

Manubhai & Shah LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sadbhav Hybrid Annuity Project Limited

Report on the Financial Statements

Opinion

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

~~In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.~~

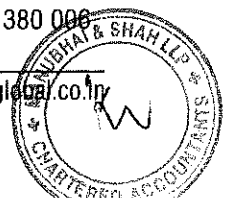
Basis for Opinion

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

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878
Regd. Office : G-4, Capstone, Opp. Chirag Motors, Sheth Mangaldas Road, Ellisbridge, Ahmedabad - 380 008
Gujarat, India. Phone : +91-79-2647 0000 Fax : +91-79-2647 0050
Email : info@msglobal.co.in

Website : www.msglobal.co.in

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Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 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 during the course of our audit or otherwise appears to be materially misstated.

Management's Responsibility for the 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 of these 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.

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

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

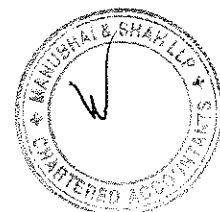


Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

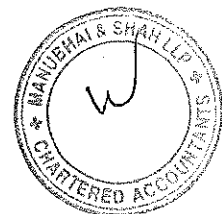


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

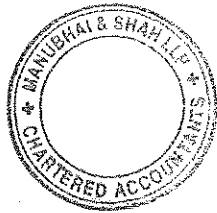
Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure – A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the company has not paid managerial remuneration during the year.



Manubhai & Shah LLP
Chartered Accountants

- (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 did not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure – B" a statement on matters specified in paragraphs 3 and 4 of the order.



Place: Ahmedabad
Date: July 03, 2020

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

(K C Patel)
Partner
Membership No. 30083
UDIN: 20030083AAAACE9491

ANNEXURE - A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under "Report on Other Legal and Regulatory Requirements" section of our report the members of **Sadbhav Hybrid Annuity Project Limited** of even date)

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 financial statements Sadbhav Hybrid Annuity Project Limited (The Company) as of and for the year ended March 31, 2020, we have also audited the internal financial controls over financial reporting of the Company.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. 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 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

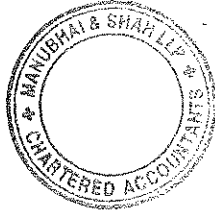
Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



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

K C Patel

(K C Patel)

Partner

Membership No. 30083

UDIN: 20030083AAAACE9491

Place: Ahmedabad
Date: July 03, 2020

ANNEXURE - B

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report the members of Sadbhav Hybrid Annuity Project Limited of even date) **Report on the Companies (Auditor' Report) Order, 2016, issued in terms of section 143 (11) of the Companies Act, 2013('the Act') of Sadbhav Hybrid Annuity Project Limited ('the Company')**

- (i) The Company had no fixed assets during and at the year end. Therefore, the reporting requirements of paragraph 3(i) of the Order are not applicable.
- (ii) The Company did not have any physical inventories. Consequently the reporting requirements of clause 3(ii) of the Order are not applicable.
- (iii) (a) The Company has granted loan to its holding company (the "borrower") listed in the register maintained under section 189 of the Act. In our opinion and according to information provided to us, the terms and the conditions of loan are not prima facie prejudicial to the Company's interest.
(b) ~~The loan is repayable on demand. As informed to us the lender has not made demand for repayment of loan during the year.~~
(c) The principal and interest are not overdue for more than ninety days in respect of the above mentioned loan.
- (iv) In our opinion and according to the information and explanation given to us, in respect of loan given by the Company to holding company, the provisions of sections 185 and 186 of the Act are not applicable and hence not commented upon. Further the Company has not made investment or provided guarantees or security, attracting the provisions of Section 185 and 186 of the Act.
- (v) The Company has not accepted deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act. Accordingly, the provision of clause 3 (vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including, income tax, goods and services tax and other material statutory dues as applicable have generally been regularly deposited during the year by the Company with the appropriate authorities.



According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and services tax and other material statutory dues as applicable were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and goods and services tax which have not been deposited with the Appropriate authorities on account of any dispute.

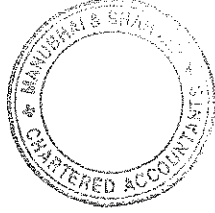
- (viii) Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions. The company has not obtained loan from bank or government or has not issued debentures.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer. In our opinion and according to the information and explanations given by the management, the company has utilized the monies raised by loan from financial institutions for the purposes for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the Management, we report that no material fraud by the Company or by its employees has been noticed or reported during the year.
- (xi) No managerial remuneration has been paid or provided by the Company during the year. Accordingly the reporting requirement of paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion the Company is not a Nidhi Company. Therefore the reporting requirement of Clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, all the transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and also the details which have been disclosed in note no. 22 to the financial statements are in accordance with the applicable Indian Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence the reporting requirement of paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with him and hence the provision of Section 192 of the Act is not applicable.



Manubhai & Shah LLP
Chartered Accountants

- (xvi) According to the information given and as explained to us, the company being core investment company referred to in the Core Investment Companies (Reserve Bank) Directions, 2016 is exempted from registration under section 45-IA of the Reserve Bank of India Act, 1934 in terms of Master Directions No DNBR.PD.001/03.10.119/2016-17 dated August 25, 2016 of Reserve Bank of India.

