

SADBHAV INFRASTRUCTURE PROJECT LIMITED
CIN : L4502GJ2007PLC049808

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

(INR in Million except as stated otherwise)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	March 31, 2023 (Audited)
1	Revenue from operations	16.65	77.72	222.92	224.34	762.41	894.14
2	Other income	28.53	39.19	131.16	144.70	281.14	379.48
3	Total Income (1 +2)	45.18	116.91	354.08	369.04	1,043.55	1,273.62
4	Expenses						
	a. Sub-contractor charges & Operating Expenses	19.37	65.98	96.64	211.83	548.57	643.48
	b. Employee benefits expenses	32.35	23.12	8.50	77.28	30.15	47.53
	c. Finance costs	292.12	294.76	314.93	881.16	957.88	1,277.44
	d. Depreciation and amortisation expenses	0.09	0.09	0.18	0.28	0.53	0.70
	e. Other expenses	13.91	14.01	78.96	42.88	95.70	101.00
	Total expenditure	357.84	397.96	499.21	1,213.44	1,632.83	2,070.15
5	(Loss) before exceptional item and tax (3-4)	(312.66)	(281.05)	(145.13)	(844.40)	(589.28)	(796.53)
6	Exceptional Items (net) (Note 6)	(821.12)	(2,454.85)	(86.89)	(4,077.93)	(3,173.53)	(3,173.53)
7	(Loss) before tax (5-6)	(1,133.78)	(2,735.90)	(232.02)	(4,922.33)	(3,762.81)	(3,970.06)
8	Tax expense						
	Current tax	-	-	-	-	-	-
	Deferred tax expense / (credit)	-	-	(3.97)	-	(61.51)	(212.05)
	Adjustment of tax relating to earlier period	-	-	(42.79)	-	(105.02)	(182.54)
9	(Loss) for the period / year (7-8)	(1,133.78)	(2,735.90)	(185.26)	(4,922.33)	(3,596.28)	(3,575.47)
10	Other Comprehensive Income						
	Items that will not be reclassified to Profit or Loss in subsequent periods						
	Remeasurements gain of the defined benefit plans (net of tax)	-	-	-	-	-	0.38
	Less: Income tax relating to above items						
	Income tax effect on above						
11	Total Comprehensive Income for the period / year (net of tax) (9+10)	(1,133.78)	(2,735.90)	(185.26)	(4,922.33)	(3,596.28)	(3,575.09)
12	Paid up equity share capital (face value of INR 10/- each)	3,522.25	3,522.25	3,522.25	3,522.25	3,522.25	3,522.25
13	Other equity excluding revaluation reserve	-	-	-	-	-	9,219.49
14	Basic and diluted earnings/(loss) per share (EPS) (face value of INR 10/- each) (not annualised except for the year ended March 31, 2023)	(3.22)	(7.77)	(0.53)	(13.97)	(10.21)	(10.15)
	See accompanying notes to the standalone financial results						



Notes :

1. Sadbhav Infrastructure Project Limited ("the Company") is engaged in development, construction as well as operation and maintenance of infrastructure projects. The Company undertakes infrastructure development projects directly or indirectly through Special Purpose Vehicles (SPVs), in terms of the concession agreements.
2. The aforesaid unaudited standalone financial results for the quarter and nine months ended December 31, 2023 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their meeting held on February 8, 2024. The results are prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013. The statutory auditors have carried out limited review of the same.
3. The Company has single reportable segment (operating segment) i.e Build Operate and Transfer (BOT) / Hybrid Annuity Projects and its related activities in accordance with Indian Accounting Standard - 108 "Segment Reporting".
4. The Company has investments of INR 217.74 million and subordinate debts of INR 4688.73 million and trade & other Receivables of INR 83.88 millions in one of the subsidiary namely Rohtak Panipat Tollway Private Limited (RPTPL) which is engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India(NHAI). The net worth of this subsidiary company has fully eroded.

From December 25, 2020, the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws. Accordingly, the Company was not able to collect toll user fees from December 25, 2020. The Company had sent various communications to authorities for such forceful suspension of toll including revenue loss claim. Accordingly, the Company had issued notice of termination of Concession Agreement to NHAI on July 27, 2021 under Force Majeure Event of Concession Agreement. The Termination Payment and other payments due from NHAI were pending for the long time. The company had attempted conciliation of the issues of the Project for amicable settlement. Due to non-progress of the same, the Company vide letter dated 27.03.2023 had notified the Conciliation Committee and NHAI regarding the failure of the Conciliation Proceedings. The said matters were referred to Arbitration by the Company. The Company has lodged a total claim amounting to INR 19379.20 Million relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid19. The NHAI had lodged its Counter Claims amounting to INR 6227.00 Million. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are currently ongoing.

The Arbitration matter of Competing Road was referred to Arbitration. In the said matter, the majority award was passed on May 30, 2023 in favour of NHAI setting aside claims of Company and Minority Award dated 05.06.2023 in favour of Company amounting to Rs. 8509.80 Million. The Company has challenged the Majority Award dated 30.05.2023 and filed a petition under Section 34 of Arbitration & Conciliation Act 1996 before the Hon'ble Delhi High Court to set aside the Majority Award dated 30.05.2023.

- The dispute of Claim for Additional Cost on account of ban of quarrying of stone and loss of Toll collection due to delayed issuance of Provisional Certificate was referred to Arbitration. A unanimous Award dated 06.10.2017 by Arbitral Tribunal was awarded in favour of Company amounting to Rs. 890.20 Million (amount inclusive of costs & interest pendente lite). This Award was challenged by NHAI under Section 34 before the Delhi High Court. The Delhi High Court in its Judgment dated 16.02.2023, the value of award payable by NHAI to RPTPL as on 15.10.2023 works out to Rs. 121.19 Crores. NHAI has challenged the said award under Section 37 before Division Bench of Delhi High Court which is sub-judice.

