

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. 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 (here in after referred to as "Listing Regulations") 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 31st March, 2017, the Board comprised of eight Directors which include one Executive Director and seven Non-Executive Directors including five Independent Directors. To comply with the requirements of Regulation 17(1) of Listing Regulations and as per provisions of Section 149(1) of the Companies Act, 2013 and Rules made there under, the Company has appointed Mrs. Daksha N. Shah, a Woman Director as an Independent Director on the Board of the Company. 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. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being Independent as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of the Listing Regulations), across all the Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

The composition of the Board of Directors and number of other Directorships & Memberships / Chairmanships of Committees are 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 #
Mr. Vishnubhai M. Patel [@] (DIN: 00048287) (up to 03/03/2017)	Chairman & Non-Executive Director	Promoter, Non-Executive Director	1213374	8	2	Nil
Mr. Vasistha C. Patel (DIN: 00048324)	Managing Director	Executive Director	550000	6	5	Nil
Mr. Shashin V. Patel* (DIN: 00048328)	Chairman & Non-Executive Director	Promoter, Non-Executive Director	704110	8	4	Nil
Mr. Nitin R. Patel (DIN: 00466330)	Director	Non-Independent, Non-Executive Director	191806	7	6	Nil
Mr. Sandip V. Patel (DIN: 00449028)	Director	Independent, Non-Executive Director	2030	7	5	3
Mr. Mirat N. Bhadlawala (DIN: 01027984)	Director	Independent, Non-Executive Director	Nil	9	6	4
Mr. Arun S. Patel (DIN: 06365699)	Director	Independent, Non-Executive Director	1885	9	7	4
Mr. Atul N. Ruparel (DIN: 00485470)	Director	Independent, Non-Executive Director	Nil	9	3	5
Mrs. Daksha N. Shah (DIN: 00376899)	Director	Independent, Non-Executive Director	Nil	3	Nil	Nil
Dr. Jagdish Joshipura (DIN: 00260590) (up to 12/11/2016)	Director	Independent, Non-Executive Director	Nil	3	Nil	Nil

- # Only Audit Committee and the Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding Sadbhav Infrastructure Project Limited) have been considered.
- @ Mr. Vishnubhai M. Patel has resigned from position of Chairman and Directorship w.e.f. 03rd March, 2017. Board has nominated him a honorary title of "Chairman Emeritus" after his resignation w.e.f. 03rd March, 2017.
- * Mr. Shashin V. Patel was acting as Non-Executive Director of the Company and has been appointed as Chairman w.e.f. 03rd March, 2017.
- ** Mr. Shashin Patel is son of Mr. Vishnubhai Patel. 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, 6 (Six) Board Meetings were held on 23rd April, 2016, 20th August, 2016, 31st August, 2016, 15th November, 2016, 7th February, 2017 and 3rd March, 2017. 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) are as under:

Name	No. of Board Meetings held	No. of Board Meetings Attended	Attendance at the last AGM
Mr. Vishnubhai M. Patel (up to 03/03/2017)	6	3	-
Mr. Vasistha C. Patel	6	6	Yes
Mr. Shashin V. Patel	6	5	-
Mr. Nitin R. Patel	6	6	Yes
Mr. Sandip Patel	6	6	Yes
Mr. Mirat N. Bhadlawala	6	5	-
Mr. Arun S. Patel	6	6	Yes
Mr. Atul N. Ruparel	6	4	Yes
Mrs. Daksha N. Shah	6	6	-
Dr. Jagdish Joshipura (up to 12/11/2016)	6	3	-

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 Listing Regulations 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 7th February, 2017, 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 industry in which Company operates, business model of the Company, project details, toll income and financials, etc. through familiarization programme held on 3rd March, 2017. The detailed familiarization programme for Independent Directors is available on the website of the Company at <http://www.sadbhavinfra.co.in/en/pdf/familiarization-programme-for-independent-Directors-2016-17.pdf>

3. COMMITTEES OF THE BOARD

The Board has following Committees as on 31st March, 2017:

- (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 terms of reference of the Audit Committee, inter alia, includes following:

- 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.

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 Listing Regulations. All members of the Committee are financially literate. Mr. Hardik Modi 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 28th September, 2016.

During the year 2016-17, 5 (five) meetings of the Audit Committee were held on 23rd April, 2016, 20th August, 2016, 31st August, 2016, 15th November, 2016 and 7th February, 2017.

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;
- Devising a policy on Board diversity;
- 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, 2015;
 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 Listing Regulations. Mr. Atul N. Ruparel, Chairman of the Nomination and Remuneration Committee, was present at the Annual General Meeting of the Company held on 28th September, 2016.

