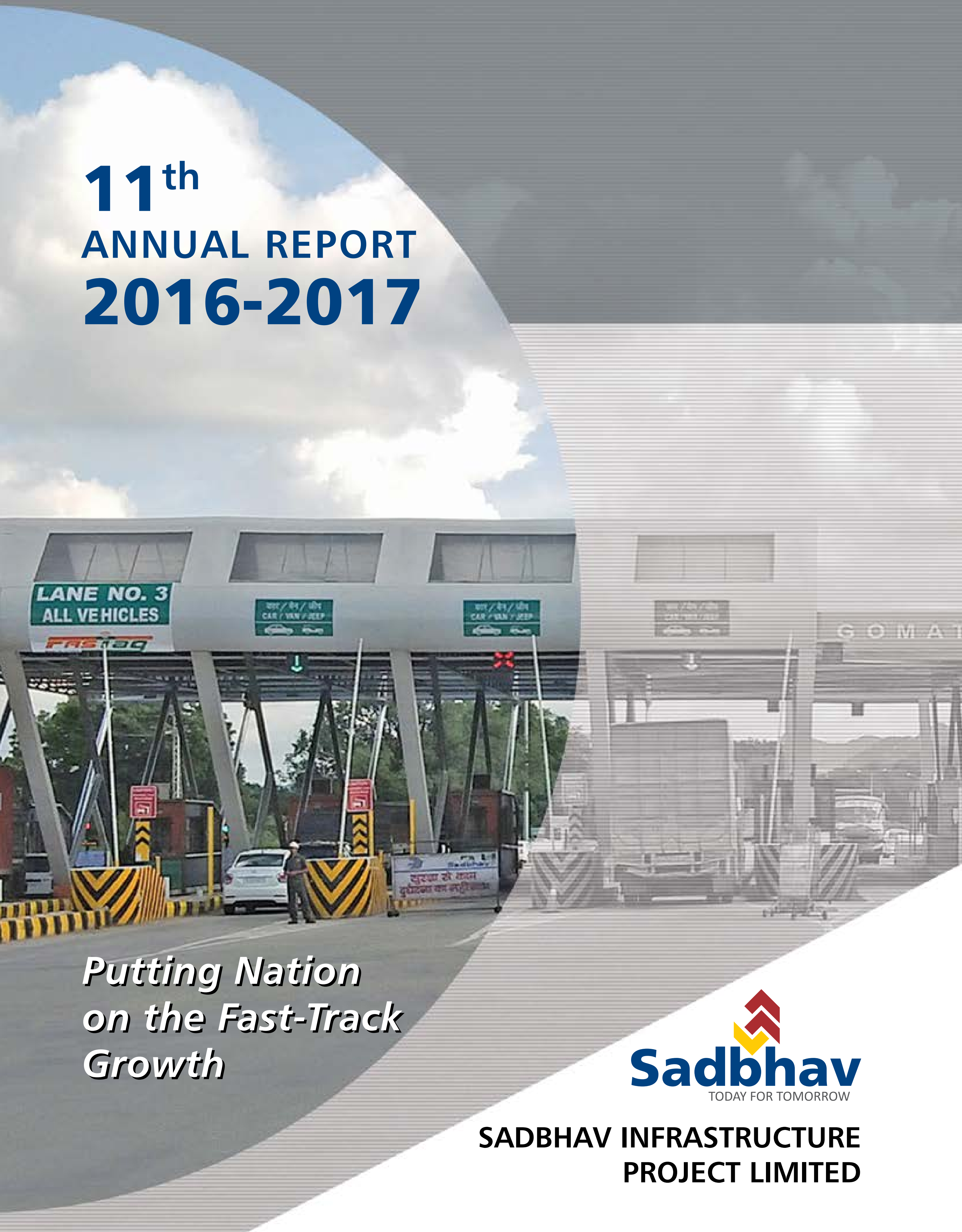


11th ANNUAL REPORT 2016-2017

Putting Nation on the Fast-Track Growth

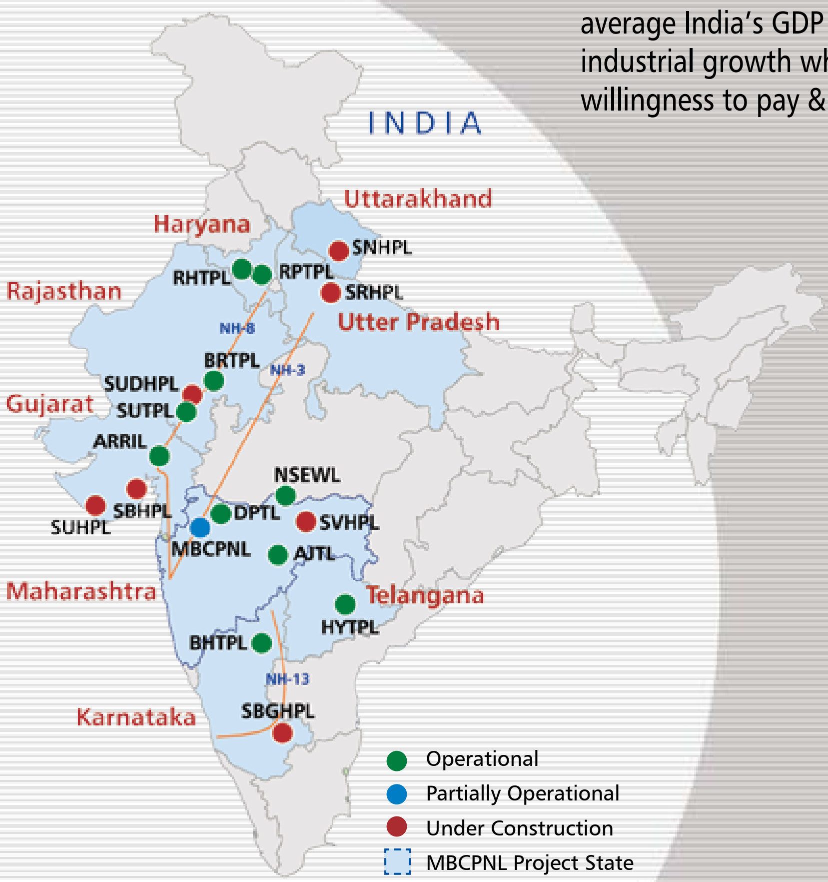
Sadbhav
TODAY FOR TOMORROW

SADBHAV INFRASTRUCTURE PROJECT LIMITED

India is being taken up by a storm with the lightening speed of cumulative infrastructural development.

We believe that the nation's ambition, under the right leadership, for growth aligns with Sadbhav's mission to play a major role by taking up projects, ***on important corridors of high-growth states.***

We have a strong presence in those high growth states wherein their Gross Domestic Product (GDP) is greater than average India's GDP by 50-170 bps, thereby, ensuring higher industrial growth while providing sustainable traffic of high willingness to pay & better administration.



Sadbhav Infrastructure Project Limited
Listed Road & Highways BOT Company in India with a portfolio of 11 BOT projects and 7 Hybrid Annuity projects

SIPL Promoted by Sadbhav Engineering Limited (SEL) in 2007 to operate Road BOT projects for Sadbhav Group.

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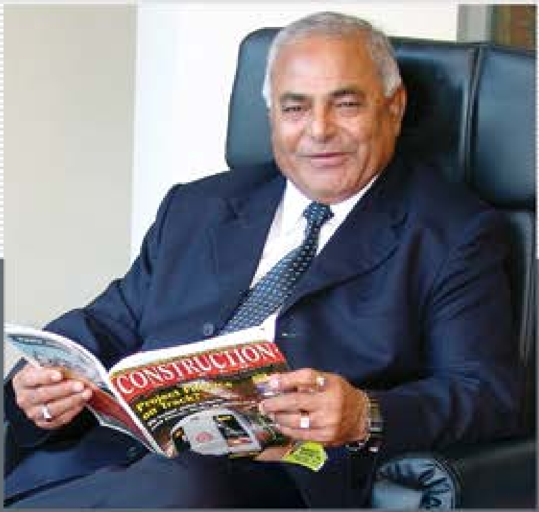


Shri Vishnubhai M. Patel
Chairman Emeritus

> The building blocks that form the foundation of a great and successful future, are the actions taken today.
>
> – Topsy Gift

Perseverance catalysed Sadbhav's journey from being an idea to a foundation to construct and realise our dreams of connecting the nation. In this process we embraced a belief to keep passing on a successful legacy of building eco-friendly structures today for tomorrow.

Over the years, this legacy grew stronger. The strength was in our actions to create for a lifetime. Today, the new generation team of Sadbhav is full of new ideas and innovations which are backed by experience. This motivates us to strive towards more: more credibility to be diligent, more endeavours to build, and more triumphs to celebrate.

Corporate Information

CHAIRMAN EMERITUS: **Mr. Vishnubhai M. Patel**

BOARD OF DIRECTORS

1. **Mr. Shashin V. Patel**
Chairman and
Non-Executive Director

2. **Mr. Vasistha C. Patel**
Managing Director

3. **Mr. Nitin R. Patel**
Non-Executive Director

4. **Mr. Sandip V. Patel**
Independent Director

5. **Mr. Mirat N. Bhadlawala**
Independent Director

6. **Mr. Arun S. Patel**
Independent Director

7. **Mr. Atul N. Ruparel**
Independent Director

8. **Mrs. Daksha N. Shah**
Independent Director

> *“Success is not created by one person but by a team that comes together as one.”*
>
> - Jillian Farrar

COMPANY SECRETARY

Mr. Hardik Modi

CHIEF FINANCIAL OFFICER

Mr. Varun Mehta

STATUTORY AUDITORS

M/s. Manubhai & Shah LLP
M/s. S R B C & CO. LLP

Sadbhav
TODAY FOR TOMORROW

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Sandip V. Patel
Chairman

Mr. Arun S. Patel
Member

Mr. Nitin R. Patel
Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Atul N. Ruparel
Chairman

Mr. Mirat N. Bhadlawala
Member

Mr. Shashin V. Patel
Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Nitin R. Patel
Chairman

Mr. Vasistha C. Patel
Member

Mr. Arun S. Patel
Member

Mr. Sandip V. Patel
Member

FINANCE AND INVESTMENT COMMITTEE

Mr. Shashin V. Patel
Chairman

Mr. Vasistha C. Patel
Member

Mr. Nitin R. Patel
Member

Mr. Arun S. Patel
Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Vasistha C. Patel
Chairman

Mr. Nitin R. Patel
Member

Mr. Sandip V. Patel
Member

Mr. Atul N. Ruparel
Member

RISK MANAGEMENT COMMITTEE

Mr. Vasistha C. Patel
Chairman

Mr. Nitin R. Patel
Member

Mr. Sandip V. Patel
Member

BANKERS

ICICI Bank
Indian Overseas Bank
Oriental Bank of Commerce
Punjab National Bank
Bank of India
HDFC Bank
Canara Bank
Dena Bank
Union Bank of India
Corporation Bank
Vijaya Bank

REGISTERED OFFICE

Sadbhav House,
Opp. Law Garden Police Chowki,
Ellisbridge, Ahmedabad - 380006.
Website : www.sadbhavinfra.co.in
CIN: L45202GJ2007PLC049808

CORPORATE OFFICE

"Sadbhav", Nr. Havmor Restaurant,
B/H. Navrangpura Bus Stand,
Navrangpura, Ahmedabad - 380009.

REGISTRAR & TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.
C 101, 247 Park, L.B.S.Marg,
Vikhroli (West), Mumbai - 400083.

Chairman's Message

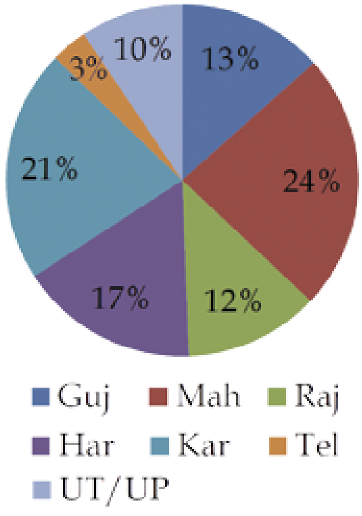
Dear Stakeholders,

Sadbhav Infrastructure Project Limited (SIPL), a subsidiary of Sadbhav Engineering Limited (SEL), has been achieving milestones with its unparalleled performance deliverance, each year. Since, its incorporation, as a Company focused on the development, operation and maintenance of highways, roads and other relative aspects, SIPL has observed a flourishing growth and success rate by becoming the listed Road and Highways Built, Operate and Transfer (BOT) organisation in India with a portfolio of a total of 18 projects which consists of 10 BOT (Toll) projects (9 are operational and 1 is partially operational), 1 operational BOT (Annuity) project and 7 Hybrid Annuity Mode ("HAM") under-construction projects. Total Project costs of all 18 projects is ₹ 15,905.9 crore. Seven out of these 11 operational projects have credit rating of A- or above. I am happy to say this that earlier portfolio of 11 projects have been operational even in the tough environment. In last 18 months, your Company has bagged 7 HAM projects (highest since the start of the HAM model by NHAI), of length of 1550 lane kilometers, costing a total of ₹ 5,807 crore, which are under development. With an average residual life of more than 16 years, entire portfolio of current BOT projects exhibits a stability and visibility of revenue. Besides this, your Company is in a continuous process to further improve its financial position and working in that direction, we already have completed refinance of debt in 5 operational SPVs thereby reducing the cost of debt and improving the cashflows. Also, your Company is keen to evaluate churning of stakes in operational mature projects, generating surplus cash and thereby creating war chest for future growth.