Place: Ahmedabad
Date: July 03, 2020



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

K C Patel

(K C Patel)
Partner
Membership No. 30083
UDIN: 20030083AAAACE9491

SADBHAV HYBRID ANNUITY

PROJECTS LIMITED

**IND AS FINANCIAL STATEMENT
FOR THE YEAR ENDED MARCH 31, 2020**

Sadbhav Hybrid Annuity Projects Limited
Balance Sheet as at March 31, 2020

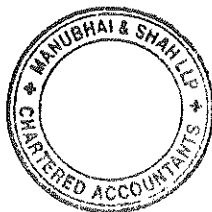
Particulars	Note No.	As at March 31, 2020 (INR in Million)	As at March 31, 2019 (INR in Million)
ASSETS			
1. Non-current Assets			
(a) Financial Assets			
Investment	5	350.00	350.00
(b) Other Non Current Assets	6	1.06	0.16
Total Non Current Assets (A)		351.06	350.16
2. Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	7	0.05	0.44
(ii) Loan	8	82.36	113.65
(iii) Other Financial Assets	9	10.94	1.42
(b) Current Tax Assets	10	0.16	-
(c) Other Current Assets	6	5.67	5.60
Total Current Assets (B)		99.18	121.11
Total Assets (C) = (A) + (B)		450.24	471.27
EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share Capital	11	0.50	0.50
(b) Other Equity	12	(116.52)	(46.66)
Total Equity (A)		(116.02)	(46.16)
2. LIABILITIES			
(i) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	479.87	473.65
Total Non Current Liabilities (B)		479.87	473.65
(ii) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
-Dues to Micro & Small Enterprises		-	-
-Dues to Other than Micro & Small Enterprises	14	1.94	0.77
(ii) Other Financial Liabilities	15	77.18	38.75
(b) Other Current Liabilities	16	7.27	4.26
Total Current liabilities (C)		86.39	43.78
Total Equity and Liabilities (D) = (A) + (B) + (C)		450.24	471.27

Accompanying notes are an integral part of the financial statements

1 to 32

As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

(K.C. Patel)
Partner
Membership No. 30083



Place: Ahmedabad
Date: July 3, 2020

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

(Vasistha C. Patel)
Director
DIN: 00048324

Place: Ahmedabad
Date: July 3, 2020

(Nitin Kumar R. Patel)
Director
DIN: 00466330




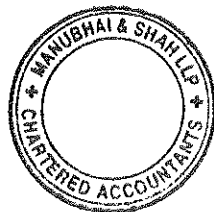
Sadbhav Hybrid Annuity Projects Limited				
Statement of Profit and Loss for the year ended March 31, 2020				
Particulars		Note No.	March 31, 2020 (INR in Million)	For the period from June 26, 2018 to March 31, 2019 (INR in Million)
INCOME				
I	Revenue From Operations		-	-
II	Other Income	17	10.58	1.58
III	Total Income (I+II)		10.58	1.58
EXPENSES				
	Finance Cost	18	78.85	46.56
	Other Expenses	19	1.59	1.68
IV	Total Expenses		80.44	48.24
V	Loss before tax (III-IV)		(69.86)	(46.66)
VI	Tax expenses			
	Current tax		-	-
VII	Loss for the year (V-VI)		(69.86)	(46.66)
VIII	Other Comprehensive Income for the year		-	-
	Total Comprehensive Income for the year, net of tax (VII+VIII)		(69.86)	(46.66)
Loss Per Share (Nominal Value of share INR 10/-)				
	Basic & Diluted	20	(1,397.20)	(1,203.60)

Accompanying notes are an integral part of the financial statements

1 to 32


As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136


(K.C. Patel)
Partner
Membership No. 30083




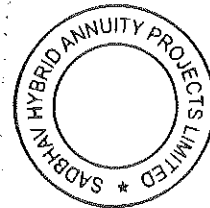
Place: Ahmedabad
Date: July 3, 2020

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


(Vasistha C. Patel)
Director
DIN: 00048324

Place: Ahmedabad
Date: July 3, 2020


(Mitinkumar R. Patel)
Director
DIN: 00466330



Sadbhav Hybrid Annuity Projects Limited
Cash Flow Statement for the year ended March 31, 2020