NHAI had lodged claim on RPTPL on account of negative Finished Road Level (FRL) which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to Rs. 203.40 Million. The interest on delayed payment is awarded at 7.4% simple interest, as on 15/10/2023 works out to Rs. 247.90 Million. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement, the management has assessed that there is no impairment in the value of investments made by the company in the RPTPL and consequently no provision/adjustment to the carrying value of Investments and subordinate debts, loans and advances and trade and other receivables as at December 31, 2023 is considered necessary. The statutory auditors have expressed qualified conclusion on financial results in respect of above as regards recoverable value of Company's investment (including subordinate debt) and loans, trade & other receivable given to RPTPL.

5. The Company has investments of INR 107.68 million and subordinate debts of INR 2,893.42 million and other receivable of INR 47.74 million in one of its subsidiary namely Rohtak Hissar Tollway Private Limited (RHTPL) which is engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India. The net worth of this subsidiary company has fully eroded.

From December 25, 2020, the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws. Accordingly, the Company was not able to collect toll user fees from December 25, 2020. The Company had sent various communications to authorities for such forceful suspension of toll including revenue loss claim. Accordingly, the company had issued notice of termination of Concession Agreement to NHAI on July 27, 2021 under Force Majeure Event of Concession Agreement. The Termination Payment and other payments due from NHAI were pending for the long time. The company had attempted conciliation of the issues of the Project for amicable settlement. Due to non-progress of the same, the Company vide letter dated 27.03.2023 had notified the Conciliation Committee and NHAI regarding the failure of the Conciliation Proceedings. The said matters were referred to Arbitration by the Company. The Company has lodged a total claim amounting to INR 19287.10 Million relating to termination payment, Force Majeure Costs due to Force Majeure event of farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid19. The NHAI had lodged its Counter Claims amounting to Rs. 3665.80 Million. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are currently going on.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement and communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of investments made by the company in the RHTPL and consequently no provision/adjustment to the carrying value of Investments and subordinate debts and loans and advances as at December 31, 2023 is considered necessary. The statutory auditors have expressed qualified conclusion on financial results in respect of above as regards recoverable value of Company's investment (including subordinate debt) given to and loans & other receivables from RHTPL.



Sadbhav Infrastructure Project Ltd.

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6 Exceptional item includes :

Particulars	Quarter ended on			(INR in Million)
	December 31, 2023	September 30, 2023	June 30, 2023	Year ended on March 31, 2023
Loss on Sale of Unit of Indinfravit Trust	-	-	-	47.45
(Profit) on Sale of 49% stake in Maharashtra Boarder Checkpost Network Limited (Refer Note 6.1)	-	-	-	(37.21)
Loss on Substitution of concession agreement of Sadbhav Banglore Highway Private Limited	-	-	-	1927.35
Loss on Substitution of concession agreement of Sadbhav Jodhpur Ringroad Private Limited	-	-	-	1149.56
Profit on Sale of Stake in Sadbhav PIMA private Limited	-	-	-	(11.49)
Loss on Sale of Stake in Sadbhav Bhavnagar Highway Limited (Refer Note 6.2)	-	52.71	124.63	97.88
Loss on Sale of Stake in Sadbhav Una Highway Limited (Refer Note 6.2)	-	-	141.00	-
Loss on Substitution of concession agreement of Sadbhav Nainital Highway Limited (Refer Note 6.3)	-	-	206.42	-
Write off of loan given to Sadbhav Hybrid Annuity Projects Limited (Refer Note 6.4)	-	350.00	329.90	-
Provision for Impairment in carrying value of shares of Sadbhav Hybrid Annuity Projects Limited (Refer Note 6.4)	-	0.50	-	-
Provision for Impairment in in carrying value of shares of Sadbhav Vidarbha Highway Limited (SVHL) (Refer Note 6.5)	-	257.99	-	-
Loss on substitution of concession of Sadbhav Vidarbha Highway Limited (Refer Note 6.5)	-	521.85	-	-
Loss on Settlement of dues from Indinfravit Trust (Refer Note 6.6)	-	839.40	-	-
Loss on substitution of concession of Sadbhav Kim Expressway Private Limited (Refer Note 6.7)	821.12	-	-	-
Provision of Contract Assets written off	-	432.40	-	-
Total	821.12	2,454.85	801.95	3,173.54

- 6.1 The Company and Adani Road Transport Limited (ARTL) have executed Share Purchase Agreement (SPA) on August 16, 2021 (amended and restated on January 27, 2022), for sale of its equity shares of Maharashtra Border Check Post Network Limited (MBCPNL) a wholly owned subsidiary of the Company, out of which 49% shares have been acquired by ARTL. During the year ended on March 31, 2022, the Company has received consideration of INR 3,575 million and it has recognised loss of INR 785.19 million in relation of transfer of 49% stake. During the previous year March 31, 2023, the company has received part consideration of 37.21 million which is disclosed as exceptional item.
- 6.2 Pursuant to sale of entire share holding in Sadbhav Bhavnagar Highway Limited (SBHL) and Sadbhav Una Highway Limited (SUHL) to Kalthia Enginnering and Construction Limited at aggregate consideration of INR 1750 million in terms of Memorandum of Understanding (MOU) and Share Purchase Agreement (SPA).The Company had made provision for impairment amounting to INR 97.88 million in carrying value of investment during previous year ended March 31, 2023. Further all the balances outstanding relating to SBHL and SUHL in the books of the Company, have been written off / written back and net amount of INR 318.33 million is disclosed as exceptional item in these financial results.
- 6.3 The Company has investments of INR 10.00 million and subordinate debts of INR 784.21 million and other receivables of INR 366.97 million in one of its subsidiary namely Sadbhav Nainital Highway Limited (SNHL or concessionaire). The National Highway Authority of India (NHAI) at the request of the Company vide its letter dated April 17, 2023, has approved harmonious substitution of concessionaire i.e. SNHL. Thereafter the Company executed Endorsement Agreement dated July 14, 2023 with the approval of NHAI for harmonious substitution of the SNHL in favour of new concessionaire for implementation of the project and also entered into Definitive Agreement on August 01, 2023 for substitution of the SNHL with the new SPV nominated by new concessionaire. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of the SNHL are transferred to the new concessionaire for substitution of the SNHL in consideration of INR 900 million. During the nine months ended December 31, 2023, the company has received the INR 567.48 million towards subordinate debt. Accordingly the Company has written off / written back the balances outstanding relating to SNHL and net amount of INR 206.42 Million written off is disclosed as as exceptional item in financial results for the quarter ended June 30, 2023.
- 6.4 Sadbhav Hybrid Annuity Projects Limited (SHAPL) one of the subsidiary of the company has been not able to meet its obligations in the ordinary course of the business. Therefore SHAPL has requested the Company to waive the Loan/Investment/Receivables made by the Company in SHAPL. The Board of directors of the Company considering the financial position of SHAPL has approved the write off of amount of INR 679.91 Million which is disclosed as financial results in financial results for the quarter ended September 30, 2023.
- 6.5 Pursuant to the definitive agreement entered into between the Company, Sadbhav Vidarbha Highway Limited (SVHL or concessionaire), Sadbhav Engineering Limited (The ultimate holding company), Gawar Construction Limited (GCL) and Gawar Waranga Highways Private Limited (Nominated SPV or new concessionaire) as on August 16, 2023 for substitution of SVHL with the nominated SPV by GCL and execution of Endorsement Agreement between SVHL, Nominated SPV and senior lenders dated October 6, 2023 with the approval of National Highways Authority of India (NHAI) for implementation of the project by new concessionaire in substitution of SVHL. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of SVHL are transferred to the new concessionaire. Consequently, provision for impairment in carrying value of investment in shares of the SVHL amounting to INR 257.99 million has been made and sub-ordinate debt amounting to INR 448.62 million has written and other balances (including loan given) amounting to INR 73.23 in the books of Company has been written off and disclosed as exceptional items in these financial results for the quarter ended on September 30, 2023

