Sadbhav Rudrapur Highway Limited
(Formerly known as Sadbhav Rudrapur Highway Private Limited)
CIN: U45203GJ2016PLC091774
Balance Sheet as at March 31, 2025

Particulars	Note No.	As at March 31, 2025 INR in Million	As at March 31, 2024 INR in Million
ASSETS			
Non-current Assets			
(a) Non Current Financial Assets			
(i) Receivable under Concession Arrangements	5	3,038.08	2,115.81
(b) Other non Current Assets	6	-	44.70
		3,038.08	**2,160.51**
Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	7	65.22	41.98
(ii) Bank balances other than (i) above	7	20.00	-
(iii) Receivable under Concession Arrangements	8	494.69	1,464.46
(iv) Other Current Financial Asset	9	71.94	337.66
(b) Current tax assets (Net)	10	81.22	50.47
(c) Other Current Assets	11	80.19	118.93
		813.26	**2,013.50**
Total Assets		**3,851.35**	**4,174.01**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	10.00	10.00
Instruments Entirely equity in nature		-	-
Other Equity	13	1,023.25	1,138.43
Total Equity		**1,033.25**	**1,148.43**
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	1,894.12	2,124.46
(b) Deferred tax liabilities (Net)	27	93.98	96.83
		1,988.11	**2,221.29**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	217.00	210.62
(ii) Trade Payables	16		
-Dues to micro & small enterprises		-	0.83
-Dues to others		571.33	555.02
(iii) Other Financial Liabilities	17	34.15	35.92
(b) Other Current Liabilities	18	7.51	1.90
		829.99	**804.28**
Total Equity and Liabilities		**3,851.35**	**4,174.01**
Material accounting policies	3		

The notes referred above are an integral part of these financial statements 01-43
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
ICAI Firm Registration No. 004661N

For & On Behalf of Board of Directors of
Sadbhav Rudrapur Highway Limited

G.K.Agrawal
Partner
Membership. No. 081603

Place: New Delhi
Date: May 23, 2025

Mahendrasinh R Ch	Purushottambhai B Patel
Director	Director
DIN No:02607067	DIN No:09794838

Place: Ahmedabad
Date: May 23, 2025

Sadbhav Rudrapur Highway Limited
(Formerly known as Sadbhav Rudrapur Highway Private Limited)
CIN: U45203GJ2016PLC091774
Statement of Profit and Loss for the year ended March 31, 2025

INR in Million

Particulars	Note No.	For the Year ended 31-03-2025	For the Year ended 31-03-2024
INCOME			
I Revenue From Operations	19	62.16	11.34
II Other Income	20	161.65	258.98
III Total Income (I+II)		**223.80**	**270.32**
EXPENSES			
Operating Expense	21	24.34	-
Finance Cost	22	279.46	297.63
Other Expenses	23	37.82	11.34
IV Total Expenses		**341.62**	**308.97**
V Profit / (Loss) before tax (III-IV)		**(117.82)**	**(38.66)**
VI Tax Expense	27		
Current tax		-	-
Deferred tax		(2.85)	(41.84)
Earlier year tax adjustment		0.21	-
Total tax expenses		**(2.64)**	**(41.84)**
VII Profit/(Loss) for the period (VI-VII)		**(115.18)**	**3.18**
VIII Other Comprehensive Income			-
IX Total Comprehensive Income for the period, net of tax (VII+VIII)		**(115.18)**	**3.18**
X Earnings per share (Nominal Value of Share of INR 10/-)			
Basic & Diluted (in Rs.)	24	(115.18)	3.18

Material accounting policies 3
The notes referred above are an integral part of these financial statements 01-43
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
ICAI Firm Registration No. 004661N

For & On Behalf of Board of Directors of
Sadbhav Rudrapur Highway Limited

G.K.Agrawal
Partner
Membership. No. 081603

Mahendrasinh R Chavda
Director
DIN No:02607067

Purushottambhai B Patel
Director
DIN No:09794838

Place: New Delhi
Date: May 23, 2025

Place: Ahmedabad
Date: May 23, 2025

Sadbhav Rudrapur Highway Limited
(Formerly known as Sadbhav Rudrapur Highway Private Limited)
CIN: U45203GJ2016PLC091774
Statement of Cash Flow for the year ended March 31, 2025

Particulars		March 31, 2025 INR in Million	March 31, 2024 INR in Million
(A) Cash Flows from operating activities			
Net (Loss) before Tax		**(117.82)**	**(38.66)**
Adjustments to reconcile profit before tax to net cash flows:			
Interest and other borrowing cost		277.19	295.35
Interest income on Fixed deposits		(0.87)	-
Amortisation of Processing fees		2.27	2.28
Operating profit before working capital changes		**160.78**	**258.97**
Working Capital Changes:			
(Increase)/Decrease in financial assets		47.50	401.52
(Increase)/Decrease in other financial assets		251.77	(146.72)
(Increase)/Decrease in other assets		83.44	73.88
Increase/(Decrease) in other financial liabilities		16.84	0.30
Increase/(Decrease) in other liabilities		5.61	(41.51)
Increase/(Decrease) in tradepayable		15.48	30.31
Cash Generated from Operations		**581.42**	**576.75**
Direct taxes paid (net of refund)		(30.96)	(13.55)
Net cash flow from operating activities	**(A)**	**550.46**	**563.20**
(B) Cash Flows from investing activities			
Interest income on Fixed deposits		0.87	
Fixed Deposits		(20.00)	
Net Cash generated from investing activities	**(B)**	**(19.13)**	-
(C) Cash Flows from financing activities			
Proceeds/(Repayment) from Non Current borrowings		(226.23)	(202.77)
Sub Ordinate debt received/(Transfer)		-	-
Interest and other borrowing cost paid		(281.85)	(349.71)
Net cash generated from financing activities	**(C)**	**(508.10)**	**(552.48)**
Net increase in cash and cash equivalents	**(A + B+C)**	23.23	10.72
Cash and cash equivalents at beginning of the year		41.98	31.26
Cash and cash equivalents at end of the year		**65.21**	**41.98**