SIPL has charted an upward route for itself by expanding under selectively diversified portfolio located in high growth states of India (Rajasthan, Gujarat, Maharashtra, Karnataka, Andhra Pradesh and Haryana) and other important corridors, simultaneously creating a value for its investors. It is currently qualified for NHAI BOT project size worth ₹ 3,233.8 crore and HAM projects worth ₹ 4,935.4 crore. Apart from a credulous track record of timely completion of projects, your Company also enjoys the benefit of being an integrated structured with presence across the entire road sector value chain with strong finance, execution and toll collection and O&M capabilities. During the financial year 2016-17, BRTPL and RHTPL have received completion certificate and have already started generating

Company's total income have grown from ₹ 672 mn in 2011 to ₹ 7,624 mn in 2016 at a CAGR of 62% (~88% of FY16 revenue came from toll collection)

Geographically Diversified Portfolio



Dreams imbed thoughts.
Thoughts transform to actions.
Actions lead to success.

Chairman's Message

revenues. Also, Company is in the process of acquiring 100% stake in Mysore Bellary Highway Project Limited (MBHPL) from SEL and joint venture partner (under process). Your Company has invested total equity (including subdebt) of ₹ 2,141.7 crore as on March 31, 2017 in 11 operational projects and ₹ 114.8 crore as on March 31, 2017 in HAM projects.

India has brought a reform in the execution of national level policies. One such key move was digitisation. SIPL, believing in compliance with the future, equipped all the tolling lanes in operational BOT projects with FASTags, PoS devices, mobile wallets, and many more. Amidst a strong change in global economic scenario, the infrastructural parameter saw an undivided attention. With this, a rise in SIPL's total income from ₹ 67.2 crore in 2011 to ₹ 999.93 crore in 2017 (excluding construction revenue from under-construction SPVs due to IND AS), was seen. With a focus on delivering high – quality construction work alongside a provision for advisory and project management services for all its projects, SIPL seeks great advantage from over 25 years' experience of relationships established by SEL, our corporate promoter, with its record execution of projects in the construction activities in the transport, mining and irrigation sectors.

I believe, that success ensued is a comprehensive derivation of expertise in managerial abilities by conflation of our Engineering with Management staff. Their continuous endeavour to realise the visions and missions of the organisation with utmost transparency, accountability and equity, in all facets of its operations, is what makes SIPL extant. We maintain that an individual gains ample opportunities for both, personal and professional growth with the organisation. Under adjuration of combining proficiency with experience and dynamic predilection, your Company fulfils its objectives of harbouring exceptional talents with passionate drive and nurture them with skills honed to perfection. We, at SIPL, have established a web like network of communication channels which systemizes and strengthens internal as well as external communication for better understanding between the infrastructural needs of the market and deliverance of extraordinary output.

According to Abraham Lincoln, "Commitment is what transforms a promise into reality." Our commitment lies within our promise to shape the nation of tomorrow transformed by 'tomorrow'. Thereby, I take this opportunity to thank each and every stakeholder of SIPL who plays an important role in spreading our roots deep into a successful reality. We also uphold our

> "The fastest growing Indian economy has increased the demand for road infrastructure. Up-gradation of the National Highways from public funds alone are not sufficient. This has led the Government to take a policy decision to involve private sector for the development of National Highway on Build-operate-transfer (BOT)."

"Roads remain the essential network of the non-virtual world. They are the infrastructure upon which almost all other infrastructure depends. They are the paths of human endeavor."

– Ted Conover

appreciation for our customers, shareholders, and lenders for joining us in this continuous effort to diversify and succeed. Hence, on your as well as on behalf of the Board of Directors, I congratulate a congenial support extended by the employees of SIPL to unveil yet another copious display of spectacular performance. I encourage them to keep building trust in the capabilities of one-self and the team. I would like to thank you all for your constant interest and esteemed presence and congregated interest in the Company.

Regards,

S V Patel

Shashin V. Patel

Message from **Managing Director**

"*Excellence is an outcome of an opportunity created. An opportunity to believe that talent, determination, hard work and success are the four wheels that drive an organisation on the path of achievements. By expanding boundaries, defying limitations and redefining conventions, every time, Sadbhav salutes the spirit of our team to make us reach our potential: excellence.*"

Sadbhav
TODAY FOR TOMORROW

Dear Stakeholders,

I am delighted that we held a key to unlock the doors of yet another successful year.

The report for the year under review saw your Company delivering a record breaking performance. We achieved a turnover of ₹ 2854.45 million and standalone profit of ₹ 411.57 million. Even after jolting impacts of demonetisation announced by the Government of India in November, 2016 getting settled by end of February, 2017, your Company saw better growth in traffic volumes post this economic reform. Also, after the Goods and Services Tax (GST) being implemented from July, 2017 provided a boost to the growth after facing some initial contraction in transportations. We believe that it is going to benefit the transport sector in the long run, in terms of operational efficiency due to smooth movement of goods, intra-state.

Your Company bagged seven new prestigious projects such as Una-Kodinar-Gujarat; Bhavnagar-Talaja – Gujarat; Rampur Kathgodam-I - Uttar Pradesh; Rampur Kathgodam-II- Uttarakhand; BRT Tiger Reserve - Bangalore – Karnataka; Udaipur Bypass – Rajasthan; and Waranga – Mahagaon, Maharashtra. Out of the said seven projects, the financial closures for five projects is completed and other two projects are in progress to which we do not foresee any kind of hindrances, in view of its strong operational efficiencies backed by the promoter's (SEL) strong credentials.

SIPL has successfully implemented collection of toll through digital mode and have installed 196 PoS machines where about 14.00% of total collection has been converted into cashless transactions. Some of the SPV's were rewarded under 'Digi-dhan Vyapar Yojana' for successful implementation of digitalisation for collection of toll after the demonetiation. This has helped your Company not only in improving operational efficiencies at Toll plaza but has also reduced the service time, cash and coins management for us

Message from Managing Director

and the users. Due to this, they can now opt to pay by FASTag and Credit / Debit cards and mobile wallets.

With various strategic reforms on the financial front, such as the introduction of GST by the Government of India, has led to us to consider these changes as progressive and a step in the right direction. Your Company welcomed the decision taken by the Government to implement the GST which is expected to have far reaching effects by inducting large parts of the informal economy into the formal system. This will ultimately lead to increased tax revenues with a lack of adverse impacts in its implementation.

Going Forward

With the growing urbanisation and the Government's focus on reaching out to rural areas, which demands better connectivity, there is a huge space for the transport sector to grow. There are tremendous opportunities in the near

Sadbhav
TODAY FOR TOMORROW

and long-term for the infrastructural activities in India. With nearly ₹ 4 trillion announced in the budget for the sector alone in the running year, the importance of the same is well recognised. Nearly half of the amount is dedicated to the transport sector which is a huge opportunity for SIPL to develop bigger and better assets.

There will be marked improvements and value addition in construction activities from the policy guidelines being formulated and implemented by the Government of India. The sector will see change in the way roads and highways are constructed by increasing quality, technology interventions and safety standards.

In 2017-18, our prime focus will rest on action plans that can bolster our financials and these include following up and realising due claims from the authorities, refinancing and restructuring of debt and monetization of mature assets.

With this, I would like to heartily thank you for the support and confidence extended to the Management.

I reassure all our shareholders that your Company shall continue to work even more untiringly to sustain this trust.

Regards,

Vasistha C. Patel

"The road to success is always under construction."

- Arnold Palmer

2016-2017 *Key Figures*

Total Revenue
₹ 14,038.90
Million

Average
Residual Life
more than
16 Year

Cash EBITDA
₹ 10,163.33
Million

Financial Highlights

(INR in Million)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
	As per Ind AS		As per IGAAP		
Turnover	2854.45	857.97	701.07	899.22	739.11
Total Income	3137.10	1263.53	1073.05	1158.32	1166.84
Earning Before Depreciation, Interest and Tax (EBDIT)	1827.75	796.84	427.67	561.21	382.14
Exception Item	0.00	616.00	0.00	0.00	0.00
Depreciation	6.88	0.67	1.29	1.14	1.29
Interest (Finance Cost)	1294.99	1460.63	1037.52	526.77	214.22
Profit After Tax	411.57	-50.35	-632.68	29.39	116.32
Equity Dividend %	0.00	0.00	0.00	0.00	0.00
Dividend Payout	0.00	0.00	0.00	0.00	0.00
Equity Share Capital	3522.25	3522.25	3109.63	260.07	260.07
Other Equity / Reserves & Surplus	9905.04	9441.32	5326.29	8036.00	8006.61
Net worth	13427.29	12963.57	8435.92	8318.58	8289.19
Gross Fixed Assets	15.45	0.63	17.11	17.04	17.04
Net Fixed Assets	8.44	0.49	12.84	14.07	15.21
Total Assets	27765.39	24951.46	22041.46	15924.83	12293.72
Total Debt (Loan Fund)	13517.74	11148.33	12763.55	6697.46	6740.05
Earning Per Share (in ₹)	1.17	-0.15	-2.04	1.13	4.66
Book Value Per Share (in ₹)	38.12	36.80	27.13	319.86	318.73
Weighted No. of Shares	352.23	333.91	309.70	26.01	24.96

Note:

1. Total Assets excluding Misc. Expenses.
2. EPS has been calculated on Weighted Average Shares & Book Value on Actual No. of Shares.
3. Total income means credit site of P&L after adjusting the Change in WIP.
4. EBDIT means PBT + Depreciation + Interest.

Sadbhav
TODAY FOR TOMORROW

SADBHAV INFRASTRUCTURE PROJECT LIMITED
CIN : L45202GJ2007PLC049808
Registered Office : 'Sadbhav House', Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006, Gujarat • Tel.: 91 79 26463384 • Fax : 91 79 26400210
E-mail : investor@sadbhavinfra.co.in • Web : www.sadbhavinfra.co.in

Notice

NOTICE is hereby given that the 11th Annual General Meeting of **SADBHAV INFRASTRUCTURE PROJECT LIMITED** will be held on Tuesday, the 26th day of September, 2017 at 11:00 A.M. at Lions Hall, Near Mithakhali Six Road, Ellisbridge, Ahmedabad-380006 to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt :

(a) the audited Standalone financial statements of the Company for the financial year ended 31st March, 2017, the reports of the Board of Directors and Auditors thereon; and

(b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2017 and the report of Auditors thereon.

2. To appoint a Director in place of Mr. Nitin R. Patel (DIN: 00466330) who retires by rotation and being eligible, offers himself for reappointment.

3. Ratification of Appointment of Statutory Auditors

To consider and if thought fit, to pass with or without modification(s), following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the Company hereby ratifies the appointment of M/s. Manubhai & Shah LLP, Chartered Accountants, Ahmedabad having Firm Registration No. 106041W/W100136 and M/s. S R B C & Co. LLP, Chartered Accountants having Firm Registration No. 324982E/E300003, as Joint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (`AGM') till the conclusion of the 12th AGM of the Company to be held in 2018 at such remuneration as may be determined by the Board of Directors of the Company on recommendation of Audit Committee."

SPECIAL BUSINESS

4. Ratification of Remuneration to Cost Auditor

To consider and if thought fit, to pass with or without modification(s), following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Rajendra Patel & Associates, Cost Accountants in Practice having Firm Reg. No. 101163 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-18, amounting to ₹ 20,000/- per annum plus applicable tax and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

5. Re-appointment of Mr. Vasistha C. Patel (DIN: 00048324) as Managing Director

To consider and if thought fit, to pass with or without modification(s), following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and subject to the requisite approvals, if any required, consent of the members be and is hereby accorded to the re-appointment of Mr. Vasistha C. Patel (DIN: 00048324) as Managing Director of the Company with effect from 1st January, 2018 up to 31st December, 2022, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors and Mr. Vasistha C. Patel.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

6. **Issue of Secured/Unsecured Non-Convertible Debentures and/or other Debt Securities on private placement basis**

   To consider and thought fit, to pass with or without modification(s), following resolution as a Special Resolution:

   "RESOLVED THAT in accordance with the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2012 and other applicable SEBI regulations and guidelines, issued, from time to time, the provisions of the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules, regulations and guidelines, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by the Resolution) for making offers or invitations to subscribe to Secured/Unsecured Redeemable/ Non-Convertible Debentures ("NCDs") including but not limited to subordinated Debentures, bonds, and/or other debt securities etc. on a private placement basis in one or more tranches during the period of one year from the date of passing of the Special Resolution by the Members, within the overall borrowing limits of the Company, as may be approved by the Members from time to time.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board be and is hereby authorized to determine the terms of issue including the class of investors to whom NCDs are to be issued, time, securities to be offered, the numbers of NCDs, tranches, issue price, tenor, interest rate, premium/discount, listing and to do all such acts, things, deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/documents/ undertakings/agreements/papers/writings, as may be required in this regard."

