10,336.53	10,336.53	(42.91)	10,293.62
Other comprehensive income									
Remeasurement gain on defined benefit plans, net of tax	-	-	-	-	-	0.22	0.22	-	0.22
Total comprehensive income for the year	-	-	-	-	-	10,336.75	10,336.75	(42.91)	10,293.84

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

Reduction in compound financial instrument	-	-	-	-	-	-	-	-	-
Transfer from debenture redemption reserve to general reserve	-	-	-	(454.33)	454.33	-	-	-	-
Final dividend paid (including dividend distribution tax)	-	-	-	-	-	(127.19)	(127.19)	-	(127.19)
Transfer of amount from non-controlling interest	-	-	-	-	-	(61.46)	(61.46)	61.46	-
Share issue expense	-	-	-	-	-	(2.21)	(2.21)	-	(2.21)
As at March 31, 2020	731.48	9,039.27	75.80	221.89	932.78	(9,863.52)	1,137.72	-	1,137.72

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No.: 101974

Date: July 06, 2020
Place: Ahmedabad

For S G D G & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: W100188

per Devansh Gandhi
Partner
Membership No.: 129255

Date: July 06, 2020
Place: Ahmedabad

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

Vasistha Patel
Managing Director
DIN: 00048324

Hardik Modi
Company Secretary
Membership No.: F9193

Date: July 06, 2020
Place: Ahmedabad

Shashin Patel
Director
DIN: 00048328

Varun Mehta
Chief Financial Officer

Consolidated Cash Flow Statement for the year ended on March 31, 2020

(INR in Million)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(A) Cash flows from operating activities		
Profit/(Loss) before tax	11,028.49	(1,871.65)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	2,927.25	2,963.10
Finance cost	12,758.60	11,747.52
Profit on sale of units of mutual funds (net)	(76.11)	(84.47)
Exceptional item (note 53(a))	(15,028.46)	-
Provision of Periodic maintenance expenses	753.58	971.88
Interest income	(171.02)	(12.10)
Balance written off	202.18	-
Liabilities no longer required written back	(275.13)	(123.60)
Operating Profit before working capital changes	12,119.38	13,590.68
Movement in working capital:		
(Increase) in trade receivables (including receivable under service concession)	(5,423.42)	(14,272.12)
(Increase) in other financial assets	(1,188.16)	(106.21)
(Increase) in other assets	(802.99)	(1,412.21)
(Decrease) / Increase in trade payables	(453.93)	3,847.46
Increase in other financial liabilities	593.38	1,031.54
(Decrease) in other liabilities	(872.62)	(109.97)
(Decrease) in provisions	(888.71)	(141.73)
Cash generated from operating activities	3,082.93	2,427.45
Direct taxes paid (net of refund received)	(231.95)	(502.76)
Net cash flows generated from operating activities (A)	2,850.98	1,924.69
(B) Cash flows from investing activities		
Proceeds from disposal of property plant and equipment ('PPE')	-	0.70
Purchase of PPE and other intangible assets (including Intangible asset under development)	(132.24)	(1,045.36)
Proceeds from sale of investments in subsidiary companies	3,324.48	-
Payment for acquisition of non-controlling interest in subsidiary	(576.32)	(227.60)
Investments in bank deposits (having original maturity of more than three months)	(187.19)	(480.59)
Redemption of bank deposits (having original maturity of more than three months)	95.35	21.08
Redemption / (purchase) from sale of units of mutual fund (net) (including realised gain)	279.83	(471.01)
Interest received	21.13	192.62
Net cash flows generated from / (used in) investing activities (B)	2,825.04	(2,010.17)
(C) Cash flows from financing activities		
Share issue expenses	(2.21)	(3.66)
Repayment towards compound financial instruments - Non-controlling interest	-	(30.00)
Proceeds from compound financial instruments	7,911.29	-
Proceeds from non-current borrowings	7,371.73	18,727.74
Repayment of non-current borrowings	(7,966.77)	(8,483.04)
Proceeds from current borrowings	7,854.29	5,305.48
Repayment of current borrowings	(10,023.37)	(4,555.67)
Dividend paid on equity shares (including dividend distribution tax)	(105.56)	(211.53)
Interest and other borrowing cost paid	(10,580.16)	(10,497.03)
Net cash flows (used) in / generated from financing activities (C)	(5,540.77)	252.31
Net increase in cash and cash equivalents (A+B+C)	135.25	166.83
Cash and cash equivalents at beginning of the year	725.21	558.38
Less: Cash transferred on sale of subsidiaries (refer note 53 (a))	(296.24)	-
Cash and cash equivalents at end of the year	564.22	725.21

Consolidated Cash Flow Statement for the year ended on March 31, 2020

	As at March 31, 2020	As at March 31, 2019
Notes:		
1 Components of cash and cash equivalents: (refer note 10)		
Cash on hand	8.93	69.78
Balances with banks:		
- In current accounts	408.63	519.70
- In current accounts - unpaid share application refund money and unclaimed dividend	0.14	0.03
- Deposits with original maturity of less than 3 months	302.21	135.70
	719.91	725.21
Add: Assets held for sale (refer note 54)	35.10	-
Less: Bank overdraft	(190.79)	-
Cash and cash equivalents at the end of the year	564.22	725.21

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

3 The Group has received 62,041,118 units at Rs.116/- each (INR 7,243.30 Million) and a recoverable of INR 222.33 million as against consideration towards sale of seven subsidiaries to Indinfravit Trust. The same has been treated as non-cash item and accordingly not reflected in the consolidated cash flow statement (refer note 53 (a)).

4 **Changes in liabilities arising from financing activities** (INR in Million)

Particulars	April 1, 2019	Net Cash flow	Change in fair value	Others*	March 31, 2020
Non-current borrowings (Including current maturities)	92,086.53	(595.05)	111.79	(36,896.12)	54,707.15
Current borrowings	6,443.73	(2,169.07)	-	137.18	4,411.83
Interest accrued	3,377.07	(10,580.16)	-	11,130.58	3,927.49
Total	1,01,907.33	(13,344.29)	111.79	(25,628.36)	63,046.47

Particulars	April 1, 2018	Net Cash flow	Change in fair value	Others*	March 31, 2019
Non-current borrowings (Including current maturities)	81,499.83	10,244.71	153.42	188.58	92,086.53
Current borrowings	5,693.92	749.81	-	-	6,443.73
Interest accrued	2,513.57	(10,497.03)	-	11,360.53	3,377.07
Total	89,707.32	497.49	153.42	11,549.11	1,01,907.33

* Others represent interest accrued, liability transferred to IndInfravit Trust and transferred of liability relating to assets classified as held for sale during the year.

5 Figures in brackets represent cash outflows.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No.: 101974

Date: July 06, 2020
Place: Ahmedabad

For S G D G & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: W100188

per Devansh Gandhi
Partner
Membership No.: 129255

Date: July 06, 2020
Place: Ahmedabad

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

Vasistha Patel
Managing Director
DIN: 00048324

Hardik Modi
Company Secretary
Membership No.: F9193

Date: July 06, 2020
Place: Ahmedabad

Shashin Patel
Director
DIN: 00048328

Varun Mehta
Chief Financial Officer

Notes to Consolidated Financial Statements for the year ended March 31, 2020

1. Company information:

The Consolidated Ind AS Financial Statements comprise of financial statements of Sadbhav Infrastructure Project Limited ('the Company' or 'SIPL') and its subsidiaries (collectively, 'the Group') for the year ended March 31, 2020. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is situated at "Sadbhav House", Opp. Law Garden Police Chowki, Ellis bridge, and Ahmedabad - 380006.

The Group undertakes road and related infrastructure development projects directly or indirectly through Special Purpose Vehicles (SPVs) as per the concession agreements on BOT or Hybrid Annuity basis. The Company is a subsidiary of Sadbhav Engineering Limited ("SEL"), a company listed on Indian stock exchanges and engaged in providing engineering, procurement and construction services ("EPC") in the road and other infrastructure projects.

The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors on July 06, 2020.

2. Basis of preparation:

2.1 The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and presentation requirements of Division II of Schedule the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to consolidated financial statements.

The Consolidated financial statements have been prepared on accrual and historical cost basis, except for:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments):

The Consolidated financial statements are presented in Indian Rupee ('INR') which is also the Group's functional currency and all values are rounded to the nearest Million (INR 000,000), except when otherwise indicated.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries listed below as at 31 March 2020. Control is achieved when the Company is exposed to, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has;

- Power over the investee (i.e. existing rights that give it the current liability to direct the relevant activities of investee)
- Exposure, or rights to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The Contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. As the financial assets and intangible assets recognized under service concession arrangement are acquired in exchange for infrastructure construction / upgrading services, gains / losses on intra group transactions are treated as realized and not eliminated on consolidation.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e. year ended on 31 March.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Consolidation Procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Goodwill policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group. Profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full, except as stated in point iv. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- The Build, Operate & Transfer (BOT)/ Hybrid Annuity Model (HAM) / Design, Build, Finance, Operate & Transfer (DBFOT) contracts are governed by service concession agreements with government authorities (Grantor). Under these agreements, the operator (Group Companies) which are Special Purpose Vehicles, does not own the Infrastructure assets, but gets toll collection/service fee rights against the construction services rendered. Since the construction revenue earned by the Group companies is considered as exchanged with the grantor against toll collection/service fee rights, profit from such contracts is considered as realized. Accordingly, the intra group transactions on BOT/DBFOT contracts and the profits arising thereon are taken as realized and not eliminated.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flow relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

The following entities are considered in the Consolidated Ind AS Financial Statements as well as the Company's voting power in entities listed below

Sr. No.	Name of Entity	Proportion of Ownership Interest (%)	
		As at March 31, 2020	As at March 31, 2019
1.	Ahmedabad Ring Road Infrastructure Limited (ARRIL)	100%	100%
2.	Aurangabad Jalna Tollway Limited (AJTWL) (upto March 06, 2020) (note (ii) below)	-	100%
3.	Bijapur Hungud Tollway Private Limited (BHTPL) (upto February 14, 2020) (note (ii) below)	-	77%
4.	Hyderabad Yadgiri Tollway Private Limited (HYTPL) (upto February 14, 2020) (note (ii) below)	-	100%
5.	Maharashtra Border Check Post Network Limited (MBCPNL)	100%	100%
6.	Rohtak Panipat Tollway Private Limited (RPTPL)	100%	100%
7.	Shreenathji-Udaipur Tollway Private Limited (SUTPL) (upto February 14, 2020) (note (ii) below)	-	100%
8.	Bhilwara Rajsamand Tollway Private Limited (BRTPL) (upto February 14, 2020) (note (ii) below)	-	100%
9.	Rohtak Hissar Tollway Private Limited (RHTPL)	100%	100%
10.	Nagpur Seoni Expressway Limited (NSEL) (upto February 14, 2020) (note (ii) below)	-	100%
11.	Dhule Palesner Tollway Limited (DPTL) (upto February 14, 2020) (note (ii) below)	-	100%
12.	Sadbhav Bhavnagar Highway Private Limited (SBHPL)	100%	100%

Notes to Consolidated Financial Statements for the year ended March 31, 2020

13.	Sadbhav Rudrapur Highway Private Limited (SRHPL)	100%	100%
14.	Sadbhav Una Highway Private Limited (SUHPL)	100%	100%
15.	Sadbhav Nainital Highway Private Limited (SNHPL)	100%	100%
16.	Sadbhav Bangalore Highway Private Limited (SBGHPL)	100%	100%
17.	Sadbhav Udaipur Highway Private Limited (SUDHPL)	100%	100%
18.	Sadbhav Vidarbha Highway Private Limited (SVHPL)	100%	100%
19.	Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	100%	100%
20.	Sadbhav Tumkur Highway Private Limited (STHPL) (note (iii) below)	100%	100%
21.	Sadbhav Vizag Port Road Private Limited (SVPRRPL) (note (iii) below)	100%	100%
22.	Sadbhav Kim Expressway Private Limited (SKEPL)	100%	100%
23.	Sadbhav Bhimsar Bhuj Highway Private Limited (SBBHPL) (note (iii) below)	100%	100%
24.	Sadbhav Hybrid Annuity Project Limited (SHAPL)	100%	100%

Notes:

- All the above entities have principal nature of activity is Infrastructure and are incorporated in India.
- Pursuant to the definitive share purchase agreement dated July 1, 2019 with Indinfravit Trust, the entire equity shareholding in seven of its subsidiary companies have been transferred to Indinfravit Trust with effect from closing date.
- The concession agreements with National Highway Authority of India (NHAI) are terminated in case of these subsidiaries during the year, due to non-availability of required 80% right of way (ROW) by NHAI within the stipulated time period as a consequence of which, these subsidiaries were inoperative.

3. Summary of significant accounting policies

The following are the significant accounting policies applied by the group in preparing its consolidated financial statements:

3.1 Business combinations and goodwill:

The excess of cost to the group of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognized as 'Goodwill' being an asset in the Consolidated Financial Statements. This Goodwill is tested for impairment at the close of each financial year. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the group it is recognized as 'Capital Reserve' in the consolidated financial statements.

3.2 Current versus non-current classification

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

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- Held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

The Group classifies all other liabilities as non-current.

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

Operating cycle

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

3.3 Service concession arrangement

Toll Collection / User fee right (BOT Model):

The Group builds infrastructure assets viz roads / infrastructure facilities under public-to-private Concession Arrangements which it operates and maintains for periods specified in the Concession Arrangements.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Under the Concession Agreements, where the Group has received the right to charge users of the public service, such rights are recognized and classified as “Intangible Assets” in accordance with Appendix D to Ind AS 115. Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognized and classified as intangible assets. Such an intangible asset is recognized by the Group at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the subsidiary companies receives the completion certificate from the authority as specified in the Concession Agreement. In case of MBCPNL (entity operating multiple border check posts in the state of Maharashtra), each check post is capitalized when the MBCPNL receives completion certificate from the authority. The economics of the project is for the entire length of the road / infrastructure as per the bidding submitted by the Group.

Financial Assets Model

The group recognizes the considerations given by the grantor i.e. National Highway Authority of India (‘NHAI’) in accordance with Appendix D to Ind AS 115. The group recognizes a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the contract for the construction services; the grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law.

Premium capitalization

Under some of the concession agreements, the Group has contractual obligation to pay premium (concession fees) to National Highway Authority of India (‘NHAI’), Grantor, over the concession period. Such obligation has been recognized upfront on a discounted basis when the project gets completed as per the Concession Agreements as ‘Intangible assets – Toll Collection Right’ and corresponding obligation for committed premium is recognized as liabilities.

Amortization

The intangible assets which are recognized in the form of Toll collection / user fee right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets i.e. proportionate of actual revenue earned for the year over Total Projected Revenue from the Intangible assets expected to be earned over the balance concession period as estimated by the management.

As required, total Projected traffic or revenue are reviewed by the management at the end of each financial year and accordingly, the total projected traffic or revenue is adjusted to reflect any changes in the estimates which lead to the actual number of traffic or revenue at the end of the concession period.

3.4 Revenue from contract with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

i. Toll / check post operation services

Revenue from Toll operation services is recognized over a period as each toll road-user simultaneously receives and consumes the benefits provided by the Group. However, given the short time period over which the group provides road operating services to each road user (i.e. the duration of the time it takes the road user to travel the length of the toll road), the group recognizes toll revenue when it collects the tolls as per rates notified by NHAI / state authorities.

ii. Construction services

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

The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as “contract asset” and billing in excess of contract revenue is reflected under “contract liabilities”.

Contract balances

Contract assets

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

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Trade receivables

A receivable is recognized if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 3.14 Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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

3.5 Other Income

Interest

For financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Profit or loss on sale of Mutual Fund

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

Dividend

Dividend is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.6 Property, Plant and Equipment's:

Property, Plant and Equipment's are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost comprises the purchase price, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the assets to its working condition for its intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure are charged to the consolidated statement of profit and loss for the period during which such expenses are incurred.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is de-recognized.

Depreciation

Depreciation on Property, Plant and Equipment's is provided on the written down value method basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual value, useful live and method of depreciation of Property, Plant and Equipment's are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7 Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when the asset is derecognised.

Amortization

Software is amortized over management estimate of its useful life of 3-6 years

The residual value, useful live and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets under development

Expenditure related to and incurred during implementation of infrastructure project are included under "Intangible Assets under Development". The same is transferred to the respective intangible assets on completion of project.