Notes:

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

	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*	65.20	41.97
Cash and cash equivalents	**65.21**	**41.98**

*Balances with banks include balance of INR 59.66 million (March 31, 2024 INR 41.97 million) lying in the escrow accounts as per terms of borrowings with the lenders.

(ii) **Changes in Liabilities on arriving from financing activities**

INR in Million

Reconciliation of Financial liabilities	March 31, 2024	Cash flows	Interest Cost	Non-cash adjustment Transaction Cost	March 31, 2025
Borrowings	2,535.56	(226.23)	-	2.28	2,311.60
Short Term Borrowings	-	-	-	-	-
Interest cost	76.03	(281.85)	279.46	(2.28)	71.36

INR in Million

Reconciliation of Financial liabilities	March 31, 2023	Cash flows	Interest Cost	Non-cash adjustment Transaction Cost	March 31, 2024
Borrowings	2,722.46	(189.17)	-	2.27	2,535.56
Short Term Borrowings	-	-	-	-	-
Interest cost	72.46	(265.19)	271.03	(2.27)	76.03

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

(iv) Figures in brackets represent outflows.

The notes referred above are an integral part of these financial statements **1 - 43**
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
ICAI Firm Registration No. 004661N

G.K.Agrawal
Partner
Membership. No. 081603

Place: New Delhi
Date: May 23, 2025

For & On Behalf of Board of Directors of
Sadbhav Rudrapur Highway Limited

Mahendrasinh R Chavda
Director
DIN No:02607067

Purushottambhai B Patel
Director
DIN No:09794838

Place: Ahmedabad
Date: May 23, 2025

Sadbhav Rudrapur Highway Limited
(Formerly known as Sadbhav Rudrapur Highway Private Limited)
CIN: U45203GJ2016PLC091774
Statement of Changes in Equity for the year ended March 31, 2025

A Equity Share Capital

INR in Million

Equity Shares of INR 10 each issued, Subscribed and fully paid	No. of Shares	Amount
Balance at the beginning of the	10 00 000	10.00
Changes in the equity share capital during the year due to prior period e	-	-
Restated Balance at the beginning of the year	10,00,000	10.00
Changes in equity share capital during the year	-	-
Balance at the end of the reporting	**10 00 000**	**10.00**
Balance at the beginning of the	10 00 000	10.00
Changes in the equity share capital during the year due to prior period e	-	-
Restated Balance at the beginning of the year	10 00 000	10.00
Changes in equity share capital during the year	-	-
Balance at the end of the reporting	**10 00 000**	**10.00**

B Other Equity

INR in Million

Particulars	Equity Component of Compound Financial Instrument (Subordinate debt)*	Reserves and Surplus	Total
		Retained Earning	
Balance at the beginning of the	915.60	219.65	1,135.25
Changes in accounting policy or prior	-	-	-
Restated balance at the beginning of	915.60	219.65	1,135.25
Sub debt received/Transfer to loan	-	-	-
Profit/ (Loss) of the year	-	3.18	3.18
Total Comprehensive Income for the	-	**3.18**	**3.18**
Transactions with owners, recorded	-	-	-
Total transactions with owners	-	-	-
Balance at the end of the reporting	915.60	222.83	1,138.43
Balance at the beginning of the	915.60	222.83	1,138.43
Changes in accounting policy or prior	-	-	-
Restated balance at the beginning of	915.60	222.83	1,138.43
Sub debt received/Transfer to loan	-	-	-
Profit/ (Loss) of the year	-	(115.18)	**(115.18)**
Total Comprehensive Income for the	-	**(115.18)**	**(115.18)**
Transactions with owners, recorded	-	-	-
Total transactions with owners	-	-	-
Balance at the end of the reporting	915.60	107.65	1,023.25

* The Project of the Company has been funded through sub ordinate debt from the Sponsors in accordance with Sponsor Support and Equity Contribution Agreement / Sponsor Undertaking. As per Common Loan Agreement, such sub ordinate debts is considered as sponsor's contribution to ensure Promotors commitment for the project as per Common Loan Agreement. Sub-ordinate debt is interest free and shall be repayable at the option of the company at the end of the concession period or earlier.

For Gianender & Associates
Chartered Accountants
ICAI Firm Registration No. 004661N

For & On Behalf of Board of Directors of
Sadbhav Rudrapur Highway Limited

G.K.Agrawal
Partner
Membership. No. 081603

Mahendrasinh R Chavda
Director
DIN No:02607067

Purushottambhai B Patel
Director
DIN No:09794838

Place: New Delhi
Date: May 23, 2025

Place: Ahmedabad
Date: May 23, 2025

1. Company information:

Sadbhav Rudrapur Highway Limited ("the Company") is the 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 which is listed on two recognized stock exchanges in India. The registered office of the company is located at "Sadbhav House", Opp. Law Garden Police Chowki, Ellis bridge, Ahmedabad-380006.