7. **Increase in borrowing limits**

   To consider and thought fit, to pass with or without modification(s), following resolution as a Special Resolution:

   "RESOLVED THAT in supersession of the earlier resolution passed at the Annual General Meeting of the Company held on 28th September, 2016, pursuant to the provisions of Sections 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time, consent of the Members of Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) to borrow any sum or sums of money, from time to time from any one or more other persons, firms, bodies corporate, or financial institutions from any other source in India or outside India whomsoever on such terms and conditions and with or without security as the Board of Directors may think fit which together with the moneys already borrowed by the Company will or may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, howsoever, that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of ₹ 3,000 Crores only (Rupees Three Thousand Crores only) exclusive of interest.

   RESOLVED FURTHER THAT the Company be and is hereby authorized the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

8. **Creation of charge on Company's properties**

   To consider and thought fit, to pass with or without modification(s), following resolution as a Special Resolution:

   "RESOLVED THAT in supersession of the earlier resolution passed at the Annual General Meeting of the Company held on 28th September, 2016, pursuant to the provisions of Sections 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) of the Company, to mortgage, hypothecate, pledge and / or charge, in addition to the mortgage, hypothecate, pledge and/or charge already created, in such form, manner and ranking and on such terms as the Board deems fit in the interest of the Company, on all or any of the movable and / or immovable properties of the Company (both present and future) and /or any other assets or properties of the Company and / or the whole or part of any of the undertaking of the Company together with or without the power to take over the management of the business or any undertaking of the Company in case of certain events of defaults, in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company or subsidiary(ies) of Company, by way of loans, debentures (comprising fully/partly Convertible Debentures and/or Secured/ Unsecured Non Convertible Debentures or any other securities) or otherwise, in foreign currency or in Indian rupees, from time to time, up to the limits approved or as may be approved by the shareholders under Section 180(1)(c) of the Companies

Act, 2013 (including any statutory modification or re-enactment thereof) along with interest, additional interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and all other monies payable by the Company including any increase as a result of devaluation/revaluation/fluctuation in the rate of exchange etc.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

9. To approve conversion of loan into equity

To consider and, if thought fit, to pass with or without modification(s), following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under and in accordance with the Memorandum and Articles of Association of the Company and applicable regulations and subject to all such approval(s), consent(s), permission(s), sanction(s), if any, of appropriate statutory, governmental and other authorities and departments in this regard and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), consent(s), permission(s) or sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution, to the extent permitted by law), on the terms and conditions contained in the financing documents, such terms and conditions to provide, inter alia, to convert the whole or part of the outstanding loans of the Company (whether disbursed on or prior to or after the date of this resolution and whether then due or payable or not), (as already stipulated or as may be specified by the Financial Institutions/Banks under the financing documents executed or to be executed in respect of the financial assistance which have already been availed or which may be availed) by the Company under the lending arrangements (existing and future arrangements) with various Banks and Financial Institutions (hereinafter collectively referred to as the "Lenders"), at the option of the Lenders, the loans or any other financial assistance categorized as loans (hereinafter referred to as the "Financial Assistance"), in Foreign Currency or in Indian Rupees, which have already been availed from the Lenders or as may be availed from the Lenders, from time to time, does not exceed a sum of ₹ 3000.00 Crores (Rupees Three Thousand Crores only) over and above the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) consistent with the existing borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013, each such Financial Assistances being separate and distinct from the other, into fully paid up equity shares of the Company on such terms and conditions as may be stipulated in the financing documents and subject to applicable law and in the manner specified in a notice in writing to be given by the Lenders (or their agents or trustees) to the Company (hereinafter referred to as the "Notice of Conversion") and in accordance with the following conditions:

(i) the conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistance;

(ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lenders or any other person identified by the Lenders as from the date of conversion and the Lenders may accept the same in satisfaction of the part of the loans so converted;

(iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment installments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lenders or such other person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Company in all respects.

(iv) In the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lenders as a result of the conversion, listed with such stock exchanges as may be prescribed by the Lenders or such other person identified by the Lenders and for the said purpose the Company shall take all such steps as may be necessary to the satisfaction of the Lenders or such other person identified by the Lenders, to ensure that the equity shares are listed as required by the Lenders or such other person identified by the Lenders.

(v) The loans shall be converted into equity shares at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations at the time of such conversion.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the terms and conditions for raising the Financial Assistance, from time to time, with an option to convert the Financial Assistance into equity shares of the Company any time during the currency of the Financial Assistance, on the terms specified in the financing documents, including upon happening of an event of default by the Company in terms of the loan arrangements.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue, offer and allot from time to time to the Lenders such number of equity shares for conversion of the outstanding portion of the loans as may be desired by the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection with or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval there to expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

10. **To consider and decide place of maintaining and keeping Register of Members & other registers at place other than the Registered Office of the Company.**

    To consider and, if thought fit, to pass with or without modification(s), following as a Special Resolution:

    "RESOLVED THAT pursuant to the provisions of Section 94(1) and other applicable provisions of the Companies Act, 2013 read with rule 5 (2) of the Companies (Management and Administration) Rules, 2014, consent of the Members of the Company be and is hereby accorded to maintain and keep the Company's registers required to be maintained under Section 88 of the Companies Act, 2013 and copies of annual returns filed under Section 92 of the Companies Act, 2013 or any one or more of them, at the Office of Company's Registrar and Share Transfer Agent, viz. M/s. Link Intime India Pvt. Ltd. at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083 or 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C. G. Road, Navrangpura, Ahmedabad-380009 or at such other place in India, as permissible under the relevant provisions, as the Board may from time to time decide instead of and/or in addition to the said registers or copy of returns being kept and maintained at the Registered Office of the Company."

11. **Alteration of Articles of Association**

    To consider and, if thought fit, to pass with or without modification(s), following as a Special Resolution:

    "RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the rule 33 of the Companies (Incorporation) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and in order to comply with the provisions of clause (a) of Regulation 20A of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, existing Clause No. 151 of Articles of Association of the Company be and is hereby altered and substituted with following clause:

    "Clause No. 151:

    Any bonds, debentures, debenture-stock or other securities may be issued, subject to the provisions of the Act, at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, to carry out consolidation and re-issuance of debt securities and with any special privileges as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meeting of the Company, appointment of Directors and otherwise.

    Provided that debentures with the right to allotment of or conversion into Shares shall not be issued except with the sanction of the Company in General Meeting by a special resolution."

    RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

Date : 10-08-2017
Place : Ahmedabad

By Order of the Board of Directors

Registered Office :
"Sadbhav House", Opp. Law Garden Police Chowki,
Ellisbridge, Ahmedabad - 380 006.
CIN : L45202GJ2007PLC049808

Hardik Modi
Company Secretary
Membership No.: F9193

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating organization.

   Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution or Power of attorney authorizing their representative to attend and vote on their behalf at the meeting.

3. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the businesses under Item Nos. 4 to 11 above is annexed hereto. The relevant details of Directors seeking re-appointment/ appointment under Item No. 2 & 5, pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed.

4. A route map giving directions to reach the venue of the 11th Annual General Meeting is given at the end of the Annual Report.

5. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.

6 Members seeking any information with regard to accounts of the Company are requested to write to Company at its Registered Office, so as to reach at least 10 days before the date of Meeting to enable Management to keep information ready.

7. Relevant documents referred to in accompanying Notice and Statement are open for inspection by members at Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

8. The Register of Directors & Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be made available at the venue of the meeting for inspection by members attending the meeting.

9. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 19th September, 2017 to Tuesday, 26th September, 2017 (both day inclusive).

10. Voting through electronic means

    In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 11th Annual General Meeting ('AGM') by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Ltd. (CDSL). The members may cast their votes using an electronic voting system from the place other than the venue of the Meeting ('remote e-voting'). In addition, the facility of voting through Ballot Paper shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.

    The procedure and instructions for voting through electronic means are as follows:

SECTION A - REMOTE E-VOTING PROCESS

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on Shareholders.

(iii) Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN of Sadbhav Infrastructure Project Limited.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

SECTION B - COMMENCEMENT OF REMOTE E-VOTING PERIOD AND OTHER REMOTE E-VOTING INSTRUCTIONS

i. A member may exercise his/her vote at any general meeting by electronic means and the business may be transacted through such voting. Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.

ii. The facility for voting, either through electronic voting system or polling paper, as may be decided by Chairman of the meeting, shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

iii. The remote e-voting period commences on Saturday, 23rd September, 2017 (9:00 a.m. IST) and ends on Monday, 25th September, 2017 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, 19th September, 2017 i.e. cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.

iv. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. As per Explanation (ii) of Rule 20(1) of the Companies (Management and Administration) Rules, 2014, cut-off date means a date not earlier than 7 days before the date of general meeting.

v. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evotingindia.com.

vi. Mr. Ravi Kapoor, Practicing Company Secretary, Proprietor of M/s. Ravi Kapoor & Associates (M. No.: FCS 2587; CP No: 2407) (Shaival Plaza, 4th Floor, Gujarat College Road, Ellisbridge, Ahmedabad-380006) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. The Board has also authorised Chairman to appoint one or more scrutinizers in addition to Mr. Ravi Kapoor.

vii. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.

viii. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sadbhavinfra.co.in and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

ix. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of requisite number of votes.

x. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.

xi. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

11. Electronic copy of Annual Report 2016-17 is being sent to all the members whose email-ID are registered with the Company/ Depository Participant(s) for communication purposes unless any member has required for hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2016-17 is being sent in the permitted mode. Members may also note that the notice of the 11th Annual General Meeting and Annual Report for 2016-17 will also be available on the Company's website www.sadbhavinfra.co.in. The physical copies of the aforesaid documents will also be available at the registered office of the company during office hours on all working days between 12.00 noon to 2.00 p.m., except Saturday, Sunday and holidays.

12. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF): The provisions of Section 125(2) of the Act do not apply as there was no dividend declared and paid by the Company.

Details of Directors Seeking Re-Appointment at the Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	Mr. Nitin R. Patel	Mr. Vasistha C. Patel
Date of Birth	4th August, 1968	25th July, 1973
Date of Appointment	18th September, 2010	1st April, 2008
Disclosures of relationship between Directors inter-se	N.A.	N.A.
Functional Expertise	Finance and Accounts, Audit, Taxation, Project Bidding and Execution, Cost Analysis	Business Development, Tendering & Project Planning, Management of Organisational Finance
Directorship in other Companies	1. Sadbhav Engineering Limited 2. Maharashtra Border Check Post Network Limited 3. Bijapur-Hungund Tollway Private Limited 4. Mysore-Bellary Highway Private Limited 5. Dhule Palesner Tollway Limited 6. Nagpur-Seoni Express Way Limited 7. Sadbhav Nainital Highway Private Limited 8. Sadbhav Vidarbha Highway Private Limited	1. Sadbhav Engineering Limited 2. Sadbhav Bangalore Highway Private Limited 3. Bijapur-Hungund Tollway Private Limited 4. Sadbhav Rudrapur Highway Private Limited 5. Sadbhav Bhavnagar Highway Private Limited 6. Sadbhav Udaipur Highway Private Limited 7. Sadbhav Una Highway Private Limited 8. Sadbhav Vidarbha Highway Private Limited
Chairman / Member of Committee in other Companies	1. Sadbhav Engineering Limited- Audit Committee & Stakeholders' Relationship Committee (Member) 2. Maharashtra Border Check Post Network Limited- Audit Committee (Member) 3. Bijapur-Hungund Tollway Private Limited- Audit Committee (Member) 4. Mysore-Bellary Highway Private Limited- Audit Committee (Member) 5. Sadbhav Nainital Highway Private Limited- Audit Committee (Member)	1. Sadbhav Engineering Limited - Stakeholders' Relationship Committee (Member) 2. Sadbhav Bangalore Highway Private Limited- Audit Committee (Member) 3. Sadbhav Bhavnagar Highway Private Limited- Audit Committee (Member) 4. Sadbhav Rudrapur Highway Private Limited- Audit Committee (Member) 5. Sadbhav Una Highway Private Limited- Audit Committee (Member)
No. of Equity Shares held in the Company	1,91,806 Equity Shares	5,50,000 Equity Shares

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No. 4

The Board of Directors of the Company on recommendation of the Audit Committee, approved the appointment of M/s. Rajendra Patel & Associates, Cost Accountants in Practice (Firm Reg. No. 101163), to conduct the audit of the cost records maintained by the Company for the financial year 2017-18.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2017-18 as set out in the resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, either financially or otherwise, in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for your approval.

Item No. 5

The Board of Directors ('the Board') of your Company has, at its meeting held on 22nd October, 2014, re-appointed Mr. Vasistha C. Patel (DIN: 00048324) as Managing Director of the Company with effect from 1st January, 2015 up to 31st December, 2017.

Board proposed to appoint Mr. Vasistha C. Patel as Managing Director of the Company w.e.f. 1st January, 2018 for five years (i.e. from 1st January, 2018 up to 31st December, 2022) upon terms and conditions including remuneration as permissible pursuant to the provision of Sections 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force). The re-appointment is subject to the approval of the Members of the Company. Re-appointment of Mr. Vasistha C. Patel was recommended by the Nomination & Remuneration Committee.