3.8 Impairment – Non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the group estimates the asset's recoverable amount or cash-generating unit's (CGU). An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset which is based on the discounting of estimated future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. When the carrying amount of an asset or CUG exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecasts calculation (DCF method). These budgets and forecast calculations are generally covering a period of the concession agreements using long terms growth rates applied to future cash flows.

Intangible assets with indefinite useful lives are tested for impairment annually as and when circumstances indicate that the carrying value may be impaired and charges to consolidated statement of profit and loss accounts.

3.9 Investment Property

Investment Property is measured initially at cost including related transaction costs. Such cost comprises the purchase price and borrowing cost if capitalization criteria are met. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All day-to-day repair and maintenance expenditure are charged to the consolidated statement of profit and loss for the period during which such expenses are incurred.

An Investment property is derecognised either when it has been disposed of or when it has been permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in consolidated statement of profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use.

3.10 Inventory

Project Inventories are valued at lower of cost and net realizable value. Cost comprise all cost of purchase, and other costs incurred in bringing the inventories to their present location and condition. Cost of materials is determined on first-in-first-out basis. Net realizable value is the estimated selling price less estimated cost necessary to make the sale.

3.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the year they occur. Borrowing cost consist of interest and other costs that Group incurs in connection with the borrowing of funds as defined in Indian Accounting Standard 23 – Borrowing Cost.

3.12 Leases

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

Group as lessee

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

Short-term leases and leases of low-value assets

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

3.13 Financial Instruments

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

a) Financial assets

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets

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

- Financial assets at amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at amortised cost
A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- Debt instruments at amortized cost
A 'debt instrument' is measured at the amortized cost if both the above conditions mentioned in "Financial assets at amortized cost" are met. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.
- Financial assets at fair value through profit or loss:
Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

iii. De-recognition of financial assets

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

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

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

iv. Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the economic environment.

b) Financial Liabilities

i. Initial recognition and measurement of financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

All financial liabilities are recognized initially at fair value, in case of loan and borrowings and payables, fair value is reduced by directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

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

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)
- Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognized in the Consolidated Statement of Profit and Loss. The group has not designated any financial liability as at fair value through profit and loss.

- Financial liabilities at amortised cost (Loans and Borrowings)
After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized through the EIR amortization process.

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

- **Compound financial instruments**

Compound financial instruments are separated into liability and equity components based on the terms of the contract. At inception, the fair value of the liability component is determined using a market rate. This amount is classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on redemption.

- **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(c) Offsetting of financial instruments

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

3.14 Fair Value Measurement

The Group measures financial instruments such as derivatives and Investments at fair value at each balance sheet date.

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

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

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

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

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

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

3.15 Employee Benefits

a) Short Term Employee Benefits

All employee benefits expected to be settled wholly within 12 months after the end of the reporting period are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensation etc. and the same are recognized as an expense in the consolidated statement of profit and loss in the period in which the employee renders the related services.

b) Post-Employment Benefits

(i) Defined contribution plan

The Group's approved provident fund scheme is defined contribution plans. The Group has no obligation, other than the contribution paid/payable to the provident fund and employee state insurance fund. The Group recognize contribution paid/payable under the provident fund is charged to consolidated statement of profit & loss account during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is measured based on the actuarial valuation using the Projected Unit Credit Method as at the end of each financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

c) Other employment benefits:

The employee's compensated absences, which is expected to be utilized or encashed within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as result of the unused entitlement that has accumulated at the reporting date. As per Group's policy, no leave is expected to be carried forward beyond 12 months from the reporting date.

3.16 Government grants

Government grants are recognized where there is reasonable assurance that grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item. It is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related assets.

3.17 Income tax

Income tax expense comprises current tax and deferred tax.

Current tax

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

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

Deferred tax

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

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

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

As per provision of Income tax Act 1961, the Group's subsidiaries are eligible for a tax holiday under section 80IA for a block of 10 consecutive assessment year out of 20 year beginning of toll operation. Accordingly, no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing difference which is reverse after the tax holiday period is recognized in the year in which the timing difference originate. However, the Group restricts recognition of deferred tax assets to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. For recognition of deferred tax, the timing difference which originate first are considered to reverse first.

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

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

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the consolidated statement of profit and loss as current tax for the year. The deferred tax asset is recognized for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognizes MAT credit as an asset, it is created by way of credit to the consolidated statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

3.18 Provisions

General

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provision are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contractual obligation to restore the infrastructure to a specified level of serviceability

The Group has contractual obligations to maintain the road / infrastructure to a specified level of serviceability or restore the road / infrastructure to a specified condition before it is handed over to the grantor of the Concession Agreements. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. In case of intangible assets, the timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. Such costs are recognized by charging it to revenue on the basis of units of usage method i.e. on the number of vehicles expected to use the project facility, over the period at the end of which the overlay is estimated to be carried out based on management estimates.

3.19 Contingent liabilities

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

3.20 Premium deferment

Premium deferral (i.e. premium payable less paid after adjusting premium deferment) is aggregated under premium deferred obligation in the balance sheet. The interest payable on the above is aggregated under premium deferral obligation. Interest on premium deferral is charged to the statement of profit and loss.

3.21 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered as integral part of the Group's cash management.

3.22 Cash dividend distribution to equity holders

The Group recognizes a liability to pay dividend to equity holders of the parent when the distribution is authorized, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

3.23 Earnings per share

Basic earnings per share is calculated by dividing the profit / loss for the year attributable to equity holders of the parent company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit / loss attributable to equity holders of the parent company by the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.24 Segment reporting

Based on management approach as defined in Indian Accounting Standard 108 – “Operating Segment”, Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker for evaluation of Group's performance.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

3.25 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset excluding finance costs and income tax expense.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

3.26 Changes accounting policies and disclosure

New and amended standards

The Group applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2020, but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Group adopted Ind AS 116 using the modified retrospective method of adoption. There were no significant adjustments required to the retained earnings as at April 01, 2019. The adoption of the standard did not have any material impact on these consolidated financial statements.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately;
- The assumptions an entity makes about the examination of tax treatments by taxation authorities;
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates;
- How an entity considers changes in facts and circumstances.

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Appendix did not have an impact on the financial statements of the Group.

Annual improvements to Ind AS 2018

Ind AS 12 Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognizes the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognized those past transactions or events. An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group's current practice is in line with these amendments, they had no impact on the financial statements.

4. Significant accounting judgements, estimates and assumption

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

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Taxes

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

Service concession arrangement – Toll collection / user fee right

The Cash flow model indicates the cash flow to be generated over the project lifecycle. The key inputs of the model comprise of revenue inflows (Toll/user fee), expenses to incurred to earn the revenue, estimations on cost to build and maintain the asset, interest obligations based on financing pattern and other operational efficiencies. These inputs are based on circumstances existing and management judgement / assumption on the future expectations based on current situations. Judgements include management view on expected earnings in future years, changes in interest rates, cost inflation, government policy changes, etc. These input assumptions could affect the reported cash flow from the related assets and accordingly these assumptions are reviewed periodically.

Amortization - Toll collection / user fee right

The intangible assets which are recognized in the form of Toll right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets. The estimation of total projection revenue requires significant assumption about expected growth rate and traffic projection for future. All assumptions are reviewed at each reporting date.

Provision for periodical Major Maintenance

Provision for periodical Major Maintenance obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. All assumptions are reviewed at each reporting date.

Revenue from contract with customer

The Group uses the input method for recognize construction revenue. Use of the input method require the group to estimate the efforts or costs expended to the date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress toward completion of performance obligation as there is a direct relationship between input and productivity. Provision for estimated losses, if any, on uncompleted performance obligation are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. Due to technical complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

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

Notes to Consolidated Financial Statements for the year ended March 31, 2020

5. Property Plant and Equipments

(INR in Million)

Particulars	Freehold Land	Building	Machineries and equipments	Furniture and fixtures	Vehicles	Computers	Office equipments	Total
At Cost (refer note (i) below)								
As at April 1, 2018	47.63	60.58	104.80	6.78	42.43	7.06	27.37	296.64
Addition	-	-	4.09	0.82	2.34	5.75	11.00	24.00
Disposal / Adjustment	-	-	(0.20)	-	(2.12)	-	-	(2.34)
As at March 31, 2019	47.63	60.58	108.69	7.60	42.65	12.81	38.37	318.30
Addition	-	-	4.16	1.05	4.07	3.82	5.47	18.57
Disposal / Adjustment on account of:								
a) Transferred to asset held for sale (refer note 54)	-	-	(74.57)	(1.15)	(10.50)	(3.53)	(1.02)	(90.76)
b) Sale of subsidiaries (refer note 53(a))	-	(7.37)	(21.61)	(1.23)	(26.15)	(7.53)	(10.26)	(74.15)
c) Transferred to carve out asset receivable (refer note 13(ii))	(47.63)	-	-	-	-	-	-	(47.63)
As at March 31, 2020	-	53.21	16.67	6.27	10.07	5.55	32.56	124.33
Accumulated Depreciation								
As at April 1, 2018	-	8.85	58.69	4.18	23.39	4.09	13.04	112.24
Charge for the year	-	2.66	13.86	0.85	6.45	2.45	7.66	33.93
On disposal / adjustment	-	-	-	-	(1.71)	0.07	-	(1.64)
As at March 31, 2019	-	11.51	72.55	5.03	28.13	6.61	20.70	144.52
Charge for the year	-	2.40	7.78	0.73	5.86	3.78	8.90	29.46
Disposal / Adjustment on account of:								
a) Transferred to asset held for sale (refer note 54)	-	-	(58.27)	(0.89)	(7.99)	(2.58)	(0.72)	(70.45)
b) Sale of subsidiaries (refer note 53)	-	(2.16)	(11.40)	(0.88)	(21.70)	(4.40)	(6.08)	(46.61)
As at March 31, 2020	-	11.76	10.66	3.99	4.30	3.41	22.80	56.92
Net Block								
As at March 31, 2019	47.63	49.06	36.15	2.57	14.52	6.20	17.66	173.78
As at March 31, 2020	-	41.45	6.01	2.28	5.77	2.14	9.76	67.41

Notes:

- The Group had elected to continue with the carrying value for all of its Property, plant and equipments as recognised in its previous GAAP (Indian accounting principle generally accepted in India as prescribed under section 133 of the Company Act, 2013 read with the Companies (Accounts) Rules, 2014), as deemed cost at the transition date i.e. April 1, 2015 as per option permitted under Ind AS 101 for the first time adoption.
- Property, plant and equipments have been pledged against non-current borrowings in order to fulfil the collateral requirement for the lenders (refer note 18).

Notes to Consolidated Financial Statements for the year ended March 31, 2020

6. Investment Properties

(INR in Million)

Particulars	Freehold land	Total
At Cost		
As at April 1, 2018	21.92	21.92
Addition	-	-
Disposal / Adjustment	-	-
As at March 31, 2019	21.92	21.92
Addition	-	-
Disposal / Adjustment on account of:		
a) Transferred to carve out asset receivable (refer note 13(ii))	(13.54)	(13.54)
As at March 31, 2020	8.38	8.38
Accumulated Depreciation		
As at April 1, 2018	-	-
Charge for the year	-	-
On disposal / adjustment	-	-
As at March 31, 2019	-	-
Charge for the year	-	-
On disposal / adjustment	-	-
As at March 31, 2020	-	-
Net Block		
As at March 31, 2019	21.92	21.92
As at March 31, 2020	8.38	8.38

Notes:

- There are no income arising from above investment property. Further, the group has not incurred any expenditure for above property.
- The Group has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- The fair value disclosure of investment properties has not given as the properties are acquired specifically for offering as security for non-current borrowings and based on the information available with the management that there are no material development in the area where land is situated. Accordingly, management believes that there is no material difference in fair value and carrying value of investment properties.

7. Intangible Asset and Intangible Asset under Development

(INR in Million)

Particulars	Toll collection rights	Use fee rights	Computer software	Total	Goodwill on consolidation (refer note (v) below)	Intangible asset under development
At Cost						
As at April 1, 2018	86,197.29	12,981.16	2.43	99,180.88	2,043.74	2,889.99
Additions	-	2,165.61	-	2,165.61	-	213.83
Effect of foreign currency exchange difference (refer note (ii) below)	188.58	-	-	188.58	-	-
Disposal / Adjustment	-	-	-	-	-	(2,174.25)
As at March 31, 2019	86,385.87	15,146.77	2.43	101,535.07	2,043.74	929.57
Additions	-	13.53	-	13.53	-	39.24
Disposal / Adjustment on account of:						
a) Transferred to asset held for sale (refer note 54)	(4,358.91)	-	(1.34)	(4,360.25)	(657.77)	-
b) Sale of subsidiaries (refer note 53(a))	(52,986.79)	-	(0.58)	(52,987.37)	(1,120.67)	-
c) Capitalised during the year	-	-	-	-	-	(13.53)
As at March 31, 2020	29,040.17	15,160.30	0.51	44,200.98	265.30	955.28
Accumulated Amortisation						
As at April 1, 2018	7,769.91	738.74	2.09	8,510.74	-	-
Charge for the year	2,567.45	361.51	0.22	2,929.18	-	-
Disposal / Adjustment	-	-	-	-	-	-
As at March 31, 2019	10,337.36	1,100.25	2.30	11,439.92	-	-
Charge for the year	2,532.71	365.07	0.01	2,897.79	-	-
Disposal / Adjustment on account of:						
a) Transferred to asset held for sale (refer note 53(a))	(1,776.59)	-	(1.22)	(1,777.81)	-	-
b) Sale of subsidiaries (refer note 53(a))	(8,325.15)	-	(0.60)	(8,325.75)	-	-
As at March 31, 2020	2,768.33	1,465.32	0.49	4,234.15	-	-
Net Block						
As at March 31, 2019	76,048.51	14,046.52	0.12	90,095.15	2,043.74	929.57
As at March 31, 2020	26,271.84	13,694.98	0.02	39,966.84	265.30	955.28

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Note:

- (i) Toll collection rights also include premium paid / payable to Concessioning authorities under the concession agreement over the concession period. The fair value of premium of INR 6,248.53 million (March 31, 2019: INR 10,159.45 million) payable under the concession agreement at the time of receipt of completion certificate from the authority has been included in the Toll collection rights.
- (ii) The Group had adopted an option under Para 46A of AS 11 under previous GAAP which the group has elected to continue as per para D13AA of Ind AS 101 'First time adoption'. Accordingly, the exchange difference arising on reporting of long-term foreign currency monetary items, taken before transition period i.e. April 01, 2015, in so far as they relate to the acquisition of depreciable asset, is added or deducted from the cost of the asset and shall be amortised over the balance life of the asset.
- (iii) Toll collection right has been pledged against non-current borrowings in order to fulfill the collateral requirement of the Lenders (refer note 18).
- (iv) Refer note 47 for additional disclosure pursuant to Appendix - E to Ind AS 115 - "Service Concession Arrangements" ('SCA').
- (v) The Group has determined that goodwill arising from the acquisition of subsidiaries, has indefinite useful life. As at March 31, 2020, it is tested for impairment. The recoverable amount has been determined based on a value in use by calculating cash flow projections from financial projects. The fair value measurement was categorised as Level 3 fair value based on inputs in the valuation technique used. The key assumption used in the estimation of the recoverable amount was the discount rate of 15-18% (March 31, 2019: 15-18%). Revenue growth rate has been considered based on past performance duly adjusted with future growth as envisaged by management. With regard to assessment of value in use, no reasonably possibly change in any of the above key assumptions would cause the carrying amount to exceed the recoverable amount.
- (vi) In terms of the Concession agreement, deposits for electricity supply is considered as a part of the project cost, accordingly, the same had been capitalized under User fee rights.
- (vii) Refer note 50 for cost capitalised pending approval from concessionaire authorities.