The Company was incorporated as a Special Purpose Vehicle (SPV) in June, 2016, to augment the existing road from km 0.00 (km190.00 of NH-24) to km 42.791 (approximately 43.446 km) on the Rampur - Kathgodam Section of N.H. 87 (New N.H. No 9) (in the state of Uttar Pradesh by Four-Laning thereof on Design, Built, Operate and Transfer ("DBOT Annuity" or "Hybrid Annuity") basis. As per the SCA, NHAI grants to the Company exclusive right, license and authority to construct, operate and maintain the project during the Construction Period of 730 days and Operation Period of 15 years commencing from COD.

The company has proposed to harmoniously substitute the Concessionaire with a new SPV to be incorporated by M/s RKCIPL-ARCPL (JV) in the interest of Project. During the year ended March 31, 2024, the NHAI vide its letter dated 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"). The Authority has issued an in-principal approval for such Harmonious Substitution with the terms and conditions stated therein.

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:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act 2013, (Ind AS compliant Schedule III), as applicable to financial statements. These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the followings assets and liabilities which have been measured at fair value:

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

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- Held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months

after the reporting period.

The Company classifies all other liabilities as non-current.

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

Operating cycle

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

3.2 Service Concession Arrangement

The company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Financial Assets Model

The Company recognizes the considerations given by the grantor i.e. National Highway Authority of India ('NHAI') in accordance with Appendix D-'Service Concession Arrangements' of Ind AS 115. The Company recognizes a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the contract for the construction services; the grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law.

3.3 Revenue from contract with customers

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

Construction services

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

Contract balances

Contract Assets

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).

3.4 Other Income

Gain or loss on sale of Mutual Fund

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

Interest

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend

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

3.5 Borrowing costs

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

3.6 Leases

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

Company as Lessee

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

Short-term leases and leases of low-value assets

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

3.7 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. Purchase 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 recognized on the trade date i.e. the date that the Company commits to purchase or sell the asset.

However, trade and other receivables are recognized on amortised cost.

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

- **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 asset 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 asset, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. Financial assets include 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:**
  Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

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

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The company follows 'simplified approach' for recognition of impairment loss allowance on:
- Trade receivables and
- Other financial assets

Trade receivable:
Also the receivable from companies are considered to be good and there are neither been any past instances of default and also management doesn't expect any default in case of Company receivables, therefore Impairement losses are not recognised as per Ind AS 109.

b) Financial Liabilities

i. Initial recognition and measurement of financial liabilities

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

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

ii. Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include 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 OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and 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.

- **Equity component of Compound financial instruments**
  The Company has borrowed subordinate debt in nature of Sponsors contribution in the project as per requirement of loan agreement, which the company has classified in the other equity as the same is redeemable at the Company's option and without coupon as per terms of contract

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 DE recognition 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 realize the assets and settle the liabilities simultaneously.

3.8 Fair Value Measurement

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

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

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the 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.

3.9 Income tax

Income tax expense comprises current tax and deferred tax.

Current Tax

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

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

Deferred Tax

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

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

Deferred tax assets are recognised 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.

Deferred tax in respect of timing difference which is reverse after the tax holiday period is recognized in the year in which the timing difference originate. However, the company restricts recognition of deferred tax assets to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. For recognition of deferred tax, the timing difference which originate first are considered to reverse first.

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

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

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.

3.10 Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss, net of any reimbursement, if any.

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

3.11 Contingent liabilities

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

3.12 Cash and cash equivalents

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

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

3.14 Segment reporting

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

4 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.

Estimates and assumptions

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

Taxes

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

Revenue from contract with customer

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

Impairment of non-financial asset

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the higher of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Sadbhav Rudrapur Highway Limited
Notes to Financial Statements for the year ended March 31, 2025

5 Receivable under Service Concession Arrangements

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Receivable from NHAI	3,038.08	2,115.81
Total	**3,038.08**	**2,115.81**

6 Non Current tax Assets

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
TDS Receivable	-	44.70
Total	**-**	**44.70**

7 Cash and Cash Equivalents

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Cash and Cash Equivalents		
Balance with Banks		
in current accounts	65.20	41.97
Cash on Hand	0.01	0.01
Total	**65.22**	**41.98**
Other balances with bank:		
in Fixed Deposit (DSRA)	20.00	-
Total (B)	**20.00**	**-**
Total (C=A+B)	**85.22**	**41.98**

Note:

1. Balances with banks include balance of INR 59.66 million (March 31, 2024 INR 41.97 million) lying in the escrow accounts as per terms of borrowings with the lenders.
2. Deposits lying with bank in designated account for specific purpose as per terms of common loan agreement i.e. Debt Service Reserve Account. Hence, considered as restricted cash and bank balance.