Particulars	Year ended March 31, 2020 (INR in Million)	Year ended March 31, 2019 (INR in Million)
(A) Cash flows from operating activities		
Loss before Tax	(69.86)	(46.66)
Adjustments to reconcile profit before tax to net cash flows:		
Interest and other borrowing cost	72.63	41.90
Interest on loan given to Holding Company	(10.57)	(1.58)
Amortisation of Processing Fees	6.22	4.65
Operating Loss before working capital changes	(1.58)	(1.68)
Working Capital Changes:		
Increase/(Decrease) in other current financial assets	(0.00)	-
Increase/(Decrease) in other current assets	(0.07)	(5.60)
Increase/(Decrease) in other current financial liabilities	4.08	3.78
Increase/(Decrease) in trade payables	1.16	-
Increase/(Decrease) in other current liabilities	3.01	4.26
Increase/(Decrease) in Current Tax Asset	(0.16)	-
Increase/(Decrease) in other Non - Current Assets	(0.90)	(0.16)
Cash flow generated from operating activities	5.54	0.59
(+)/(-) : Tax Paid(Net of Refund)	-	-
Net cash flow generated from operating activities	5.54	0.59
	(A)	
(B) Cash flows from investing activities		
Subdebt given during the Year	-	(350.00)
Net cash (used in) Investing activities	-	(350.00)
	(B)	
(C) Cash flows from financing activities		
Proceeds from long term borrowings	-	500.00
Processing fees paid	-	(31.00)
Short Term Loan Received back	-	34.38
Short Term Loan Given	-	(34.38)
Loan given to Holding Company	181.30	(113.65)
Loan received back from holding company	(150.00)	-
Equity share capital received	-	0.50
Interest received on loan given to holding company	1.06	0.16
Interest and other borrowing cost paid	(38.28)	(6.15)
Net cash generated from financing activities	(5.93)	349.85
	(C)	
Net increase in cash and cash equivalents	(0.39)	0.44
Cash and cash equivalents at beginning of the year	0.44	-
Cash and cash equivalents at end of the year	0.05	0.44
	(A + B + C)	

Notes:

- (i) Components of cash and cash equivalents (refer note 7)

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Cash on hand	0.02	0.02
Balances with banks		
in current accounts	0.03	0.42
Total Cash and cash equivalents	0.05	0.44

- (ii) Reconciliation of Financial Liabilities

	As at March 31, 2019	Cash flows	Finance Cost	Non - Cash Adjustments	Finance Cost	As at March 31, 2020
Long Term Borrowings	473.65	-	6.22	-	-	479.87
Interest accrued but not due on borrowings	35.75	(38.28)	72.63	-	-	70.10

	As at March 31, 2018	Cash flows	Finance Cost	Non - Cash Adjustments	Transaction cost	As at March 31, 2019
Long Term Borrowings	-	500.00	-	4.65	(31.00)	473.65
Interest accrued but not due on borrowings	-	(6.15)	41.90	-	-	35.75

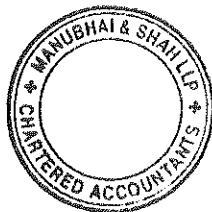
- (iii) The cash flow statement has been prepared under indirect method as per Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows".

- (iv) Figures in brackets represent outflows.

As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

(K.C. Patel)
Partner
Membership No. 30083

Place: Ahmedabad
Date: July 3, 2020



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

(Vasishta C. Patel)
Director
DIN: 00048324

(Nitinkumar R. Patel)
Director
DIN: 00466330

Place: Ahmedabad
Date: July 3, 2020




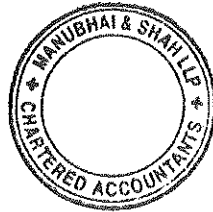
Sadbhav Hybrid Annuity Projects Limited
Statement of Changes in Equity for the year ended March 31, 2020

A Equity Share Capital	(INR in Million)	
Equity Shares of INR 10 each issued, Subscribed and fully paid	No. of Shares	Amount
As at April 01, 2018	-	-
Changes during the year	50 000	0.50
As at March 31, 2019	50 000	0.50
As at April 01, 2019	50 000	0.50
Changes during the year	-	-
As at March 31, 2020	50 000	0.50

B Other Equity	(INR in Million)	
Particulars	Retained Earning	Total other equity
As at the April 01, 2018	-	-
(Loss) for the year	(46.66)	(46.66)
As at the March 31, 2019	(46.66)	(46.66)
As at the April 01, 2019	(46.66)	-
(Loss) for the year	(69.86)	(69.86)
As at the March 31, 2020	(116.52)	(69.86)


As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136



(K.C. Patel)
Partner
Membership No. 30083



Place: Ahmedabad
Date: July 3, 2020

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


(Vasistha C. Patel)
Director
DIN: 00048324


(Nitinkumar R. Patel)
Director
DIN: 00466330

Place: Ahmedabad
Date: July 3, 2020



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2020

1. Company information:

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

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

The financial statements were authorized for issue in accordance with a resolution of the directors on July 03, 2020.

2. Basis of preparation and presentation of financial statement:

(a.) Compliance with IND AS:

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

The company has applied the applicable standards and/or amendments to existing standards effective from April 1, 2019 in the preparation and presentation of financial statements for the year ending on March 31, 2020.

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

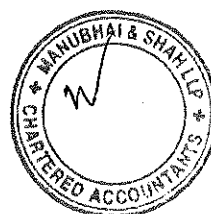
(b.) Basis of Presentation:

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

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

(c.) Basis of Measurement:

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



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2020

2.1 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 apply for the first time for the year ending 31 March 2020, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. 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 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.

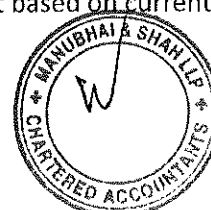
Several other amendments apply for the first time for the year ending 31 March 2020, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

3. Summary of significant accounting policies

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

3.1 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2020

current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

The Company classifies all other liabilities as non-current.