Mr. Vasistha C. Patel is a Civil Engineer by profession and having 19 years' experience in the Construction Industry. He is looking after day to day affairs and operations of the Company. As Managing Director, he exercises substantial powers of management over the Company, subject to the superintendence, control and directions by the Board of Directors. Under the leadership of Mr. Vasistha C. Patel the Company has achieved the sustained growth over the years.

Board recommends his appointment on the following material terms & conditions:

A	**Period of Appointment**	Five years (from 1st January, 2018 up to 31st December, 2022)
B		Remuneration Details
	Monthly Salary	Up to ₹ 8,00,000/- (Rupees Eight Lakhs Only)
	Perquisites and Facilities	
	Commission	The appointee shall be entitled to receive commission on profit as may be determined by the Board for such appointee so that his overall salary excluding such commission is within the limits provided under the Companies Act.
	Other facilities, if any	It includes Company's Contribution to Provident Fund, Provision for Gratuity, Encashment of Leave Salary, as per the rules of the Company. These shall not be included in computation of above limits of remuneration.
	Minimum Remuneration	Notwithstanding anything herein above stated, wherein any financial year, the Company incurs loss or its profits are inadequate, the Company shall pay to Mr. Vasistha C. Patel, remuneration by way of Salary including all perquisites not exceeding the limits specified under Schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time.
C	**Termination**	By giving notice period as per Company's Policy.
D	**Duties and Responsibilities**	Mr. Vasistha C. Patel shall be responsible for commercial assignments as applicable under various statutes and shall perform such duties which may be entrusted to him, subject to superintendence, control and guidance of Board of Directors.

Mr. Vasistha C. Patel satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

This Explanatory Statement may also be regarded as a disclosure under Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Mr. Vasistha C. Patel is interested in the resolution set out at Item No. 5 of the Notice, which pertain to his appointment and remuneration payable to him.

None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company except Mr. Vasistha C. Patel, is directly / indirectly interested in the above resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for your approval.

Item No. 6

As per provisions of Section 42 and 71 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, a Company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for "non-convertible debentures", it shall be sufficient if the Company passes a previous Special Resolution only once in a year for all the offer(s) or invitation(s) for such debentures during the year.

Accordingly, the Shareholders of the Company had passed a Special Resolution at the last (10th) Annual General Meeting (AGM) of the Company held on 28th September, 2016, to raise funds through Private Placement of Secured/Unsecured Non-Convertible and/ or other Debt Securities by way of issue of secured/ unsecured non-convertible debentures of the Company, in one or more tranches, to such person or persons, who may or may not be the debenture holders of the Company, within the overall borrowing of the Company. However, the above approval of shareholders is valid only up to 27th September, 2017. In order to facilitate raising of funds thereafter and in line with the aforesaid statutory provisions, it is necessary to pass a Special Resolution at this Annual General Meeting for raising of funds through private placement of secured / unsecured non-convertible debentures and/ or other Debt Securities during a period of one year from the date of passing of this resolution.

Further, the Board of Directors of the Company (the "Board") or any Committee duly constituted by the Board or such other authority as may be approved by the Board, shall be authorized to determine the terms of the issue, including the class of investors to whom the debentures are to be allotted, the number of debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of debenture holders, listing, issuing any declaration/undertaking etc. required to be included in the Private Placement Offer documents and to do and execute all such acts, deeds and things under any other regulatory requirement for the time being in force.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, either financially or otherwise, in the said resolution.

The Board of Directors recommends the resolution mentioned in Item no. 6 for your approval.

Item No. 7 and 8

In terms of the provisions of Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013 read with applicable rules framed thereunder, the Board of Directors of the Company cannot, except with the consent of the Company in General Meeting, dispose of its property (including creation of charge on assets of the Company) and borrow moneys, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves (reserves not set apart for any specific purpose). At the Annual General Meeting of the Company held on 28th September, 2016, the shareholders had accorded consent to the Board of Directors for borrowing any sum or sums of money outstanding at any point of time, not exceeding the sum of ₹ 2000 Crores (Rupees Two Thousand Crores only). At the same Annual General Meeting of the Company, the shareholders had accorded consent to the Board of Directors for creation of charges etc. to secure aforesaid borrowings.

Considering the Company's future growth plans and requirements of additional funds for operation and modernization, it is proposed to increase the above borrowing limits from the existing ₹ 2000 crores to an amount not exceeding at any time a limit of ₹ 3000 crores (Rupees Three Thousand Crores only).

The proposed borrowings by the Company, if required, is to be secured by mortgage or charge on all or any of the movable or immovable or any other tangible and intangible assets / properties of the Company (both present & future), in favour of any lender including the financial institutions / banks / debenture trustees etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

The mortgage and / or charge on any of the movable and / or immovable or any other tangible and intangible assets / properties and / or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company with a power to the charge holders to take over the management of the business of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

The resolutions contained in item no. 7 & 8 of the accompanying Notice, accordingly, seek members' approval for increasing the borrowing limits and disposal of the Company's undertaking(s) by creation of mortgage / charge etc. thereon and for authorizing the Board of Directors (including a Committee thereof authorized for the purpose) of the Company to complete all the formalities in connection with the increase in the borrowing limits and creating charge on Company's properties, respectively.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolutions.

The Board recommends the resolutions set forth in the Item Nos. 7 & 8 of the Notice for your approval.

Item No. 9

In line with the regulatory changes in the recent past, the changes in the Companies Act and in line with various directives issued by Reserve Bank of India, from time to time, and in pursuance of the financing documents of the Company, the Company is required to pass a Special Resolution under Section 62(3) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder to enable the Banks and Financial Institutions (hereinafter referred to as the "Lenders") to convert the outstanding debt or any other financial assistance categorized as debt (hereinafter referred to as the

“Financial Assistance”), in foreign currency or Indian Rupee, already availed or to be availed from the Lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

Section 62(1)(c) of the Companies Act, 2013, inter-alia, provides that where at any time, a Company having a share capital proposes to increase its subscribed capital by issue of further shares, such shares shall be offered to any person, if it is authorized by a special resolution either for cash or for a consideration other than cash, and the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.

Further, Section 62(3) of the Companies Act, 2013, provides that nothing in Section 62 shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the Company; provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in General Meeting.

Pursuant to Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company also recommends to borrow any sum or sums of monies (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business), from time to time, in such form and manner and on such terms and conditions as the Board may deem fit, such that the total amount borrowed and outstanding at any time shall not exceed ₹ 3,000 Crores (Rupees Three Thousand Crores Only) and to create charges on the Company’s properties for securing the borrowings within the above limits and working capital facilities availed or to be availed by the Company.

For the purposes of such Borrowings, the Company may, from time to time, be required to execute financing documents, which provides for an enabling option to the Lenders, to convert the whole or any part of such outstanding Financial Assistance (comprising loans, debentures or any other financial assistance categorised as loans), into fully paid up Equity Shares of the Company;

Accordingly, the Board recommends the resolution as set forth in the item no. 9 of the Notice, to enable the Lenders, in terms of the lending arrangements, entered/to be entered and as may be specified by the Financial Institutions/Banks under the financing documents already executed or to be executed in respect of the Financial Assistance availed/ to be availed, at their option, to convert the whole or part of their respective outstanding Financial Assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

The Company hereby clarifies that this resolution is merely an enabling resolution and there are no proposals of conversion of loan into Equity, either pending or envisaged currently.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be interested/ concerned in this resolution, except to their respective shareholdings in the Company, if any.

Item No. 10

Pursuant to the provisions of Section 94 the Companies Act, 2013, certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the Registered Office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a General Meeting of the Company. Accordingly, the approval of the Members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the Office of the Registrar and Transfer Agent, M/s. Link Intime India Pvt. Ltd. at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083 or 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier’s College Corner, Off C G Road, Navarangpura, Ahmedabad-380009 or such other place in India, as permissible under the relevant provisions, as the Board may from time to time decide instead of and/or in addition to the said registers or copy of returns being kept and maintained at the Registered Office of the Company. A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Gujarat, Ahmedabad, as required under the said Section 94 (1) of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors recommends the resolution set forth in item no. 10 to this notice, for your approval.

Item No. 11

Pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the rule 33 of the Companies (Incorporation) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and in order to comply with the provisions of clause (a) of Regulation 20A of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, Board proposes to alter and substitute Clause 151 of Articles of Association (AOA) of the Company towards terms of issue of Debentures.

In continuation of same, pursuant to SEBI Circular, an AOA of the Company should have an enabling provision for carrying out consolidation and re-issuance of debt securities. As Company is required to alter a clause of terms of issue of Debentures in AOA for the said reason, it is mandatory for the Company to amend AOA in compliance with the said SEBI Circular.

The physical copies of the aforesaid documents will also be available at the Corporate office of the Company during all working days between 12.00 Noon to 2.00 p.m., except Saturday, Sunday and holidays.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolution.

The Board of Directors recommends the resolution mentioned in Item no. 11 for your approval.

Date : 10-08-2017
Place : Ahmedabad

By Order of the Board of Directors

Registered Office :
“Sadbhav House”, Opp. Law Garden Police Chowki,
Ellisbridge, Ahmedabad - 380 006.
CIN : L45202GJ2007PLC049808

Hardik Modi
Company Secretary
Membership No.: F9193

Directors' Report

To
The Members,

Your Directors hereby present the 11th Annual Report of the Company together with the audited financial statements for the year ended 31st March, 2017.

FINANCIAL PERFORMANCE

The financial performance for the year under review along with previous year's figures are given hereunder:

(₹ in Million)

Particulars	Standalone		Consolidated	
	2016-2017	2015-2016	2016-2017	2015-2016
Revenue from Operations	2,854.45	857.97	13480.09	19709.66
Other Income	282.65	405.56	558.81	387.50
Total Revenue	3137.10	1263.53	14038.90	20097.16
Profit Before Taxation	525.88	(48.46)	(3524.95)	(3631.90)
Tax Expense	114.31	1.89	76.04	(106.71)
Profit / (Loss) for the period after tax and minority interest	411.57	(50.35)	(3531.44)	(3406.20)
Other comprehensive income	(0.37)	0.06	(8.45)	1.12
Total comprehensive income (after tax)	411.20	(50.29)	(3539.89)	(3405.08)

DIVIDEND

Keeping in view of the Company's need for capital for its future growth plan, requirements of working capital and the intent to finance through internal accruals, your Directors do not recommend any dividend for the year under review.

DIVIDEND DISTRIBUTION POLICY

Securities and Exchange Board of India ('SEBI'), by its notification dated 8th July, 2016, has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), introducing new Regulation 43A mandating the top 500 listed entities, based on market capitalization calculated as on 31st March of every financial year, to formulate a Dividend Distribution Policy and disclose the same in their Annual Reports and on their websites.

Accordingly, the Board of the Company has adopted a Dividend Distribution Policy, which is uploaded on the Company's website at the web link: http://www.sadbhavinfra.co.in/en/pdf/dividend-distribution-policy.pdf

RESERVES

Company has transferred ₹ 224.34 Million to Debenture Redemption Reserve Account.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2017 is ₹ 352,22,52,160. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence, the details under Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The total revenue of your Company for the FY 2016-17 stood at ₹ 3137.10 Million as against ₹ 1263.53 Million for the FY 2015-16. Total comprehensive income after tax for the FY 2016-17 was ₹ 411.20 Million as compared ₹ (50.29) Million for the FY 2015-16 Your Directors are hopeful to get better results in the coming year.

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements under the Companies Act, 2013, and as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on corporate governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with the certificate from the Practicing Company Secretary confirming the compliance, is annexed and forms part of this Annual Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There are no material changes in the nature of business during the year.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitment affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

RISK MANAGEMENT

Risk management comprises all organizational rules and actions for early identification of risks in the course of doing business and the management of such risks.

Although not mandatory, as a measure of good governance, the Company has constituted a Risk Management Committee of the Board. The Committee reviews the Company's performance against identified risks, formulates strategies towards identifying new and emergent risks that may materially affect the Company's overall risk exposure and reviews the Risk Management Policy and structure.

This robust Risk Management framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Company has adopted a Risk Management Policy, pursuant to Section 134 of the Act.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has appropriate internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations. It has documented policies and procedures covering financial and operating functions and processes. These policies and procedures are updated from time to time and compliance is monitored by the internal audit function as per the audit plan. The Company continues its efforts to align all its processes and controls with best practices.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Board's Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

i) Changes in Directors and Key Managerial Personnel

Pursuant to Section 152 of the Companies Act, 2013, Mr. Nitin R. Patel (DIN: 00466330) Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Vishnubhai M. Patel has resigned from Directorship w.e.f 3rd March, 2017 and Board has designated him with an honorary title of "Chairman Emeritus" w.e.f. 3rd March, 2017. Due to resignation of Mr. Vishnubhai M. Patel, Board has appointed Mr. Shashin V. Patel as Chairman of the Company w.e.f. 3rd March, 2017.

Mr. Jagdish Joshipura ceased to be Director due to sad demise on 12th November, 2016. There being no other changes in Directorship during the year under review.