8 Receivable under Service Concession Arrangements

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Receivable from NHAI	494.69	1,464.46
Total	**494.69**	**1,464.46**

9 Other Current Financial Assets

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Interest receivable on Mobi Adv from SEL	71.66	66.92
Interest accrued but not due on Bank Fixed Deposits	0.27	-
Excess Interest receivable from bank	-	13.96
With held amount by NHAI	-	256.78
Total	**71.94**	**337.66**

10 Current tax assets (net)

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Current tax assets	81.22	50.47
Total	**81.22**	**50.47**

11 Other Current Assets

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Mobilization Advance	76.97	76.97
Advance to Vendors	0.13	10.74
GST Receivables -Balance with govt authorities	-	28.66
Prepaid Expenses	3.08	2.54
Total	**80.19**	**118.93**

12 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 Rs. 10 each	10,00,000	10.00	10,00,000	10.00
	10,00,000	**10.00**	**10,00,000.00**	**10.00**
Issued, Subscribed and fully paid up				
Equity Shares of Rs 10 each	10,00,000	10.00	10,00,000	10.00
Total	**10,00,000**	**10.00**	**10,00,000**	**10.00**

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

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	INR in Million	No. of shares	INR in Million
At the beginning of the year	10,00,000	10.00	10,00,000	10.00
Add: Issue during the year	-	-		-
Outstanding at the end of the year Total	**10,00,000**	**10.00**	**10,00,000**	**10.00**

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

The Company has one class of shares referred to as equity shares having a par value of INR 10 each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Share held by holding Company:

Out of issued, subscribed and paid up equity capital 1,000,000 are held by Sadbhav Infrastructure Project Limited - Holding Company and its nominees.

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

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
<u>**Equity Shares of Rs 10 each fully paid**</u>				
Sadbhav Infrastructure Project Limited and its nominees	10,00,000	100%	10,00,000	100%
Total	**10,00,000**	**100%**	**10,00,000**	**100%**

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

(e) Shareholding of Promotors

Name of Promoter	No of Shares	% of Total Share	% Change During Period
As at 31-March-2025			
Sadbhav Infrastructure Project Limited and its nominees	10,00,000	100%	0.00%
Total	**10,00,000**	**100%**	**0%**
As at 31-March-2024			
Sadbhav Infrastructure Project Limited and its nominees	10,00,000	100%	0.00%
Total	**10,00,000**	**100%**	**0%**

13 Other Equity

	March 31, 2025	March 31, 2024
	INR in Million	INR in Million
Equity Component of Compound Financial Instrument - Sub Ordinate debts		
Balance at the beginning of the year	915.60	915.60
Add: Addition/transfer during the year	-	-
Balance at the end of the year Total	**915.60**	**915.60**
Retained Earning		
(Deficit) at the beginning of the Year	222.83	219.65
Add: Net Profit/ (Loss) after tax transferred from Statement of Profit and Loss	(115.18)	3.18
Surplus/(Deficit) at the end of the year	**107.65**	**222.83**
Total	**1,023.25**	**1,138.43**

14 Non Current Borrowing

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Secured		
Term Loan from Banks	1,659.44	1,835.53
Term Loan from Financial Institution	451.68	499.55
Total (A)	**2,111.12**	**2,335.08**
Less: Current maturities of non-current borrowing		
Secured		
From Bank	170.58	165.54
From Financial Institution	46.43	45.08
Total (B)	**217.00**	**210.62**
Total (A-B)	**1,894.12**	**2,124.46**

(i) Nature of Security:

The details of Security in respect of long term borrowings are as under:

1 first mortgage and charge on all the Company's immovable (investment) properties, both present and future, save and except the Project Assets;

2 first charge on all the Company's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, save and except the Project Assets;

3 first charge over all accounts of the Company including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with Common Rupee Loan Agreement and the Supplementary Escrow Agreement, or any other Project Documents including but not limited to DSR and MMR and all funds from time to time deposited therein, including those arising out of realisation of Receivable and all Permitted Investments or other securities representing all amounts credited thereto.

4 first charge on all intangibles assets of the Company including but not limited to goodwill, rights, undertakings and uncalled capital present and future excluding the Project Assets .

5 first charge on assignment by way of security in:
- all the right, title, interest, benefits, claims and demands whatsoever of the Company in the Project Documents;
- the right, title and interest of the Company in, to and under all the Clearances;
- all the right, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents;
- all the right, title, interest, benefits, claims and demands whatsoever of the Company under all Insurance Contracts.

6 pledge of 51% (fifty one percent) of the paid up and voting equity share capital of the Company as held by Sadbhav Infrastructure Project Limited, for a year up to repayment of entire borrowings.

7 the aforesaid mortgages, charges, assignments and guarantees and the pledge of equity shares as stipulated in paragraph 6 above shall in all respects rank pari-passu inter-se amongst the lenders. In accordance with the concession agreement, without any preference or priority to one over the other or others.

(ii) Terms of Repayment:

Rupee Term Loans from Bank & Financial Institution

As per the second amendment agreement to the amended and restated common loan agreement dated 10th January,2021 The Principal Amounts of the Loan to each of the Lenders shall be repayable in 28 structured Bi-Annually instalments, commencing from the July 15, 2020 and last date of Instalment is December 15, 2035.

Term loans carry interest at bank base rate plus spread i.e. 9.50 percent to 11.25 percent per annum as on March 31, 2025.

15 Short Term Borrowings

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Secured		
Term Loan from Banks & Financial Institution	217.00	210.62
Total	**217.00**	**210.62**

16 Trade Payables

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Current		
-Due to Related parties	549.28	549.12
-Due to Others	22.05	6.74
Total	**571.32**	**555.86**

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the financial statement as at 31-Mar-2025 based on the information received and available with the Company. On the basis of such information, no interest is payable to any micro, small and medium enterprises. Auditors have relied upon the information provided by the Company.