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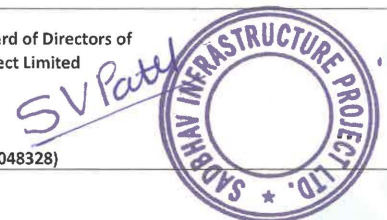
- 6.6 During the quarter ended on September 30, 2023 the Company has signed Memorandum of Understanding (MOU) with IndInfravit Trust for settlement of pending obligation under Routine road and major maintenance agreements in respect of SPV's sold to it. In terms of this MOU all the balances and part of the investment in units of the Trust have been adjusted and the net difference of INR 839.40 million is disclosed as an exceptional item in the financial results for the quarter ended Septemeber 30, 2023
- 6.7 The Company has investments of INR 1,011.57 million and subordinate debts of INR 1,277.51 million and other receivables of INR 3.46 million in one of its subsidiary namely Sadbhav Kim Expressway Private Limited (SKEPL or concessionaire) which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). The project work has been delayed on account of various reason attributable to Authority (NHAI) and nationwide lockdown due to Covid-19.
The company has requested the Authority & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S Gawar Construction Limited (Nominated Company) and the Lenders' Representative addressed to the Authority, gave its consent for allowing harmonious substitution of SKEPL.

The Authority vide its letter dt November 03, 2022, conveyed its "InPrinciple" approval for substitution of Original Concessionaire with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions through harmonious substitution and subject to final approval from the Authority ("Authority InPrinciple Approval").
During the quarter ended December 31, 2023, the Company has entered into definitive agreement dated October 17, 2023 for substitution of the Company with the new SPV to be nominated by new concessionaire and also executed endorsement agreement dated January 23, 2024 with the approval of NHAI for harmonious substitution of the company in favour of new concessionaire for implementation of the project.
In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of the Company will be transferred to the new concessionaire Project, as per the provisions of the Concession Agreement, for substitution of SKEPL. Consequently, all the balances related to SKEPL outstanding in the books of Company as at December 31, 2023 are adjusted towards the consideration receivable from the new concessionaire. The net difference of INR 821.12 Million is transferred to Statement in Profit and Loss and disclosed as exceptional item in these financial results.
- 7 The Company has investments of INR 269.66 million and subordinate debts of INR 1346.39 million and other payables of INR 12.67 million in one of its subsidiary namely Sadbhav Udaipur Highway Limited (SUDHL or concessionaire) which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). The project work has been almost completed as on December 31, 2023.
The Company has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S Gawar Construction Limited (Nominated Company) and the Lenders' Representative, gave its consent for allowing harmonious substitution of SUDHL.

The NHAI vide its letter dt December 27, 2023, conveyed its "InPrinciple" approval for substitution of Original Concessionaire with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions through harmonious substitution and subject to final approval from the Authority ("Authority InPrinciple Approval"). Since the conditions precedent to the harmonious substitution is in progress, no adjustment to the carrying value of investments have been made in these financial results.
The statutory auditors have expressed qualified conclusion on financial results in respect of above as regards recoverable value of Company's investment (including subordinate debt) and loans, trade & other receivable given to SUDHL.
- 8 The Company has investments of INR 10.00 million and subordinate debts of INR 915.60 million and other receivables of INR 260.73 million in one of its subsidiary namely Sadbhav Rudrapur Highway Limited (SRHL or concessionaire) which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). There is delay in approval of Estimates for Shifting of Utilities, delay in approval of the GAD of ROB from Railway Department and non-availability of land for Construction of ROBS, delay in approval of Change of Scope Works, delay due to Force Majeure Event of COVID-19, etc.
The Company has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S RKCIPL — ARCPL (JV) (Nominated Company) and the Lenders' Representative, gave its consent for allowing harmonious substitution of SRHL.
Subsequent to the quarter ended December 31, 2023, the NHAI vide its letter dt January 16, 2024, conveyed its "InPrinciple" approval for substitution of SRHL with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions through harmonious substitution and subject to final approval from the Authority ("Authority InPrinciple Approval"). Since the conditions precedent to the harmonious substitution is in progress, no adjustment to the carrying value of investments have been made in these financial results.
- 9 The Company has incurred substantial losses over period, and there is significant reduction in the income from operations. These factors raise concern about Company's ability to continue as going concern. The management represents that the Company holds investments in 2 Toll and 2 HAM assets. The liquidity position of the Company is improving on account of conclusion of stake sale in 5 of the SPV's during nine months ended December 31, 2023. Up to the date of approval of these financial results, the Company has met all its obligations of payment of dues to the lenders. Further on the basis of cashflow projections considering monetisation of assets, realisation of claims and cost control measures, the Company will be able to repay or settle its liabilities as and when they fall due. In view of this, in the opinion of the management the going concern assumption adopted in preparation of these financial results is appropriate.