8. Investments

	INR in Million	
	As at March 31, 2020	As at March 31, 2019
Non-current		
Other investments (FVTPL) (quoted)		
62,041,118 (31 March 2019: Nil) fully paid up units of INR 116 each in Indinfravit Trust (refer note 53a)	7,243.30	-
Total (A)	7,243.30	-
Current		
Other investments (FVTPL) (Unquoted)		
Investment in units of mutual fund (refer note (i) below)	-	978.55
Other investments (valued at cost) (Unquoted)		
Government securities - National Saving Certificates	-	0.02
Total (B)	-	978.57
Total (C=A+B)	7,243.30	978.57
Aggregate book value of quoted investments	7,243.30	-
Market value of quoted investments	7,243.30	-
Aggregate amount of impairment in value of investment-	-	978.57

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Notes:

(i) Details of investments in unquoted units of mutual funds :

(INR in Million other than figures in bracket)

	As at March 31, 2020	As at March 31, 2019
ICICI Prudential Liquid Fund Growth Plan	-	188.30
	(-)	(664,658.19)
Aditya Birla Sunlife Cash Manager - Growth	-	15.79
	(-)	(57,332.62)
HDFC Mutual Fund Cash Management Growth Option	-	276.72
	(-)	(7,072,686.15)
HDFC Mutual Fund-Ultra Short Term fund- Regular Growth	-	196.45
	(-)	(18,786,083.80)
L&T Cash fund - Growth	-	205.33
	(-)	(144,411.54)
Union Corporate Bond Fund Regular Plan-Growth	-	10.69
	(-)	(1,000,000.00)
Axis Ultra Short Term Fund Growth	-	26.13
	(-)	(2,499,024.31)
IDFC Cash Fund-Growth	-	47.52
	(-)	(21,051.00)
SBI Liquid Fund - Regular Plan - Growth	-	11.62
	(-)	(3,985.11)
Total	-	978.55

The figures mentioned in bracket represent absolute number of investment units.

9. Trade Receivables

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Secured, considered good	-	-
Unsecured, considered good (refer note 40)	305.39	320.50
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	0.13
Total	305.39	320.63
Less: Impairment allowance	-	(0.13)
Total	305.39	320.50

Notes:

- No trade or other receivable are due from directors or other officers of the group either severally or jointly with any other person. None of the trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- For terms and conditions relating to related party receivable, refer note 40.
- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

10. Cash and bank balances

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents		
Cash on hand (refer note (i) below)	8.93	69.78
Balance with banks		
In current accounts (refer note (iii) below)	408.63	519.70
In current accounts - unpaid share application refund money and unclaimed dividend	0.14	0.03
Deposits with original maturity for less than 3 months	302.21	135.70
Total (A)	719.91	725.21
Other balances with banks		
Deposits with remaining maturity less than 12 months	93.02	-
Total (B)	93.02	-
Total (C=A+B)	812.93	725.21

Notes:

- (i) Cash on hand includes amount collected towards toll fee / user fee, pending deposit with the bank.
- (ii) Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.
- (iii) Balances with banks includes balances of INR 294.69 million (March 31, 2019: INR 259.65 million) lying in the Escrow Accounts which are offered as security against borrowings as per terms of borrowings with the lenders.
- (vi) The group has pledged a part of its deposits to fulfil collateral requirements for the bank overdraft (refer note 18).

11. Loans (unsecured, considered good)

INR in Million

	As at March 31, 2020	As at March 31, 2019
Non-current		
Loans to employees	4.45	-
Total - A	4.45	-
Current		
Inter corporate loans	879.38	170.70
Loans to employees	0.84	-
Total - B	880.22	170.70
Total A+B	884.67	170.70

- (i) Since all the above loans given by the group are unsecured and considered good, the bifurcation of loans in other categories as required to be disclosed by Schedule III of the Companies Act 2013 viz: a) secured b) loans which have significant increase in credit risk and c) credit impaired is not applicable and accordingly, not disclosed.
- (ii) There is no amount due from director, other officer of the group or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.
- (iii) The fair value of non-current loans is not materially different from the carrying value presented.

12. Receivable under Service Concession Arrangement (Unsecured, considered good)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non current		
Receivable under service concession arrangements (refer note below)	27,138.40	21,672.25
Total (A)	27,138.40	21,672.25
Current		
Receivable under service concession arrangements (refer note below)	2,814.47	4,176.75
Total (B)	2,814.47	4,176.75
Total (C=A+B)	29,952.87	25,849.00

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Notes:

- (i) Under Service Concession Arrangement (SCA), where a Special Purpose Vehicle (SPV) has acquired contractual rights to receive specified determinable amounts (Annuity) for use of an asset, such amounts are recognised as "Financial Assets" and are disclosed as "Receivable against Service Concession Arrangements".
- (ii) Refer note 47 for additional disclosure pursuant to Appendix - E to Ind AS 115 - Service Concession Arrangements ('SCA').

13. Other Financial Assets (Unsecured, considered good)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non-current		
Deposits with banks having remaining maturity period more than 12 months	28.43	123.78
Security deposits	0.13	51.27
Interest receivable (refer note 40)	60.70	6.72
Total (A)	89.26	181.77
Current		
Security deposits	7.05	7.83
Receivable towards sale of subsidiaries	222.33	-
Receivable toward carve out assets (refer note (i) below)	279.12	-
Receivable from concessionaire authorities (refer note (ii) to (iv) below)	1,321.60	1,717.93
Interest receivable (refer note 40)	430.23	301.68
Others	4.58	17.54
Total (B)	2,264.91	2,044.97
Total (C=A+B)	2,354.17	2,226.74

Notes:

- (i) Pursuant to the definitive share purchase agreement (SPA) dated 1 July 2019 related to sale of equity share of subsidiaries as mentioned in note 53(a) in detail, certain assets such as land, investment properties and arbitration claim receivable ('carve out assets') do not form part of the equity consideration and hence, all beneficial rights of the same are retained by the group. Accordingly, the group has accounted such carve out assets as receivable from respective entities in these consolidated financial statement.
- (ii) As per the Concession agreement between Ahmedabad Ring Road Infrastructure Limited (ARRIL), one of the subsidiary, and Ahmedabad Urban Development Authority (AUDA), ARRIL is entitled to receive grant of INR 360 million for meeting the part project cost subject to the conditions laid down in the Concession Agreement. ARRIL has received grant of INR 295.76 million upto March 31, 2020 and INR 64.24 million is receivable as at March 31, 2020 from AUDA. The conditions of the Concession Agreement related to grant have been met as at reporting date.
- (iii) Pursuant to the favourable arbitration award, RPTPL, a wholly owned subsidiary has demanded 75% of claim amount from NHAI (authority) as per Niti Aayog circular no. n-14070/14/2016-PPPAU. Consequent to further appeal against the aforesaid arbitration award by the authority, the Honourable High Court of Delhi (the court) had ordered the authority, vide order date July 11, 2018 to deposit 50% of claim amount with the court and make payment of balance 25% against the bank guarantee. This has been challenged by RPTPL for payment of entire 75% of claim amount which has been admitted vide order date October 11, 2018. The matter is currently pending with Honourable High Court of Delhi. Pursuant to the above, the management is confident to realise the entire claim amount and does not expect any adjustment in these regards. Out of total receivable toward above claim of INR 889.53 million, INR 588.01 million payable to EPC contractors which has been recorded as liabilities in books and has been disclosed as payable toward capital expenditure under other current financial liabilities (refer note 21).
- (iv) A.) Receivable from Ahmedabad Urban Development Authority (AUDA) due to Exemption of Light Motor Vehicles:
Ahmedabad Urban Development Authority (AUDA), has vide resolution passed by its board of directors in the meeting held on October 09, 2017, exempted Light Motor Vehicles (four wheelers) from payment of toll, w.e.f October 10, 2017 and it was also communicated that compensation for loss would be paid as per the policy formulated by GoG in their projects. In this connection AUDA, relying on legal opinion, in its board meeting has passed resolution to assess claims and make payments as per actual traffic. Company has raised the claims as per the directions of the Board of AUDA. Pending final decision on claim assessment, company has recognised revenue of toll collection INR 164.85 Million for the period 10-10-2017 to 31-03-2020, which includes INR 68.63 Million for the year ended March 31, 2020, in respect of exempted vehicles based on the actual average daily traffic of Light Motor Vehicles (four wheelers) during period April 2017 to September 2017. Considering positive development with AUDA, Management expect to receive this amount within due course.
B.) Other Receivables from AUDA:
(i) Due to Demonetisation:
Pursuant to demonetisation, concessioning authorities had announced suspension of toll collection at all roads from November 09, 2016 until December 02, 2016. based on subsequent notification and provisions of concession agreement with the relevant authorities, the company had claimed and recognised revenue of 41.01 million during the year 2016-17. The claim amount is still receivable from the AUDA.
(ii) Grant:
As per the concession agreement dated 7th September 2006, the Company is entitled to receive amount of grant INR 64.24 Million from AUDA. The Company has requested AUDA to adjust of INR 36.77 Million payable in respect of toll collected during construction period without approval from AUDA. The company is following up the matter with AUDA. Since the matter is in dispute the company has not adjusted the same and continue to disclose the same as receivable in the financial statement.
- (v) There is no amount due from director, other officer of the group or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.
- (vi) For terms and conditions relating to related party receivable, refer note 40.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

14. Other Assets (Unsecured, considered good)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non current		
Capital Advances	5.40	3.08
Tax paid under protest (refer note 41)	-	5.33
Advance income tax (net of provision)	136.48	225.41
Prepaid expenses	58.54	15.27
Tax credit receivables	1.57	37.99
Deferred GST credit (refer note (i) below)	95.21	95.21
Advance to suppliers	440.08	901.09
Total (A)	737.28	1,283.38
Current		
Contract assets (refer note 39 and 40)	15.82	99.11
Advance to suppliers	2,984.97	2,121.75
Prepaid expense	29.52	52.80
Tax credit receivables	2,941.62	2,642.93
Other	4.59	6.80
Total (B)	5,976.52	4,923.40
Total (C=A+B)	6,713.80	6,206.78

Note: (i) The credit of Goods and Service tax (GST) of INR 95.21 million (March 31, 2019: INR 95.21 million) on works contract for construction of building and civil infrastructure have been accounted as Deferred GST credit which is subject to assessment made by the statutory authority.

15. Current Tax Assets (net)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Advance income tax (net of provision)	111.28	36.08
Total	111.28	36.08

16. Equity Share Capital

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)
Authorised share capital				
Equity shares of INR 10 each	40,30,00,000	4,030.00	40,30,00,000	4,030.00
	40,30,00,000	4,030.00	40,30,00,000	4,030.00
Issued, subscribed and fully paid				
Equity shares of INR 10 each	35,22,25,216	3,522.25	35,22,25,216	3,522.25
Total	35,22,25,216	3,522.25	35,22,25,216	3,522.25

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	(INR In Million)	No. of shares	(INR In Million)
Equity shares				
Outstanding at the beginning of the year	35,22,25,216	3,522.25	35,22,25,216	3,522.25
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	35,22,25,216	3,522.25	35,22,25,216	3,522.25

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

(c) Aggregate number of equity shares allotted as fully paid-up for consideration other than cash during 5 years immediately preceding the date of balance sheet:

The Company had issued 282,693,710 equity shares of INR 10 each as fully paid bonus shares in the ratio of 10:1 by capitalisation INR 2,826.94 Million from Securities premium in the financial year 2014-15.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

(d) Details of shares held by the holding company, the ultimate controlling party, their subsidiaries and associates:

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries / associates is as below:

	As at March 31, 2020	As at March 31, 2019
Sadbhav Engineering Limited, holding company 244,802,602 (31 March 2019: 243,213,577) equity shares	2,448.03	2,432.14

(e) Details of shareholders holding more than 5% shares in the company:

Name of shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of INR 10 each fully paid				
Sadbhav Engineering Limited	2448,02,602	69.05%	2432,13,577	69.05%
Norwest Venture Partners VII-A Mauritius	291,21,860	8.27%	291,21,860	8.27%
Reliance Capital Trustee Company Limited	242,15,931	6.88%	-	-
Nomura India Investment Fund Mother Fund	-	-	262,55,995	7.45%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

17. Other Equity

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
a Equity component of compound financial Instruments (refer note 40)		
Balance at the beginning of the year (refer note (i) below)	731.48	533.22
Add: Addition during the year (refer note (ii) below)	-	199.26
Balance at the end of the year	Total-A	731.48
731.48		731.48
(i) Interest free loan given by Holding company (Sadbhav Engineering Limited) pursuant to the conversion of Compulsory Convertible Cumulative Preference Shares (CCCPS) into equity shares, whereby Holding company has given a commitment to keep the loan balance of INR 779.56 Million in the Company for a period of 11 years from the date of conversion of CCCPS i.e. November 27, 2014. Accordingly, this Interest free loan has been bifurcated into liability and equity components based on the terms of the contract and equity components has been accounted under Other Equity and liability component under non-current borrowings (refer note 18). Interest on liability component is recognised using the effective interest method.		
(ii) During previous year, the addition was due to transfer of amount from minority interest due to acquiring the minority stake and pursuant to assignment of sub-ordinate debt agreement entered between D Thakkar Construction Private Limited and Sadbhav Engineering Limited.		
b Capital reserve		
Balance at the beginning of the year	75.80	75.80
Balance at the end of the year	Total-B	75.80
75.80		75.80
The excess of net assets taken over the cost of consideration paid at the time of acquisition of subsidiaries was treated as capital reserve.		
c Securities premium		
Balance at the beginning of the year	9,039.27	9,039.27
Balance at the end of the year	Total-C	9,039.27
9,039.27		9,039.27

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
d Debenture Redemption Reserve (DRR)		
Balance at the beginning of the year	676.22	795.74
Add : Transfer from surplus of statement of profit and loss	-	358.93
Less : Transfer to General Reserves	(454.33)	(478.45)
Balance at the end of the year	Total-D	676.22
The group has issued redeemable non-convertible debentures (refer note 18). Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the group to create Debenture Redemption Reserve ('DRR') out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. DRR is required to be created over the life of debentures and upon redemption of debentures, DRR is required to be transferred to general reserve. During the year, the Ministry of Corporate Affairs has issue Companies (Share Capital and Debentures) Amendment rules, 2019 dated August 16, 2019 whereby it has exempted listed companies from creation of DRR in case of public issue of debentures. Accordingly, the group has not created additional DRR during the year. However, the group has carried forward opening balance of DRR as it pertains to earlier reporting period. Further, the Group has transferred INR 454.33 million (March 31, 2019: INR 478.45 million) from DRR to general reserve upon redemption of debentures during the year ended March 31, 2020.		
e General Reserve		
Balance at the beginning of the year	478.45	-
Add: Transfer from Debenture Redemption Reserve	454.33	478.45
Balance at the end of the year	Total-E	478.45
General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer between components of equity and is not an item of other comprehensive income.		
f Retained earning		
Balance at the beginning of the year	(20,009.41)	(16,623.01)
Adjustments during the year		-
Add: Profit/(Loss) for the year	10,336.53	(2,452.73)
Add/(Less): Other comprehensive income for the year (net of tax)	0.22	(1.44)
Add: Interim dividend for the year paid (including dividend distribution tax)	-	(126.78)
Add: Final dividend paid (including dividend distribution tax)	(127.19)	(84.75)
Add: Transfer from retained earnings to debenture redemption reserve	-	(358.93)
Add: Share issue expense	(2.21)	(3.66)
Add: Transfer of amount from non-controlling interest (refer note (ii) below)	(61.46)	(358.11)
Balance at the end of the year	Total-F	(20,009.41)
Total (A+B+C+D+E+F)	1,137.72	(9,008.19)

Notes:

- Retained earnings are the profits that the Group has earned till date, less any transfers to dividends or other distributions paid to shareholders.
- Pursuant to the definitive share purchase agreement ('the agreement') dated July 1, 2019 with IndInfravit Trust, the company has sold entire equity shareholding in Bijapur Hungund Tollway Private Limited including minority stake. As results, the company had purchased minority stake for purpose of transferred to Indinfravit Trust and accordingly, the company has transferred minority interest to retaining earning upon purchased of minority stake.
During the previous year, pursuant to Buyback Guarantee agreement dated January 30, 2017 with SREI Equipments Finance Limited, the group acquired 6% minority interest of the subsidiary company i.e. Maharashtra Board Check Post Network Limited during the previous year ended March 31, 2019. Consequently, the loss under minority interest of INR 130.51 million as well as INR 227.60 amount paid toward purchase of minority interest was recorded in the retained earning.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

18. Non-Current Borrowings

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Secured*		
Redeemable, Non Convertible Debentures		
199 (31 March 2019: 1,200) of INR 1,000,000 each	199.00	1,200.00
Nil (31 March 2019: 1,120) of INR 1,000,000 each	-	1,120.00
1,597 (31 March 2019: 3,000) of INR 1,000,000 each	1,597.00	3,000.00
2,166 (31 March 2019: 3,600) of INR 1,000,000 each	2,166.00	3,600.00
Nil (31 March 2019: 1,30,880) of INR 1,00,000 each	-	12,817.36
Nil (31 March 2019: 4,61,570) of INR 10,000 each	-	4,611.93
Term loan from banks		
Indian rupee loan	46,798.38	62,298.76
Loan from financial institutions	3,514.28	3048.85
	54,274.66	91,696.90
Unsecured		
Liability component of compound financial instrument (refer note 40)	432.49	389.63
Total (A)	54,707.15	92,086.53
Less: Current maturities of non-current borrowing* (refer note 21)		
Redeemable, non convertible debentures	296.00	2,028.03
Term loan from banks	1,384.16	1,860.53
Loan from financial institution	154.92	41.87
Total (B)	1,835.09	3,930.43
Total (C=A-B)	52,872.06	88,156.10

* Includes the effect of transaction cost paid to Lenders on upfront basis.