During the year 2016-17, 2 (two) meetings of the Nomination and Remuneration Committee were held on 31st August, 2016 and 3rd March, 2017.

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	Member	Independent, Non-Executive Director	2	2
Mr. Vishnubhai M. Patel (upto 03/03/2017)	Member	Promoter, Non-Executive Director	2	1
Mr. Shashin V. Patel (w.e.f. 03/03/2017)	Member	Promoter, Non-Executive Director	2	-

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 2016-17, 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

As at 31st March, 2017, the Board comprises of only one Executive Director viz. Mr. Vasistha C. Patel, Managing Director.

Mr. Vasistha C. Patel, Managing Director was paid remuneration of ₹ 2.50 Lakh per month by way of salary for the financial year ended 31st March, 2017. 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 in the Extra Ordinary General Meeting held on 22nd October, 2014.

Board has appointed Mr. Vasistha C. Patel for five years w.e.f. 1st January, 2018 on recommendation of Nomination & Remuneration Committee.

Details of remuneration paid to Executive and Non-Executive Directors during the year 2016-17 are as under.

Name of Directors	Salary (₹ in Million)	Sitting Fees (₹ in Million)	Terms of Appointment
Mr. Vishnubhai M. Patel (Up to 03/03/2017)	Nil	0.045	Nil
Mr. Vasistha C. Patel	3.00	Nil	3 years from 1 st January, 2015
Mr. Shashin V. Patel	Nil	0.075	Nil
Mr. Nitin R. Patel	Nil	0.090	Nil
Mr. Sandip V. Patel	Nil	0.090	5 years from 5 th September, 2014
Mr. Mirat N. Bhadlawala	Nil	0.075	5 years from 22 nd October, 2014
Mr. Arun S. Patel	Nil	0.090	5 years from 22 nd October, 2014
Mr. Atul N. Ruparel	Nil	0.060	5 years from 22 nd October, 2014
Mrs. Daksha N. Shah	Nil	0.090	5 years from 24 th March, 2015
Dr. Jagdish Joshipura (up to 12/11/2016)	Nil	0.045	5 years from 13 th April, 2015

* No Directors were paid any allowance, benefits, stock options or perquisites in the year 2016-17

C. Stakeholders' Relationship Committee

I. Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee, inter alia, includes following:

- 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;
- Carrying out any other function as prescribed under the Listing Regulations.

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 Listing Regulations. Mr. Hardik Modi 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 28th September, 2016.

During the year 2016-17, 4 (four) meetings of the Stakeholders' Relationship Committee were held on 23rd April, 2016, 20th August, 2016, 15th November, 2016 and 7th February, 2017.

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. Vishnubhai M. 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 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.

Upon resignation of Mr. Vishnubhai M. Patel, the Committee was re-constituted as under by the Board of Directors in the Board Meeting held on 3rd March, 2017.

Name	Designation	Category
Mr. Shashin V. Patel	Chairman	Promoter, Non-Executive Director
Mr. Vasistha C. Patel	Member	Executive Director
Mr. Nitin R. Patel	Member	Non-Independent, Non-Executive Director
Mr. Arun S. Patel	Member	Independent, Non-Executive Director

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 2016-17, 1 (one) meeting of the CSR Committee was held on 20th December, 2016.

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 Listing Regulations, 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
2015-16	Wednesday, 28 th September, 2016 (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
2014-15	Monday, 28 th December, 2015 (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 authorize Board of Directors to make Investment on behalf of the Company - To Approve Related Party Transactions
2013-14	Friday, 5 th September, 2014 (2:00 PM)	Sadbhav House, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	Yes - Approval for creating security under Section 180(1)(a) of the Companies Act, 2013 - Approval for the Company's borrowing limit under Section 180(1)(c) of the Companies Act, 2013

During the year 2016-17, no Special Resolution was passed through postal ballot and no resolution proposed to be passed through postal ballot. No Extra-ordinary General Meeting of the shareholders was held during the year.

5. MEANS OF COMMUNICATION

- i) 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.
- ii) 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
- iii) 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 Listing Centre of BSE Ltd. (BSE).
- iv) 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.
- v) 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:

1. Annual General Meeting

Date and Time

: Tuesday, 26th September, 2017 at 11:00 A.M.

Venue

: Lions Hall, Nr. Mithakhali Six Road, Ellisbridge, Ahmedabad - 380006.