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

Shashin Patel
Executive Chairman (DIN:00048328)



Place : Ahmedabad
Date : February 08, 2024



S G D G & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY AND YEAR TO DATE UNAUDITED
STANDALONE FINANCIAL RESULTS PURSUANT TO REGULATION 33 OF SEBI (LISTING OBLIGATIONS
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED**

To,
The Board of Directors,
Sadbhav Infrastructure Project Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Sadbhav Infrastructure Project Limited** (the "Company") for the quarter and nine months ended on December 31, 2023 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of Company's Management and approved by its Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express conclusion on Statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. (i) We draw attention to Note 4 and Note 5 to the accompanying Standalone Financial Results with respect to investment in , loan & advances to and trade and other receivable aggregating to INR 8039.19 million with respect to Rohtak Panipat Tollway Private Limited and Rohtak Hissar Tollway Private Limited, subsidiaries of the Company. Both the subsidiaries have issued notice of termination of concession agreement to National Highway Authority of India (NHAI) on account of Force Majeure Event as per concession agreement. As explained in the said note, the Company has carried out impairment assessment of investment in these subsidiaries considering the expected payment arising out of aforesaid termination and other claims filed with NHAI and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of the investment and loan & advances is necessary as at December 31, 2023.

We have not been able to corroborate the management's contention of realising the carrying value of investments, loans and advances and Trade and other receivables related to both subsidiaries aggregating to INR 8039.19 million as on December 31, 2023.

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Accordingly, we are unable to comment on appropriateness of the carrying value of such investment and loans and advances and their consequential impact on the financial results of the Company for the quarter and nine months ended December 31, 2023.

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

- (ii) We draw attention to Note 7 of the accompanying Standalone Financial Results with respect to Sadbhav Udaipur Highway Limited (Concessionaire or SUHL), a subsidiary of the Company, in which case, NHAI in the month of December 2023, at the request of the Company has given in principal approval for harmonious substitution of the concessionaire. The Company is in the process of compliance of the conditions prescribed by NHAI for substitution. As explained in the said note, management has carried out impairment assessment of Investment (including subdebt) and other receivables in this subsidiary duly considering the expected payment arising out of aforesaid substitution and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of Investment (including subdebt) of INR 1616.05 million is considered necessary as at December 31, 2023. However, we have not been able to corroborate the management's contention of realizing the carrying value of Investment (including subdebt) and other receivables balances aggregating to INR 1616.05 million as at December 31, 2023.

Accordingly, we are unable to comment on appropriateness of the carrying value of Investment (including sub-debt) and other receivables and their consequential impact on the financial results for the quarter and nine months ended on December 31, 2023.

- (iii) We draw attention to 8 of the accompanying Standalone Financial Results with respect to Sadbhav Rudrapur Highway Limited (Concessionaire or SRHL), a subsidiary of the Company, in which case, NHAI in the month of January 2024, at the request of the Company has given in principal approval for harmonious substitution of the concessionaire. The Company is in the process of compliance of the conditions prescribed by NHAI for substitution. As explained in the said note, management has carried out impairment assessment of Investment (including subdebt) and other receivables in this subsidiary duly considering the expected payment arising out of aforesaid substitution and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of Investment (including subdebt) and other receivables aggregating to INR 1196.78 million is considered necessary as at December 31, 2023. However, we have not been able to corroborate the management's contention of realizing the carrying value of Investment (including subdebt) and other receivables balances aggregating to INR 1196.78 million as at December 31, 2023.

Accordingly, we are unable to comment on appropriateness of the carrying value of Investment (including sub-debt) and other receivables and their consequential impact on the financial results for the quarter and nine months ended on December 31, 2023.

5. Based on our review conducted as above, except for the possible effects of our observations in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statements, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Material uncertainty related to going concern

We draw attention to Note No 9 to the accompanying Standalone Financial Results, which describes the Company's financial position and financial performance as at and for the quarter and nine months ended December 31, 2023 on account of significant reduction in revenue and substantial losses. These events or conditions along with other matters as set forth in the said note indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the said note.

Our conclusion is not modified in respect of this matter.

Place: Ahmedabad

Date: February 8, 2024



For S G D G & Associates LLP

Chartered Accountants

Firm Registration No. – W100188

Devansh Gandhi
Devansh Gandhi

Partner

Membership No. – 129255

UDIN: 24129255BKCEMZ1202

SADBHAV INFRASTRUCTURE PROJECT LIMITED

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

(INR in Million except as stated otherwise)