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

Operating cycle

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

3.2 Revenue Recognition

Interest

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

Gain/loss on Mutual fund

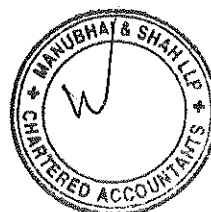
Gain or Loss on sale of mutual fund is recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of mutual fund and other incidental expenses.

Others

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

3.3 Borrowing costs

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



3.4 Leases

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

Company as lessee

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

Short-term leases and leases of low-value assets

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

3.5 Financial Instruments

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

a) Financial Assets

i. Initial recognition and measurement of financial assets

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

ii. Subsequent measurement of financial assets

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

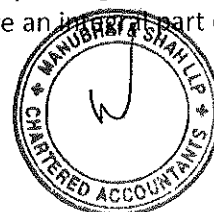
- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

- **Financial assets at amortized cost:**

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

- **Debt instruments at amortized cost**

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



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2020

The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

• **Financial assets at fair value through other comprehensive income:**

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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

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

iii. De-recognition of financial assets

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

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

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

iv. Impairment of financial assets

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

b) Financial Liabilities

i. Initial recognition and measurement of financial liabilities

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



Sadbhav Hybrid Annuity Projects Limited

Notes to Financial statement for the year ended March 31, 2020

All financial liabilities are recognised initially at fair value. All financial liabilities are recognised initially at fair value and, in the case of loan and borrowings and payable, net of directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

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

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

• Financial liabilities at fair value through profit or loss

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

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

• Financial liabilities at amortised cost (Loans and Borrowings)

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

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

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

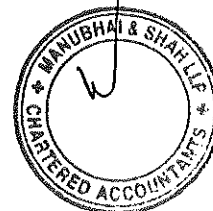
When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

c) Offsetting of financial instruments

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

3.6 Fair Value Measurement

The company measures financial instrument such as Investment in Mutual Fund at fair value at each balance sheet date.



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2020

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

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

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

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

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

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

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

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

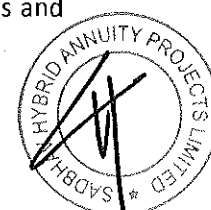
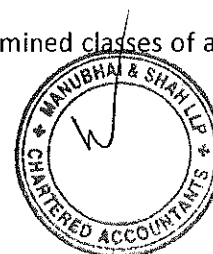
For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2020

liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

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

3.7 Income tax

Income tax expense comprises current tax and deferred tax.

Current Tax

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

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

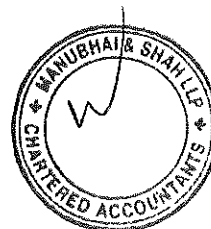
Deferred Tax

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

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

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

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



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

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

3.8 Provisions

General

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax 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.

Contractual obligation to restore the infrastructure to a specified level of serviceability

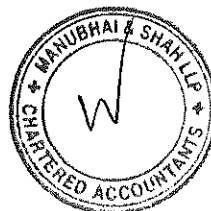
The Company has contractual obligations to maintain the road to a specified level of serviceability or restore the road to a specified condition before it is handed over to the grantor of the Concession Agreements. Such obligations are measured at the best estimate of the expenditure that would be required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

3.9 Contingent liabilities and Contingent Assets

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

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

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



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2020

3.10 Cash and cash equivalents

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

3.11 Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

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

3.12 Segment reporting

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

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

The preparation of the Company's financial statements requires management to make estimates, 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.

(i) Estimates and assumptions

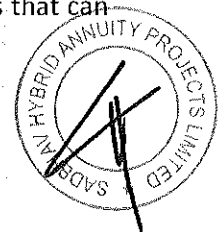
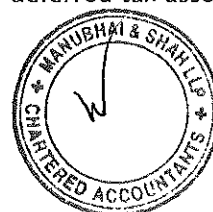
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions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

(ii) Fair value measurement of financial instruments

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

(iii) Taxes

Deferred tax assets are recognized for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can

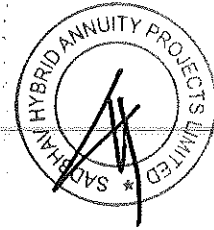
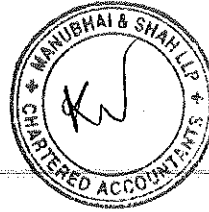


Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2020

be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget generally covering a period of the concession agreements using long terms growth rates and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

5 Non Current Financial Asset

Investment (valued at cost)	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Subordinate Debts (Refer Note 22)	350.00	350.00
Total	350.00	350.00

Investment in perpetual debts in form of Sub-ordinate debts are interest free, redeemable at issuer's option and redemption can be deferred indefinitely as per the terms of contract.