Mr. Gaurav Vesasi has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 31st May, 2016. Mr. Hardik Modi has been appointed as Company Secretary and Compliance officer of the Company w.e.f. 8th July, 2016.

There were no other changes in Key Managerial Personnel during the year.

ii) Declaration by an Independent Director(s)

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

iii) Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the CVs of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

iv) Criteria for Determining Qualifications, Positive Attributes and Independence of a Director

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meets with the criteria for 'Independent Director' as laid down in the Act and Regulation 16 (1) (b) of the Listing Regulations.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

v) Annual Evaluation of Board Performance and Performance of its Committees and of Directors

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia structure of the Board, including qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development; degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and management.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director.

Directors were evaluated on aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Areas on which the Committees of the Board were assessed included mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and management.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), forms part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

Up to the year ended 31st March, 2016, the Company had prepared its Financial Statements in accordance with generally accepted accounting principles in India, including accounting standards read with Section 133 of the Act notified under the Companies (Accounting Standards) Rules, 2006 ('Previous GAAP'). These are the Company's first Ind AS Financial Statements.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16 (1) (c) of Listing Regulations. The Policy, as approved by the Board, is uploaded on the Company's website.

The consolidated financial results reflect the operations of the following subsidiaries.

Sr. No.	Name of Company	CIN / GLN	Address of the Company	Holding/Subsidiary/ Associate
1	Ahmedabad Ring Road Infrastructure Limited	U45203GJ2006PLC048981	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
2	Aurangabad-Jalna Tollway Limited	U45203GJ2007PLC049814	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
3	Bijapur-Hungund Tollway Private Limited	U45203GJ2010PTC059669	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Subsidiary
4	Bhilwara-Rajsamand Tollway Private Limited	U45203GJ2012PTC072902	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
5	Dhule Palesner Tollway Limited *	U45203MH2009PLC191222	701, 7th Floor, "C" Wing, Godrej Coliseum, B/h Everard Nagar, Sion (East) Mumbai - 400022.	Wholly owned subsidiary
6	Hyderabad-Yadgiri Tollway Private Limited	U45203GJ2010PTC059262	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
7	Maharashtra Border Check Post Network Limited **	U45201GJ2009PLC056327	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Subsidiary
8	Nagpur-Seoni Express Way Limited	U45203GJ2007PLC049963	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
9	Rohtak Hissar Tollway Private Limited	U45203GJ2013PTC074446	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
10	Rohtak Panipat Tollway Private Limited	U45202GJ2010PTC059322	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
11	Shreenathji-Udaipur Tollway Private Limited	U45201GJ2012PTC069676	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
12	Sadbhav Nainital Highway Private Limited	U45309GJ2016PTC091777	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary

13	Sadbhav Rudrapur Highway Private Limited	U45203GJ2016PTC091774	“Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
14	Sadbhav Bhavnagar Highway Private Limited	U45309GJ2016PTC092557	“Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
15	Sadbhav Una Highway Private Limited	U45500GJ2016PTC092589	“Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary
16	Sadbhav Bangalore Highway Private Limited	U45202GJ2016PTC094257	“Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006.	Wholly owned subsidiary

* *Pursuant to acquisition of 100% stake in Dhule Palesner Tollway Limited from Sadbhav Engineering Limited, Hindustan Construction Company Limited and John Laing Investment Limited, as at the date of this report, 100 shares each of Sadbhav Engineering Limited, Hindustan Construction Company Limited and John Laing Investment Limited are pending for transfer due to pending approval from NHAI.*

** *In terms of Memorandum of Understanding (MOU) dated January 17, 2017 between the Company and Sadbhav Engineering Limited('SEL'), SEL reduced its commitment, to sell investment in MBCPNL to third party, from 22% to 9% and resultantly, transferred such 13% ownership / beneficial ownership in MBCPNL to the Company, raising Company's holding to 91%. SEL reaffirms that consideration received by it aggregating to INR 280.13 Million, is towards transfer of entire ownership of 91% in MBCPNL, and hence, no further payment is required to be made by SIPL to SEL. The procedural formalities for transfer of equity shares were in progress as on the date of balance sheet. By virtue of MOU, 2.63% shares of MBCPNL are pending for transfer from SEL to SIPL.*

\# *Between the end of the financial year 2016-17 and the date of this report, two new wholly owned subsidiary Companies i.e. Sadbhav Vidarbha Highway Private Limited and Sadbhav Udaipur Highway Private Limited, were incorporated with an object to execute highway projects as per the concessions agreements signed with NHAI.*

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules made thereunder and pursuant to Regulation 33 of the Listing Regulations, Company has prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 attached as **Annexure - 1** which forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The provisions of Section 186 of the Companies Act, 2013, with respect to a loan, guarantee or security is not applicable to the Company as the Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Companies Act, 2013. The details of investment made during the year under review are disclosed in the financial statements.

FIXED DEPOSITS

During the year under review, your Company has not accepted any fixed deposits from the public falling under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on 31st March, 2017, there were no deposits which were unpaid or unclaimed and due for repayment.

INSURANCE

All properties and insurable interests of the Company to the extent required have been adequately insured.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were at arm's length basis. A detailed report on material contracts and arrangements made during the year 2016-17, being arm's length transactions have been reported and annexed hereto in Form AOC-2 as **Annexure - 2** and forms part of this report.

There are no materially significant related party transactions made by the Company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the Company at large. The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website at the web link: http://www.sadbhavinfra.co.in/en/pdf/policy-on-related-party-transaction.pdf

NOMINATION AND REMUNERATION POLICY

The Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the Listing Regulations. The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

The Nomination and Remuneration Committee has considered following factors while formulating Policy:

(i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
(ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
(iii) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company.

Details of the Remuneration Committee are given in the Corporate Governance Report.

AUDIT COMMITTEE

Board has duly constituted Audit Committee as per provisions of Section 177 of the Companies Act, 2013. The composition, terms of the audit committee and other details are mentioned in the Corporate Governance Report.

NUMBER OF MEETINGS OF THE BOARD

During the year, Six (6) Board meetings were convened and held. Details of Board meetings and committee meetings are given in the corporate governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
(iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
(iv) they have prepared the annual accounts on a going concern basis;
(v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
(vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The provisions of Section 125(2) of the Act do not apply as there was no dividend declared and paid by the Company.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is a Company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods. The Company believes in conducting its business responsibly, fairly and in utmost transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates and as apart of its social objectives. This policy has been formally formulated and adopted in terms of Section 135 of the Act and Rules framed thereunder to undertake CSR activities.

The Board has constituted a Corporate Social Responsibility Committee headed by Mr. Vasistha C. Patel as Chairman and Mr. Nitin R. Patel, Mr. Sandip V. Patel, and Mr. Atul N. Ruparel as Members of the Committee.

The responsibilities of the CSR Committee include:

i. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken.
ii. Recommending the amount of expenditure for the CSR activities.
iii. Monitoring CSR activities from time to time.

As there was average loss of ₹ 173.94 Million, your Company was not required to spend any amount towards the CSR activities, pursuant to the applicable provisions of Section 135 of the Act. Accordingly, the details of the CSR activities during the year under review are not provided in this Report. The Report on CSR activities is attached as **Annexure - 3**.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2016-17.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

COMMITTEES OF BOARD

Details of various committees constituted by the Board of Directors as per provisions of the Listing Regulations and Companies Act, 2013 are given in the Corporate Governance Report and forms part of this report.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report. The same is also uploaded on the Company's website at the web link: http://www.sadbhavinfra.co.in/en/pdf/familiarization-programme-for-independent-Directors-2016-17.pdf

AUDITORS

(i) Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act , 2013 and the rules framed thereunder, M/s. Manubhai & Shah LLP, Chartered Accountants, Ahmedabad having Firm Registration No. 106041W/W100136 were appointed as Joint Statutory Auditors of the Company from conclusion of the 8th Annual General Meeting (AGM) of the Company held on 5th September, 2014 till the conclusion of the 12th AGM to be held in the year 2018 subject to ratification of their appointment at every AGM.

Pursuant to the provisions of Section 139 of the Companies Act , 2013 and the rules framed thereunder, M/s. S R B C & Co. LLP, Chartered Accountants having Firm Registration No. 324982E/E300003 were appointed as Joint Statutory Auditors of the Company from conclusion of the 8th Annual General Meeting (AGM) of the Company held on 5th September, 2014 till the conclusion of the 13th AGM to be held in the year 2019 subject to ratification of their appointment at every AGM.

Members are requested to consider the ratification of the appointment of M/s. Manubhai & Shah LLP and M/s. S R B C & Co. LLP and authorize the Board of Directors to fix their remuneration. Both the auditors have submitted a certificate, confirming that their appointment, if ratified, will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

(ii) Cost Auditors

The Company has received a letter from the cost auditors M/s. Rajendra Patel & Associates, Cost Accountants in Practice having Firm Reg. No. 101163 to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for appointment. The cost audit report for the year 2015-16 was filed before the due date with MCA.

The Board of Directors of the Company has appointed M/s. Rajendra Patel & Associates, Cost Accountants as the cost auditors of the Company to conduct the audit of cost records for the FY-2017-18 maintained by the Company as required by the Companies (Cost Records and Audit) Rules 2014 as amended from time to time. The members are requested to ratify the remuneration to be paid to the cost auditors of the Company.

(iii) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act , 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Ashish Shah & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2017. The Secretarial Audit Report is annexed as **Annexure - 4**.

There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in his report.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is annexed as **Annexure - 5**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no earning in the foreign currency, while expenditure during the year was ₹ 0.33 Crores.

Since the Company does not have any manufacturing activities, the other particulars required to be provided in terms of Section 134(3)(m) of the Companies Act, 2013 are not applicable.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided separately as **Annexure - 6** to this Report.

There was no employee of the Company employed throughout the financial year with salary above the limits mentioned and under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, there is no employee employed throughout the financial year or part thereof, was in receipt of remuneration in aggregate, in excess of that drawn by the Managing Director and holds by himself or along with his spouse and dependent children, not less than two per cent (2 per cent) of the equity shares of the Company.

BUSINESS RESPONSIBILITY REPORTING

As per Regulation 34 (2) (f) of the Listing Regulations, listed companies shall submit, as part of their Annual Reports, Business Responsibility Reports, describing the initiatives taken by them from an environmental, social and governance perspective, in the prescribed format. This provision is applicable to top 500 listed companies based on market capitalisation as on 31st March, 2017. Hence, this clause is first time applicable to your Company. The Business Responsibility Report of the Company for the financial year ended on 31st March, 2017 has been provided in **Annexure - 7.**

ACKNOWLEDGMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year and look forward to their continued support in future. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors

Shashin V. Patel
Chairman
DIN: 00048328

Date : 10-08-2017
Place : Ahmedabad

Annexure - 1

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures

Part "A": Subsidiaries

(₹ in Million)

Name of the Subsidiary Company	Aurangabad-Jalna Toll Way Limited	Ahmedabad Ring Road Infrastructure Limited	Bijapur-Hungund Tollway Private Limited	Bhilwara-Rajsamand Tollway Private Limited	Dhule Palesner Tollway Limited	Hyderabad-Yadgiri Tollway Private Limited	Maharastra Border Check Post Network Limited	Nagpur-Seoni Expressway Limited	Rohtak-Hissar Tollway Private Limited	Rohtak-Panipat Tollway Private Limited	Shreenathji-Udaipur Tollway Private Limited	Sadbhav Rudrapur Highway Private Limited	Sadbhav Nainital Highway Private Limited	Sadbhav Bhavnagar Highway Private Limited	Sadbhav Una Highway Private Limited	Sadbhav Bangalore Highway Private Limited	Total
Reporting period	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17	From 1st May, 2016 to 31st March, 2017	From 1st May, 2016 to 31st March, 2017	From 20th June, 2016 to 31s March, 2017	From 22nd June, 2016 to 31st March, 2017	From 29th October, 2016 to 31st March, 2017	
Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	
Share Capital	19.71	104.60	1009.60	173.40	687.80	32.47	0.50	480.00	107.68	21.86	337.43	10.00	10.00	40.00	40.00	0.50	**3075.55**
Reserves & Surplus	(116.20)	63.04	(293.61)	1060.95	432.37	67.36	2699.75	(969.20)	405.62	(2373.03)	1914.59	272.67	287.53	303.34	183.92	(0.02)	**3939.08**
Total Assets	2509.39	3513.48	9938.08	4165.18	12318.26	6518.02	14455.58	2483.70	10589.94	17724.82	14552.51	520.29	304.27	433.25	263.91	1.23	**100291.91**
Total Liabilities (excluding Share Capital and Reserves & Surplus	2605.88	3345.84	9222.09	2930.83	11198.09	6418.19	11755.33	2972.90	10076.64	20075.98	12300.49	237.62	6.74	89.91	39.99	0.75	**93277.27**
Investments	0.00	5.15	433.51	2.29	0.00	88.49	0.00	12.41	1.24	31.07	2.08	0.00	0.00	0.00	0.00	0.00	**576.24**
Turnover	508.56	941.34	1158.76	625.85	1826.93	569.07	2432.30	238.74	1282.19	908.42	1278.14	484.16	293.14	390.83	234.30	0.73	**13173.46**
Profit/(Loss) Before Taxation	(106.67)	108.40	(253.03)	(96.32)	(378.80)	(232.16)	(126.18)	(62.58)	(585.43)	(1582.76)	(625.82)	(0.29)	(0.29)	(0.02)	(0.02)	(0.02)	**(3941.99)**
Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Provision for Taxation	0.00	0.00	0.00	0.00	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.13**
Profit/(Loss) After Taxation	(107.62)	105.07	(253.85)	(96.32)	(379.65)	(232.25)	(128.45)	(62.58)	(585.43)	(1582.84)	(625.98)	(0.29)	(0.29)	(0.02)	(0.02)	(0.02)	**(3950.54)**
Proposed Dividend	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0.00**
% of Shareholding	100.00%	100.00%	77.00%	100.00%	100.00%	100.00%	91.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	

Figures in bracket show negative figures.