The details in respect of non-current borrowings are as under:

(i) Redeemable Non-Convertible Debentures (NCDs) issued by the holding company:

(a) 199 (March 31, 2019: 1,200) Redeemable Non Convertible debentures (NCD) are secured by:

1. (i) first ranking charge created on 10,71,198 equity shares of the Company in the Rohtak Panipat Tollway Private Limited; (ii) the corporate guarantee by Sadbhav Engineering Limited (Holding Company); (iii) first and exclusive mortgage over the mortgaged property, in accordance with the respective security documents.

2. Terms of repayments are as under

Series of NCDs	No. of NCDs issued	Coupon Rate p.a %	Terms of Repayment	Earliest Date of Redemption
Series C	199	5.00%	Bullet Repayment	13-Apr-20

The debenture holders at the end of year 3 and year 4 shall have the right to seek prepayment / early redemption of Series C debentures in whole or part or in such proportion as it may deem fit. Thereupon, the company shall be obliged to prepay debentures in such manner that debenture holders may achieve the IRR at the rate of 11.75% on value of the debentures for which the Put option is exercised.

(b) Nil (March 31, 2019: 1,120) Redeemable Non Convertible debentures (NCD) were secured by:

(i) an unconditional, irrevocable and continuing corporate guarantee from Sadbhav Engineering Limited- holding company (SEL), covering the entire redemption amount. (ii) Pledge of 10,287,215 shares of Sadbhav Engineering Limited (SEL) by Sadbhav Finstock Pvt. Ltd. (iii) Pledge of 56% shareholding of Ahmedabad Ring Road Infrastructure Limited (ARRIL) representing 5,857,540 equity shares have been pledged. (iv) Working Capital Demand Loan (WC DL) facility to the extent of next repayment instalment to be lien marked for the NCD to be obtained by the Company/ SEL and to be utilised only towards repayment of the NCD at least 20 days before each redemption payment date for amount which are due in next 20 days.

(c) 1,597 (March 31, 2019: 3000) Redeemable , Non Convertible debentures (NCD) are secured by:

1. (i) Pledge of 16% shareholding of Maharashtra Border Check Post Network Limited representing 8,000 equity shares held by the Company and (ii) A first charge over the Designated A/c-Debtenture Payments and all funds and monies lying therein present & future.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

2. Terms of repayments are as under

Series of NCDs	No. of NCDs issued	Coupon Rate p.a %	Terms of Repayment	Earliest Date of Redemption
Series III	500	2.60%	Bullet Repayment	15-Apr-21
Series IV	500	2.60%	Bullet Repayment	15-Apr-22
Series B	97	0%	Bullet Repayment	28-Apr-20
Series C	250	0%	Bullet Repayment	25-Jun-21
Series D	250	0%	Bullet Repayment	25-Jun-22

The debenture holders at the end of year 3 shall have the right to seek prepayment / early redemption of Series III and Series IV debentures in full. Thereupon, the company shall be obliged to pay all accrued coupon thereon and redemption premium set forth at Part B of Schedule IV of the Debenture trust deed.

(d) 1) 892 (March 31, 2019: 1,700) Redeemable, Non Convertible debentures (NCD) are secured by:

(i) The Corporate Guarantee by Sadbhav Engineering Limited ('SEL') (Holding Company); (ii) first ranking charge created by way of hypothecation over the designated account and (iii) first and second ranking exclusive mortgage over the mortgaged property, in accordance with the respective Security Documents.

Terms of repayments are as under

Series of NCDs	No. of NCDs issued	Coupon Rate p.a %	Terms of Repayment	Earliest Date of Redemption
Series I	892	0%	Bullet Repayment	23-Apr-23

2) 1,274 (March 31, 2019: 1,900) Redeemable, Non Convertible debentures (NCD) are secured by:

(i) The Corporate Guarantee by Sadbhav Engineering Limited ('SEL') (Holding Company); (ii) first ranking charge created by way of hypothecation over the designated account and (iii) first and second ranking exclusive mortgage over the mortgaged property, in accordance with the respective Security Documents.

Terms of repayments are as under

Series of NCDs	No. of NCDs issued	Coupon Rate p.a %	Terms of Repayment	Earliest Date of Redemption
Series II	1,274	0%	Bullet Repayment	06-Jun-23

(ii) Redeemable Non-Convertible Debentures (NCDs) issued by the subsidiaries which was sold to Indinfravit Trust during the year:

The Facility, and the payment and other obligations of the Borrower under the finance documents shall be secured by a first ranking:

- Charge on all the borrower's immovable and movable property (both present and future) except Project Assets.
- An assignment by way of security over all the borrower's right, title and interest in and to each transaction document.
- A share pledge, at all times, over not more than 99% of the sponsors shareholding in the borrower.
- The Security created under the Debenture Trust Deed shall rank pari passu inter se, amongst The trustees.

(a) DPTL

Nil (31 March 2019: 4,61,570) Redeemable, Non Convertible Debentures (NCD):

Terms of Repayment

Non convertible debentures are repayable in 40 consecutive quarterly installment commencing from 5th April 2016 to 5th December 2025 on the repayment dates and in percentage as mentioned in Schedule VI of Debenture Trust Deed executed on 10th Mar 2016.

(b) BHTPL

Nil (31 March 2019: 39,483) Redeemable, Non Convertible Debentures (NCD):

Terms of Repayment

The redemption of debenture shall be made in 148 monthly installments on the last day of each month, commencing from 31 May, 2016. The T1 NCD Includes 9,993 NCDs of India Infradebt Limited & 14,990 NCDs Of L&T Infra Debt Fund Limited , having face value of INR 1,00,000 /- each.T2- The redemption of debenture is to be made in 124 installments on the last day of each month , which has commenced from 31 May ,2018 .The T2 Includes 14,500 NCDs of india Infradebt Limited Having face value of INR 1,00,000/- each.

(c) HYTPL

Nil (31 March 2019: 19,597) Redeemable, Non Convertible Debentures (NCD):

Terms of Repayment

- (i) The redemption of debenture [Trench I] shall be made in 59 quarterly installments on the last day of each quarter, commencing from 15 September, 2016 and last date of Instalment is March 15, 2031.
- (ii) The redemption of debenture [Trench II] shall be made in 55 quarterly instalments on the last day of each quarter, commencing from 15 September, 2017 and last date of Instalment is March 15, 2031.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

(d) **SUTPL**

Nil (31 March 2019: 54,500) Redeemable, Non Convertible Debentures (NCD):

Terms of Repayment

The redemption of debenture shall be made in 77 quarterly installments on the last day of each month, commencing from 31 March, 2018.

(iii) **Rupee Term Loans from banks and other parties availed by subsidiaries are secured by:**

- 1 a first mortgage and charge on all the respective subsidiary's immovable properties, both present and future, save and except the Project Assets;
- 2 a first charge on all the respective subsidiary's tangible moveable assets, including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, save and except the Project Assets;
- 3 first charge over all accounts of the company including the escrow account and the sub-accounts (or any account in substitution thereof) that may be opened in accordance with Common Rupee Loan Agreement and the Supplementary Escrow Agreement, or any other Project Documents including but not limited to Debt service reserve ('DSR') and Major maintenance reserve ('MMR') and all funds from time to time deposited therein, including those arising out of realisation of receivable and all permitted investments or other securities representing all amounts credited thereto.
- 4 a first charge on all intangibles assets of the respective subsidiary entity including but not limited to goodwill, rights, undertakings and uncalled capital present and future excluding the Project Assets.
- 5 a first charge on assignment by way of security in:
 - all the right, title, interest, benefits, claims and demands whatsoever of the respective subsidiary entity in the Project documents;
 - charge/ assignment on all the intangible assets of the respective subsidiary (other than project assets) including but not limited to goodwill, rights, undertakings, all the right, title, interest, benefits, claims and demands whatsoever of the respective subsidiary in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents;
 - all the right, title, interest, benefits, claims and demands whatsoever of the respective subsidiary under all Insurance Contracts.
- 6 pledge of equity shares held by the Company and promoters holding in the respective subsidiary as stipulated in the Loan agreements.
- 7 the aforesaid mortgages, charges, assignments and guarantees and the pledge of equity shares as stipulated in paragraph 6 above shall in all respects rank pari-passu inter-se amongst the lenders. In accordance with the concession agreement, without any preference or priority to one over the other or others.

Terms of Repayment of borrowings availed by subsidiaries:

(a) **MBCPNL**

Term loan include loans amounting to INR 11,115.90 million (March 31, 2019: INR 11,302.30 million) taken from a consortium consisting of banks.

Indian rupee term loans from banks:

The Principal amounts of the loan to each of the lenders shall be repayable in 49 structured quarterly instalments on the last day of each quarter, commencing from March 31, 2020. Term loans carry interest of 10.24% per annum. MBCPNL has applied to lenders for moratorium of 6 month for the principal repayment due on March-20 quarter as per the RBI directives under the Covid 19 relief measure.

(b) **RPTPL**

Term loan include loans amounting to INR 9,012.34 million (March 31, 2019: INR 9,282.83 million) taken from a consortium consisting of a banks and finance companies.

Indian rupee term loans from banks & other party:

The Principal Amounts of the Loan to each of the Lenders shall be repayable in 43 structured quarterly installments on the last day of each quarter, commencing from the expiry of monetarism period (22 quarters from initial drawdown date i.e. March 30th, 2011). The last date of installment is March 31, 2027. Term loans carry interest at bank base rate plus 200 basis point as spread i.e. 11.60% to 12.10 % per annum as on March 31, 2020. RPTPL has applied to lenders for moratorium of 6 month for the principal repayment due on March-20 quarter as per the RBI directives under the Covid 19 relief measure.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

(c) RHTPL

Term loan include loans amounting to INR 9,307.88 million (March 31, 2019: INR 9,366.68 million) taken from a consortium consisting of banks.

Indian rupee term loans from banks:

The Principal amounts of the loan is repayable to the lenders in 174 structured monthly installments, commencing from the expiry of thirteenth (13th) calendar month starting from the calendar month in which the Scheduled Commercial Operations Date (SCOD) occurs.i.e. July 31, 2017

As at March 31, 2020, term loans carry interest rate of 11.60 % per annum except term loan from Canara Bank which carries interest rate of 12.80% per annum and Bank of India which carries interest rate of 14.50% per annum. RHTPL has applied to lenders for mortiorium of 6 month for the principal repayment due on March-20 quarter as per the RBI directives under the Covid 19 relief measure.

(d) SBHPL

Term loan include loans amounting to INR 3,202.40 million (March 31, 2019: INR 2,670.08 million) taken from consortium of banks and NBFCs.

The Company had requested for extension of Schedule Commercial Operation Date (SCOD) to the lender for delay in completion of work for the reasons not attributed to the Company. Considering extension of time given by NHAI for milestone achievement, the lenders have granted extension of SCOD from August 06, 2019 to August 06, 2020 with matching deferment of repayment schedule. Accordingly the first repayment date of loan which was earlier April 30, 2020 has been deferred to April 30, 2021 and the tenor of loan has been extended from 17 years to 18 years.The loans carry average interest rate of 9.25 % to 10.56 % per annum as on March 31, 2020.

(e) SUHPL

Term loan include loans amounting to INR 1,753.90 million (March 31, 2019: INR 1,547.01 million taken from consortium of banks and NBFCs.

The Company had requested for extension of Schedule Commercial Operation Date (SCOD) to the lender due to delay in completion of work for the reasons not attributed to the Company. Considering extension of time given by NHAI for milestone achievement, the lenders have granted extension of SCOD from August 08, 2019 to December 08, 2020 with matching deferment of repayment schedule. Accordingly the first repayment date of loan which was earlier April 30, 2020 has been deferred to August 31, 2021 and the tenor of loan has been extended from 17 years to 18 years.

The principal amounts of the Loan to each of the lenders shall be repayable in 28 structured Bi-annually instalments, commencing from August 31, 2020 and last date of instalment is November 30, 2034. The loans carry average interest rate of 9.25 % to 10.56% per annum as on March 31, 2020.

(f) SRHPL

Term loan include loans amounting to INR 2,202.81 million (March 31, 2019: INR 1,551.05 million) taken from consortium of banks.

The Company had requested for extension of Schedule Commercial Operation Date (SCOD) to the lender for delay in completion of work for the reasons not attributed to the Company. Considering extension of time given by NHAI for milestone achievement, the lenders have granted extension of SCOD with matching deferment of repayment schedule. Accordingly the first repayment date of loan which was earlier April 30, 2019 has been deferred to October 31, 2019 and the tenor of loan has been extended from 17 years to 18 years. SRHPL has applied to lenders for mortiorium of 6 month for the principal repayment due on March-20 quarter as per the RBI directives under the Covid 19 relief measure.

The principal amounts of the loan to each of the lenders shall be repayable in 28 structured Bi-annually instalments, commencing from the October 31, 2019 and last date of instalment is July 31, 2033.

Term loans carry interest at bank base rate plus spread i.e. 9.20 % per annum as on March 31, 2020.

(g) SNHPL

Term loan include loans amounting to INR 1,453.72 million as on March 31, 2020 (March 31, 2019: INR 718.58 million) taken from consortium of banks.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

The Company had requested for extension of Schedule Commercial Operation Date (SCOD) to the lender for delay in completion of work for the reasons not attributed to the Company. Considering extension of time given by NHAI for milestone achievement, the lenders have granted extension of SCOD with matching deferment of repayment schedule. Accordingly the first repayment date of loan which was earlier April 30, 2019 has been deferred to August 28, 2020 and the tenor of loan has been extended from 17 years to 18 years.

The principal amounts of the loan to each of the lenders shall be repayable in 28 structured Bi-annually instalments, commencing from the August 30, 2020 and last date of instalment is February 28, 2034.

Term loans carry interest at bank base rate plus spread i.e. 9.87 % per annum as on March 31, 2020.

(h) SBGHPL

Term loan include loans amounting to INR 4,297.11 million (March 31, 2019: INR 3,403.88 million) taken from consortium of banks.

The Company had requested for extension of Schedule Commercial Operation Date (SCOD) to the lender for delay in completion of work for the reasons not attributed to the Company. Considering extension of time given by NHAI for milestone achievement, the lenders have granted extension of SCOD from August 21, 2019 to August 20, 2020 with matching deferment of repayment schedule. Accordingly the first repayment date of loan which was earlier January 31, 2020 has been deferred to January 31, 2021 and the tenor of loan has been extended from 17 years to 18 years.

The Principal amounts of the loan is repayable to the lenders in 28 half yearly structured installments, commencing from the First Repayment date (January 31, 2021) on the last day of each Half year in the amounts equivalent to the percentage of the total amount of loan, which is stated against the corresponding half year expiry in the Amortisation schedule. The company has the option to prepay the loan after the payment of prepayment premium.

Term loans carry interest at average interest rate i.e. 9.90% per annum as on March 31, 2020.

(i) SUDHPL

Term loan include loans amounting to INR 3,821.54 million (March 31, 2019: INR 2,459.51 million) taken from consortium of banks.

The Company has requested for extension of Schedule Commercial Operation Date (SCOD) to the lenders for delay in completion of work for the reasons not attributable to the Company. Considering extension of time given to the company by NHAI for milestone achievement and extensions as approved in other similar projects by respective lenders, the management is confident to receive extension of SCOD with matching deferment of repayment schedule. Accordingly the first repayment date of loan which was earlier September 30, 2020 has been deferred to May 2021 and the tenor of loan has been extended from 14 years to 15 years.

The Principal Amounts of the Loan to each of the Lenders are repayable in 28 equal half yearly installments commencing from May 2021.

Term loans carry interest at bank base rate plus 110 basis point as spread i.e. 9.85% to 11% per annum as on March 31, 2020.