6 Other Assets

Non Current Assets		March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Tax Credit Receivable (Net)		1.06	0.16
	Total Non Current (A)	1.06	0.16
Current Assets		March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Input GST Credit Receivable		5.67	5.60
	Total Current (B)	5.67	5.60
	Total Other Assets (C) = (A) + (B)	6.73	5.76

7 Cash and Cash Equivalants

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Cash on Hand	0.02	0.02
Balance with Banks in current accounts	0.03	0.42
Total	0.05	0.44

8 Loan

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Loan to Related Party		
Loans considered good - Unsecured (Refer Note 22)	82.36	113.65
Total	82.36	113.65

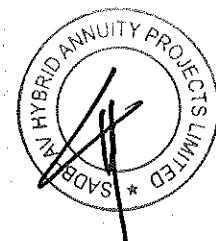
Note : Loan given to holding company carries interest rate of 11% and is repayable on demand.

9 Other Current Financial Asset

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Interest Receivable on loan to related party (Refer Note 22)	10.93	1.42
Interest Receivable on Income tax Refund	0.01	-
Total	10.94	1.42

10 Current Tax Assets

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Tax Credit Receivables (Net)	0.16	-
Total	0.16	-



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

11 Equity Share Capital	March 31, 2020		March 31, 2019	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)
Authorized Share Capital				
Equity Shares of INR 10 each	50 000	0.50	50 000	0.50
	50 000	0.50	50 000	0.50
Issued, Subscribed and fully paid up				
Equity Shares of INR 10 each	50 000	0.50	50 000	0.50
Total	50 000	0.50	50 000	0.50

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

Particulars	March 31, 2020		March 31, 2019	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)
At the beginning of the year	50 000	0.50	-	-
Add: Issue during the year	-	-	50 000	0.50
Outstanding at the end of the year	50 000	0.50	50 000	0.50

(b) Terms/Rights attached to the equity shares:

The Company has only one class of shares referred to as equity shares having a par value of INR 10/-. 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 the residual assets of the Company, after distribution of all preferential amounts. However, currently no such preferential amount exists. The amount to be distributed will be in proportion to the number of equity shares held by the shareholders.

(c) Share held by holding Company:

All 50,000 shares issued, subscribed and paid up equity capital are held by Sadbhav Infrastructure Project Limited- holding company and its nominees.

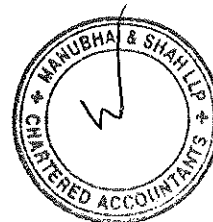
(d) Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of Shareholder	March 31, 2020		March 31, 2019	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity Shares of Rs 10 each fully paid				
Sadbhav Infrastructure Project Ltd and its Nominees	50 000	100	50 000	100
Total	50 000	100	50 000	100

As per the records of the company, including its registers of shareholders/member and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

12 Other Equity

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Retained Earning		
(Deficit) at the beginning of the year	(46.66)	-
Add: Net (Loss) after tax transferred from Statement of Profit and Loss Account	(69.86)	(46.66)
(Deficit) at the end of the year	(116.52)	(46.66)



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

13 Non Current Borrowings

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Term Loan - Secured		
-Rupee Term Loan	479.87	473.65
Total	479.87	473.65

* Includes the effect of balance unamortised processing fee paid to Lenders on upfront basis.

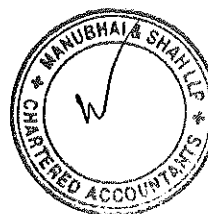
(i) Nature of Security:

The details of security in respect of long term borrowings from Piramal Capital and Housing Finance Limited (the lender) are as under:

- 1 First charge on all the Company's movable assets (present and future) wherever situated, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;
- 2 First charge on all the Company's current assets, including but not limited to, book debts, subordinate loans provided to the Project SPVs, operating cash flows, Receivables, Upstream Funds, commissions, revenue of whatsoever nature and whenever arising, both present and future;
- 3 First charge by way of mortgage on the entire immovable properties (including assignment of leasehold rights in case of leased land) of the Company, together with all structures and appurtenances thereon and there under, both present and future, if any;
- 4 First charge over all bank accounts of the Company, including without limitation, the Designated Account (or any account in substitution thereof) and any reserves (or any account in substitution thereof) that may be opened in terms hereof and in all funds from time to time deposited therein and in all permitted investments or other securities representing all amounts credited thereto;
- 5 First charge on all intangibles of the Company, including but not limited to goodwill, rights, undertakings and uncalled capital, present and future;
- 6 An unconditional irrevocable corporate guarantee from the Promoter for securing the Secured Obligations;
- 7 Pledge of the Share Capital, both present and future, held by the Promoter, aggregating to 51% (fifty one percent) of the total share capital of the Company, on a fully diluted basis, free from all restrictive covenants, lien or other encumbrance under any contract, arrangement or agreement of the Borrower along with a power of attorney in the form and manner prescribed by the Piramal Capital and Housing Finance Limited (the Lenders) and non disposal undertaking of the Share Capital, both present and future, held by the Promoter, aggregating to 49% (forty nine percent), on a fully diluted basis, free from all restrictive covenants, lien or other encumbrance under any contract, arrangement or agreement of the Company in the form and manner prescribed by the the Piramal Capital and Housing Finance Limited (the Lenders);
- 8 Pledge of the Share Capital, both present and future, held by the Sadbhav Infrastructure Projects Limited, aggregating to a minimum of 49% (forty nine percent), on a fully diluted basis, free from all restrictive covenants, lien or other encumbrance under any contract, arrangement or agreement, of each Project SPV until the date of transfer of the Project SPVs by Sadbhav Infrastructure Projects Limited to the Company along with a power of attorney in the form and manner prescribed by the Piramal Capital and Housing Finance Limited (the Lenders);
- 9 Transfer of the Project SPVs by Sadbhav Infrastructure Projects Limited to the Company, non disposal and power of attorney undertaking of the Share Capital, both present and future, held by the Company, aggregating to a minimum of 49% (forty nine percent), on a fully diluted basis, free from all restrictive covenants, lien or other encumbrance under any contract, arrangement or agreement, of the each Project SPV along with a power of attorney in the form and manner prescribed by the Lenders.
 Provided that the Corporate Guarantee provided by the Promoter shall be released in parts over the 82 Term of Facility upon completion of the following conditions to the satisfaction of Piramal Capital and Housing Finance Limited (the Lenders):
 - a.) transfer of all rights, title and beneficial ownership of the shareholding of the Project SPVs from the Promoter to the Company;
 - b.) upon receipt of provision completion certificate from NHAI and receipt of the first annuity payment by a Project SPV, the amounts secured by the Corporate Guarantee shall be reduced by 50% (fifty per cent) of the aggregate Equity Valuation of such Project SPV as prescribed according to the formula as provided in Part B of the Schedule 10 (Equity Valuation Matrix) of the Facility Agreement and subject to compliance with the Cover Test.