Notes:-

1. Name of Subsidiaries which are yet to commence operations
   i. SADBHAV VIDARBHA HIGHWAY PRIVATE LIMITED
   ii. SADBHAV UDAIPUR HIGHWAY PRIVATE LIMITED
2. Name of Subsidiaries which have been liquidated or sold during the year: N.A.
3. Part B is not applicable as there are no associate Companies/ Joint Ventures of the Company as on 31st March, 2017.

For and on behalf of Board of Directors

Shashin V. Patel
Chairman
DIN: 00048328

Vasistha C. Patel
Managing Director
DIN : 00048324

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 10-08-2017
Place : Ahmedabad

Annexure - 2

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   Not Applicable, as there are no contracts or arrangements or transactions entered into with related party which are not at arm's length basis.

   (a) Name(s) of the related party and nature of relationship:
   (b) Nature of contracts/arrangements/transactions:
   (c) Duration of the contracts / arrangements/transactions:
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
   (e) Justification for entering into such contracts or arrangements or transactions:
   (f) Date(s) of approval by the Board:
   (g) Amount paid as advances, if any:
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. in Million	Date(s) of approval by the Board	Amount Paid / Received in advance
1	Sadbhav Engineering Limited	Holding Company	Unsecured Loan received (Financial facilities as per MOU dated 20.12.2014)	2016-17	4,215.12	N.A	Nil
2	Sadbhav Engineering Limited	Holding Company	Unsecured Loan repaid (Financial facilities as per MOU dated 20.12.2014)	2016-17	5,580.93	N.A	Nil

Note : All above transactions have been entered in the ordinary course of business and arm's length basis, hence approval of Board is not required under Section 188 of the Companies Act, 2013.

For, Sadbhav Infrastructure Project Limited

Shashin V. Patel
Chairman
DIN: 00048328

Annexure - 3 Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

   Company recognizes that as a responsible corporate entity its functions and operations have an impact on society and on the environment. In addition to ensuring that operations are conducted efficiently and in a manner that meets governmental environmental standards, the Company is committed in ensuring that the communities where it operates also benefits and develops together.

   Company with an intention to actively participate in the development of the communities where projects are located, has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and is placed on the website of the Company at http://www.sadbhavinfra.co.in/en/pdf/corporate-social-responsibility-policy.pdf

2. **The Composition of the CSR Committee:**

   Mr. Vasistha C. Patel - Chairman and member
   Mr. Nitin R. Patel - Member
   Mr. Sandip V. Patel - Member
   Mr. Atul N. Ruparel - Member

3. **Average net profit/(loss) of the Company for last three financial years:** ₹ (173.94) Million.

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** N.A.

5. **Details of CSR spent during the financial year:**

   (a) Total amount to be spent for the financial year: NIL
   (b) Amount unspent, if any: NIL
   (c) Manner in which the amount spent during the financial year is detailed below: NIL

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:** N.A.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:** N.A.

For, Sadbhav Infrastructure Project Limited

Vasistha C. Patel
Chairman of CSR Committee and Managing Director
DIN: 00048324

Shashin V. Patel
Chairman
DIN: 00048328

Annexure - 4

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Sadbhav Infrastructure Project Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sadbhav Infrastructure Project Limited (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sadbhav Infrastructure Project Limited ("the Company") for the financial year ended on 31st March, 2017 verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(vi) There are no laws which are specifically applicable to the Company.

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For, Ashish Shah & Associates

Ashish Shah
Company Secretary in practice
FCS No.: 5974 • CP No.: 4178

Place : Ahmedabad
Date : 10-08-2017

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Annexure - A

To,
The Members,
Sadbhav Infrastructure Project Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Ashish Shah & Associates

Ashish Shah
Company Secretary in practice
FCS No.: 5974 • CP No.: 4178

Place : Ahmedabad
Date : 10-08-2017

Annexure - 5

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 & Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L45202GJ2007PLC049808
Registration Date	18th January, 2007
Name of the Company	Sadbhav Infrastructure Project Limited
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of Registered Office and Contact Details	"Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad - 380006 Tel.: 079-26463384; Fax : 079-26400210 Email : investor@sadbhavinfra.co.in Website : www.sadbhavinfra.co.in
Whether listed Company	Yes
Name, Address and Contact Details of Registrar & Transfer Agent (RTA), if any	M/s. Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Tel.: 022-49186000; Fax : 022-49186060 Email : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Development, construction as well as operation & maintenance of infrastructure projects and related consulting and advisory services	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Aurangabad-Jalna Tollway Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2007PLC049814	Subsidiary	100%	2(87)
2	Ahmedabad Ring Road Infrastructure Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2006PLC048981	Subsidiary	100%	2(87)
3	Bijapur-Hungund Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2010PTC059669	Subsidiary	77%	2(87)
4	Bhilwara-Rajsamand Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2012PTC072902	Subsidiary	100%	2(87)
5	Dhule Palesner Tollway Limited 701, 7th Floor, "C" Wing, Godrej Coliseum, B/h Everard Nagar, Sion (East), Mumbai-400022	U45203MH2009PLC191222	Subsidiary	100%	2(87)
6	Hyderabad-Yadgiri Tollway Private Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2010PTC059262	Subsidiary	100%	2(87)
7	Maharashtra Border Check Post Network Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45201GJ2009PLC056327	Subsidiary	91%	2(87)
8	Nagpur-Seoni Express Way Limited "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2007PLC049963	Subsidiary	100%	2(87)

9	Rohtak-Hissar Tollway Private Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2013PTC074446	Subsidiary	100%	2(87)
10	Rohtak-Panipat Tollway Private Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45202GJ2010PTC059322	Subsidiary	100%	2(87)
11	Sadbhav Bangalore Highway Private Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45202GJ2016PTC094257	Subsidiary	100%	2(87)
12	Sadbhav Bhavnagar Highway Private Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2016PTC092557	Subsidiary	100%	2(87)
13	Sadbhav Engineering Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	L45400GJ1988PLC011322	Holding	Nil	2(46)
14	Sadbhav Nainital Highway Private Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45309GJ2016PTC091777	Subsidiary	100%	2(87)
15	Sadbhav Rudrapur Highway Private Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45203GJ2016PTC091774	Subsidiary	100%	2(87)
16	Sadbhav Una Highway Private Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45500GJ2016PTC092589	Subsidiary	100%	2(87)
17	Shreenathji-Udaipur Tollway Private Limited “Sadbhav House”, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006	U45201GJ2012PTC069676	Subsidiary	100%	2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) AS ON 31ST MARCH, 2017

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year as on 31st March, 2016				No. of Shares held at the end of the year as on 31st March, 2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual / HUF	2220794	-	2220794	0.63	2247484	-	2247484	0.64	0.01
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	240733427	-	240733427	68.35	241783427	-	241783427	68.64	0.29
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	**242954221**	**-**	**242954221**	**68.98**	**244030911**	**-**	**244030911**	**69.28**	**0.30**
(2) Foreign									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other- Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter(A)= (A)(1)+(A)(2)	**242954221**	**-**	**242954221**	**68.98**	**244030911**	**-**	**244030911**	**69.28**	**0.30**
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds / UTI	17146749	-	17146749	4.87	17675480	-	17675480	5.02	0.15
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	13693425	-	13693425	3.89	3.89
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign Portfolio Investors	18881388	-	18881388	5.36	9131170	-	9131170	2.59	(2.77)
Sub-total (B)(1):-	**36028137**	**-**	**36028137**	**10.23**	**40500075**	**-**	**40500075**	**11.50**	**1.27**
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	8388067	-	8388067	2.38	4458390	-	4458390	1.27	(1.11)
ii) Overseas	58243720	-	58243720	16.53	58243720	-	58243720	16.53	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	1981537	13	1981550	0.56	1642552	13	1642565	0.47	(0.09)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	4328752	-	4328752	1.23	2775587	-	2775587	0.79	(0.44)
c) Others (specify)									
Hindu Undivided Family	199360	-	199360	0.06	338321	-	338321	0.10	0.04
NRI (Non Repat)	6510	-	6510	0.00	53271	-	53271	0.02	0.02
NRI (Repat)	10129	-	10129	0.00	23672	-	23672	0.01	0.01
Clearing Member	84770	-	84770	0.02	158704	-	158704	0.05	0.03
Sub-total (B)(2):-	**73242845**	**13**	**73242858**	**20.79**	**67694217**	**13**	**67694230**	**19.22**	**(1.57)**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**109270982**	**13**	**109270995**	**31.02**	**108194292**	**13**	**108194305**	**30.72**	**(0.30)**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**352225203**	**13**	**352225216**	**100.00**	**352225203**	**13**	**352225216**	**100.00**	-

B) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged/ encumbered to total shares	
Sadbhav Engineering Limited	240733427	68.35	10.00	241783427	68.64	10.00	0.29
Vishnubhai Patel	1186684	0.33	-	1213374	0.34	-	0.01
Shashin Patel	704110	0.20	-	704110	0.20	-	-
Rajeshreeben Patel	330000	0.09	-	330000	0.09	-	-
Total	**242954221**	**68.98**	**10.00**	**244030911**	**69.28**	**10.00**	**0.30**

C) Change in Promoters' shareholding

For Each of the Promoters	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Sadbhav Engineering Limited	240733427	68.35	-	-	-	-	240733427	68.35
			19-12-2016	Purchase of Shares	1050000	0.29	241783427	68.64
			31-03-2017	At the end of the year	-	-	241783427	68.64
Vishnubhai M. Patel	1186684	0.33	-	-	-	-	1186684	0.33
			04-04-2016	Purchase of Shares	26690	0.01	1213374	0.34
			31-03-2017	At the end of the year	-	-	1213374	0.34
Shashin V. Patel	704110	0.20	-	-	-	-	704110	0.20
			31-03-2017	At the end of the year	-	-	704110	0.20
Rajeshreeben Patel	330000	0.09	-	-	-	-	330000	0.09
			31-03-2017	At the end of the year	-	-	330000	0.09

D) **Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Xander Investment Holding XVII Limited	29121860	8.27	-	-	-	-	29121860	8.27
			31-03-2017	At the end of the year	-	-	29121860	8.27
Norwest Venture Partners VII-A Mauritius	29121860	8.27	-	-	-	-	29121860	8.27
			31-03-2017	At the end of the year	-	-	29121860	8.27
Amansa Holdings Private Limited	6885883	1.95	-	-	-	-	6885883	1.95
			08-04-2016	Purchase of Shares	2543052	0.72	9428935	2.68
			15-04-2016	Purchase of Shares	1596693	0.45	11025628	3.13
			06-05-2016	Purchase of Shares	73379	0.02	11099007	3.15
			30-09-2016	Purchase of Shares	1900600	0.54	12999607	3.69
			07-10-2016	Purchase of Shares	212890	0.06	13212497	3.75
			06-01-2017	Purchase of Shares	13315	0.00	13225812	3.75
			31-03-2017	At the end of the year	-	-	13225812	3.75
HDFC Trustee Company Limited-HDFC Equity Fund	5948515	1.69	-	-	-	-	5948515	1.69
			15-04-2016	Purchase of Shares	1349000	0.38	7297515	2.07
			17-06-2016	Purchase of Shares	25000	0.01	7322515	2.08
			29-07-2016	Purchase of Shares	10800	0.00	7333315	2.08
			09-09-2016	Purchase of Shares	208000	0.06	7541315	2.14
			30-09-2016	Purchase of Shares	1100000	0.31	8641315	2.45
			31-03-2017	At the end of the year	-	-	8641315	2.45
Nomura India Investment Fund Mother Fund	4854310	1.38	-	-	-	-	4854310	1.38
			31-03-2017	At the end of the year	-	-	4854310	1.38
Tata Balanced Fund	9046115	2.57	-	-	-	-	9046115	2.57
			17-06-2016	Sale of Shares	(25000)	(0.01)	9021115	2.56
			27-01-2017	Purchase of Shares	16650	0.00	9037765	2.57
			24-03-2017	Sale of Shares	(3600)	(0.00)	9034165	2.56
			31-03-2017	At the end of the year	-	-	9034165	2.56
LTS Investment Fund Limited*	1375000	0.39	-	-	-	-	1375000	0.39
			15-04-2016	Purchase of Shares	325000	0.09	1700000	0.48
			22-04-2016	Purchase of Shares	100000	0.03	1800000	0.51
			29-04-2016	Purchase of Shares	350000	0.10	2150000	0.61
			13-05-2016	Purchase of Shares	70000	0.02	2220000	0.63
			20-05-2016	Purchase of Shares	40000	0.01	2260000	0.64
			17-06-2016	Purchase of Shares	20000	0.01	2280000	0.65
			24-06-2016	Purchase of Shares	60000	0.02	2340000	0.66
			23-09-2016	Purchase of Shares	130000	0.04	2470000	0.70
			30-09-2016	Purchase of Shares	1020000	0.29	3490000	0.99
			04-11-2016	Sale of Shares	(250000)	(0.07)	3240000	0.92
			06-01-2017	Sale of Shares	(80000)	(0.02)	3160000	0.90
			13-01-2017	Sale of Shares	(100000)	(0.03)	3060000	0.87
			20-01-2017	Sale of Shares	(75000)	(0.02)	2985000	0.85
			27-01-2017	Sale of Shares	(60000)	(0.02)	2925000	0.83
			31-03-2017	At the end of the year	-	-	2925000	0.83