2. Financial Year

: 1st April, 2017 to 31st March, 2018

3. Book Closure Date

: Tuesday, 19th September, 2017 to Tuesday, 26th September, 2017 (both day inclusive)

4. Dividend Payment Date

: Not Applicable

**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 2017-18 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.

Sr.	Script Code	ISIN	Description
1	950354	INE764L07017	702703 Fully Paid, Rated, Listed, Redeemable, Non-Convertible Debentures of Face Value of ₹ 1000/- each
2	950355	INE764L07025	702702 Fully Paid, Rated, Listed, Redeemable, Non-Convertible Debentures of Face Value of ₹ 1000/- each
3	951478	INE764L07033	480 Secured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures (Series - I) of Face Value of ₹ 10,00,000/- each
4	951479	INE764L07041	480 Secured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures (Series - II) of Face Value of ₹ 10,00,000/- each
5	951480	INE764L07058	640 Secured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures (Series - III) of Face Value of ₹ 10,00,000/- each
6	951596	INE764L07066	800 Secured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures (Series - A) of Face Value of ₹ 10,00,000/- each
7	951707	INE764L07074	500 Secured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures (Series - B) of Face Value of ₹ 10,00,000/- each
8	951959	INE764L07082	700 Secured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures (Series - C) of Face Value of ₹ 10,00,000/- each
9	954961	INE764L07090	500 Senior, Taxable, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (Tranche - 1; Series - I) of Face Value of ₹ 10,00,000/- each
10	954962	INE764L07108	500 Senior, Taxable, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (Tranche - 1; Series - II) of Face Value of ₹ 10,00,000/- each
11	954963	INE764L07116	500 Senior, Taxable, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (Tranche - 1; Series - III) of Face Value of ₹ 10,00,000/- each
12	954964	INE764L07124	500 Senior, Taxable, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (Tranche - 1; Series - IV) of Face Value of ₹ 10,00,000/- each
13	955591	INE764L07132	250 Senior, Taxable, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (Tranche - 2; Series - A) of Face Value of ₹ 10,00,000/- each
14	955589	INE764L07140	250 Senior, Taxable, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (Tranche - 2; Series - B) of Face Value of ₹ 10,00,000/- each
15	955940	INE764L07157	250 Senior, Taxable, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (Tranche - 2; Series - C) of Face Value of ₹ 10,00,000/- each
16	955941	INE764L07165	250 Senior, Taxable, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (Tranche - 2; Series - D) of Face Value of ₹ 10,00,000/- each

C. Details of Debenture Trustee:

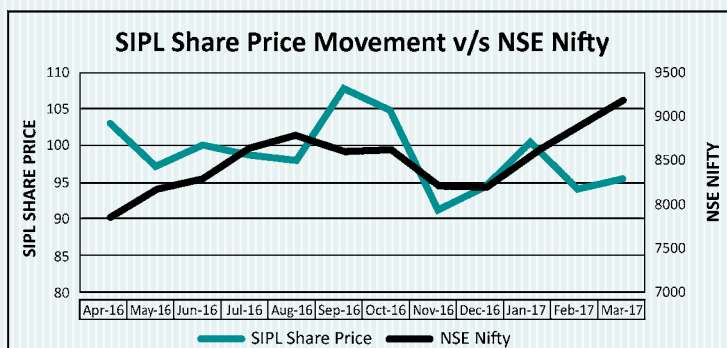
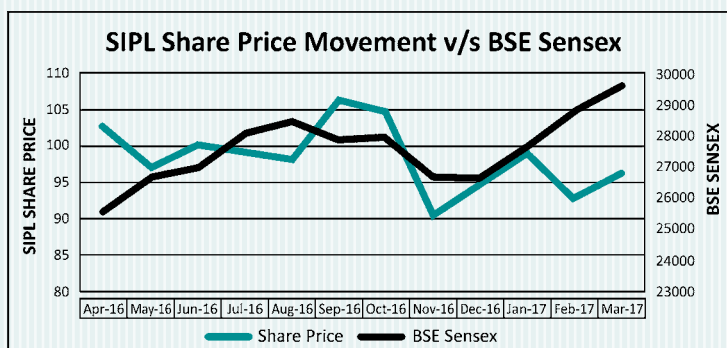
VISTRA ITCL (INDIA) LIMITED (Formerly known as IL&FS Trust Company Limited)	IL&FS Financial Centre, Plot C-22 G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. Tel: 022-26593612; Fax: 022-26533297 Email: itcl@ilfsindia.com Website: www.itclindia.com
CATALYST TRUSTEESHIP LIMITED (Formerly 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 of India Limited	
	High	Low	High	Low
Apr-2016	109.00	95.30	108.80	95.10
May-2016	103.00	96.05	103.00	95.05
June-2016	108.15	95.00	108.20	95.00
July-2016	107.40	97.10	107.90	97.30
Aug-2016	104.45	94.65	104.00	94.10
Sep-2016	120.40	100.00	121.00	99.00
Oct-2016	114.70	102.00	115.00	102.55
Nov-2016	105.40	81.05	106.00	80.50
Dec-2016	103.10	88.75	104.00	88.10
Jan-2017	103.70	95.50	104.00	95.10
Feb-2017	106.80	92.00	107.00	91.85
Mar-2017	108.35	92.20	106.95	92.25