(j) SVHPL

Term loan include loans amounting to INR 3,665.18 million (March 31, 2019: INR 1,554.96 million) taken from consortium of banks and NBFCs.

The Principal Amounts of the Loan to each of the Lenders shall be repayable in 27 structured Bi-Annual instalments, commencing from December 31, 2020 and last date of Instalment is December 31, 2033.

The loans carry average interest rate of 9.25 % to 9.40 % per cent per annum as on March 31, 2020.

(k) SHAPL

Term loan include loans amounting to INR 479.87 million (March 31, 2019: INR 473.65 million). All principal amounts comprising the Facility shall be paid as a bullet repayment at the end of the Term of the Facility.

The effective interest rate of the loan is 10.88% to 11.63% per annum compounded monthly basis as on March 31, 2020.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Terms of Repayment of borrowings availed by entity which is held for sale as at March 31, 2020:

(i) ARRIL

Term loan include loans amounting to INR 1,338.56 million (March 31, 2019: INR 2,006.34 million) taken from a consortium consisting of bank and financial institutions.

First Ranking Rupee Loan:

The First Ranking Rupee Loan is repayable to each lender in 50 structured quarterly instalments commencing from August 31, 2009. As per repayment schedule of the loan agreement, the principal amount outstanding under the said agreement shall be repaid by November 30, 2021.

As at March 31, 2020, the loans carries average interest rate of 8.60 % to 11.70 % per annum.

Second Ranking Rupee Loan:

The Second Ranking Rupee Loan is repayable to the lender in 52 structured quarterly instalments commencing from August 31, 2011. As per repayment schedule of the loan agreement, all the principal amount outstanding under the said agreement shall be repaid by May 31, 2024.

As at March 31, 2020, the loan carries average interest rate of 11.60 % per annum.

Terms of Repayment of borrowings availed by entities which has been sold to Indinfravit Trust during the year:

(m) AJTL

Included term loan amounting to Nil million (March 31, 2019: INR 2,169.56 million) taken from a consortium consisting of bank and finance institution.

Indian Rupee Term Loans from Banks & Other Party :

The principal amounts of the Loan to each of the Lenders was repayable in 53 equal quarterly installments commencing from September 30, 2016 . As per the repayment schedule of the loan agreement, all the principal amount outstanding under the said agreement shall be repaid by March 31, 2030. Similar, the company also has the option to prepay the loans.

(n) BHTPL

Included term loan amounting to Nil million (March 31, 2019: INR 4,045.02 million) taken from a consortium consisting of bank and finance companies.

Indian rupee term loans from banks:

T1 facility:

The principal amount of the loan to each of the lenders was repayable in unequal 161 monthly installments on the last day of each month , commencing from 31 May, 2016. Further, the company has taken overdraft which is repayable in unequal 149 monthly installments on the last day of each month, commencing from 31st May, 2016.

T2 facility:

The principal amounts of the loan to lenders was repayable in unequal 150 monthly installments on the last day of each month, commencing from 31 October, 2017.

(o) HYTPL

Included term loan amounting to Nil million (March 31, 2019: INR 1,734.03 million) taken from banks.

Indian rupee term loans from banks:

The Principal amounts of the loan to each of the lenders was repayable in 180 structured monthly instalments on the last day of each month, commencing from the April 15, 2017 and last date of instalment is March 15, 2031.

(p) SUTPL

Included term loan amounting to Nil million (March 31, 2019: INR 2,816.17 million) taken from consortium of banks.

Indian rupee term loans from banks:

The Principal amounts of the Loan to each of the Lenders was repayable in unequal 231 monthly installments on the last day of each month, commencing from 30th September, 2017.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

(q) BRTPL

Included term loan amounting to INR Nil million (March 31, 2019: INR 2,718.51 million) taken from consortium of banks.
Indian rupee term loans from banks:

The Principal amount of the loan was repayable to the lenders in 73 structured quarterly installments, commenced from March 31, 2018.

(r) DPTL

Included term loan amounting to INR Nil million (March 31, 2019: 5,527.48 million) taken from consortium of banks.

Indian rupee term loans from banks:

The Principal amount of the loan was repayable in 43 consecutive quarterly installment commencing from 5th Jan 2016 to 5th July 2026 on the repayment dates and in percentage as mentioned in amortization schedule as set forth in schedule XIII of the Common Loan Agreement executed on 28th Sep 2015.

(iv) Liability component of compound financial instruments:

Interest free loan given by Promoters (Sadbhav Engineering Limited) pursuant to the conversion of Compulsory Convertible Cumulative Preference Shares (CCCPS) into equity shares, whereby promoters has given a commitment to keep the loan balance of INR 779.56 Million in the Company for a period of 11 years from the date of conversion of CCCPS i.e. November 27, 2014. Accordingly, this Interest free loan has been bifurcated into liability and equity components based on the terms of the contract and equity components has been accounted under Other Equity (refer note 17) and liability component under non-current borrowings. Interest on liability component is recognised using the effective interest method.

(v) Debt covenants:

Non current borrowings contain debt covenants relating to debt-equity ratio and total debt to net worth. Group has satisfied all the debts covenants prescribed in the terms of respective loan agreements as at reporting date, except in one of the subsidiary which has not been able to meet one of the covenant viz debt service coverage ratio as at the end of the year. As per communication with lender, management believes that this does not have any financial or other implication as regards these consolidated financial statement.

19. Current Borrowings

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
<u>Loan repayable on demand</u>		
Bank overdrafts (Secured)	190.80	-
Loan repayable on demand (unsecured):		
Related parties (refer note 40)	4,211.03	6,343.73
Working capital demand loan from banks	-	100.00
Inter-corporate loan	10.00	-
Total	4,411.83	6,443.73

Notes:

- The bank overdrafts are secured by bank deposits. The bank overdraft is repayable within 90 days of borrowing and carries interest of around 11% p.a.
- Loan from related parties carries interest of 8.75% to 11% p.a. and is repayable on demand/call notice.
- Inter-corporate loan carries interest of 9.05% p.a. and is repayable on demand/call notice.
- Working Capital Demand Loan facilities from banks are backed by Corporate guarantee of Sadbhav Engineering Limited (SEL) i.e. the Holding company. The Working Capital Demand Loans are repayable within 90 days of borrowing and carry interest of 11% p.a.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

20. Trade Payables

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro and small enterprises (refer note (i) below)	-	-
Total outstanding dues of creditors other than micro and small enterprises (refer note 40)	6,058.71	7,158.21
Total	6,058.71	7,158.21

Notes:

- (i) As per intimation available with the group, there are no micro, small and medium enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 to whom the Group owes dues on account of principal amount together with interest and accordingly no related additional disclosure have been made. This has been relied upon by the Auditors.
- (ii) Trade payables are non-interest bearing and are normally settled on 90 days term.
- (iii) For terms & conditions relating to receivable from subsidiaries, refer note 40.

21. Other Financial Liabilities

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non current		
Premium obligation payable to NHAI under concession agreement	6,586.15	11,549.84
Deferred premium obligation (refer note (i) below)	2,928.88	3,562.26
Interest accrued on premium obligation (refer note (i) below)	733.64	682.24
Interest accrued but not due on debentures/mobilization advance	978.35	1,307.51
Total (A)	11,227.03	17,101.85
Current		
Current maturities of non current borrowings (refer note 18)	1,835.08	3,930.43
Current maturities of premium obligation payable to NHAI under concession agreement	496.91	352.71
Interest accrued but not due on borrowings (refer note (ii) below)	370.96	454.44
Interest accrued and due on borrowings (refer note 40)	1,414.58	612.45
Interest accrued and due on NHAI premium obligation / mobilization advance	429.96	320.44
Payable towards capital expenditure (refer note 40)	588.01	659.78
Employee emoluments payable	29.55	45.82
Payable to authorities	-	55.83
Payable towards unclaimed dividend and unpaid share application refund money (refer note (iii) below)	0.14	0.03
Others	214.09	23.85
Total (B)	5,379.27	6,455.78
Total (C=A+B)	16,606.30	23,557.63

Notes:

- (i) In case of one of the subsidiary, RPTPL, premium obligation under the Concession Agreement has been deferred by NHAI vide its sanction letter. According to the terms of the sanction letter, the group shall pay entire deferred premium and interest thereon no later than one year prior to the expiry of the concession period. Amount of premium obligation which has not been deferred are payable in unequal monthly instalments, in terms of the sanction letter, during the concession period. Accordingly, the deferred obligation has been classified as non-current liabilities. As per the Ministry of Road Transport & Highways policy of National Highway Authorities of India (NHAI), the group is liable to make payment of Interest on Deferment of Premium at Bank Rate + 2% p.a. which is charged to consolidated statement of profit & loss account for the year and obligation on the same has been recognised as liabilities.
- (ii) During the year, the group has applied to lenders for moratorium of 6 month for the interest payment due in the month of March-20 as per the RBI directives under the Covid 19 relief measure.
- (iii) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2020 (March 31, 2019: Nil).

Notes to Consolidated Financial Statements for the year ended March 31, 2020

22. Other Liabilities

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non current		
Contract liabilities (refer note 39 and 40)	290.25	870.75
Total (A)	290.25	870.75
Current		
Contract liabilities (refer note 39 and 40)	3,124.47	3,253.57
Statutory dues payable	289.85	473.44
Others	-	0.86
Total (B)	3,414.32	3,727.87
Total (C=A+B)	3,704.57	4,598.62

23. Provisions

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Non current		
Provision for employee benefits - Gratuity (refer note 38)	21.77	33.12
Provision for periodical major maintenance (refer note 42)	1,352.73	2,136.57
Total (A)	1,374.50	2,169.69
Current		
Provision for employee benefits - Gratuity (refer note 38)	1.97	4.85
Provision for employee benefits - Leave encashment	3.78	6.02
Provision for periodical major maintenance (refer note 42)	-	2,126.24
Others (refer note (i) below)	19.91	68.36
Total (B)	25.66	2,205.47
Total (C=A+B)	1,400.16	4,375.16

Note: (i) Pertains to provision for works pending completion in subsidiary entities.

24. Current Tax Liabilities (Net)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Income tax payable (net of advance tax and tax deducted at source)	82.62	242.69
Total	82.62	242.69

25. Revenue from Operations

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Revenue from contract with customer (refer note 39)		
Revenue from toll / check post operation services (refer note 13 (iv))	10,727.99	11,246.09
Revenue from construction services (refer note (i) below)	11,892.55	24,169.09
	22,620.54	35,415.18
Other operating revenue (refer note (ii) below)	83.49	64.14
Total	22,704.03	35,479.32

Note:

- (i) The revenue from construction services includes cost escalation claim of INR Nil million (31 March 2019: INR 2.82 Million) from Maharashtra Border Check Post Network Limited, a subsidiary, in line with cost escalation principal (cost escalation formula) recommended by Technical Evaluation Committee duly appointed by project steering committee of Maharashtra State Road Development Corporation ('The Project Authority'), which has also been approved by Lender's engineers of the customer, however, the same has been pending for approval of Government of Maharashtra (GoM).
- (ii) Other operating revenue comprises of advertisement income, advisory and project management fees.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

26. Other Income

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest Income on		
Bank deposits	13.12	12.10
Income tax refund	10.36	8.69
others	147.54	228.60
Finance income on financial asset carried at amortised cost	2,576.13	1,306.26
Liabilities no longer Payable written back	275.13	123.60
Profit on sale of units of mutual funds	76.11	84.47
Income on change in fair valuation of financial instruments	-	51.58
Miscellaneous income	25.21	5.14
Total	3,123.60	1,820.44

27. Consumption of Project Materials

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Project Inventory at the beginning of the year	-	-
Add : Purchase of project materials during the year	0.27	22.39
	0.27	22.39
Less : Project Inventory at the end of the year	-	-
Total	0.27	22.39

28. Operating Expenses

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Operation and maintenance charges to sub-contractors	838.35	890.69
Periodical major maintenance expense (refer note 42)	753.58	971.88
Power and fuel	182.49	195.38
Security expenses	196.08	187.50
Miscellaneous expenses	214.49	153.20
Total	2,184.99	2,398.64

29. Employee Benefit Expenses

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, bonus and wages (including managerial remuneration) (refer notes 38 and 40)	408.77	440.26
Contribution to provident and other funds (refer note 38)	34.93	37.62
Gratuity expenses (refer note 38)	8.06	11.16
Staff welfare expenses	40.65	40.13
Total	492.41	529.17

Notes to Consolidated Financial Statements for the year ended March 31, 2020

30. Finance Cost

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Interest on:		
Non-current borrowings	9,306.76	8,872.03
Current borrowings (refer note 40)	1,035.69	608.27
Deferment of premium obligation	364.48	307.87
Others	264.41	279.81
Unwinding of discount on		
Provision of major maintenance (refer note 42)	175.68	233.58
Premium obligation payable to NHAI	1,085.01	1,146.60
Debentures	188.66	-
Interest free loan	42.86	38.60
Other borrowing costs		
Amortization of processing fees	68.93	114.81
Other finance charges	226.12	145.95
Total	12,758.60	11,747.52

31. Depreciation and Amortisation Expenses

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (refer note 5)	29.46	33.93
Amortisation on intangible assets (refer note 7)	2,897.79	2,929.18
Total	2,927.25	2,963.10

32. Other Expenses

(INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
Expense related to short term leases (refer note 40 and 44)	27.79	28.37
Insurance	47.64	48.68
Rates and taxes	45.77	14.06
Repairs and maintenance - Others	24.86	29.93
Legal and professional fees (refer note 40)	493.29	404.18
Communication expense	5.50	5.96
Travelling expenses	9.79	11.72
Auditor's remuneration	7.55	7.21
Director's sitting fees (refer note 40)	0.91	0.75
Cash collection charges	12.01	11.76
Balances written off	202.18	-
Miscellaneous expenses	20.22	44.11
Total	897.51	606.72

Notes to Consolidated Financial Statements for the year ended March 31, 2020

33. Income Tax Expense

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are as under:

(a) Profit and Loss			(INR in Million)
	Year ended March 31, 2020	Year ended March 31, 2019	
Current tax			
Current income tax charges	216.55	531.25	
Adjustment in respect of deferred tax of earlier years	(75.02)	22.26	
Total (A)	141.53	553.50	
Deferred tax			
Relating to origination and reversal of temporary differences	593.34	16.60	
Adjustments of deferred tax relating to earlier year	-	36.90	
Total deferred tax charged in the statement of profit and loss Total (B)	593.34	53.50	
MAT credit utilised against tax payments due for the year	-	21.67	
	593.34	75.17	
Tax expense reported in the statement of profit and Loss (C=A+B)	734.87	607.00	

(b) A Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

			(INR in Million)
Particulars	Year ended March 31, 2020	Year ended March 31, 2019	
Accounting Profit/(Loss) before tax	11,028.49	(1,871.65)	
Statutory income tax rate	25.63%	34.94%	
Expected income tax expense	2,826.60	(653.95)	
Tax effect of adjustments to reconcile expected Income tax expenses to reported income tax expenses			
i) Tax in respect of earlier years	7.67	7.95	
ii) Tax in respect of earlier years	(75.02)	59.16	
iii) Tax effect due to indexation benefits	(348.99)	-	
iv) Tax on effect due to change in rates	69.83	-	
v) Tax on effect due to different rates	(65.96)	(27.27)	
vi) Effect of unused tax losses	(2,243.31)	-	
vii) Tax losses not recognised due to absence of probable certainty of reversal (refer note (f) below)	564.05	1,221.12	
Income tax expenses as per normal tax rate	734.87	607.00	
Consequent to reconciliation items shown above, the effective tax rate	6.66%	-32.43%	

Notes to Consolidated Financial Statements for the year ended March 31, 2020

(c) Deferred tax

The movement in deferred tax assets / (liabilities) during the year ended March 31:

INR in Million

	Opening balance as at April 1, 2019	Deferred tax charges/(credit) recognised in P&L	Liabilities relating to assets classified as held for sale (refer note 54)	DTL derecognised which was pertaining to sold entities (refer note 53(a))	Closing balance as at March 31, 2020
	(A)	(B)	(C)	(D)	(E=A+B-C-D)
i) Impact on liability component of Compound instruments	(136.26)	47.32	-	-	(88.94)
ii) Impact of fair valuation of financial instruments	(317.05)	(243.28)	(0.12)	-	(560.21)
iii) Accelerated depreciation for tax purpose	2.30	(0.83)	-	-	1.47
iv) Expenditure allowed on payment basis	(1,996.75)	157.52	162.79	-	(2,002.02)
v) Expenditure allowed over the period	(2,291.41)	2,037.95	(614.44)	(546.05)	907.03
vi) Income tax allowable on actual receipt basis	-	(569.84)	-	-	(569.84)
vii) Tax credit entitlement under MAT (refer note (e) below)	-	21.82	-	-	21.82
viii) Unused tax losses available for offsetting against future taxable income	3,989.08	(2,044.02)	400.50	-	1,544.56
Total	(750.09)	(593.34)	(51.27)	(546.05)	(746.12)

INR in Million

	Opening balance as at April 1, 2018	Deferred tax charges/(credit) recognised in P&L	Closing balance as at March 31, 2019
	(A)	(B)	(C=A+B)
i) Impact on liability component of Compound instruments	(148.31)	12.05	(136.26)
ii) Impact of fair valuation of financial instruments	(422.53)	105.48	(317.05)
iii) Accelerated depreciation for tax purpose	2.47	(0.17)	2.30
iv) Expenditure allowed on payment basis	(2,816.42)	819.67	(1,996.75)
v) Expenditure allowed over the period	(1,977.55)	(313.86)	(2,291.41)
vi) Income tax allowable on actual receipt basis	4,628.84	(4,628.84)	-
vii) Tax credit entitlement under MAT	58.58	(58.58)	-
viii) Unused tax losses available for offsetting against future taxable income	-	3,989.08	3,989.08
Total	(674.92)	(75.17)	(750.09)

(d) Reconciliation of Deferred tax

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (Net)	21.82	0.08
Deferred tax liabilities (Net)	(767.94)	(750.17)
	(746.12)	(750.09)

Notes to Consolidated Financial Statements for the year ended March 31, 2020

- (e) The group has following unutilised MAT credit under Income tax Act, 1961 for which deferred tax assets has been recognised in the balance sheet at:

(INR in Million)

	INR in Million	Expiry year
Financial Year	21.82	2034-35

- (f) Certain subsidiary companies has carried forward business losses aggregating INR 20,760.24 million (March 31, 2019: INR 29,072.61 million) under the Income Tax Act, 1961, which can be adjusted against taxable profits for limited period of eight years of the respective year from the date of origin.