Morgan Stanley Mauritius Company Limited	2983769	0.85	-	-	-	-	2983769	0.85
			08-04-2016	Sale of Shares	(1481455)	(0.42)	1502314	0.43
			23-09-2016	Sale of Shares	(136139)	(0.04)	1366175	0.39
			07-10-2016	Purchase of Shares	312	0.00	1366487	0.39
			06-01-2017	Sale of Shares	(15000)	(0.00)	1351487	0.38
			13-01-2017	Purchase of Shares	373	0.00	1351860	0.38
			31-03-2017	At the end of the year	-	-	1351860	0.38
Tata AIA Life Insurance Co Ltd.-Whole Life MID CAP Equity Fund-ULIF 009 04/01/07 WLE 110*	1288457	0.37	-	-	-	-	1288457	0.37
			31-03-2017	At the end of the year	-	-	1288457	0.37
ICICI Prudential Life Insurance Company Limited*	1274963	0.36	-	-	-	-	1274963	0.36
			15-07-2016	Sale of Shares	(8243)	(0.00)	1266720	0.36
			31-03-2017	At the end of the year	-	-	1266720	0.36

* Not in the list of Top 10 shareholders as on 1st April, 2016. The same is shown above since the shareholder was one of the Top 10 shareholders as on 31st March, 2017.

Shareholding of above top ten shareholders have been consolidated based on PAN.

E) Shareholding of Directors and Key Managerial Personnel (KMP)

For Each Directors and KMP	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Vishubhai M. Patel (up to 03-03-2017)	1186684	0.33	-	-	-	-	1186684	0.33
			04-04-2016	Purchase of Shares	26690	0.01	1213374	0.34
			31-03-2017	At the end of the year	-	-	1213374	0.34
Vasistha C. Patel	550000	0.16	-	-	-	-	550000	0.16
			31-03-2017	At the end of the year	-	-	550000	0.16
Shashin V. Patel	704110	0.20	-	-	-	-	704110	0.20
			31-03-2017	At the end of the year	-	-	704110	0.20
Nitin R. Patel	399806	0.11	-	-	-	-	399806	0.11
			23-09-2016	Sale of Shares	(208000)	(0.06)	191806	0.05
			28-03-2017	Sale of Shares	(189995)	(0.05)	1811	0.00
			31-03-2017	At the end of the year	-	-	1811	0.00
Arun S. Patel	1885	0.00	-	-	-	-	1885	0.00
			31-03-2017	At the end of the year	-	-	1885	0.00
Atul N. Ruparel	0	0.00	-	-	-	-	0	0.00
			31-03-2017	At the end of the year	-	-	0	0.00
Mirat N. Bhadlawala	0	0.00	-	-	-	-	0	0.00
			31-03-2017	At the end of the year	-	-	0	0.00
Sandip V. Patel	1885	0.00	-	-	-	-	1885	0.00
			31-03-2017	At the end of the year	-	-	1885	0.00
Daksha N. Shah	0	0.00	-	-	-	-	0	0.00
			31-03-2017	At the end of the year	-	-	0	0.00
Jagdish N. Joshipura (up to 12-11-2016)	0	0.00	-	-	-	-	0	0.00
			31-03-2017	At the end of the year	-	-	0	0.00
Varun M. Mehta (CFO)	1885	0.00	-	-	-	-	1885	0.00
			31-03-2017	At the end of the year	-	-	1885	0.00

Gaurav S. Vesasi (up to 31-05-2016) (CS)	0	0.00	-	-	-	-	0	0.00
			31-03-2017	At the end of the year	-	-	0	0.00
Hardik J. Modi (From 08-07-2016) (CS)	0	0.00	-	-	-	-	0	0.00
			31-03-2017	At the end of the year	-	-	0	0.00

V. INDEBTEDNESS – indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year including				
i) Principal Amount	5005.41	5821.28	-	10826.69
ii) Interest due but not paid	-	66.47	-	66.47
iii) Interest accrued but not due	377.54	-	-	377.54
Total (i+ii+iii)	**5382.95**	**5887.75**	**-**	**11270.70**
Change in Indebtedness during the financial year				
* Addition	3598.61	4917.63	-	8516.24
* Reduction	(237.75)	(5856.02)	-	(6093.77)
Net Change	**3360.86**	**(938.39)**	**-**	**2422.47**
Indebtedness at the end of the financial year				
i) Principal Amount	8005.41	4859.78	-	12865.19
ii) Interest due but not paid	-	89.58	-	89.58
iii) Interest accrued but not due	738.40	-	-	738.40
Total (i+ii+iii)	**8743.81**	**4949.36**	**-**	**13693.17**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager (₹ in Million)

Sr.	Particulars of Remuneration	Mr. Vasistha C. Patel Managing Director	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3.00	3.00
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify….	-	-
5	Others, please specify	-	-
	Total (A)	3.00	3.00
	Ceiling as per the Act	As per Part II of Schedule V of the Companies Act, 2013	

B. Remuneration to other Directors

(i) Independent Directors (₹ in Million)

Particulars of Remuneration	Mr. Sandip V. Patel	Mr. Arun S. Patel	Mr. Atul N. Ruparel	Mr. Mirat N. Bhadlawala	Mrs. Daksha N. Shah	Mr. Jagdish N. Joshipura*	Total
(a) Fee for attending Board and Committee meetings	0.090	0.090	0.060	0.075	0.090	0.045	0.450
(b) Commission	-	-	-	-	-	-	-
(c) Other, please specify	-	-	-	-	-	-	-
Total (i)	**0.090**	**0.090**	**0.060**	**0.075**	**0.090**	**0.045**	**0.450**

(ii) Other Non-Executive Directors (₹ in Million)

Particulars of Remuneration	Mr. Vishnubhai M. Patel#	Mr. Shashin V. Patel	Mr. Nitin R. Patel	Total
(a) Fee for attending Board and Committee meetings	0.045	0.075	0.090	0.210
(b) Commission	-	-	-	-
(c) Other, please specify	-	-	-	-
Total (ii)	**0.045**	**0.075**	**0.090**	**0.210**
Total (i) + (ii)	**0.660**	**0.090**	**0.045**	**0.450**

* Mr. Jagdish N. Joshipura ceased to be a Director w.e.f. 12th November, 2016.
# Mr. Vishnubhai M. Patel ceased to be a Director w.e.f. 3rd March, 2017.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (₹ in Million)

Sr.	Particulars of Remuneration	Mr. Varun M. Mehta Chief Financial Officer	Mr. Gaurav S. Vesasi* Company Secretary	Mr. Hardik J. Modi# Company Secretary	Total Amount
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	3.00	0.14	0.45	3.59
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify….	-	-	-	-
5	Others, please specify				
	- Gratuity	-	0.12	-	0.12
	Total (A)	3.00	0.26	0.45	3.71

* Mr. Gaurav S. Vesasi ceased to be a Company Secretary w.e.f. 31st May, 2016.
# Mr. Hardik J. Modi appointed as Company Secretary w.e.f. 8th July, 2016.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For, Sadbhav Infrastructure Project Limited

Shashin V. Patel
Chairman
DIN: 00048328

Annexure - 6

Details under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2016-17:

Name of Directors	Designation	Ratio of remuneration of the Directors to the median remuneration of the employees	% increase in remuneration in the financial year
Mr. Vishnubhai M. Patel*^ (Up to 03/03/2017)	Chairman and Non-Executive Director	0.15:1	N.A.
Mr. Vasistha C. Patel	Managing Director	10:1	NIL
Mr. Shashin V. Patel^ (w.e.f. 03/03/2017)	Chairman and Non-Executive Director	0.26:1	N.A.
Mr. Nitin R. Patel^	Non-Executive Director	0.31:1	N.A.
Mr. Sandip V. Patel^	Independent Director	0.31:1	N.A.
Mr. Arun S. Patel^	Independent Director	0.31:1	N.A.
Mr. Atul N. Ruparel^	Independent Director	0.21:1	N.A.
Mr. Mirat N. Bhadlawala^	Independent Director	0.26:1	N.A.
Mrs. Daksha N. Shah^	Independent Director	0.31:1	N.A.
Mr. Jagdish N. Joshipura #^	Independent Director	0.15:1	N.A.
Key Managerial Personnel			
Mr. Varun M. Mehta	Chief Financial Officer	N.A.	53.41
Mr. Gaurav S. Vesasi**	Company Secretary	N.A.	N.A.
Mr. Hardik J. Modi ##	Company Secretary	N.A.	N.A.

* Ceased to be a Director w.e.f 3rd March, 2017.
\# Ceased to be a Director w.e.f. 12th November, 2016.
^ Reflects sitting fees.
** Ceased to be a Company Secretary w.e.f. 31st May, 2016.
\## Appointed as a Company Secretary w.e.f. 8th July, 2016.

B. The percentage increase in the median remuneration of employees in the financial year 2016-2017: 8%

C. There were 52 employees on the rolls of Company as on 31st March, 2017.

D. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 7.55% whereas the increase in the managerial remuneration for the same financial year was 22.18%.

E. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

Annexure - 7

Business Responsibility Report

Section A : General Information about the Company

1.	Corporate Identity Number (CIN)	L45202GJ2007PLC049808	
2.	Name of the Company	Sadbhav Infrastructure Project Limited	
3.	Registered Address	Sadbhav House, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006.	
4.	Website	www.sadbhavinfra.co.in	
5.	E-mail id	investor@sadbhavinfra.co.in	
6.	Financial Year reported	2016-17	
7.	Sector(s) that the Company is engaged in (industrial activity code wise)	**Industrial Group**	**Description**
		42101	Development, construction as well as operations & maintenance of Infrastructure projects and related consulting and advisory services.
8	List three key product/services that the Company manufactures/provides (as in balance sheet)	Development, operation and maintenance of national and state highways and roads in several states in India.	
9	Total number of locations where business activity is undertaken by the Company: i. Number of International Locations ii. Number of National Locations	NIL Presently Company executes various projects across 8 states in India	
10	Markets served by the Company (Local/State/National/International)	Company executed projects across various states in India.	

Section B : Financial Details of the Company

1	Paid up capital (INR)	₹ 3522.25 Million
2	Total turnover (INR)	₹ 3137.10 Million
3	Total Profit after taxes (INR)	₹ 411.57 Million
4	Total Profit after taxes and other Comprehensive income (INR)	₹ 411.20 Million
5	Total Spending on CSR as percentage of profit After tax (%)	N.A
6	List of activities in which expenditure in 4 above has been incurred	N.A

Section C : Other Details

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)?	Business Responsibility initiatives of the parent Company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.
3	Do any other entity / entities (e.g. suppliers, distributors etc) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%,30 - 60%, More than 60%]	No other entity / entities participate in the BR initiatives of the Company.

Section D : BR Information

1. Details of Director / Directors responsible for BR:

a) Details of the Director / Directors responsible for implementation of the BR Policy / Policies:

Directors Identification Number (DIN)	00048328
Name	Mr. Shashin V. Patel
Designation	Chairman

b) Details of the BR Head:

Sr. No.	Particulars	Details
1	DIN (if applicable)	00466330
2	Name	Mr. Nitin R. Patel
3	Designation	Non-Executive Director
4	Telephone Number	+91 79 26463384
5	E mail Id	investor@sadbhavinfra.co.in

2. Principle-wise (as per NVGs) BR Policy / Policies:

a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	Business Ethics	Product Life Respon-sibility	Employ-ee Well-being	Stake holder Engage-ment	Human Rights	Environ-ment	Policy Advo-cacy	Inclusive Growth	Custom-er Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for…..	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All the policies are compliant with respective principles of NVG Guidelines.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	-	Y	Y	Y	Y	-	-	-
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.sadbhavinfra.co.in/en/about.html								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy /policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR:

a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Director periodically assesses the BR performance of the Company.
b	Does the Company publish a BR or a Sustainability Report? What is the hyper-link for viewing this report? How frequently it is published?	In line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG), Company will publish Business Responsibility Report (BRR) Annually. As the said report is applicable w.e.f. from financial year 2016-17.