(ii) Terms of Repayment:

All principal amounts comprising the Facility shall be paid as a bullet repayment at the end of five years from the date of first disbursement.



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

(iii) Interest Rate:

a.) Fixed Cash Interest

From the Initial Drawdown Date till the expiry of 24 months from the Initial Drawdown Date, the Company shall pay an interest at the rate of 7% per annum on the outstanding loan plus interest accrued Fixed Redemption Interest to Piramal Capital and Housing Finance Limited (the Lenders) payable on the relevant Interest Payment Dates on the Loan;

After expiry of 24 (twenty four) months from the Initial Drawdown Date until the expiry of the tenor of the Facility or the Final Settlement Date, whichever is earlier, the Company shall pay an interest at the Effective Interest Rate per annum compounded monthly on the outstanding Loan plus accrued Fixed Redemption Interest to the Piramal Capital and Housing Finance Limited (the Lenders), payable on the relevant Interest Payment Dates on the Loan. (Collectively referred to as the "Fixed Cash Interest")

b.) Fixed Redemption Interest

From the Initial Drawdown Date till the expiry of 24 months from the Initial Drawdown Date, which when taking into account fixed cash interest would provide a rate of return of effective interest rate per annum compounded monthly on the outstanding loan to the Piramal Capital and Housing Finance Limited (the Lenders);

c.) Effective Interest Rate

The Effective Interest Rate shall be equal to Piramal Capital and Housing Finance Limited PLR (minus) Spread. The spread shall be determined on the date of execution of Facility Agreement such that the difference between the prevailing Piramal Capital and Housing Finance Limited (the Lenders) PLR and the Spread results in an Effective Interest Rate of 10.88% per annum compounded monthly.

The loans carry average interest rate of 12.38 per cent to 13.38 per cent per annum.

- (iv) Piramal Capital and Housing Finance Limited (the Lenders) have agreed to lend to the Company secured rupee term loan facility not exceeding INR 600,00,00,000/- (Rupees Six Hundred Crores Only) ("Facility") for the long term working capital requirements of the Company, providing advances in the form of subordinate loans to the subsidiaries of Sadbhav Infrastructure Projects Limited (the holding company) for funding and implementation of its existing and upcoming hybrid annuity road infrastructure projects and providing inter-corporate loans in the manner as provided in the Facility Agreement.

14 Trade Payables

- Dues to Micro & small enterprises (Refer Note No. 25)
- Dues to Others
- Dues to related parties (Refer Note No. 22)

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
	-	-
	0.24	0.16
	1.70	0.61
Total	1.94	0.77

15 Other Current Financial Liabilities

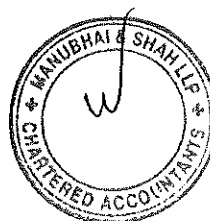
- Interest accrued but not due on borrowings
- Reimbursement Payable (Refer Note 22)

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
	70.10	35.75
	7.08	3.00
Total	77.18	38.75

16 Other Current Liabilities

- Statutory dues

	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
	7.27	4.26
Total	7.27	4.26



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

17 Other Income

	March 31, 2020 INR in Million	March 31, 2019 INR in Million
Interest on loan given to Holding Company (Refer Note No.22)	10.57	1.58
Interest on Income Tax Refund	0.01	-
Total	10.58	1.58

18 Finance Cost

	March 31, 2020 INR in Million	March 31, 2019 INR in Million
Interest:		
Interest on Long Term Loan	72.63	39.72
Interest on Short Term Loan (Refer Note No. 22)	-	2.18
Other Borrowing Cost:		
Amortisation of Processing Fees	6.22	4.65
Total	78.85	46.56