Sr. No.	Particulars	Quarter ended			Nine Months ended		Year Ended
		December 31, 2023 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	March 31, 2023 (Audited)
1	Revenue from operations (Note 2)	2,036.02	1,607.81	1,845.68	6,045.61	6,677.12	8,247.27
2	Other income	66.99	344.59	741.27	772.99	2,158.26	2,683.58
3	Total income (1+2)	2,103.01	1,952.40	2,586.95	6,818.60	8,835.38	10,930.85
4	Expenses						
	a. Sub-contract charges and Operating Expenses	945.18	571.95	653.70	2,730.76	3,356.29	3,829.69
	b. Employee benefits expense	78.01	68.44	77.71	220.23	216.21	289.82
	c. Finance costs (Note 11)	1,011.39	1,209.43	2,276.13	3,327.65	6,557.80	5,465.56
	d. Depreciation and amortization expenses	256.65	248.67	147.85	756.99	620.53	864.98
	e. Other expenses	210.43	102.13	114.53	372.66	249.79	341.60
	Total Expenditure	2,501.66	2,200.62	3,269.92	7,408.29	11,000.62	10,791.65
5	(Loss) before exceptional item and tax (3-4)	(398.65)	(248.22)	(682.97)	(589.69)	(2,165.24)	139.20
6	Exceptional Items (note 4)	(866.49)	(2,845.31)	(699.39)	(3,919.86)	(4,976.53)	(3,994.65)
7	(Loss) before tax (5-6)	(1,265.14)	(3,093.53)	(1,382.36)	(4,509.55)	(7,141.77)	(3,855.45)
8	Tax Expense						
	Current tax	74.99	16.57	126.85	161.44	126.85	211.03
	Deferred tax expenses / (credit)	(133.48)	(151.75)	(93.64)	(295.04)	(68.16)	(234.98)
	Adjustment of tax relating to earlier period	21.54	-	(44.40)	21.54	(101.53)	(182.35)
9	(Loss) for the period / year before Minority Interest (7-8)	(1,228.19)	(2,958.35)	(1,371.17)	(4,397.49)	(7,098.93)	(3,649.15)
10	Other Comprehensive Income ("OCI")						
	(i) Items that will not be reclassified to Profit or Loss	-	-	-	-	1.16	1.07
	Remeasurements of the defined benefit plans (net of tax)	-	-	-	-	-	-
11	Total Comprehensive Income for the period/year (net of tax) (9+10)	(1,228.19)	(2,958.35)	(1,371.17)	(4,397.49)	(7,097.77)	(3,648.08)
12	(Loss) for the period/year attributable to:						
	Owners of the Company	(1,243.42)	(3,000.98)	(1,414.15)	(4,477.24)	(7,171.83)	(3,751.27)
	Non-controlling Interest	15.23	42.63	80.18	79.74	72.90	102.12
13	Other Comprehensive Income for the period/year attributable to:						
	Owners of the Company	-	-	-	-	0.59	0.51
	Non-controlling Interest	-	-	-	-	0.57	0.55
14	Total Comprehensive Income for the period/year attributable to:						
	Owners of the Company	(1,243.42)	(3,000.98)	(1,414.15)	(4,477.24)	(7,171.24)	(3,750.76)
	Non-controlling Interest	15.23	42.63	80.18	79.74	73.47	102.67
15	Paid up Equity share Capital (face value of INR 10 each)	3,522.25	3,522.25	3,522.25	3,522.25	3,522.25	3,522.25
16	Other Equity excluding revaluation reserve						
17	Basic and Diluted Earning / (Loss) Per Share (EPS) (face value of INR 10 each) (not annualised except for the year ended March 31, 2023)	(3.53)	(8.52)	(4.01)	(12.71)	(20.36)	(10.65)
	See accompanying notes to the consolidated financial results						



Notes :

- The aforesaid unaudited consolidated financial results of Sadbhav Infrastructure Project Limited ('the Company' or 'holding Company') and its subsidiaries (holding Company together referred to as 'Group') for the quarter and nine months ended December 31, 2023 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their respective meetings held on February 08, 2024. The results are prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013. The statutory auditors have carried out limited review of the same.
- The revenue from operations includes revenue from construction contracts of INR 595.61 million, INR 182.33 million, INR 452.12 million for quarter ended December 31, 2023, September 30, 2023 and December 31, 2022 respectively and INR 1,694.41 million and INR 2,432.50 million for the nine months ended December 31, 2023 and December 31, 2022 respectively related to intangible assets under development and development of Hybrid Annuity assets as per concession arrangements which are recognised in accordance with the requirements of Appendix-D of Ind AS 115 "Revenue from contracts with customers."
- The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of the Maharashtra Boarder Check Post Network Limited, the material subsidiary Company which has been approved by the Management, whose unaudited interim financial results/information reflect, total revenue of INR 825.13 million and INR 2454.96 millions, total net profit/(loss) after tax of INR 30.84 millions and INR 161.52 millions and total comprehensive income of INR 30.84 millions and INR 161.52 millions for the quarter and nine month ended on December 31, 2023 respectively.

- Exceptional item includes following :

Particulars	(INR in Million)			
	Quarter ended on December 31, 2023	Quarter ended on September 30, 2023	Quarter ended on June 30, 2023	Year ended on March 31, 2023
Loss on Sale of Unit of Indinfravit Trust	-	-	-	47.45
(Profit) on Sale of 49% stake in Maharashtra Border Check post Network Limited (Refer Note 4.1)	-	-	-	(37.21)
Loss on account of Substitution of concession agreement of Sadbhav Bangalore Highway Private Limited (Including provision of Impairment of INR 309.03 Million)	-	-	59.96	2,008.06
Loss on account of Substitution of concession agreement of Sadbhav Jodhpur Ring road Private Limited (Including provision of Impairment of INR 116.50 Million)	-	-	-	1,279.92
Profit on Sale of Stake in Sadbhav PIMA Private Limited (Including Reversal of impairment provision of INR 0.5 Million)	-	-	-	(10.99)
Loss on Sale of Stake in Sadbhav Bhavnagar Highway Limited (Refer Note 4.2)	-	52.71	124.63	97.88
Loss on Sale of Stake in Sadbhav Una Highway Limited (Refer Note 4.2)	-	-	141.00	-
Balances written off on account of stake sale of Sadbhav Una Highway Limited & Sadbhav Bhavnagar Highway Limited (Refer Note 4.2)	-	-	-	609.54
Loss on account of Substitution of concession agreement of Sadbhav Nainital Highway Limited (Refer Note 4.3)	-	548.40	(109.97)	-
Balances written off related to Sadbhav Hybrid Annuity Projects Limited	-	-	(7.55)	-
Provision for impairment in carrying value of shares of Sadbhav Hybrid Annuity Projects Limited	-	0.50	-	-
Loss on substitution of concession of Sadbhav Vidarbha Highway Limited (Including provision of Impairment of INR 257.99 Million) (Refer Note 4.4)	-	972.10	-	-
Loss on substitution of concession of Sadbhav Kim Expressway Private Limited (including Provision of impairment of INR 821.12 Million) (Refer Note 4.5)	866.49	-	-	-
Loss on settlement of dues from Indinfravit Trust (Refer Note 4.6)	-	839.40	-	-
Contract Assets written off	-	432.20	-	-
Total	866.49	2,845.31	208.07	3,994.65