Deferred tax assets has not been recognised in respect of these unabsorbed losses as they may not be used to offset taxable profits elsewhere in the Group, which has arisen in subsidiaries that have been loss-making for some time, and there are no reasonable certainty supported by convincing evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets, profit would increase by INR 3,816.67 million (March 31, 2019: INR 7,281.29 million).

- (g) The holding company and certain its subsidiary companies has assessed tax benefit under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 (the ordinance) and opted option available under the ordinance. Accordingly, the group has recognised Provision of Income Tax for the year ended 31 March 2020 and re-measured its Deferred Tax Assets basis the rate prescribed in the said section. There are certain subsidiaries which have not opted for the benefit under the Ordinance and recognised provision for tax accordingly.
- (h) The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

34. Disclosure of Financial instruments by category

(INR in Million)

Particulars	Note No.	As at March 31, 2020				As at March 31, 2019			
		FVTPL	FVOCI	Amortized cost	Cost	FVTPL	FVOCI	Amortized cost	Cost
Financial assets									
Investments	8	7,243.30	-	-	-	978.55	-	-	0.02
Trade receivables	9	-	-	305.39	-	-	-	320.50	-
Cash and cash equivalents	10	-	-	719.91	-	-	-	725.21	-
Other bank balances	10	-	-	93.02	-	-	-	-	-
Loans	11	-	-	884.67	-	-	-	170.70	-
Receivable under service concession arrangements	12	-	-	29,952.87	-	-	-	25,849.00	-
Other financial assets	13	-	-	2,354.17	-	-	-	2,226.74	-
Total financial assets		7,243.30	-	34,310.03	-	978.55	-	29,292.15	0.02
Financial liabilities									
Non current borrowings	18	-	-	52,872.06	-	-	-	88,156.10	-
Current borrowings	19	-	-	4,411.83	-	-	-	6,443.73	-
Trade payables	20	-	-	6,058.71	-	-	-	7,158.21	-
Other financial liabilities	21	-	-	16,606.30	-	-	-	23,557.63	-
Total financial liabilities		-	-	79,948.90	-	-	-	1,25,315.67	-

Notes to Consolidated Financial Statements for the year ended March 31, 2020

35. Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(INR in Million)

Particulars	Note No.	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Investments in units of Indinfravit Trust	8	7,243.30	7,243.30	-	-
Investments in mutual funds	8	-	-	978.55	978.55
Total financial assets		7,243.30	7,243.30	978.55	978.55
Financial liabilities					
Debentures	18	5,017.03	5,446.65	10,382.87	10,434.10
Premium obligation under Concession agreement	21	7,031.55	6,773.59	11,851.04	12,920.00
Total financial liabilities		12,048.58	11,836.15	22,233.91	23,354.11

- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- The fair value of premium obligation is calculated by discounting future cash flows using rates as per RBI Bank rate + 2%.
- The carrying value of Group's interest-bearing borrowings are reasonable approximations of fair values as the borrowing carry floating interest rate.

36. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities as at March 31, 2020 and March 31, 2019:

(INR in Million)

	Note no.	Fair value measurement using Significant observable inputs (Level 2)					
		As at March 31, 2020			As at March 31, 2019		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value							
Fair value through profit & loss							
Investments in units of Indinfravit Trust	8	7,243.30	-	-	-	-	-
Investments in mutual funds	8	-	-	-	978.55	-	-
Liabilities measured at fair value							
Liabilities for which fair values are disclosed							
Debentures	18	-	5,446.65	-	-	10,434.10	-
Premium obligation under Concession agreement	21	-	6,773.59	-	-	12,920.00	-

The fair values of the financial assets and financial liabilities included in the level 2 category above has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

There have been no transfers between level 1 and level 2 during the years.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

37. Earnings per share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

(INR in Million)

		Year Ended March 31, 2020	Year Ended March 31, 2019
Net Profit/(loss) after tax for the year attributable to equity shareholders: (A)		10,336.53	(2,452.73)
Number of equity shares at the end of the year		3522,25,216	3522,25,216
Weighted average number of equity shares for basic and diluted EPS (B)		3522,25,216	3522,25,216
Nominal value of equity shares		10	10
Basic and diluted earning/(loss) per share (A/B)		29.35	(6.97)

38. Employee benefits disclosure

A Defined contribution plans:

The following amount recognised as expenses in statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(INR in Million)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Contribution to provident funds	24.40	26.27
Contribution to employee state insurance	10.10	10.88
Contribution to benevolent funds	0.38	0.41
Maharashtra labour welfare fund	0.05	0.06
Total	34.93	37.62

B Defined benefit plans - Gratuity benefit plan:

The Group has a Gratuity benefit plan. Every employee who has completed five years or more of service gets a gratuity on the termination of his employment at 15 days salary (last draw salary) for each completed year of service. The scheme is unfunded in all entities except ARRIL where scheme is funded. The present value of obligation in respect of gratuity is determined based on actuarial valuation using the Project Unit Credit Method as prescribed by the Indian Accounting Standard - 19. Gratuity has been recognised in the financial statement as per details given below:

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Cost charged to statement of profit and loss (Excluding amount of subsidiaries sold during the year)		
Current service cost	6.10	8.86
Interest cost	1.96	2.30
Sub-total included in statement of profit and loss (Total)	8.06	11.16
Remeasurement losses/(gains) in other comprehensive income (Excluding amount of subsidiaries sold during the year)		
Actuarial loss/(gain) due to change in financial assumptions	1.42	0.58
Actuarial loss/(gain) due to experience changes	(1.64)	0.87
Sub-total included in other comprehensive income (Total)	(0.22)	1.45
Reconciliation of net defined benefit obligation		
Reconciliation of defined benefit obligations as at beginning of the year		
Defined benefit obligations as at beginning of the year	44.23	32.24
Cost charged to statement of profit and loss	8.06	11.16
Remeasurement (gains)/losses in other comprehensive income	(0.22)	1.45
Benefit paid	(9.09)	(0.62)
Defined benefit obligation related to sold subsidiaries (refer note 53(a))	(13.31)	-
Defined benefit obligation pertaining to asset held for sale (refer note 54)	(5.83)	-
Defined benefit obligations as at end of the year		
Total (A)	23.84	44.23

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Reconciliation of fair value of plan assets		
Plan asset as at beginning of the year	6.26	5.93
Interest Income	0.50	0.41
Return on plan assets excluding amounts included in interest income	(0.33)	(1.05)
Contribution by employer	-	1.30
Benefits paid	(6.33)	(0.33)
Plan asset as at end of the year		
Total (B)	0.10	6.26
Net Defined benefit obligations as at end of the year		
Total (C=A-B)	23.74	37.97
Current	1.97	4.85
Non-current	21.77	33.12
The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:		
	As at March 31, 2020	As at March 31, 2019
Discount rate	6.60%	7.35%
Salary Growth rate	6.00%	6.00%
Withdrawal rate	15% at younger ages, reducing to 3% at older ages	15% at younger ages, reducing to 3% at older ages
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

A quantitative sensitivity analysis for significant assumption is as shown below:

(INR in Million)

Particulars	Sensitivity level	Year Ended March 31, 2020	Year Ended March 31, 2019
Discount rate	0.50% increase	(0.96)	(1.33)
	0.50% decrease	1.01	1.25
Salary Growth Rate	0.50% increase	0.94	1.18
	0.50% decrease	(0.88)	(1.36)
Withdrawal rate	10% increase	(0.10)	(0.21)
	10% decrease	0.09	0.08

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Since the obligation is unfunded, there is no Assets-Liability Matching strategy device for the plan. Accordingly, there is no expected contribution in the next annual reporting period reported.

C Maturity Profile of the Defined Benefit Obligation:

(INR in Million)

	As at March 31, 2020	%
2021	2.83	11.90%
2022	2.54	10.70%
2023	2.66	11.19%
2024	2.90	12.23%
2025	2.49	10.47%
2026 - 2030	10.33	43.50%

Notes to Consolidated Financial Statements for the year ended March 31, 2020

	As at March 31, 2019	%
2020	3.95	10.39%
2021	3.83	10.08%
2022	4.17	10.99%
2023	4.34	11.44%
2024	4.52	11.91%
2025 - 2029	17.16	45.18%

The average future duration of the defined benefit plan obligation at the end of the reporting period is 12.09 years (March 31, 2019: 14.60 years).

D Other employee benefits:

Salaries, wages and bonus include INR 23.93 million (March 31, 2019: INR 27.31 million) towards provision made as per actual basis in respect of accumulated leave encashment / compensated absences, bonus and leave travel allowance.

39. Revenue from contract with customers

39.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers: (INR in Million)

	Year Ended March 31, 2020	Year Ended March 31, 2019
Type of service rendered		
Revenue from toll / check post operation services	10,727.99	11,246.09
Revenue from construction services	11,892.55	24,169.09
Total revenue from contracts with customers	22,620.54	35,415.18
Place of service rendered		
India	22,620.54	35,415.18
Total revenue from contracts with customers	22,620.54	35,415.18
Timing of revenue recognition		
Services transferred over time	22,620.54	35,415.18
Total revenue from contracts with customers	22,620.54	35,415.18

39.2 Contract balances

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Contract assets	15.82	99.11
Contract liabilities	3,414.72	4,124.32

Contract assets are initially recognised for revenue earned from the construction services render to the customer. Upon completion of work, the contract assets are classified as trade receivable.

Contract liabilities for the year ended March 31, 2020 includes advance recieved under the concession agreement from the National Highway Authority of India ('NHAI') of amounting to INR 3,234.26 million (March 31, 2019: INR 3,938.31 million) which will be adjusted on a progressive basis against the services. Further contract liabilities also included INR 180.46 million (March 31, 2019: INR 184.40 million) pertaining to excess billing over the work completed and unearned revenue of INR 0.27 million (March 31, 2019: 1.61 million) received toward monthly passes issued to customers.

39.3 Performance obligation

Information about the company's performance obligations are summarised below:

a. Toll and Checkpost operation services

The performance obligation is satisfied over time as each toll road-user simultaneously receives and consumes the benefits provided by the Group. Given the short time period over which the group provides road operating services to each road user (i.e. the duration of the time it takes the road user to travel the length of the toll road), the Group recognises toll revenue when it collects the tolls.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

b. Construction services

The performance obligation is satisfied over time as the assets is under control of customer and they simultaneously receives and consumes the benefits provided by the Group. The Group received progressive payment toward provision of construction services.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March are, as follows:

	As at March 31, 2020	As at March 31, 2019
Within one year	24,974.14	38,097.02
Morethan one year	45,691.39	43,104.26

39.4 Reconciliation of the amount of revenue recorded in Consolidated statement of Profit and loss is not required as there are no adjustments to the contracted price.

40. Related Party disclosures

Related party disclosures as required under the Indian Accounting Standard (Ind AS) – 24 on “Related Party Disclosures” are given below:

(a) **Name of Related Parties and related party relationship**

Related Parties where control exists

Holding Company	Sadbhav Engineering Limited (SEL)
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(b) Related parties with whom transactions have taken place:

Fellow subsidiary	Mysore-Bellary Highway Private Limited (MBHPL) (upto March 18, 2020) Sadbhav Gadag Highway Private Limited (SGHPL)
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Entities in which Key Managerial	Ennar Infra Solutions LLP
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Personnel having substantially interest

Key management personnel (KMP)	Mr. Shashin V. Patel, Chairman and Non Executive Director
	Mr. Vasistha C. Patel, Managing Director
	Mr. Nitin R. Patel, Non Executive Director
	Mr. Atul Ruparel, Independent Director
	Mr. Arunkumar Patel, Independent Director
	Mr. Mirat Bhadlawala, Independent Director
	Mrs. Dakshaben Shah, Independent Director
	Mr. Sandip Patel, Independent Director
	Mr. Varun Mehta, Chief Financial Officer
	Mr. Hardik Modi, Company Secretary

Notes to Consolidated Financial Statements for the year ended March 31, 2020

(c) Transactions with related parties during the year

(INR in Million)

Sr. No.	Particulars	Holding		Fellow Subsidiary		Entities in which Key Managerial Personnel having substantially interest		Key Management Personnel	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Current borrowings taken								
	SEL	6,296.46	5,476.52	-	-	-	-	-	-
2	Current borrowings repaid (including interest)								
	SEL	8,924.54	5,071.09	-	-	-	-	-	-
3	Interest expense								
	SEL	935.40	602.65	-	-	-	-	-	-
4	Loan given								
	SEL	762.08	-	-	-	-	-	-	-
	MBHPL	-	-	191.48	-	-	-	-	-
5	Loan received back								
	SEL	78.00	-	-	-	-	-	-	-
6	EPC Contract, utility shifting and variation service availed								
	SEL	10,465.14	21,365.95	-	-	-	-	-	-
7	Availment of professional services								
	Ennaar Infra Solutions	-	-	-	-	27.00	-	-	-
8	Interest on mobilization advance / claim								
	SEL	147.54	223.01	-	-	-	-	-	-
9	Rending services (excluding taxes)								
	SEL	504.87	345.95	-	-	-	-	-	-
	MBHPL	-	-	145.87	93.41	-	-	-	-
10	Rent, reimbursement and allocation of expenses								
	SEL	49.09	27.15	-	-	-	-	-	-
	MBHPL	-	-	24.25	28.67	-	-	-	-
11	Fixed assets sold (including tax)								
	SEL	-	0.40	-	-	-	-	-	-
12	Sitting fees								
	Vasistha C Patel	-	-	-	-	-	-	0.02	0.03
	Shashin V Patel	-	-	-	-	-	-	0.12	0.08
	Nitin R Patel	-	-	-	-	-	-	0.14	0.12
	Arunkumar Patel	-	-	-	-	-	-	0.24	0.16
	Sandip Patel	-	-	-	-	-	-	0.12	0.08
	Atul Ruparel	-	-	-	-	-	-	0.06	0.06
	Mirat Bhadlawala	-	-	-	-	-	-	0.03	0.06
	Daksha Shah	-	-	-	-	-	-	0.18	0.13
13	Remuneration								
	Vasistha Patel	-	-	-	-	-	-	3.00	3.00
	Varun Mehta	-	-	-	-	-	-	4.02	4.01
	Hardik Modi	-	-	-	-	-	-	0.52	1.02

(d) Balances of related parties at the year end:

(INR in Million)

Sr. No.	Particulars	Holding		Fellow Subsidiary		Entities in which Key Managerial Personnel having substantially interest		Key Management Personnel	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Mobilisation and other advances paid against contract								
	SEL	3,410.22	3,001.62	-	-	-	-	-	-
2	Interest receivable against mobilisation advance								
	SEL	479.87	304.24	-	-	-	-	-	-

Notes to Consolidated Financial Statements for the year ended March 31, 2020

3 Interest payable									
SEL	841.87	542.38	-	-	-	-	-	-	-
4 Trade payable (including capital payables and retention money)									
SEL	5,714.25	6,767.92	-	-	-	-	-	-	-
Ennar Infra Solutions LLP	-	-	-	-	0.45	-	-	-	-
5 Trade receivable (including retention money)									
SEL	-	275.31	-	-	-	-	-	-	-
MBHPL	-	-	-	36.65	-	-	-	-	-
6 Current Borrowings									
SEL	4,258.03	6,343.73	-	-	-	-	-	-	-
7 Interest free unsecured loan (Equity and liability components less finance cost recognised till date reporting date)									
SEL	779.56	779.56	-	-	-	-	-	-	-
8 Remuneration payable									
Vasistha Patel	-	-	-	-	-	-	1.00	0.18	
Varun Mehta	-	-	-	-	-	-	1.33	0.49	
Hardik Modi	-	-	-	-	-	-	-	0.05	

Notes:

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and approved by the Board of directors. Outstanding balances at the year-end are unsecured and interest free except short term loan and settlement occurs in cash as per the terms of the agreement.
- Non convertible debenture of INR 3,962.00 Million as at 31 March 2020 (31 March 2019: INR 8,920.00 million) are secured by way of corporate guarantee by Sadbhav Engineering Limited (SEL), the Parent Company, first ranking charge created on shares of certain subsidiaries held by Company and of SEL.
- The loans received from Sadbhav Engineering Limited (SEL), the Parent Company is based on demand which carries interest of 8.75% to 11.00%.
- The Remuneration disclosed above given to key managerial personnel is mainly related to short term employee benefits and does not includes post employee benefits as the same is not determinable.

