

Sadbhav Hybrid Annuity Projects Limited
CIN :U45500DL2018PLC335787
Balance Sheet as at March 31, 2025

(INR in Million)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
1 Current Assets			
(a) Financial Assets			
Cash and Cash Equivalents	5	0.01	0.02
Total Current Assets		0.01	0.02
Total Assets		0.01	0.02
EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share Capital	6	0.50	0.50
(b) Other Equity	7	(2.63)	(1.02)
Total Equity (A)		(2.13)	(0.52)
2. LIABILITIES			
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	8	-	-
-Total outstanding dues to Micro Enterprises and Small Enterprises		-	-
-Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		0.16	0.09
(ii) Other Financial Liabilities	9	1.59	0.06
(b) Other Current Liabilities	10	0.39	0.39
Total Current liabilities (B)		2.14	0.54
Total Equity and Liabilities (C) = (A) + (B)		0.01	0.02
Material Accounting Policies	1 to 4		

Accompanying notes are an integral part of the financial statements

1 to 27

As per our report of even date attached
For O R Maloo & Co.
Chartered Accountants
ICAI Firm Registration No. 0135561W

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

CA Omkar Maloo
Partner
Membership No. 044074

Rajat Mondal
Director
DIN: 09811116

Purushottam Patel
Director
DIN: 09794838

Place: Ahmedabad
Date: May 23, 2025

Place: Ahmedabad
Date: May 23, 2025

Sadbhav Hybrid Annuity Projects Limited
CIN : U45500DL2018PLC335787
Statement of Profit and Loss for the year ended March 31, 2025

(INR in Million)

Particulars		Note No.	For the year ended	
			March 31, 2025	March 31, 2024
I	INCOME			
	Revenue From Operations		-	-
II	Other Income	11	-	-
III	Total Income (I+II)		-	-
	EXPENSES			
	Finance Cost		-	-
	Other Expenses	12	1.61	5.92
IV	Total Expenses		1.61	5.92
V	(Loss) before tax and exceptional item (III-IV)		(1.61)	(5.92)
VI	Exceptional item	23	-	337.46
VII	Profit/(Loss) before tax (V+VI)		(1.61)	331.54
VIII	Tax expenses			
	Current tax	18	-	-
IX	Profit/(Loss) for the period/year (VII-VIII)		(1.61)	331.54
X	Other Comprehensive Income for the year		-	-
	Total Comprehensive income for the year (IX+X)		(1.61)	331.54
Earnings/(Loss) Per Share (Nominal Value of share INR 10/-)				
	Basic & Diluted		(32.20)	6,630.85
Material Accounting Policies		1 to 4		

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Sadbhav Hybrid Annuity Projects Limited
Statement of Cash Flows for the year ended March 31, 2025

Particulars	Year ended March 31, 2025 (INR in Million)	Year ended March 31, 2024 (INR in Million)
(A) Cash flows from operating activities		
Profit/(Loss) before Tax	(1.61)	331.54
Adjustments to reconcile profit before tax to net cash flows:		
Unwinding of discount on interest free loan received from Holding Company	-	-
Exceptional item	-	(337.46)
Operating Loss before working capital changes	(1.61)	(5.92)
Working Capital Changes:		
Increase/(Decrease) in other current assets	-	5.73
Increase/(Decrease) in other current financial liabilities	1.53	0.09
Increase/(Decrease) in trade payables	0.07	0.03
Increase/(Decrease) in other current liabilities	-	-
Cash flow (used in) operating activities	(0.01)	(0.07)
(+)/(-) : Tax Paid (Net of Refund)	-	-
Net cash flow (used in) operating activities	(0.01)	(0.07)
(A)		
(B) Cash flows from investing activities	-	-
Net cash generated from/(used in) investing activities	(B)	-
(B)		
(C) Cash flows from financing activities		
Net cash flows generated from/(used in) financing activities	(C)	-
(C)		
Net decrease in cash and cash equivalents	(0.01)	(0.07)
(A + B + C)		
Cash and cash equivalents at beginning of the year	0.02	0.09
Cash and cash equivalents at end of the year	0.01	0.02

Notes:

- (i) **Components of cash and cash equivalents (Refer note 5)**

	March 31, 2025 (INR in Million)	March 31, 2024 (INR in Million)
Cash on hand	0.01	0.01
Balances with banks		
in current accounts	0.00	0.01
Total Cash and cash equivalents	0.01	0.02

(INR in Million)						
(ii) Reconciliation of Financial Liabilities (F.Y 2024-25)	As at March 31, 2024	Cash flows	Finance Cost	Non - Cash Adjustments	Transaction cost	As at March 31, 2025
Long Term Borrowings	-	-	-	-	-	-

Reconciliation of Financial Liabilities (F.Y 2023-24)	As at March 31, 2023	Cash flows	Finance Cost	Non - Cash Adjustments	Transaction cost	As at March 31, 2024
Long Term Borrowings	-	-	-	-	-	-

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

- (iv) Figures in brackets represent cash outflows.