- The holding Company and Adani Road Transport Limited (ARTL) have executed Share Purchase Agreement (SPA) on August 16, 2021 (amended and restated on January 27, 2022), for sale of its equity shares of Maharashtra Border Check Post Network Limited (MBCPNL) a wholly owned subsidiary of the Company, out of which 49% shares have been acquired by ARTL. During the year ended on March 31, 2022, the Company has received consideration of INR 3,575 million and it has recognised loss of INR 785.19 million in relation of transfer of 49% stake. During the previous year March 31, 2023, the Company has received part consideration of 37.21 million and disclosed as exceptional item. The balance 51% shares will be transferred against consideration to be received.
- Pursuant to sale of entire share holding in Sadbhav Bhavnagar Highway Limited (SBHL) and Sadbhav Una Highway Limited (SUHL) to Kalthia Engineering and Construction Limited at aggregate consideration of INR 1750 million in terms of Memorandum of Understanding (MOU) and Share Purchase Agreement (SPA), the Company had made provision for impairment amounting to INR 97.88 million in carrying value of investment during previous year ended March 31, 2023. Further all the balances outstanding relating to SBHL and SUHL in the books of the Company, have been written off / written back and net amount of INR 318.33 million is disclosed as exceptional item in these financial results.
- The Company has investments of INR 10.00 million and subordinate debts of INR 784.21 million and other receivables of INR 366.97 million in one of its subsidiary namely Sadbhav Nainital Highway Limited (SNHL or concessionaire), which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). NHAI at the request of the SNHL vide its letter dated April 17, 2023, has approved harmonious substitution of concessionaire. Thereafter the SNHL executed Endorsement Agreement dated July 14, 2023 with the approval of NHAI for harmonious substitution of the SNHL as concessionaire in favour of new concessionaire for implementation of the project and also entered into Definitive Agreement on August 01, 2023. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of SNHL are transferred to the new concessionaire for substitution of the SNHL in consideration of INR 900 Millions. During the nine months ended December 31, 2023, the company has received INR 567.48 million towards Subordinate Debt. Accordingly the SNHL has written off / written back the balance in its books of accounts in respect of SNHL and shown as an exceptional item. Considering above, financial statement of SNHL is prepared on non Going Concern Basis.
- Pursuant to the definitive agreement entered into between the Company, Sadbhav Vidarbha Highway Limited (SVHL or concessionaire) one of the subsidiaries of the Group, Sadbhav Engineering Limited (The ultimate holding Company), Gawar Construction Limited (GCL) and Gawar Waranga Highways Private Limited (Nominated SPV or new concessionaire) on August 16, 2023 for substitution of SVHL with the nominated SPV by GCL and execution of Endorsement Agreement between SVHL, Nominated SPV and senior lenders dated October 6, 2023 with the approval of National Highways Authority of India (NHAI) for implementation of the project by new concessionaire in substitution of SVHL, the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of SVHL are transferred to the new concessionaire. Consequently, balances written off/written back in the books of the Company and SVHL are disclosed as exceptional items in these financial results.
- Sadbhav Kim Expressway Limited, (SKEL) one of the subsidiary of the group is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). The project work has been delayed on account of various reasons attributable to Authority (NHAI) and nationwide lockdown due to Covid-19.

SKEL has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely - M/S Gawar Construction Limited (Nominated Company) and the Lenders' Representative gave its consent for allowing harmonious substitution of the SKEL.

NHAI vide its letter dt November 03, 2022, conveyed its "InPrinciple" approval for substitution of SKEL with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions through harmonious substitution and subject to final approval from the NHAI ("InPrinciple Approval").

The SKEL has entered into definitive agreement on October 17, 2023 for substitution of the concessionaire with the new SPV to be nominated by new concessionaire and also executed Endorsement Agreement dated January 23, 2024 for harmonious substitution of SKEL in favour of new concessionaire for implementation of the project.

In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of the SKEL are transferred to the new concessionaire. Consequently, all the balances related to project outstanding in the books of SKEL as at December 31, 2023 are adjusted towards the consideration receivable from the new concessionaire. The net difference of INR 45.37 Million is transferred to Statement in Profit and Loss and disclosed as loss on endorsement for Harmonious substitution of the Concessionaire.



4.6 During the quarter ended on September 30, 2023 the Company had signed Memorandum of Understanding (MOU) with IndInfra Trust for settlement of pending obligation under routine road and major maintenance agreements in respect of SPV's sold to it. In terms of this MOU all the balances and part of the investment in units of the Trust have been adjusted and the net balances is disclosed as an exceptional item in these financial results.

5 Key numbers of standalone financial results of the Company are as under:-

Sr. No	Particulars	(INR in Million)					
		Quarter ended			Nine Months ended		Year ended
		December 31, 2023 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	March 31, 2023 (Audited)
1	Revenue from operations	16.65	77.72	222.92	224.34	762.41	894.41
2	Net Profit / (loss) before tax	(1,133.78)	(2,735.90)	(232.02)	(4,922.33)	(3,762.81)	(3,970.06)
3	Net Profit / (loss) after tax	(1,133.78)	(2,735.90)	(185.26)	(4,922.33)	(3,596.28)	(3,575.47)
4	Total other comprehensive income for the period / year	(1,133.78)	(2,735.90)	(185.26)	(4,922.33)	(3,596.28)	(3,575.09)

The standalone financial results are available at the Company's website www.sadbhavinfra.co.in and on the web site of the stock exchanges www.bseindia.com and www.nseindia.com.