As at March 31, 2025

Sr No	Particulars	Outstanding for following periods from due date of Payment				
		Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
1	MSME					
2	Others	22.05				22.05
3	Others-Related Parties	0.15	55.24	134.90	358.98	549.27
4	Disputed dues - MSME					
5	Disputed dues - Others	-	-	-	-	-
	Total	**22.20**	**55.24**	**134.90**	**358.98**	**571.32**

As at March 31, 2024

Sr No	Particulars	Outstanding for following periods from due date of Payment				
		Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
1	MSME	-	-	-	-	-
2	Others	4.44	-	2.08	0.22	6.74
3	Others-Related Parties	55.24	134.90	342.46	16.52	549.12
4	Disputed dues - MSME	-	-	-	-	-
5	Disputed dues - Others	-	-	-	-	-
	Total	**59.68**	**134.90**	**344.54**	**16.74**	**555.86**

17 Other Current Financial Liabilities

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Interest accrued to related parties	11.51	10.60
Interest accrued to bank	17.15	-
Interest accrued on Mob. Adv to NHAI	5.49	25.03
Others	-	0.30
Total	**34.15**	**35.92**

18 Other Current Liabilities

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Statutory dues	7.51	1.90
Total	**7.51**	**1.90**

19 Revenue From Operations

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Construction Contract Revenue	37.82	11.34
Routine O&M Income	24.34	-
Total	**62.16**	**11.34**

Revenue from contract with customers

19.1 Disaggregated revenue information:

Having regard to the nature of contract with customer, there is only one type of category of revenue , hence disclosure of disaggregation of revenue is not given.

19.2 Recievable under concession arrangement and contract balances:

The company classifies the right to consideration in exchange for delieverables as either receivable or unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenue for such services are recognised as related services are performed . Revenue in excess of billings is recorded as unbilled revenue and is classified as financial asset for those cases as right to consideration is unconditional as passage of time.Invoicing to the customer is based on milestones as defined in the contract.

19.3 The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2025 is INR Nil. Out of this the Company expect to recognise revenue around INR Nils in next year and remaining thereafter. Remaining performance obligation estimates are subject to change and affected by several factors inlcuding terminations , change of scope of contracts, occurence of same is expected to be remote.

19.4 Reconcilation the amount of revenue recognised in the statement of profit and loss with contract price has not provided as there is no adjustment made with respect to contract price.

20 Other Income

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Notional Finance Income	154.14	250.94
Excess Provision Written back	-	0.60
Interest Income on Advance	5.27	6.61
Interest Income on Fixed deposit	0.87	-
Interest Income on Income tax refund	1.37	0.83
Total	**161.65**	**258.98**

21 Operating Expense

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Road Maintenance Expense	24.34	-
Total	**24.34**	**-**

22 Finance Cost

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Interest expense on		
Long term loan	273.87	287.49
Short term Loan	1.01	0.94
Statutory Dues	0.05	-
Mobilization Advance - NHAI	0.74	5.37
Other Borrowing Cost	3.79	3.82
Total	**279.46**	**297.63**

Sadbhav Rudrapur Highway Limited

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

23 Other Expenses

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Auditors Remuneration	0.16	0.39
Independent Consultant fee	22.76	6.30
Insurance Expense	4.71	3.92
Filing Expenses	0.00	0.01
Professional Fee & Expenses	0.98	0.17
Director Sitting fees	0.12	0.12
Rates & taxes	0.25	0.00
Miscllaneous Expenses	8.83	0.43
Total	**37.82**	**11.34**

23.1 Auditors' remuneration comprises following:

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
As Statutory Auditor	0.10	0.35
As Certificate Fees	0.06	-
As Tax Audit	-	0.04
Total	**0.16**	**0.39**

24 Earning Per Share (EPS):

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

		March 31, 2025	March 31, 2024
Net Profit/ (Loss) attributable to equity holders:	In Million	(115.18)	3.18
Total number of equity shares at the end of the year		10,00,000	10,00,000
Weighted average of number of equity shares outstanding during the year		10,00,000	10,00,000
Nominal value of equity shares		10	10
Basic & Diluted Earnings/(Loss) per share	In INR	**(115.18)**	**3.18**

25 Related Party Disclosures:

Related party disclosures as required under the Indian Accounting Standard (Ind 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)
(B)	**Key Managerial Personnel:**	Mr. Mahendrasinh R Chavada, Director
		Mr. Purushottambhai B Patel, Director
		Mr. Sandip V Patel, Independent Director (upto November 15,2024)
		Mrs. shefali Manojbhai Patel (w.e.f.November 8 2024)

(II) Transactions with Related Parties during the year:

No.	Particulars	March 31, 2025 INR in Million	March 31, 2024 INR in Million
(i)	Sub Debt Paid		
	-SIPL	-	-
(ii)	Interest on unsecured loan		
	-SIPL	1.01	0.94
(iii)	Reimbursement of Expenses		
	-SIPL	0.15	46.72
(iv)	Operating and Maintenance Expense		
	-SIPL	-	-
(v)	EPC Work expense		
	-SEL	-	-
(vi)	Utility Shifting Work expense		
	-SEL	-	-
(vii)	Price Escalation expense		
	-SEL	-	-
(viii)	Mobilization Advance Recovered		
	-SEL	-	-
(ix)	Interest Income on Mobilization Advance		
	-SEL	5.27	6.61
(x)	Director Sitting Fees		
	-Sandip Patel	0.02	0.04
	-Mahendrasinh Chavada	0.04	0.04
	-Shefali Manojbhai Patel	0.02	
	-Purushottambhai Patel	0.04	0.04

(III) Balance outstanding as at year end:

No.	Particulars	March 31, 2025 INR in Million	March 31, 2024 INR in Million
(i)	Sub Ordinate Debt		
	-SIPL	915.60	915.60
(ii)	Unsecured loan (Including Interest Payable)		
	-SIPL	11.51	10.60
(iii)	Payable towards Operating, Maintenance & Reimb. of Expense		
	-SIPL	260.92	260.77
(iv)	Payable towards EPC Cost and Price Escalation Cost		
	-SEL	288.36	288.36
(v)	Mobilization Advance		
	-SEL	76.97	76.97
(vi)	Interest Receivable from SEL		
	-SEL	71.66	66.92
(vii)	Director Sitting Fees Payable		
	-Sandip Patel	-	0.01
	-Mahendrasinh Chavada	0.01	0.01
	-Shefali Manojbhai Patel	0.01	
	-Purushottambhai Patel	0.01	0.01

(IV) Terms and conditions:

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 as per the terms of the agreement.
2. Loans in INR taken from the related party carries interest rate 9.25%.
3. The Company has not provided any commitment to the related party as at March 31, 2025.

26 Segment Reporting

Basis for Segmentation

In accordance with the requirements of Ind AS-108 'Segment Reporting', the Company is primarily engaged in a business of civil construction and has no other primary reportable segments. The Managing Director of the Company allocate the resources and assess the performance of the Company, thus he is the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as single segment, hence no separate segment needs to be disclosed.

Information About Geographical Areas

As the Company operates in India only, hence no separate geographical segment is disclosed.

Information About Major Customers

Revenue of the Company derived from single customer (NHAI) which amounts to 10% or more of the Company's revenue.

27 Income Tax expense

The major component of income tax expenses for the year ended March 31, 2025 and March 31, 2024 are as under:

a) Profit and Loss Section

	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Current tax		
Current tax charges	-	-
	-	-
Deferred tax		
Deferred tax charge	(2.85)	(41.84)
Total deferred income tax expense	**(2.85)**	**(41.84)**
Tax Expense reported in the Statement of Profit and Loss	**(2.85)**	**(41.84)**

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

Particulars	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Accounting profit/(loss) before tax	(117.82)	(38.66)
Statutory Income tax rate	25.17%	25.17%
Expected Income tax expenses	-	-
Deferred Tax Adjustment	(2.85)	(41.84)
Income tax expenses considered in accounts	**(2.85)**	**(41.84)**

Note:

The Company has no taxable income as per the Income Tax Act 1961 during the current and previous year .Hence no provision of income tax is made.

(c) Deferred Tax

The movement in deferred tax assets and liabilities during the year ended March 31, 2025 and March 31, 2024.

INR in Million

Particulars	Balance sheet	Statement of Profit and Loss	Balance sheet	Statement of Profit and Loss
	March 31, 2025	March 31, 2025	March 31, 2024	March 31, 2024
Deferred tax Assets/(liabilities)		-		
Temporary Differences	(240.51)	38.79	(201.72)	(78.48)
Unused losses available for offsetting against future taxable income	146.53	(41.64)	104.89	36.64
Total deferred tax expenses /(Income)		**(2.85)**		**(41.84)**
Net deferred tax Assets/(liabilities)	**(93.98)**		**(96.83)**	

28 Financial Instruments

(I) Disclosure of Financial Instruments by Category

INR in Million

Financial instruments by categories	Note no.	March 31, 2025			March 31, 2024		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Asset							
Receivable from NHAI	9 & 12	-	-	3,532.77	-	-	3,580.27
Cash and Cash Equivalent & Other bank balance	7	-	-	65.22	-	-	41.98
Other Financial Assets	9	-	-	71.94	-	-	337.66
Total Financial Assets		**-**	**-**	**3,669.92**	**-**	**-**	**3,959.91**
Financial Liabilities							
Non Current Borrowing	14	-	-	2,111.12	-	-	2,335.08
Trade Payable	16	-	-	571.32	-	-	555.86
Other Financial liabilities	17	-	-	34.15	-	-	35.92
Total Financial Liabilities		**-**	**-**	**2,716.59**	**-**	**-**	**2,926.86**

(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 carry floating interest rate.

(c) All resulting fair value estimates of above financial assets and liabilities are considered to be Level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

29 Financial Risk Management

Financial instruments risk management objectives and policies

(I) The Company's principal financial liabilities comprise borrowings, trade payables & 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 include Investments, other receivables and cash and bank balance that derive directly from its operations.

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

(a) Market risk

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

Interest Rate Risk

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

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

Particulars	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Variable rate borrowings in INR	2,111.12	2,335.08

Sensitivity analysis based on average outstanding term loan borrowings:

Particulars	March 31, 2025 INR in Million	March 31, 2024 INR in Million
Increase or decrease in interest rate by 100 basis point*	22.23	24.35

* Profit will increase in case of decrease in interest rate and vice versa

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk from its operating activities as the company will receive annuity fees from National Highway Authority of India and does not have any outstanding receivables.