41. Contingent liabilities and commitments

(a) Contingent liabilities (to the extent not provided for)

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debts		
Service Tax:		
Demand from authorities for recovery of CENVAT credit (refer note (i) below)	-	43.48
Value added Tax:-		
Demand from authorities for recovery of VAT (refer note (ii) below)	-	24.76
Income Tax:		
Income tax demand (refer note (iii) below)	15.23	31.26
	15.23	99.50

- Towards service tax demand from authorities for recovery of CENVAT credit on input service availed during the financial years 2009-10 and 2010-11. In respect of said matter, the Group had preferred appeal with Tribunal and received stay order from tribunal for recoveries of demands against deposit of INR 2.50 million. During the year, the matter has been settled by way of payment of INR 12.69 million under AMENSTY scheme (Sabka Vikas scheme) of Gujarat Government.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

- (ii) Toward demand raised by Deputy Commissioner of Sales tax, Mumbai for the year 2009-10 to 2013-14. In respect of said matter, the group had preferred appeal with Joint Commissioner of Sales tax (Appeal) and deposited INR 1.00 million under protest. During the year, Group has made application for the settlement of litigation under AMENSTY scheme of Maharashtra Government and paid the demand amount.
- (iii) The income tax demand is pertaining to disallowance in computation of income claimed by the subsidiary under the Income tax Act, 1961. The subsidiary is contesting the demand and management believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(b) Commitments

The followings are the estimated amount of contractual commitments of the Group:

(INR in Million)

	As at March 31, 2020	As at March 31, 2019
(i) EPC Sub-contract commitments	261.90	332.44
(ii) Capital commitment (net of capital advances)	29,748.00	40,198.83

- (iii) The BOT/HAM projects of the group have been funded through various credit facility agreements with banks. Against the said facilities availed by the subsidiary companies from the lender, the Group has executed agreements with respective lenders whereby the Group has committed to hold minimum shareholding and pledge of its holding in the respective subsidiary company, details of which is as follows:

Name of Subsidiary	% of Non Disposal Undertaking		% of Shares to Pledge as at	
	Upto Commercial Operation Date	After Commercial Operation Date	March 31, 2020	March 31, 2019
Ahmedabad Ring Road Infrastructure Limited	70.00%	45.00%*	30.00%	30.00%
Maharashtra Border Check Post Network Limited	70.00%	51.00%	30.11%	30.11%
Rohtak-Hissar Tollway Private Limited	51.00%	51.00%	51.00%	51.00%
Rohtak Panipat Tollway Private Limited	51.00%	51.00%	51.00%	51.00%
Sadbhav Una Highway Private Limited	51.00%	51.00%	51.00%	51.00%
Sadbhav Bangalore Highway Private Limited	51.00%	51.00%	51.00%	51.00%
Sadbhav Bhavnagar Highway Private Limited	51.00%	51.00%	51.00%	51.00%
Sadbhav Rudrapur Highway Private Limited	51.00%	25.00%	51.00%	51.00%
Sadbhav Jodhpur Ring Road Private Limited	51.00%	21.00%	51.00%	51.00%
Sadbhav Vidarbha Highway Private Limited	51.00%	51.00%	51.00%	49.00%
Sadbhav Udaipur Highway Private Limited	51.00%	51.00%	51.00%	31.66%
Sadbhav Nainital Highway Private Limited	51.00%	25.00%	51.00%	51.00%
Sadbhav Kim Expressway Private Limited	51.00%	51.00%	51.00%	-
Sadbhav Hybrid Annuity Projects Limited	-	-	51.00%	51.00%
Sadbhav Bhimasar Bhuj Highway Private Limited	-	-	51.00%	51.00%

* In case of ARRIL the undertaking for non disposal of shares shall be reduced to 21% on repayment of 80% of the total Loan given by lenders.

42. Disclosure related to Periodic Major Maintenance provisions

Provision for major maintenance in respect of toll roads maintained by the Group under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facility to a specified level of serviceability in respect of such asset. Estimate of the provision is measured using a number of factors, such as contractual requirements, road usage, expert opinions and expected price levels. Because actual cash flows can differ from estimates due to changes in laws, regulations, public expectations, prices and conditions, and can take place many years in future, the carrying amounts of provision is reviewed at regular intervals and adjusted to take account of such changes. Below is the movement in provision for the year:

Notes to Consolidated Financial Statements for the year ended March 31, 2020

(INR in Million)

Particulars	As at March 31, 2020
Carrying amount as at April 1, 2019	4,262.81
Add: Provision made during the year	753.58
Add: Increase during the year in the discounted amount due to passage of time	175.68
Less: Amounts used (i.e. incurred and charged against the provision) during the year	(833.60)
Less: Unused amounts reversed during the year	(148.56)
Less: Pertaining to sold subsidiaries	(2,303.91)
Less: Pertaining to entity held for sale (refer note 54)	(553.29)
Carrying amount as at March 31, 2020	1,352.73
Current	-
Non-current	1,352.73
Total	1,352.73
Year of expected cash outflow	2021-2025

43. Segment Reporting

The operating segment of the group is identified to be "Build Operat and Transfer (BOT)/ Hybrid Annuity Projects and its related activities", as the Chief Operating Decision Makers (CODM) reviews business performance at an overall group level as one segment and hence, no additional disclosures are required to be made under Ind AS 108 "Operating Segments". Further, the group also primarily operates under one geographical segment namely India. Revenue from one customer i.e. concession authorities (NHA) amounted to INR 10,708.44 million (31 March 2019: INR 23,921.10 million) arising during the year.

44. Operating Lease

The Group has taken office space on operating lease on short term basis. There are no sub-leases and the leases which are cancellable in nature at any point of time by either of parties. There are no restrictions imposed under the lease arrangements. There are neither any contingent rent nor any escalation clause in the lease arrangements. The Group has applied the 'short-term lease' recognition exemptions for above lease. During the year, the Group has incurred expense relating to short-term leases (included in other expenses) INR 25.78 million (March 31, 2019: INR 25.52 million) toward above lease premises which have been charged off to the statement of Profit and loss.

45. Financial risk management objective and policies:

The Group's principal financial liabilities comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Group's operations as well as development and maintenance of SPVs project. The Group's principal financial assets include Investments, trade receivables, other receivables including those under service concession, loans and cash and bank balances, which has been directly derived from its operations. The Group's business activities are exposed to variety of financial risks, namely market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. Risk management systems are reviewed periodically to reflect changes in market conditions and the Group's activities. The Board of Directors oversee compliance with the Group's risk management policies and procedures, and reviews the risk management framework.

(a) Market risk

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

Within the various methodologies to analyse and manage risk, Group has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 25-basis points of the interest rate yield curves in all currencies.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the consolidated statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analyses:- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2020 and March 31, 2019.

(i) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Interest risk arises to the group mainly from non - current borrowings with variable rates. The Group maintains its borrowings at fixed rate using interest rate swaps to achieve this if necessary. The group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. The group measures risk through sensitivity analysis.

The banks now finance at variable rate only, which is the inherent business risk.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

(INR in Million)		
Effect on profit before tax		
	Year ended March 31, 2020	Year ended March 31, 2019
Increase in 25 basis point	(78.17)	(173.66)
Decrease in 25 basis point	78.17	173.66

The effect of interest rate changes on future cash flows is excluded from this analysis.

(ii) Price risk

The Group has securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Reports on the portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all investment decisions. Such Financial Assets are not impaired as on the reporting date.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk related to operating activities (primarily receivables from authorities and other financial assets), financing activities including temporary Investment in mutual fund and other financial instruments. The management of the group believes that the credit risk related to receivable from authorities are negligible as the same is receivable from the government authorities.

The group has significant credit exposure related to receivable from authorities which as mentioned below:

1. National Highway Authority of India - INR 31,045.38 million (March 31, 2019: INR 27,221.10 million).
2. State Government Authorities - INR 229.09 million (March 31, 2019: INR 345.82 million).

Credit risk from balances with banks and financial institutions is managed by the Group's finance department in accordance with the Group's policy. Investments of surplus funds are made only in accordance with group policy. The Group monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Group's maximum exposure to credit risk from balance with bank and financial institutions as well as temporary investment in mutual fund as of March 31, 2020 is INR 841.35 million and March 31, 2019 is INR 1,827.56 million.

(c) Liquidity risk

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

Notes to Consolidated Financial Statements for the year ended March 31, 2020

The Group measures the risk by forecasting cash flows.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation. The Group ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

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

(INR In Million)

Particular	Total Amount	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
As at March 31, 2020						
Non-current borrowings#	56,703.36	-	2,583.67	3,470.81	16,858.80	33,790.70
Current borrowings	4,411.83	4,221.03	190.80	-	-	-
Trade payables	6,058.71	-	6,058.71	-	-	-
Other financial liabilities*	14,771.21	-	3,544.12	551.81	1,329.44	9,345.85
Total	81,945.11	4,221.03	12,377.30	4,022.62	18,188.24	43,135.92
As at March 31, 2019						
Non-current borrowings#	92,400.94	-	4,089.03	5,912.94	21,381.39	61,017.58
Current borrowings	6,443.73	6,443.73	-	-	-	-
Trade payables	7,158.21	-	7,158.21	-	-	-
Other financial liabilities*	18,171.80	-	3,305.54	806.13	1,525.58	12,534.56
Total	1,24,174.68	6,443.73	14,552.78	6,719.07	22,906.97	73,552.12

Current maturities of non-current borrowings is included and unamortised transaction cost paid to lenders on upfront basis is excluded.

46. Capital Management

For the purpose of the Group's capital management, the Group's capital consist of share capital, securities premium, other equity and all other reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares. The Group monitors capital using debt equity ratio which is total Borrowings divided by total equity.

The key performance ratios as at 31st March are as follows:

(INR In Million)

	As at March 31, 2020	As at March 31, 2019
Non-current borrowings* (refer note 18)	54,707.15	92,086.53
Current borrowings (refer note 19)	4,411.83	6,443.73
Total Debts - A	59,118.98	98,530.26
Equity share capital (refer note 16)	3,522.25	3,522.25
Other equity (refer note 17)	1,137.71	(9,008.19)
Add: Retained earnings (refer note 17)	9,863.52	20,009.41
Total Equity - B	14,523.48	14,523.47
Debt equity ratio (A/B)	4.07	6.78

*includes current maturities of non-current borrowings which has been classified under other current financial liabilities and the effect of transaction cost paid to lenders on upfront basis.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current period except in one of the subsidiary as mentioned in Note 18.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2020 and March 31 2019.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

47. Disclosure pursuant to Appendix - E to Ind AS 115 - "Service Concession Arrangements" ('SCA')

(A) Disclosures with regard to toll collection rights (intangible assets)

Sr. No.	Name of Concessionaire	Start of concession period under concession agreement (Appointed date)	End of concession period under concession agreement	Period of concession since the appointed date	Construction completion date or scheduled construction completion date under the concession agreement, as applicable	Remaining amortisation period as at the reporting date (in years)
1	Ahmedabad Ring Road Infrastructure Limited	December 28, 2006	December 27, 2026	20 years	June 30, 2008	7.76 years
2	Maharashtra Border Check Post Network Limited	March 30, 2009	September 29, 2033	24 years and 6 months	November 16, 2011	13.51 years
3	Rohtak Hissar Tollway Private Limited	December 26, 2013	December 26, 2035	22 years	July 29, 2016	14.74 years
4	Rohtak Panipat Tollway Private Limited	April 18, 2011	April 17, 2036	25 years	January 6, 2014	16.06 years

Notes:

- (i) The above BOT/ DBFOT projects shall have following rights/ obligations in accordance with the Concession Agreement entered into with the respective Government Authorities:-
 - a. Rights to use the Specified assets
 - b. Obligations to provide or rights to expect provision of services
 - c. Obligations to deliver or rights to receive at the end of the Concession.
- (ii) The actual concession period may vary based on terms of concession agreement.

(B) Disclosures with regard to Hybrid Annuity Model ('HAM') project

The following are annuity based service concession arrangements of the Group which have been classified as financial assets under "Receivables against service concession arrangements":

Sr. No.	Name of Concessionaire	Start of concession period under concession agreement (Appointed date)	End of concession period under concession agreement	Period of commercial operation	Scheduled construction completion date under the concession agreement (refer note v below)
1	Sadbhav Una Highway Private Limited	February 09, 2017	August 07, 2034	15 years from COD	August 06, 2019
2	Sadbhav Bhavnagar Highway Private Limited	February 07, 2017	August 05, 2034	15 years from COD	August 06, 2019
3	Sadbhav Rudrapur Highway Private Limited	March 31, 2017	March 31, 2034	15 years from COD	March 31, 2019
4	Sadbhav Nainital Highway Private Limited	October 28, 2017	October 28, 2034	15 years from COD	October 28, 2019
5	Sadbhav Bangalore Highway Private Limited	August 21, 2017	August 21, 2034	15 years from COD	August 20, 2019
6	Sadbhav Udaipur Highway Private Limited	November 30, 2017	November 30, 2034	15 years from COD	November 30, 2019
7	Sadbhav Vidarbha Highway Private Limited	May 21, 2018	November 15, 2035	15 years from COD	November 15, 2020
8	Sadbhav Jodhpur Ring Road Private Limited	December 14, 2018	December 12, 2035	15 years from COD	December 12, 2020
9	Sadbhav Kim Highway Private Limited	November 01, 2019	October 27, 2036	15 years from COD	October 31, 2021

Notes to Consolidated Financial Statements for the year ended March 31, 2020

Notes:

- (i) 40% of the total bid project cost with adjustment relating to Price Index Multiple, shall be due and payable to the company in 5 equal installments during the construction period in accordance with the provisions of the SCA.
 - (ii) The remaining bid project cost, with adjustment relating to Price Index Multiple, shall be due and payable in 30 biannual installments commencing from the 180th day of COD in accordance with the provision of the SCA.
 - (iii) Interest shall be due and receivable on the reducing balance of Completion Cost at an interest rate equal to the applicable Bank Rate plus 3%. Such interest shall be due and receivable biannually along with each installment specified in of SCA.
 - (iv) In case of three subsidiaries viz., Sadbhav Bhimasar Bhuj Highway Private Limited, Sadbhav Tumkur Highway Private Limited and Sadbhav Vizag Port Road Private Limited, due to non availability of required 80% right of way (ROW) by NHAI within stipulated time period, the Concession Agreement executed with NHAI has been terminated with mutual consent via supplementary agreements.
 - (v) The company has availed the relief provided by its lenders by way of moratorium on principal and interest repayments. The Ministry of Road Transport and Highways, in consonance of the circular of Ministry of Finance under Atmanirbhar Bharat, has approved and extent the relief to the Contractor/Developers of the Road Sector. Accordingly, extension of time for meeting the work obligation under the contract will be given for a period of 3 months to 6 months depending upon the site condition. The Company is in the process to avail the extension of time due to ongoing Covid-19 pandemic and due to reasons not attributable to the Concessionaire.
48. The Group has carrying value of intangible assets of INR 26,271.85 million in its 2 subsidiaries engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India. The net worth of these subsidiary companies has fully eroded as per their latest financial statement. Considering the gestation period required for break even for such infrastructure investments, expected higher cash flows based on future business projections, claims of INR 11,905.30 million lodged in terms of conditions of concession agreements which is backed by legal opinion on tenability of the claim, debt refinancing, internal plan of revival to meet its dues and obligations and the strategic nature of these investments, basis which the management believes that the network of these entities would become positive in due course. Considering the same, no provision/adjustment to the carrying value of intangible assets as at March 31, 2020 is considered necessary at this stage.
49. In terms of the Concession Agreement for setting up the project for Modernization and Computerisation of integrated Border Check Post ('Project') in the state of Maharashtra on Build, Operate and Transfer basis, Maharashtra Border Check Post Network Limited ('MBCPNL'), a subsidiary entity, has been regularly representing in the Steering Committee of the project set up by Maharashtra State Road Development Corporation (MSRDC) under Concession agreement, about handover of the additional project BCP sites so as to meet Concessionaire obligations as regards implementation of project as per the Concession agreement. As at 31st March, 2020, the company has achieved provisional certificate of completion for 22 check posts out of total 24 check posts (including additional 2 check post) as per Concession agreement. The collection of user fees have been started in 18 BCP as per directive of MSRDC.
- As at 31st March, 2020, the project implementation is in progress and there are costs variance in development of each BCP site. MBCPNL has been accounting cost variations, if any based on the approval of independent engineers appointed by MSRDC read with note 50 below. The management has been regularly representing to MSRDC for the time extension of completion of BCP construction in terms of Concession agreement. The management is confident that necessary approvals relating to time extension for completion of BCP construction will be received and that no additional financial obligations is envisaged to be levied on the MBCPNL under the terms of concession agreement.
50. 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, 2020 is INR 2,228.84 Million (March 31, 2019 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.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

51. Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013.