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

7 One of the subsidiary of the Group namely Rohtak Panipat Tollways Private Limited (RPTPL) has issued the termination notice on July 27, 2021, to National Highway Authority of India (NHAI) by exercising the criteria of "Event of Defaults" under the concession agreement. Since the project of the Company has been terminated, the management of RPTPL is of the view that going concern assumption for preparation of accounts is not appropriate and accounts have been drawn accordingly on non-going concern basis. The management of RPTPL has lodged a total claim amounting to INR 19379.20 Million relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid 19. The NHAI had lodged its counter Claims amounting to INR 6227.00 Million. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are currently ongoing. The Arbitration matter of Competing Road was referred to Arbitration. In the said matter, the majority award was passed on May 30, 2023 in favour of NHAI setting aside claims of Company and Minority Award dated 05.06.2023 in favour of Company amounting to Rs. 8509.80 Million. The Company has challenged the Majority Award dated 30.05.2023 and filed a petition under Section 34 of Arbitration & Conciliation Act 1996 before the Hon'ble Delhi High Court to set aside the Majority Award dated 30.05.2023. The dispute of Claim for Additional Cost on account of ban of quarrying of stone and loss of Toll collection due to delayed issuance of Provisional Certificate was referred to Arbitration. A unanimous Award dated 06.10.2017 by Arbitral Tribunal was awarded in favour of Company amounting to Rs. 890.20 Million (amount inclusive of costs & interest pendente lite). This Award was challenged by NHAI under Section 34 before the Delhi High Court. The Delhi High Court in its Judgment dated 16.02.2023, the value of award payable by NHAI to RPTPL as on 15.10.2023 works out to Rs. 121.19 Crores. NHAI has challenged the said award under Section 37 before Division Bench of Delhi High Court which is sub-judice. NHAI had claimed on RPTPL a claim on account of negative FRL which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to Rs. 203.40 Million. The interest on delayed payment is awarded at 7.4% simple interest, as on 15/10/2023 works out to Rs. 247.90 Million. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice.

During the quarter ended on March 31, 2023, RPTPL has reversed interest of INR 1,026.94 million provided during the earlier period considering the fact that the project of RPTPL has been terminated and lenders have classified loans as Non Performing Assets.

During the quarter ended September 30, 2023, RPTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions as well as loan from group Company since the lenders of RPTPL has classified borrowing as NPA and financial statements are prepared on non going concern basis, for which the statutory auditors of holding Company have expressed qualified conclusion on financial results in this regards.

8 One of the subsidiary of the group namely Rohtak Hissar Tollways Private Limited (RHTPL) has issued the termination notice on August 27, 2021, to NHAI by exercising the criteria of "Event of Defaults" under the concession agreement. Since the project of the Company has been terminated, the management of RHTPL is of the view that going concern assumption for preparation of accounts is not appropriate and accounts have been drawn accordingly on non-going concern basis. In this regard the management of RHTPL has lodged total claim amounting to INR 19287.10 Million relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid19. The NHAI had lodged its Counter Claims amounting to Rs. 3665.80 Million. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are currently ongoing. During the quarter ended on March 31, 2023, RHTPL has reversed interest of INR 1,228.09 million provided during the earlier period considering the fact that the project of RHTPL has been terminated and lenders have classified loans as Non Performing Assets (NPA). During the quarter ended September 30, 2023, RHTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions as well as loan from group Company since the lenders of RHTPL has classified borrowing as NPA and financial statements are prepared on non going concern basis, for which the statutory auditors of holding Company have expressed qualified conclusion on financial results in this regards.

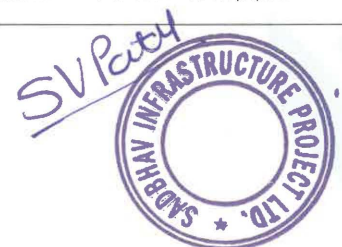
9 In case of Sadbhav Udaipur Highway Limited (SUDHL or concessionaire), subsidiary of the group which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI), the project work has been almost been completed as on December 31, 2023. However SUDHL has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S Gawar Construction Limited (Nominated Company) and the Lenders' Representative to give its consent for allowing harmonious substitution of the company.

The NHAI vide its letter dt December 27, 2023, conveyed its "InPrinciple" approval for substitution of SUDHL with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions through harmonious substitution and subject to final approval from the NHAI ("InPrinciple Approval"). Since the conditions precedent to the harmonious substitution are under compliance, no adjustment to the carrying value of assets and liabilities related to this project have been made in these financial results.

10 Sadbhav Rudrapur Highway Limited (SRHL or concessionaire), one of subsidiary of the group which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). There is delay in approval of Estimates for Shifting of Utilities, delay in approval of the GAD of ROB from Railway Department and non-availability of land for Construction of ROBs, delay in approval of Change of Scope Works, delay due to Force Majeure Event of COVID-19, etc. SRHL has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S RKCIPL-ARCPL (JV) (Nominated Company) and the Lenders' Representative gave its consent for allowing harmonious substitution of the company.

Subsequent to the quarter ended December 31, 2023, the NHAI vide its letter dt January 16, 2024, conveyed its "InPrinciple" approval for substitution of SRHL with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions through harmonious substitution and subject to final approval from the NHAI ("InPrinciple Approval"). Since the conditions precedent to the harmonious substitution is in progress, no adjustment to the carrying value of assets and liabilities related to this project have been made in these financial results.

11 Finance cost includes Interest expenses in respect of two subsidiary companies namely Rohtak Hissar Tollways Private Limited (RHTPL) and Rohtak Panipat Tollways Private Limited (RPTPL) amounting to INR 1,228.09 millions and INR 1,026.94 million reversed during the quarter ended March 31, 2023 which were provided in earlier period where Financials of RPTPL & RHTPL are prepared on non going concern basis due to issue of termination notice to NHAI by RPTPL & RHTPL.

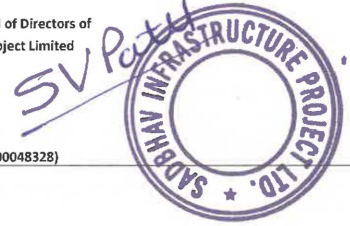


12 As per the financial results for the quarter and nine months ended December 31, 2023 Group's accumulated losses exceeded paid up capital by INR (4,850.53) millions Further some of the subsidiary Companies finds difficulty in meeting obligations of the lenders and accounts of some of the subsidiary companies have been classified as NPA by the lenders. These factors raise concern about Group's ability to continue as going concern. The management represents that the Group holds investments in 2 Toll and 2 HAM assets. The liquidity position of the Group is improving on account of conclusion of stake sale in 5 of the SPV's during nine months ended December 31, 2023. Up to the date of approval of these financial results, the Group has met all its obligations of payment of dues to the lenders. Further on the basis of cashflow projections considering monetisation of assets, realisation of claims and cost control measures, the Group will be able to repay or settle its liabilities as and when they fall due. In view of this, in the opinion of the management the going concern assumption adopted in preparation of these financial results is appropriate.