(c) Liquidity risk

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

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

As at March 31, 2025	Total Amount	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability						
Borrowings	2,129.51	-	226.01	240.17	811.92	851.42
Trade Payables	571.32	-	22.20	55.24	493.88	-
Other financial liabilities	34.15	-	34.15	-	-	-

As at March 31, 2024	Total Amount	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability						
Borrowings	2,355.75	-	212.90	219.27	742.84	1,180.73
Trade Payables	555.86	-	555.86	-	-	-
Other financial liabilities	35.92	-	35.92	-	-	-

30 Disclosure pursuant to Appendinx - D to Ind AS 115 - "Revenue from Contract with Customer"

(I) Description and classification of the arrangement

The Company has entered into Service Concession Agreement ('SCA') with National Highway Authority of India (NHAI) dated June 02, 2016 for the purpose of augment the existing road from km 0.00 (km190.00 of NH-24) to km 42.791 (approximately 43.446 km) on the Rampur - Kathgodam Section of N.H. 87 (New N.H. No 9) (in the state of Uttar Pradesh by Four-Laning thereof on Design, Built, Operate and Transfer ("DBOT Annuity" or "Hybrid Annuity") basis. As per the SCA, NHAI grants to the Company exclusive right, license and authority to construct, operate and maintain the project during the Construction Period of 730 days and Operation Period of 15 years commencing from COD.

(II) Significant Terms of the Arrangements

(a) Bid Project Cost:-

The cost of the construction of the project which is due and payable by NHAI as on the Bid date is considered as the bid project cost under the concession agreement. The bid project cost has been finalised as INR 7,380.00 Million as at the bid date. Bid project cost is inclusive of the cost of construction, interest during construction, working capital, physical contingencies and all other costs, expenses and charges for and in respect of the construction of the project.

(b) Adjusted Bid Project Cost

The Bid Project Cost adjusted for variation between the price index occurring between the reference index date preceding the bid date and the reference index date immediately preceding the appointed date shall be deemed to be the Bid Project Cost at commencement of Construction.

(c) Payment of Bid Project Cost:-

40% of the Bid Project Cost, adjusted for the Price Index Multiple, shall be due and payable to the Concessionaire in 5 equal installments of 8% each during the Construction Period in accordance with the provisions of Clause 23.4 of the SCA.

The remaining Bid Project Cost, adjusted for the Price Index Multiple, shall be due and payable in 30 biannual installments commencing from the 180th day of COD in accordance with the provision of Clause 23.6 of the SCA.

Interest shall be due and payable on the reducing balance of Completion Cost at an interest rate equal to the applicable Bank Rate plus 3%. Such interest shall be due and payable biannually along with each installment specified in Clause 23.6.3 of SCA.

(d) Bonus on early completion:-

The SCA also provides for the payment of Bonus to the company in the event the COD is achieved on or more than 30 days prior to the schedule completion date. The schedule completion date of the project is March 31, 2019.

(e) Operation & Maintenance Payments:-

All Operation and Maintenance expenditure shall be borne by the concessionaire. However, as provided in SCA, the company shall be entitled to received lump sum financial support in the form of biannual payments by the NHAI, which shall be computed on the amount quoted in the O&M bid. Each installment of O&M payment shall be the product of the amount determined in accordance with the terms of the SCA and the price index multiple on the reference index date preceding the due date of payment thereof.

(f) Escrow Account:-

In terms of the SCA, the company shall enter into an Escrow Agreement, substantially in the form set forth in schedule 'O' of the SCA, with NHAI, Escrow bank and senior lenders and shall establish Escrow Account with the Escrow bank. The company also require to deposit and made withdrawals as described in the Escrow Agreement. Accordingly, the company has entered into an Escrow agreement with the IndusInd Bank Ltd and NHAI.

(g) Termination of the SCA:-

SCA can be terminated on account of default of the company or NHAI in the circumstances as specified under article 31 of the SCA.

(h) Restriction on assignment and charges:-

In terms of the SCA the company shall not assign, transfer or dispose of all or any rights and benefits under SCA or create any encumbrances thereto except with prior consent of NHAI.

(i) Changes in SCA:-

On receipt of PCOD, Company has executed Settlement Agreement as on November 11, 2020.

(j) Forec Majeure Event:

As per the Concession Agreement; the Concessionaire, in case any force majeure event occurs before COD, is eligible to get the extention of time for a period equal in length to the duration for which the force majeure event subsist.

31 Capital Management

For the purpose of the Company's capital management, Capital consist of share capital, Securities Premium, Other equity in form of Subordinate Debt and all other reserves attributable to the equity holders of the Company.

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or obtained additional sub-ordinate debts. The Company monitors capital using debit equity ratio which does not exceed 4:1, which is total Borrowings divided by total equity excluding balance of deficit in statement of profit & loss.

The key performance ratios as at 31 March are as follows:	**March 31, 2025 INR in Million**	**March 31, 2024 INR in Million**
Short term Borrowing	217.00	210.62
Borrowings (refer note 14)	1,912.51	2,145.13
Total Debt - A	**2,129.51**	**2,355.75**
Equity share Capital (refer note 12)	10.00	10.00
Other Equity (refer note 13)	1,023.25	1,138.43
Total Equity - B	**1,033.25**	**1,148.43**
Debt to Equity Ratio - (A/B)	**2.06**	**2.05**

Capital Commitments towards pending EPC value	**March 31, 2025 INR in Million**	**March 31, 2024 INR in Million**
Pending EPC value (Refer Note 42)	0	1048.42
Mobilisation advances	(76.97)	(76.97)
Net Commitment	-	**971.45**

The company does not have any externally imposed capital requirement.

32 Disclosure Pursuant to Ind AS-19 "Employee Benefits"

Disclosure under Ind AS-19 is not applicable on the company.

33 Impairment of Financial Assets

The credit risk on the financial assets has not increased since the initial recognition, therefore company measure the loss allowance for the financial assets at an amount equal to 12 month expected credit losses. Since the financial assets are expected to be realised within the contractual period of the invoice raised, as such, there is no ECL (expected credit loss) envisaged in the value of financial assets under SCA (Service Concession agreement) by the management.