As per our report of even date attached
For O R Maloo & Co.
Chartered Accountants
ICAI Firm Registration No. 0135561W

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

CA Omkar Maloo
Partner
Membership No. 044074

Rajat Mondal
Director
DIN: 09811116

Purushottam Patel
Director
DIN: 09794838

Place: Ahmedabad
Date: May 23, 2025

Place: Ahmedabad
Date: May 23, 2025

Sadbhav Hybrid Annuity Projects Limited
Statement of Changes in Equity for the year ended March 31, 2025

A Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	March 31, 2025		March 31, 2024	
	No of Shares	Amount (INR in Million)	No of Shares	Amount (INR in Million)
Balance at the the beginning of the year	50,000	0.50	50,000	0.50
Changes in the equity share capital during the year due to prior period errors	-	-	-	-
Restated Balance at the beginning of the year	50,000	0.50	50,000	0.50
Changes in the equity share capital during the year	-	-	-	-
Balance at the end of the year	50,000	0.50	50,000	0.50

B Other Equity

Particulars	(INR in Million)		
	Retained Earnings	Equity Component of Compound Financial Instrument	Total other equity
As at the April 01, 2023	(332.56)	152.66	(179.90)
Adjustment		(152.66)	(152.66)
Profit for the year (Refer Note 23)	331.54		331.54
As at the March 31, 2024	(1.02)	-	(1.02)
As at the April 01, 2024	(1.02)	-	(1.02)
Adjustment	-	-	-
(Loss) for the year	(1.61)	-	(1.61)
As at the March 31, 2025	(2.63)	-	(2.63)

As per our report of even date attached
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Partner
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Rajat Mondal Purushottam Patel
Director Director
DIN: 09811116 DIN: 09794838

Place: Ahmedabad
Date: May 23, 2025

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Date: May 23, 2025

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2025

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 May 23, 2025.

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, 2023 in the preparation and presentation of financial statements for the year ending on March 31, 2024 and March 31, 2025.

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 10,00,000), 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).

3. Summary of material accounting policies

The following are the material 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-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

a. Revenue from Operations

The Company applies Ind AS 115 using cumulative catch-up transition method. The Company recognizes revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied.

The Company earns revenue from construction, operation and maintenance, other related services and interest from financial asset.

(i) Construction services

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

Contract Balances

Contract Assets

Sadbhav Hybrid Annuity Projects Limited**Notes to Financial statement for the year ended March 31, 2025**

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

Contract Liabilities

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

(ii) Construction, operation and maintenance and other related services:

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services.

For construction, operation and maintenance and other related services, the performance obligation is satisfied over time. For determining performance obligation of services; the Company uses output method for measurement of revenue.

Revenue is measured based on the transaction price which is the consideration, as specified in contract with the customer. Revenue excludes taxes collected from the customers.

(iii) Interest from financial asset:

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.

b. 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.

c. 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

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2025

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. 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

Sadbhav Hybrid Annuity Projects Limited

Notes to Financial statement for the year ended March 31, 2025

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.

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)

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2025

• **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

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.

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2025

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 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 service ability

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.

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial statement for the year ended March 31, 2025

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.

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.

Sadbhav Hybrid Annuity Projects Limited**Notes to Financial statement for the year ended March 31, 2025**

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

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for year ended March 31, 2025

5 Cash and Cash Equivalents

	March 31, 2025	March 31, 2024
	(INR in Million)	(INR in Million)
Cash on Hand	0.01	0.01
Balance with Banks		
in current accounts*	0.00	0.01
Total	0.01	0.02

*Amount of INR 1300.74 (PY:INR 5061/-) is below Rounding-off norms adopted by the Company.

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for year ended March 31, 2025

6 Equity Share Capital

	March 31, 2025		March 31, 2024	
	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

7 Other Equity

	March 31,2025 (INR in Million)	March 31,2024 (INR in Million)
Retained Earning		
(Deficit) at the beginning of the year	(1.02)	(332.57)
Add: Net Profit/(Loss) after tax transferred from Statement of Profit and Loss Statement	(1.61)	331.54
(Deficit) at the end of the year	Total-A (2.63)	(1.02)
	Total-(A+B) (2.63)	(1.02)

8 Trade Payables

	March 31,2025 (INR in Million)	March 31,2024 (INR in Million)
-Dues to Micro & small enterprises (Refer Note No. 17)	-	-
-Dues to Others	0.16	0.09
Total	0.16	0.09