19 Other Expenses

	March 31, 2020 INR in Million	March 31, 2019 INR in Million
Rates & Taxes*	0.00	0.00
Office Rent	1.18	0.68
Auditor Remuneration (Refer Note No. 19.1 below)	0.02	0.02
Professional Fees & Expenses	0.37	0.16
Stamp Duty and Filing Fees	0.02	0.82
Miscellaneous Expenses **	-	0.00
Total	1.59	1.68

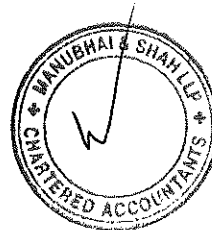
*Amount of INR 600/- (March 31, 2019 : INR 2,440/-) is below Rounding-off norms adopted by the company.

**Amount of INR Nil (March 31, 2019 : INR 2,400/-) is below Rounding-off norms adopted by the company.

19.1 Auditor Remuneration

	March 31, 2020 INR in Million	March 31, 2019 INR in Million
Statutory Audit Fees	0.02	0.02
Other Services*	-	0.00
Total	0.02	0.02

*Amount of INR Nil (March 31, 2019 : INR 3,500/-) is below Rounding-off norms adopted by the company.



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

20 Earning Per Share (EPS):

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

Particulars	March 31, 2020	March 31, 2019
Net Loss as per Statement of Profit & Loss (In Million)	(69.86)	(46.66)
Total no. of equity shares at the end of the year	50 000	50 000
Weighted average of number of equity shares outstanding during the year	50 000	38 767
Nominal value of equity shares	10	10
Basic & Diluted Loss per share	(1,397.20)	(1,203.60)

21 Contingent Liabilities & Commitments

- (i) There are no contingent liabilities, pending litigations/claims against the company as on March 31, 2020 and March 31, 2019.
(ii) There are no commitments outstanding as on March 31, 2020 and March 31, 2019.

22 Related Party Disclosures:

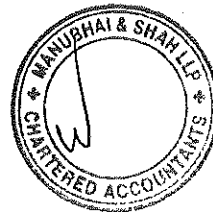
Related party disclosures as required under the Indian Accounting Standard (AS) – 24 on “Related Party Disclosures” are given below:

(i) Name of the related parties and description of relationship :

Sr. No	Description of Relationship	Name of the Related Party
(A)	Enterprises having control:	
	Ultimate Holding Company	Sadbhav Engineering Limited (SEL)
	Holding Company	Sadbhav Infrastructure Project Limited (SIPL)
	Fellow Subsidiary	Sadbhav Vidarbha Highway Private Limited (SVHPL)

(ii) Transactions with Related Parties during the Year:

No.	Particulars	March 31, 2020	March 31, 2019
(i)	Equity share Capital Issued		
	-SIPL & its nominees	-	0.50
(ii)	Investment in Sub debt		
	-SVHPL	-	350
(iii)	Office Rent		
	-SEL	1.18	0.68
(iv)	Short Term Loan received		
	-SIPL	-	34.38
(v)	Short Term Loan Repaid		
	-SIPL	-	34.38
(vi)	Interest Expense on Short term Loan		
	-SIPL	-	2.18
(vii)	Short Term Loan Given		
	-SIPL	150.00	113.65
(viii)	Short Term Loan received back		
	-SIPL	181.30	-
(ix)	Interest Income on Short term Loan		
	-SIPL	10.57	1.58
(x)	Reimbursement of Expenses		
	-SIPL	4.07	3.00



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

(III) Balance outstanding as at the year end:		(INR in Millions)	
No.	Particulars	March 31, 2020	March 31, 2019
(i)	Equity Share Capital -SIPL	0.50	0.50
(ii)	Short Term Loan given -SIPL	82.36	113.65
(iii)	Interest Receivable on Short Term Loan -SIPL	10.93	1.42
(iii)	Investment in Subdebt -SVHPL	350.00	350.00
(vi)	Payable towards Rent -SEL	1.70	0.61
(vii)	Payable towards Reimbursement of Expense -SIPL	7.08	3.00

(IV) Terms and conditions of the balance outstanding:

1. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free excepts short term loan and settlement occurs in cash as per the terms of the agreement.
2. The Company has not provided any commitment to the related party as at March 31, 2020 and March 31, 2019.

23 Segment Reporting

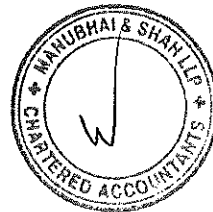
The Operating segment of the company is identified to be "Hybrid Annuity" projects and its related activities, as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any additional disclosures to be made under Ind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

24 Operating Lease

Office premise of the Company have been taken on operating lease basis. The lease rent paid during the year INR 1.18 Million (March 31,2019 : INR 0.68 million). These operating lease agreement are cancellable by giving short period notice by either of the parties to the agreement.

25 Trade dues to MSME

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



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

26 **Income Tax expense**
As there is no taxable income, current tax liability as per the provision of Income Tax Act, 1961 is INR Nil.