As at March 31, 2020

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit / (loss)		Share in Other Comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	Amount INR In Million	As % of consolidated profit / (loss)	Amount INR In Million	As % of consolidated OCI	Amount INR In Million	As % of consolidated TCI	Amount INR In Million
Parent Company								
SIPL	377.65%	17,598.54	125.84%	12,953.25	162.60%	0.36	125.84%	12,953.61
Subsidiary Companies								
Indian								
ARRIL	10.06%	468.99	1.97%	202.50	545.55%	1.22	1.98%	203.72
BHTPL	-	-	-1.40%	(143.66)	0.00%	-	-1.40%	(143.66)
AJTL	-	-	1.17%	120.29	0.00%	-	1.17%	120.29
MBCPNL	-22.96%	(1,070.01)	-0.71%	(73.44)	-626.04%	(1.40)	-0.73%	(74.84)
NSWEL	-	-	0.66%	67.81	0.00%	-	0.66%	67.81
HYTPL	-	-	-1.31%	(134.40)	0.00%	-	-1.31%	(134.40)
RPTPL	-190.76%	(8,889.23)	-14.73%	(1,516.06)	4.47%	0.01	-14.73%	(1,516.05)
SUTPL	-	-	-2.94%	(302.41)	0.00%	-	-2.94%	(302.41)
BRTPL	-	-	0.33%	33.73	0.00%	-	0.33%	33.73
RHTP	-80.61%	(3,756.59)	-11.10%	(1,143.04)	13.42%	0.03	-11.10%	(1,143.01)
DPTL	-	-	-0.04%	(3.61)	0.00%	-	-0.04%	(3.61)
SBHPL	-0.21%	(9.98)	0.11%	11.45	0.00%	-	0.11%	11.45
SUHPL	0.77%	35.80	0.47%	47.96	0.00%	-	0.47%	47.96
SRHPL	2.18%	101.71	1.30%	134.26	0.00%	-	1.30%	134.26
SNHPL	2.94%	137.08	0.65%	66.59	0.00%	-	0.65%	66.59
SBGHPL	1.86%	86.66	0.40%	40.77	0.00%	-	0.40%	40.77
SUDHPL	0.85%	39.48	0.63%	65.11	0.00%	-	0.63%	65.11
SVHPL	1.67%	77.61	0.27%	27.92	0.00%	-	0.27%	27.92
SJRRPL	0.79%	36.97	0.36%	37.46	0.00%	-	0.36%	37.46
STHPL	-0.35%	(16.28)	-0.15%	(15.11)	0.00%	-	-0.15%	(15.11)
SKEPL	-0.01%	(0.27)	0.00%	(0.27)	0.00%	-	0.00%	(0.27)
SBBHPL	-0.62%	(28.98)	-0.26%	(26.30)	0.00%	-	-0.26%	(26.30)
SVPRPL	-0.75%	(35.00)	-0.33%	(33.54)	0.00%	-	-0.33%	(33.54)
SHAPL	-2.50%	(116.53)	-0.78%	(80.72)	0.00%	-	-0.78%	(80.72)
Minority interest in all subsidiaries	0.00%	-	-0.42%	(42.91)	0.00%	-	-0.42%	(42.91)
Total	100.00%	4,659.97	100.00%	10,293.62	100.00%	0.22	100.00%	10,293.84

Notes to Consolidated Financial Statements for the year ended March 31, 2020

As at March 31, 2019

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit / (loss)		Share in Other Comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	Amount INR In Million	As % of consolidated profit / (loss)	Amount INR In Million	As % of consolidated OCI	Amount INR In Million	As % of consolidated TCI	Amount INR In Million
Parent Company								
SIPL	-295.88%	16,286.95	14.86%	(368.21)	-25.18%	0.37	14.83%	(367.84)
Subsidiary Companies								
Indian								
ARRIL	-4.96%	273.24	-4.04%	100.13	112.69%	(1.64)	-3.97%	98.49
BHTPL	26.53%	(1,460.20)	3.50%	(86.79)	3.18%	(0.05)	3.50%	(86.83)
AJTL	5.46%	(300.44)	-2.77%	68.59	16.12%	(0.23)	-2.76%	68.35
MBCPNL	17.04%	(937.69)	-15.75%	390.42	19.27%	(0.28)	-15.73%	390.14
NSWEL	13.15%	(723.59)	-24.43%	605.49	0.00%	-	-24.41%	605.49
HYTPL	28.71%	(1,580.49)	3.79%	(93.96)	-10.32%	0.15	3.78%	(93.81)
RPTPL	143.35%	(7,890.69)	64.03%	(1,587.06)	-18.58%	0.27	63.98%	(1,586.79)
SUTPL	34.94%	(1,923.54)	15.14%	(375.25)	-4.82%	0.07	15.13%	(375.18)
BRTPL	4.11%	(226.30)	-0.79%	19.64	-3.67%	0.05	-0.79%	19.69
RHTP	51.19%	(2,817.54)	40.30%	(998.89)	-6.75%	0.10	40.27%	(998.79)
DPTL	77.54%	(4,268.13)	2.68%	(66.46)	17.11%	(0.25)	2.69%	(66.71)
SBHPL	0.38%	(21.09)	1.78%	(44.17)	0.00%	-	1.78%	(44.17)
SUHPL	0.22%	(12.00)	1.91%	(47.41)	0.00%	-	1.91%	(47.41)
SRHPL	0.53%	(28.94)	1.78%	(44.23)	0.00%	-	1.78%	(44.23)
SNHPL	-1.36%	75.12	-1.82%	45.12	0.00%	-	-1.82%	45.12
SBGHPL	-0.83%	45.91	-1.58%	39.25	0.00%	-	-1.58%	39.25
SUDHPL	-0.45%	24.82	-0.55%	13.58	0.00%	-	-0.55%	13.58
SVHPL	-0.93%	51.05	-1.18%	29.26	0.00%	-	-1.18%	29.26
SJRRPL	0.01%	(0.49)	0.02%	(0.46)	0.00%	-	0.02%	(1.17)
STHPL	0.02%	(1.17)	0.05%	(1.17)	0.00%	-	0.05%	(1.17)
SKEPL	0.00%	-	0.00%	-	0.00%	-	0.00%	-
SBBHPL	0.05%	(2.67)	0.11%	(2.67)	0.00%	-	0.11%	(2.67)
SVPRPL	0.03%	(1.47)	0.06%	(1.47)	0.00%	-	0.06%	(1.47)
SHAPL	0.85%	(46.61)	1.86%	(46.00)	0.00%	-	1.85%	(46.00)
Minority interest in all subsidiaries	0.34%	(18.55)	1.05%	(25.92)	0.95%	(0.01)	1.05%	(25.94)
Total	100.00%	(5,504.49)	100.00%	(2,478.65)	100.00%	(1.45)	100.00%	(2,480.10)

Notes to Consolidated Financial Statements for the year ended March 31, 2020

52. Details of Corporate Social Responsibility (CSR) Expenditure

As per Section 135 of the Companies Act, 2013, a corporate social responsibility ('CSR') committee has been formed by the Group. The expenditure incurred by the Group on CSR activities during the year has been stated below: (INR in Million)

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Gross amount required to be spent by the company during the year		
- CSR obligation for current financial year	22.11	8.16
- Unspent amount of CSR obligation of previous financial year	8.16	-
- Total CSR obligation	30.27	8.16
(b) Amount spent during the year:		
(i) On purposes other than construction / acquisition of any assets - already paid:	0.02	-
(ii) On purposes other than construction / acquisition of any assets - to be paid:	-	-

53. a. Pursuant to the definitive share purchase agreement ('the agreement') dated July 1, 2019 with IndInfravit Trust, the entire equity shareholding in seven of its subsidiary companies i.e. Bijapur Hungund Tollway Private Limited, Aurangabad Jalna Tollway Limited, Hyderabad Yadgiri Tollway Private Limited, Dhule Palesner Tollway Limited, Nagpur Seoni Expressway Limited, Shreenathji Udaipur Tollway Private Limited, Bhilwara Rajsamand Tollway Private Limited and Mysore Bellary Highway Private Limited (MBHPL), a subsidiary of Parent company i.e. Sadbhav Engineering Limited (SEL) have been transferred to IndInfravit Trust with effect from closing date for consideration of INR 20,444.67 million (including sale consideration of MBHPL). Against total sale consideration, the Company has received INR 7,243.30 million units of IndInfravit Trust and balance consideration received / receivable in cash. This has resulted into profit of INR 15,028.46 million which have been disclosed as exceptional item.

b. During the previous year, Nagpur Seoni Expressway Limited (NSEL), a subsidiary company, had received a favourable arbitration award dated October 05, 2018 and has received in full, claim amounting to INR 687.52 million from National Highway Authority of India, which is recognised as income and is disclosed under exceptional item.

c. During the previous year, pursuant to Settlement agreement dated October 20, 2018 between the company and minority shareholders of Bijapur Hungund Tollway Private Limited (BHTPL), the company had paid an amount of INR 152.95 million which was expensed off and disclosed under exceptional item.

54. Asset held for Sale

(a) Description

The Holding Company has entered into definitive share purchase agreement ('the agreement') dated July 1, 2019 with IndInfravit Trust for sale of its entire equity shareholding of one entity i.e. Ahmedabad Ring Road Infrastructure Limited (ARRIL) with effect from April 1, 2019. This sale is subject to achieving of the condition precedents mentioned in the agreement such as regulatory approvals, lender's consent, other customary approvals which the management is in process as at reporting date and accordingly, all assets and liabilities pertaining to this subsidiary company have been classified as assets held for sale in accordance with Ind AS 105 – "Non-Current Assets Held for Sale and Discontinuing Operations.

(b) Assets and liabilities classified as held for sale

The following assets and liabilities were classified as held for sale as on March 31:

	As at March 31, 2020	As at March 31, 2019
Non-current assets		
1 Property, plant and equipments	20.31	-
2 Goodwill	657.77	-
3 Other intangible assets	2,582.44	-
4 Financial assets		
(i) Other financial assets	1.03	-
5 Other non-current assets	1.99	-
Total (A)	3,263.54	-

Notes to Consolidated Financial Statements for the year ended March 31, 2020

		(INR in Million)	
		As at March 31, 2020	As at March 31, 2019
Current assets			
1	Financial assets		
	(i) Investments	14.54	-
	(ii) Trade receivables	8.25	-
	(iii) Cash and cash equivalents	35.10	-
2	Other current assets	7.31	-
	Total (B)	65.20	-
	Total assets classified as held for sale (A+B)	3,328.74	-
Non-current liabilities			
1	Financial liabilities		
	(i) Borrowings	641.90	-
2	Provisions	5.01	-
3	Deferred tax liabilities (net)	51.27	-
	Total (A)	698.18	-
Current liabilities			
1	Financial liabilities		
	(i) Borrowings	47.00	-
	(ii) Trade payables		-
	- Total outstanding dues of micro enterprises and small enterprises	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	251.77	-
	(iii) Other financial liabilities	826.15	-
2	Other current liabilities	4.96	-
3	Provisions	554.38	-
4	Current tax liabilities (net)	45.57	-
	Total (B)	1,729.85	-
	Total liabilities classified as held for sale (A+B)	2,428.03	-

55. Consequent to above and note 53(a) the figures of the current year are not comparable with that of previous year, to that extent the Board of Directors at their meeting dated October 19, 2019 have approved a scheme of merger and arrangement with Sadbhav Engineering Limited (SEL - the holding company) under Section 230 to 232 of Companies Act 2013, subject to the regulatory approvals required whereby, the company will merge into the holding company. The holding company's management is in the process of carrying out necessary procedures in this regards.
56. The COVID-19 pandemic is rapidly spreading across the world as well as in India and has caused shutdown across the country. The Group has resumed operations in a phased manner in line with the directives of the Government of India. The Group's management has made initial assessment of likely adverse impact on business, and believes that the impact may not be significant over the terms of its contracts. The group has filled / is in the process of filing of claims for appropriate relief as per the terms of concession agreement with NHAI/Local Authority and has also availed the relief provided by its lenders by way of moratorium on certain principal / interest payment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the group, as at date of approval of these financial statements has used corroborative information. As on current date, the group has concluded that the impact of Covid-19 is not material based on the evaluations. Due to the nature of the pandemic, the group will continue to monitor developments to identify significant uncertainties in future periods, if any. The management does not see any long term risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.
57. The group has certain operational subsidiaries having accumulated losses, which has resulted into erosion net-worth of those subsidiaries. Such operational subsidiaries are expected to achieve adequate profitability as per the future traffic projections by way of increase in traffic and reduction in finance costs through repayment/refinancing of loan during their respective project tenure. There have also been favourable arbitration claims received by these subsidiaries in the past and have further lodged claim amounting to INR 11,905.30 Million during the year, the tenability of which, as per concession agreement, is backed up by a legal opinion. As mentioned in the note 53(a) above, during the year, the parent company has completed sale of seven SPV's at a value higher than their carrying cost and also is in the process of closing sale of one more on similar terms. Although the group has negative working capital at the year end, considering the above reasons, internal plan of revival and the continuing unconditional financial support offered to the Group from the holding company i.e. Sadbhav Engineering Limited (SEL) including proposed plan for its merger with SEL, the group will be able to meet/will continue to meet their financial obligations in the ordinary course of the business.

Notes to Consolidated Financial Statements for the year ended March 31, 2020

58. Previous year comparatives

Previous year figures have been regrouped/reclassified wherever necessary, to facilitate comparability with current year's classification.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No.: 101974

Date: July 06, 2020
Place: Ahmedabad

For S G D G & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.:W100188

per Devansh Gandhi
Partner
Membership No.: 129255

Date: July 06, 2020
Place: Ahmedabad

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

Vasistha Patel
Managing Director
DIN : 00048324

Hardik Modi
Company Secretary
Membership No.: F9193

Date: July 06, 2020
Place: Ahmedabad

Shashin Patel
Director
DIN: 00048328

Varun Mehta
Chief Financial Officer



Disclaimer

This Annual Report contains forward-looking information to enable investors to comprehend company's prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We can not guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties, and even less than accurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



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