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 - 400 083
 Phone : 022-49186000
 Fax : 022-49186060
 Email : rnt.helpdesk@linkintime.co.in
 Website : www.linkintime.co.in

G. Share Transfer System:

Since the Company's shares are compulsorily traded in the demat segment on stock exchanges, the transfers take place in the electronic form. However, shares in the physical form are processed by the Registrar & Share Transfer Agents. The Company has a Stakeholders' Relationship Committee for redressing the complaints / queries of shareholders and 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 Regulations.

H. Shareholding as on 31st March, 2017:

i) Distribution of Shareholding as on 31st March, 2017

No. of Shares	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Capital
1 - 500	6546	92.4707	886091	0.2516
501 - 1000	195	2.7546	165960	0.0471
1001 - 2000	152	2.1472	245258	0.0696
2001 - 3000	37	0.5227	96240	0.0273
3001 - 4000	12	0.1695	41533	0.0118
4001 - 5000	11	0.1554	52968	0.0150
5001 - 10000	36	0.5085	252867	0.0718
10001 & Above	90	1.2714	350484299	99.5058
Total	7079	100.00	352225216	100.00

ii) Categories of Shareholders as on 31st March, 2017

No. of Shares	No. of Shares held		Total No. of Shares	% of holding
	Demat	Physical		
Promoters	244030911	-	244030911	69.2827
Mutual Fund	17675480	-	17675480	5.0182
Banks/Financial Institutions/Central Govt./State Govt./Trusts & Insurance Companies	-	-	-	-
FII / Foreign Portfolio Investors	22824595	-	22824595	6.4801
NRI (Repatriable & Non-Repatriable)	76943	-	76943	0.0218
Foreign Companies	58243720	-	58243720	16.5359
Other Corporate Bodies	4458390	-	4458390	1.2658
Indian Public / HUF	4756460	13	4756473	1.3504
Clearing Member	158704	-	158704	0.0451
Total	352225203	13	352225216	100.00

I. Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. Equity Shares of the Company are in dematerialized form as on 31st March, 2017 with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Details of which are as under.

Sr.	Mode of Holding	No. of Shares	% of Total Capital
1	NSDL	350008199	99.3706
2	CDSL	2217004	0.6294
3	Physical	13	0.0000
	Total	352225216	100.00

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

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.

<p>Mr. Hardik Modi Company Secretary & Compliance Officer “Sadbhav”, Nr. Havmor Restaurant, B/h Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009. Phone : 079-40400400 Fax : 079-40400444 Email : investor@sadbhavinfra.co.in Website : www.sadbhavinfra.co.in</p>	<p>M/s. Link Intime India Private Limited Registrar & Transfer Agent C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. Phone : 022-49186000 Fax : 022-49186060 Email : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in</p>
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7. OTHER DISCLOSURES

A. All transactions entered into with related parties as defined under Companies Act, 2013 and Regulation 23 of Listing Regulations, during the financial year 2016-17, 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 2016-17 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 Listing Regulations, 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 has 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 Navrngpura Bus Stand, Navrngpura,
Ahmedabad - 380009

D. 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:

- 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, 2017.
- The Company has appointed separate persons to the posts of Chairman and Managing Director.
- The Internal Auditors report directly to the Audit Committee.

E. Company has obtained a certificate affirming the compliances from M/s. Ravi Kapoor & Associates, Practicing Company Secretaries and the same is attached to this report.

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. The Managing Director and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on 31st March, 2017 in compliance with Regulation 17(8) of Listing Regulations. The same is attached to this report.

H. 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.

- I. 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.
- J. 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>
- K. 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 Regulations.
- L. In preparation of financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

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, 2017.

For, **Sadbhav Infrastructure Project Limited**

Date : 10-08-2017
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, 2017 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - 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, 2017 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:
- Significant changes in internal control over financial reporting during the year;
 - Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - 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 : 10-08-2017
Place : Ahmedabad

Vasistha C. Patel
Managing Director
DIN: 00048324

Varun Mehta
Chief Financial Officer

Compliance Certificate on Corporate Governance

To,
The Members,
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, 2017 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, 2016 to 31st March, 2017. 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 : 10th August, 2017
Place : Ahmedabad