As at March 31, 2025

Sr No	Particulars	Outstanding for following periods from due date of Payment*					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	0.08	0.05	0.03	-	-	0.16
3	Others-Related Parties	-	-	-	-	-	-
4	Disputed dues - MSME	-	-	-	-	-	-
5	Disputed dues - Others	-	-	-	-	-	-
	Total	0.08	0.05	0.03	-	-	0.16

As at March 31, 2024

Sr No	Particulars	Outstanding for following periods from due date of Payment*					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	0.04	0.03	0.01	0.01	-	0.09
3	Others-Related Parties	-	-	-	-	-	-
4	Disputed dues - MSME	-	-	-	-	-	-
5	Disputed dues - Others	-	-	-	-	-	-
	Total	0.04	0.03	0.01	0.01	-	0.09

* Date of transaction is considered as due date in case where no due date of payment is specified.

9 Other Current Financial Liabilities

	March 31,2025 (INR in Million)	March 31,2024 (INR in Million)
Reimbursement Payable (Refer Note 15)	1.59	0.06
Total	1.59	0.06

10 Other Current Liabilities

	March 31,2025 (INR in Million)	March 31,2024 (INR in Million)
Statutory dues	0.39	0.39
Total	0.39	0.39

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for year ended March 31, 2025

11 Other Income

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Interest on Income Tax Refund	-	-
Provision no longer required written back	-	-
Miscellaneous Income	-	0.00*
Total	-	-

*Amount of INR Nil (March 31, 2024 INR 900/ is below Rounding off norms adopted by the Company.

12 Other Expenses

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Rates & Taxes*	0.00	0.00
Auditor Remuneration (Refer Note 12.1 below)	0.04	0.05
Professional Fees & Expenses	0.01	0.05
Stamp Duty and Filing Fees**	0.00	0.00
Corporate Social Responsibilities Expenses (CSR)	1.45	-
Director Sitting Fees	0.11	0.09
GST Write off	-	5.73
Total	1.61	5.92

*Amount of INR 1370 (PY:INR 1348/-) is below Rounding-off norms adopted by the Company.

**Amount of INR 4152(PY:INR 2500/-) is below Rounding-off norms adopted by the Company.

12.1 Auditor Remuneration

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Statutory Audit Fees	0.04	0.05
Total	0.04	0.05

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for year ended March 31, 2025

13 Earnings Per Share (EPS):

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

Particulars	March 31, 2025	March 31, 2024
Net Profit/(Loss) as per Statement of Profit & Loss (In Million)	(1.61)	331.54
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	50 000
Nominal value of equity shares	10	10
Basic & Diluted Earnings/(Loss) per share	(32.20)	6,630.85

14 Contingent Liabilities & Commitments

- (i) There are no contingent liabilities, pending litigations/claims against the Company as on March 31, 2025 and March 31, 2024.
- (ii) There are no commitments outstanding as on March 31, 2025 and March 31, 2024.

15 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 Limited (SVHL)
	Key Managerial Personnel	Mr. Purushottambhai Patel, Additional Director (W.e.f 18.11.2022)
		Mr. Rajat Mondal (W.e.f 03.12.2022)
		Mr Tarang M Desaid (Independent Director) (w.e.f. 11.11.2024)
		Mr. Ravi Kapoor, Director (upto 19.02.2025)

(II) Transactions with Related Parties during the Year:

No.	Particulars	March 31,2025	March 31,2024
(INR in Millions)			
(i)	Reimbursement (Net)		
	-SIPL	-	0.09
	-SEL	-	-
(ii)	Reversal of Reimbursement Payable		
	-SIPL	-	17.57
	-SEL	-	7.55
(iii)	Reversal of Subordinate debt		
	-SIPL	-	152.66
(iv)	Reversal of Long Term Borrowing		
	-SIPL	-	509.69
(v)	Reversal of Investment in Subdebt		
	-SVHL	-	350.00
(vi)	Director Sitting Fees		
	-Rajat Mondal	0.05	0.05
	-Tarang Desai	0.01	-
	-Purushottambhai Patel (including provision)	0.05	0.05

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for the year ended March 31, 2024

(III) Balance outstanding as at the year end:		(INR in Millions)	
No.	Particulars	March 31,2025	March 31,2023
(i)	Long Term Loan received		
	-SIPL	-	-
(ii)	Investment in Sub debt		
	-SVHL	-	-
(iii)	Payable towards Rent/Reimbursement		
	-SEL	-	-
(iv)	Payable towards Reimbursement		
	-SIPL	1.59	0.06
(v)	Director Sitting Fees Payable (Including Provision)		
	-Rajat Mondal	0.02	0.01
	-Tarang Desai	0.01	-
	-Purushottambhai Patel	0.02	0.01

(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, 2025 and March 31, 2024.

16 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.