34 The Company does not have any transaction to which the provision of Ind AS-2 relating to "Valuation of Inventories" applies.

35 In the opinion of the Board, the current assets, loans & advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

36 There were no litigation pending against the company which could be materially impact its financial position as on March 31, 2025. (March 31, 2024 : NIL)

37 Contingent Liabilities

(i) Goods and Service Tax Contingent Liability as on March 31, 2025 is INR 0.73 millions for FY 2017-18

(ii) Goods and Service Tax Contingent Liability as on March 31, 2025 is INR 2031.27 millions for FY 2017-18 to FY 2021-22 as per order dt 05.02.2025

(iii) Income Tax Contingent Liability in relation to outstanding demand as per Traces Portal as on March 31,2025 is INR 3.06 Million

38 The Company vide its letter dated 10.10.2022 requested for an Extension of Time to Project timelines up to 11.10.2023 as explained therein. The Independent Engineer had recommended for Extension of Project timelines up to 11.04.2023 vide its letter dated 12.10.2022. The Concessionaire had submitted its review request by its letter dated 15.10.2022 to Independent Engineer on such recommendation

Even before approval Extension of Time and resolution of other issues, NHAI had sought and received bids for the balance EPC Works of the Project in September 2022. Accordingly, NHAI had accepted bids and appointed M/s KCC Buildcon (P) Ltd. – HRY Kundu Buildtech (P) Ltd. (JV) as an EPC Contractor for balance Engineering, Procurement, and Construction (EPC) works in December 2022. Although, there was no provision in the Concession Agreement to award such balance construction works to any other agency by NHAI directly, the Company didn't object to such appointment by NHAI in the interest of completing the Project and as this was also discussed during the Project Review Meetings in August 2022. Therefore, the treatment of such appointment for EPC Contractor by NHAI under Concession Agreement was to be mutually agreed between Company and the Authority.

In order to resolve the Project related issue, the Company proposed to harmoniously substitute the Concessionaire with a new SPV to be incorporated by M/s RKCIPL-ARCPL (JV) in the interest of Project

The Authority has issued an in-principal approval for such Harmonious Substitution with the terms and conditions stated therein.

Subsequent to discussions and deliberation with Authority, the Company has also invoked through CCIE to resolve the said issues and the conditions precedent to the harmonious substitution is in progress, the company has prepared these financial statements on going concern basis.

39 Ratios

	Ratio	As at 31-Mar-2025	As at 31-Mar-2024	Deviation	Numerator	Denominator	Reason for Deviation if > 25%
1	Current Ratio	0.98	2.50	-60.86%	Current Assets	Current Liabilities	Due to decrease incurrent financial assets
2	Debt – Equity Ratio	2.04	2.03	0.49%	Total Debt	Shareholder's Equity	-
3	Debt Service Coverage Ratio	0.32	0.54	-40.12%	Earnings available for debt service	Debt Service (Interest+Principal repayments)	Due to decrease of Debt
4	Return on Equity	-2.64%	-2.46%	7.26%	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	-
5	Inventory Turnover Ratio	N.A	N.A	N.A	Cost of goods sold OR sales	Average Inventory	The Company engaged in Construction activities. Hence, these Ratios are not relevant to the company.
6	Trade receivables turnover ratio	N.A	N.A	N.A	Net Credit Sales	Avg. Accounts Receivable	
7	Trade payables turnover ratio	N.A	N.A	N.A	Net Credit Purchases	Average Trade Payables	-
8	Net capital turnover ratio	-3.72	0.01	-37254.33%	Net Sales	Working Capital	Due to Decrease in Working Capital of the Company
9	Net profit ratio	-51.47%	1.18%	-4474.16%	Net Profit	Total Income	Due to loss during the year
10	Return on capital employed	4.99%	7.23%	-30.99%	Earning before interest and taxes	Tangible networth+Totaldebt+Deferred tax liabilities	Due to loss during the year
11	Return on investment	N.A	N.A	N.A	{MV(T1) – MV(T0) – Sum [C(t)]}	{MV(T0) + Sum [W(t) * C(t)]}	NA

40 Events Occuring after the Balance Sheet date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 23,2025 there were no subsequent events to be recognized or reported that are not already disclosed.

41 Additional regulatory information required by Schedule III

Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Borrowing secured against current assets

The Company has term loan borrowings from banks and financial institutions on the basis of security as referred in Borrowing Security Clause including current assets. The required periodic information has been complied by the Company which are in agreement with the books of accounts.

Wilful defaulter

None of the entities in the Company has been declared wilful defaulter by any bank or financial institution or government or any government authority.

Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Utilisation of borrowed funds and share premium

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

(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

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 group 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

Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

42 Valuation of PP&E, Intangible Asset and Investment Property

There are no PP&E, Intangible Asset and Investment Property as on March 31, 2025

43 The financial statements were authorised for issuance by the Board of Directors of the Company in their meeting held on May 23, 2025.

Accompanying notes are an integral part of the financial statements 1 - 43

As per our report of even date attached
For Gianender & Associates
Chartered Accountants
ICAI Firm Registration No. 004661N

G.K.Agrawal
Partner
Membership. No. 081603

Place: New Delhi
Date: May 23, 2025

For & On Behalf of Board of Directors of
Sadbhav Rudrapur Highway Limited

Mahendrasinh R Chavda
Director
DIN No:02607067

Purushottambhai B Patel
Director
DIN No:09794838

Place: Ahmedabad
Date: May 23, 2025