27 **Financial Instruments**

(i) **Disclosure of Financial Instruments by Category**

(INR in Million)

Financial instruments by categories	March 31, 2020			March 31, 2019		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Asset						
Non-Current Financial Assets	-	-	350.00	-	-	350.00
Cash and Cash Equivalent	-	-	0.05	-	-	0.44
Loan	-	-	82.36	-	-	113.65
Current Financial Assets	-	-	10.94	-	-	1.42
Total Financial Assets	-	-	443.35	-	-	465.51
Financial Liabilities						
Non Current Borrowings	-	-	479.87	-	-	473.65
Trade Payables	-	-	1.94	-	-	0.77
Current Financial Liabilities	-	-	77.18	-	-	38.75
Total Financial Liabilities	-	-	558.99	-	-	513.18

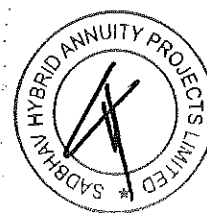
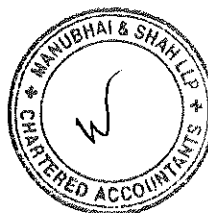
(ii) **Default and breaches**

There are no defaults with respect to payment of principal , interest, redemption terms and no breaches of the terms and conditions of the loan.

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

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

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



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

28 Financial Risk Management

Financial instruments risk management objectives and policies

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

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

(a) Market Risk

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

(b) Interest Rate Risk

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest.

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

Particulars	(INR in Million)	
	31.03.2020	31.03.2019
Variable rate borrowings in INR Millions	500.00	500.00
	500.00	500.00

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Sensitivity Analysis

Interest Rate Risk Analysis	Effect on profit before tax	
	March 31, 2020 (INR in Million)	March 31, 2019 (INR in Million)
Interest rate increase by 25 basis point	(1.25)	(1.25)
Interest rate decrease by 25 basis point	1.25	1.25

(c) Credit Risk

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

(d) Liquidity Risk

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

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

As at March 31, 2020	Carrying Amount	On Demand	(INR in Million)			
			upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities						
Non-Current Borrowings	500.00	-	-	-	500.00	-
Trade Payables	1.94	-	1.94	-	-	-
Current Financial Liabilities	77.18	-	77.18	-	-	-
	579.12	-	79.12	-	500.00	-
As at March 31, 2019						
Non Derivative Financial Liabilities						
Non-Current Borrowings	500.00	-	-	-	500.00	-
Trade Payables	0.77	-	0.77	-	-	-
Current Financial Liabilities	38.75	-	38.75	-	-	-
	539.52	-	39.52	-	500.00	-



Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2020

29 Capital Management

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

The Company's objective for capital management is to maximize shareholder value and safeguard business continuity.

The Company determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity share capital, equity in form of subordinate debt and operating cash flows generated.

Summary of Quantitative Data is given hereunder:

Particulars	(INR in Million)	
	March 31, 2020	March 31, 2019
Equity	0.50	0.50

The company does not have any externally imposed capital requirement.

- 30** The company has accumulated losses of INR 116.52 Million as at March 31, 2020 (INR 46.66 Million as at March 31, 2019), which resulted in erosion of the company's net worth. The Company has been able to meet its obligations in the ordinary course of the business complimented by the continuing financial support offered from holding company i.e. Sadbhav infratsructure Projects Limited (SIPL).

Further as per the financing agreements entered into with lender, SIPL is required to transfer shareholding of all HAM assets to the company. Upon receipt of Provisional Commercial Operation Date (PCOD), SIPL and the Company shall approach National Highway Authority of India (NHAI) for approval of the share transfer. Post NHAI approval, lenders approval will also be sought. Thus, company will have control over all SPVs of HAM projects subsequent to transfer of equity shares against adequate consideration. Having regard to all these aspects, these financial statements have been prepared assuming that the Company will continue as a going concern.

- 31** The Outbreak of Covid-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The operations gradually resumed with requisite precautions in the phased manner as per directives issued by NHAI and by ensuring compliance with preventive measures in terms of guidelines/ instruction issued by Govt. of India to contain spread of Covid-19.


The management has assessed internal and external sources of information up to date of the approval of these financial statements in assessing the recoverability of assets, liquidity, financial position and operation of company and based on the management's assessment, there is no material impact on the financial statements of the company.

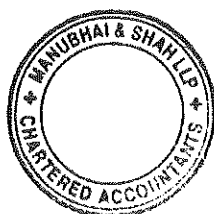
Considering the uncertainty involved in estimating the impact of pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these financial statements. The Company continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.

- 32** The Company was incorporated on June 26, 2018, hence these financial statements for the comparable period are prepared covering from June 26, 2018 to March 31, 2019 and hence it is not comparable to that extent.

Accompanying notes are an integral part of the financial statements


As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136


(K.C. Patel)
Partner
Membership No. 30083



Place: Ahmedabad
Date: July 3, 2020

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


(Vasishtha C. Patel)
Director
DIN: 00048324


(Nitinkumar R. Patel)
Director
DIN: 00466330

Place: Ahmedabad
Date: July 3, 2020