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

Place: Ahmedabad
Date: February 08, 2024

Shashin Patel
Executive Chairman (DIN:00048328)





S G D G & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY UNAUDITED CONSOLIDATED FINANCIAL RESULTS PURSUANT TO REGULATION 33 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

To,
The Board of Directors,
Sadbhav Infrastructure Project Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Sadbhav Infrastructure Project Limited** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended on December 31, 2023 (the "Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We are also responsible for performing procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Because of the matters described in the paragraph 5 below, we were not able to obtain sufficient evidence to provide a basis for conclusion on the Statement and hence we do not express a conclusion on the Statement.

4. The Statement includes the results of the entities mentioned in Annexure 1 to this report.
5. **Basis for Disclaimer of Conclusion**
 - a. As detailed in Note No 3 to the accompanying consolidated financial results that includes unaudited interim financial results and other unaudited financial information of the Maharashtra Boarder Check Post Network Limited, the subsidiary company which have not been reviewed, and whose unaudited interim financial results / information reflect, total revenue of INR 825.13 million and INR 2454.96 million, total net profit after tax of INR 30.84 million and 161.52 million and total comprehensive income of INR 30.84 million and 161.52 million for the quarter and nine months ended on December 31, 2023 respectively.

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

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These unaudited interim financial results and other unaudited financial information have been certified and furnished to us by the management and our conclusion on the Statement, in so far as it relates to affairs of this subsidiary is based solely on such unaudited interim financial results and other unaudited financial information duly certified by the management. According to the information and explanations given to us by the Management, these financial results are material to the Group.

b. Auditors of three subsidiaries of the group, based on their review, have issued a qualified conclusion as detailed here under:

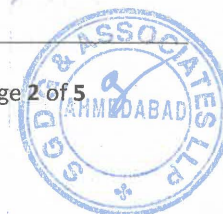
(i) As detailed in Note 7 & Note 8 of the accompanying consolidated financial results, with respect to Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hisar Tollway Private Limited (RHTPL), subsidiaries of the Group in which interest on rupee term loan from banks and financial institutions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

The auditors of RPTPL and RHTPL have expressed qualified opinion on the financial statement for the year ended on March 31, 2023 and qualified conclusion on the financial results for the quarter and nine months ended December 31, 2023.

(ii) As detailed in Note 9 to the accompanying consolidated financial results, with respect to Sadbhav Udaipur Highway Limited (SUHL), subsidiary company of the Group in which case, National Highway Authority of India in the month of December 2023, at the request of the SUHL has given in principal approval for harmonious substitution of SUHL. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in these financial results of SUHL. Owing to the uncertainty of outcome of substitution proceedings and lack of other alternate audit evidence, we are unable to comment about adjustments that may be required to the carrying value of assets and liabilities and their consequential impact on the financial results of the Group for the quarter and nine months ended on December 31, 2023.

The auditors of SUHL have expressed qualified conclusion on the financial results of SUHL for the quarter and nine months ended on December 31, 2023.

(iii) As detailed in Note 10 to the accompanying consolidated financial results, with respect to Sadbhav Rudrapur Highway Limited (SRHL), subsidiary company of the Group in which case, National Highway Authority of India in the month of December 2023, at the request of the SUHL has given in principal approval for harmonious substitution of SRHL. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial results of SRHL. Owing to the uncertainty of outcome of substitution proceedings and lack of other alternate audit evidence, we are unable to comment about adjustment that may be required to the carrying value of assets and liabilities and their consequential impact on the financial results of the Group for the quarter and nine months ended on December 31, 2023.



- C. As detailed in Note No 12 to the accompanying consolidated financial results of the Group have been prepared by the Management and Board of Directors using the going concern assumption. The matters detailed in the paragraph 5 (b) above may have a consequential implication on the Group's ability to continue as a going concern. However, the Group is confident of meeting its obligations in the normal course of business and accordingly the financial results of the Group have been prepared on Going Concern Basis.

6. Disclaimer of conclusion

In view of the nature of the matters described in paragraph 5, 'Basis for disclaimer of conclusion'; above for which absence of sufficient evidence has resulted in limitation on work and the consequent adjustments not being determined and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, we are unable to state whether the accompanying Statement has been prepared in accordance with the recognition and measurement principles laid down in the relevant Indian Accounting Standards and other accounting principles generally accepted in India, or that the Statement discloses the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement. Thus, we do not express a conclusion on the accompanying financial results.

7. Emphasis of Matters in respect of subsidiary Company

As detailed in Note 4.3 to the accompanying consolidated financial results, the financial results of Sadbhav Nainital Highway Limited, one of the subsidiaries of the Group are prepared, on non-going concern basis for the reasons stated in the said note.

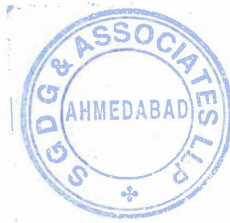
8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of 10 subsidiaries, whose unaudited interim financial results / information reflect, without giving effect of elimination of intra-group transaction, total revenue of INR 659.12 million and INR 2297.12 million, total net (loss) after tax of INR (317.62) million and INR (214.85) million and total comprehensive income of INR (317.62) million and INR (214.85) million for the for the quarter and nine months period ended on December 31, 2023 respectively, as considered in the statement which have been reviewed by their respective Independent Auditors. The Independent Auditors Reports on interim financial results / information of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the reports of such auditors.



9. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of 1 subsidiary which has not been reviewed by its auditor, whose unaudited interim financial results/information without giving effect of elimination of intra-group transaction reflect, total revenue of INR 7.85 million and INR 7.85 million, total net profit/(loss) after tax of INR 6.97 million and INR (56.27) million and total comprehensive income of INR 6.97 million and INR (56.27) million for the quarter and nine months period ended on December 31, 2023 respectively. These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to affairs of these subsidiaries is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Place: Ahmedabad

Date: February 8, 2024



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

Devansh Gandhi
Devansh Gandhi
Partner
Membership No.: 129255
UDIN: 24129255BKCENA3188

Annexure 1 to the Review Report on consolidated financial results for the quarter and nine months ended December 31, 2023

Results of following entities are included in these financial results for the quarter and nine months ended December 31, 2023

Parent Company

Sadbhav Infrastructure Project Limited

Subsidiaries

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