17 Trade dues to MSME

There are no Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 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 year ended March 31, 2025

18 Income Tax expense

As there is no taxable income, current tax liability as per the provision of Income Tax Act, 1961 is INR Nil.
There are no timing difference. Hence deferred tax adjustments are not made.

19 Financial Instruments

(I) Disclosure of Financial Instruments by Category

Financial instruments by categories	(INR in Million)					
	March 31, 2025			March 31, 2024		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Asset						
Cash and Cash Equivalent	-	-	0.01	-	-	0.02
Total Financial Assets	-	-	0.01	-	-	0.02
Financial Liabilities						
Trade Payables	-	-	0.16	-	-	0.09
Current Financial Liabilities	-	-	1.59	-	-	0.06
Total Financial Liabilities	-	-	1.75	-	-	0.15

(II) 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.

20 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 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 is not exposed to credit risk as it does not undertake any such activities.

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

Particulars	(INR in Million)	
	31.03.2025	31.03.2024
Variable rate borrowings	-	-
	-	-

(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. 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:

(INR in Million)						
As at March 31, 2025	Carrying Amount	On Demand	up to 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities						
Trade Payables	0.16	-	0.13	0.03		-
Current Financial Liabilities	1.59	-	1.53	0.06		-

As at March 31, 2024	Carrying Amount	On Demand	up to 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities						
Trade Payables	0.09	-	0.07	0.01	0.01	-
Current Financial Liabilities	0.06	-	0.06	-	-	-

Sadbhav Hybrid Annuity Projects Limited
Notes to Financial Statements for year ended March 31, 2025

21 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, 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, 2025	March 31, 2024
Equity	0.50	0.50
Other Equity	-	-
Total	0.50	0.50

- 22** The Company has no business since inception and in the previous year the balance of subordinate debt & investment are written back & written off respectively

Having regard to these aspects, these financial statements have been prepared on non going concern basis.

- 23** During the year ended March 31, 2024, the Company has written back the loan and payables of holding Company i.e. Sadbhav Infrastructure Project Limited and Ultimate holding Company aggregating to INR 687.46 Million repayment of which has been waived by fellow subsidiary. The Board of Directors of the Company has given approval for write back in its meeting held on February 07, 2024.

The Company has also written off the sub-ordinate loan given to Sadbhav Vidarbha Highway Limited (SVHL) amounting to INR 350 Million.

The exceptional item of INR 337.46 Million is the net effect of transaction i.e. Write off of INR 350 Millions and written back of INR 687.46 Million.

24 Ratios

Sr No	Ratio	Numerator	Denominator	As at 31-Mar-2025	As at 31-Mar-2024	Deviation	Reason for Deviation if > 25%
1	Current Ratio	Current Assets	Current Liabilities	0.00	0.04	-87.38%	Ratio declined due to increase in current liabilities
2	Debt – Equity Ratio	Total Debt	Shareholder's Equity	N.A	N.A	N.A	-
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service (Interest+ Principal repayments)	N.A	N.A	N.A	No borrowing at the end of the year
4	Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	1.21	(3.69)	-132.90%	Due to change in average shareholder's equity in current year as compared to last year
5	Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	N.A	N.A	N.A	As the Company does not have inventory, the ratio has not been calculated.
6	Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	N.A	N.A	N.A	As the Company does not have trade receivables, the ratio has not been calculated.
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	N.A	N.A	N.A	As the Company has not incurred any construction expenses, the ratio has not been calculated.
8	Net capital turnover ratio	Net Sales	Working Capital	N.A	N.A	N.A	As the Turnover of the Company is Nil, ratio is not calculated.
9	Net profit ratio	Net Profit	Total Sales	N.A	N.A	N.A	
10	Return on capital employed	Earning before interest and taxes	Tangible net worth+ Total debt+ Deferred tax	N.A	N.A	N.A	Due to Accumulated losses, ratio has not been calculated
11	Return on investment	$\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t)]\}$	N.A	N.A	N.A	-

25 Other Regulatory Requirements:

- (a) The Company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (b) The Company has not received disbursement of working capital loan from financial institution/bank. Hence it is not required to file quarterly statements to financial institution.
- (c) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (e) The Company does not have any charges or satisfaction, which is yet to be registered with Registrar Of Companies beyond the statutory period.
- (f) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (g) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (h) The Company has no transaction and or outstanding balance as at March 31, 2025 and March 31, 2024 with the Companies struck off under Companies Act, 2013.

26 Events Occurring after balance sheet date:

According to the management's evaluation of events subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed/given effect to, in these financial statements.

27 Previous year figures have been regrouped/reclassified wherever necessary.

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

CA Omkar Maloo
Partner
Membership No. 030083

Place: Ahmedabad
Date: May 23, 2025

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

Rajat Mondal
Director
DIN: 09811116

Purushottam Patel
Director
DIN: 09794838

Place: Ahmedabad
Date: May 23, 2025