Section E: Principle-wise Performance

Principle 1 : Business should conduct and govern themselves with Ethics, Transparency and Accountability:

1	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs /Others?	The Company has adopted a Code of Conduct for its Directors and Senior Management. Additionally, the Policy on Code of Conduct for Employees applies to all employees of Group companies. These do not extend to other entities.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Nil

Principle 2 : Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and /or opportunities.	Development, operation and maintenance of national and state highways and roads in several states in India.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional): a. Reduction during sourcing / production / distribution achieved since the previous year through the value chain: b. Reduction during usage by consumers (energy, water) achieved since the previous year?	Not applicable. Not applicable. Company is not in business of manufacturing of goods or consumable products.

3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	As part of sourcing strategy, our priority is to source local raw materials for construction of Roads and Toll Plazas. Moreover, we strive to design and construct sustainable Projects which incorporate conservation measures, continuous monitoring of environment and use of resources that are environment friendly, adoption of green technologies and deployment of fuel efficient plants and machineries. Invariably, construction material like sand and aggregates are procured locally eliminating unnecessary transportation. While, it may not be possible to procure Bitumen Steel and Cement locally, in such cases only, the nearest source is explored for procurement.
4	Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	We always engage local contractors in the vicinity of our projects for supply of goods and services like housekeeping services, security, accommodation and provide mess facilities for staff. In addition, employment to local youth is provided in various functions in our Project / Toll offices and Toll plazas. Our regular interaction with the vendors and educating them the standards of quality required by us and their importance helps to enhance their approach and understanding of support functions. Apart from this, at the project sites, steps undertaken to award small / petty contracts to locals pertaining to job work, equipment supply, supplies, manpower, etc. thereby building the capability / capability at local level.
5	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	Recycling the product is not applicable as consumable goods and the associated packing material is not applicable.

Principle 3 : Business should promote the well being of all employees

1	Please indicate total number of employees	52
2	Please indicate total number of employees hired on temporary / contractual / casual basis	240
3	Please indicate the number of permanent women employees	1
4	Please indicate the number of permanent employees with disabilities	Nil
5	Do you have an employee association that is recognized by the Management?	No
6	What percentage of permanent employees is members of this recognized employee association?	N.A.
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	No complaints
8	What percentage of undermentioned employees were given safety and skill up-gradation training in the last year?	A. Permanent employees : 70% B. Permanent women employees : 100% C. Casual / Temporary / Contractual employee : 30% D. Employees with disabilities : N.A.

Principle 4 : Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

1	Has the Company mapped its internal and external stakeholders? Yes/No	Yes, Stakeholders of the Company have been mapped through a formal process of consultations at all operations. The Company's key stakeholders include employees, suppliers, business partners, regulatory agencies and especially local communities around its sites of operations.
2	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	As and when circumstances occur.

Principle 5 : Business should respect and promote human rights:

1	Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	Yes. Policy on human rights covers employees of the Company as well as employees of the subsidiaries.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Nil

Principle 6 : Business should respect, protect, and make effort to restore the environment

1	Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.	Yes, it extends to Company as well as subsidiaries.
2	Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc? Y/N. If yes, please give hyper-link for web page etc.	Company is continually doing several initiatives to address global environmental issues such as climate change and global warming in three different ways (i) through self-actions (ii) through awareness creation and (iii) through providing support for energy efficient products.
3	Does the Company identify and assess potential environmental risks? Y/N	Yes
4	Does the Company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5	Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyper link for web page etc.	No
6	Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes. Complied with.
7	Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year.	Nil

Principle 7 : Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.	No
2	Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	We have been suggesting changes in policies to remove bottlenecks impacting the growth of infrastructure in the country and simplification of arbitration policies.

Principle 8 : Business should support inclusive growth and equitable development

1	Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes. Company has a well drafted CSR Policy in line with Section 135 and Schedule VII of the Companies Act, 2013.
2	Are the programmes / projects undertaken through in house team / own foundation/external NGO / government structures/any other organization?	N.A.
3	Have you done any impact assessment of your initiative?	No
4	What is the Company's direct contribution to community development projects - Amount in INR and details of the projects undertaken?	No
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	No

Principle 9 : Business should engage with and provide value to their customers and consumers in a responsible manner

1	What percentage of customer complaints / consumer cases are pending as on the end of financial year.	Nil
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)	N.A.
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
4	Did your Company carry out any consumer survey / consumer satisfaction trends?	No

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, equity, openness, fairness and accountability in all faces of its functioning and its interactions with stakeholders. To create a culture of corporate governance, the Company has adopted practices such as constitution of various Board Committees for effective internal control system, adequate and timely compliance, fair representation of professionally qualified, non-executive and independent Directors on the Board, disclosure of material information, effective management control, etc. The Company is committed to achieve good corporate governance for betterment of sustainable growth and enhancement of stakeholders' value. So far as compliance with the requirement of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (here in after referred to as "Listing Regulations") is concerned, Company has complied with all the mandatory norms and disclosures that have to be made on Corporate Governance front.

2. BOARD OF DIRECTORS

A. Composition of Board:

In compliance with the code of Corporate Governance, the composition of Board of Directors comprised of both Executive and Non-Executive Directors including Independent Directors. As on 31st March, 2017, the Board comprised of eight Directors which include one Executive Director and seven Non-Executive Directors including five Independent Directors. To comply with the requirements of Regulation 17(1) of Listing Regulations and as per provisions of Section 149(1) of the Companies Act, 2013 and Rules made there under, the Company has appointed Mrs. Daksha N. Shah, a Woman Director as an Independent Director on the Board of the Company. Non-Executive and Independent Directors have expert knowledge in the fields of finance, taxation, accounts, audit, legal and industry. Thus the Board represents a balanced mix of professionals, who bring the benefits of their knowledge and expertise to the Company. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being Independent as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

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

The composition of the Board of Directors and number of other Directorships & Memberships / Chairmanships of Committees are as under:

Name	Designation	Category	No. of Equity Shares held	No. of Directorship held in other Public Limited Companies	No. of Committee Membership in other Companies #	No. of Committee Chairmanship in other Companies #
Mr. Vishnubhai M. Patel@ (DIN: 00048287) (up to 03/03/2017)	Chairman & Non-Executive Director	Promoter, Non-Executive Director	1213374	8	2	Nil
Mr. Vasistha C. Patel (DIN: 00048324)	Managing Director	Executive Director	550000	6	5	Nil
Mr. Shashin V. Patel* (DIN: 00048328)	Chairman & Non-Executive Director	Promoter, Non-Executive Director	704110	8	4	Nil
Mr. Nitin R. Patel (DIN: 00466330)	Director	Non-Independent, Non-Executive Director	191806	7	6	Nil
Mr. Sandip V. Patel (DIN: 00449028)	Director	Independent, Non-Executive Director	2030	7	5	3
Mr. Mirat N. Bhadlawala (DIN: 01027984)	Director	Independent, Non-Executive Director	Nil	9	6	4
Mr. Arun S. Patel (DIN: 06365699)	Director	Independent, Non-Executive Director	1885	9	7	4
Mr. Atul N. Ruparel (DIN: 00485470)	Director	Independent, Non-Executive Director	Nil	9	3	5
Mrs. Daksha N. Shah (DIN: 00376899)	Director	Independent, Non-Executive Director	Nil	3	Nil	Nil
Dr. Jagdish Joshipura (DIN: 00260590) (up to 12/11/2016)	Director	Independent, Non-Executive Director	Nil	3	Nil	Nil

Only Audit Committee and the Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding Sadbhav Infrastructure Project Limited) have been considered.
@ Mr. Vishnubhai M. Patel has resigned from position of Chairman and Directorship w.e.f. 03rd March, 2017. Board has nominated him a honorary title of "Chairman Emeritus" after his resignation w.e.f. 03rd March, 2017.
* Mr. Shashin V. Patel was acting as Non-Executive Director of the Company and has been appointed as Chairman w.e.f. 03rd March, 2017.
** Mr. Shashin Patel is son of Mr. Vishnubhai Patel. Except this, none of the other Directors are related to any other on the Board in terms of definition of 'relative' as per Companies Act, 2013.

B. Board Meeting and Procedure:

The Board meets at least once in a quarter and the maximum time gap between any two meetings is not more than four months. During the year under review, 6 (Six) Board Meetings were held on 23rd April, 2016, 20th August, 2016, 31st August, 2016, 15th November, 2016, 7th February, 2017 and 3rd March, 2017. The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, business plans, annual budgets, projects and capital expenditure, compliance with applicable laws and regulations.

The meetings of the Board of Directors are scheduled well in advance. The Company Secretary, in consultation with Managing Director and other Directors, prepares detailed agenda for the meetings. Directors are also free to bring up any matter for discussion at the Board Meetings with the permission of the Chairman. The draft minutes of the meeting approved by the Chairman is circulated to all the Directors within fifteen days after the conclusion of the meetings.

Attendance at Board Meetings and Annual General Meeting (AGM) are as under:

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

C. Evaluation of Board Performance:

During the year, the Board in consultation with Nomination and Remuneration Committee, has adopted a formal mechanism to lay down the evaluation criteria for the performance of the Chairman, the Board, the Committees and Executive/Non-Executive/Independent Directors, excluding the Director being evaluated. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and of the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation on different criteria, which reflected the overall engagement of the Board and its Committees with the Company.

D. Separate Meeting of Independent Directors:

During the year under review, in compliance with the requirements of Regulation 25 of Listing Regulations and Section 149 read with Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company, without attendance of Non-Independent Directors and members of management, was held on 7th February, 2017, wherein, the Independent Directors:

1. Reviewed the performance of Non-Independent Directors;
2. Reviewed the performance of Board as a whole;
3. Reviewed the performance of Chairman of the Company;
4. Assessed the quality, quantity and timelines of flow of information between the Management and the Board that is necessary

for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

E. Familiarization Programme for Independent Directors:

The Company familiarized its Independent Directors with the Corporate Structure of the group, nature of industry in which Company operates, business model of the Company, project details, toll income and financials, etc. through familiarization programme held on 3rd March, 2017. The detailed familiarization programme for Independent Directors is available on the website of the Company at http://www.sadbhavinfra.co.in/en/pdf/familiarization-programme-for-independent-Directors-2016-17.pdf

3. COMMITTEES OF THE BOARD

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

(1) Audit Committee
(2) Nomination and Remuneration Committee
(3) Stakeholder' Relationship Committee
(4) Finance and Investment Committee
(5) Corporate Social Responsibility Committee
(6) Risk Management Committee

The terms of reference of the Board Committees are determined by the Board from time to time. The Board is responsible for constituting, re-constituting, assigning and co-opting the members of the Committees.

A. Audit Committee

I. Terms of Reference:

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

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of the Statutory Auditor of the Company and fixation of audit fee;
- Reviewing and monitoring the Statutory Auditor's independence and performance and effectiveness of audit process;
- Approving payments to Statutory Auditors for any other services rendered by them;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- Reviewing with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issued and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of funds raised through the proposed offer by the Company.
- Approval or any subsequent modifications of transactions of the Company with related parties;
- Scrutinizing of inter-corporate loans and investments;
- Valuing of undertakings or assets of the Company, wherever it is necessary;
- Evaluating of internal financial controls and risk management system;
- Establishing a vigil mechanism for Directors and employees to report their genuine concerns or grievances
- Reviewing with the management, the performance of Statutory and Internal Auditors and adequacy of internal control system;
- Reviewing the adequacy of internal audit function if any, including the structure of internal audit department, reporting structure coverage and frequency of internal audit;
- Discussing with Internal Auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with the Statutory Auditors before the audit commences about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
- Approving the appointment of the Chief Financial Officer or any other person handling the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate.

II. Composition and Attendance:

The Company has independent Audit Committee, constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. All members of the Committee are financially literate. Mr. Hardik Modi acts as the secretary to the Committee. Mr. Sandip V. Patel, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 28th September, 2016.

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

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Sandip V. Patel	Chairman	Independent, Non-Executive Director	5	5
Mr. Arun S. Patel	Member	Independent, Non-Executive Director	5	5
Mr. Nitin R. Patel	Member	Non-Independent, Non-Executive Director	5	5

B. Nomination and Remuneration Committee

I. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes following:

- Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees;
- Formulating criteria for evaluation of the Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who qualify to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluations of every Director's performance;
- Analyzing, monitoring and reviewing various human resource and compensation matters;
- Determining the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment and determining remuneration packages of such Directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market related, usually consisting a fixed and variable component;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  1. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  2. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

II. Composition and Attendance:

The Company has independent Nomination and Remuneration Committee, constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations. Mr. Atul N. Ruparel, Chairman of the Nomination and Remuneration Committee, was present at the Annual General Meeting of the Company held on 28th September, 2016.

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

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Atul N. Ruparel	Chairman	Independent, Non-Executive Director	2	2
Mr. Mirat N. Bhadlawala	Member	Independent, Non-Executive Director	2	2
Mr. Vishnubhai M. Patel (upto 03/03/2017)	Member	Promoter, Non-Executive Director	2	1
Mr. Shashin V. Patel (w.e.f. 03/03/2017)	Member	Promoter, Non-Executive Director	2	-

III. Remuneration Policy:

The remuneration policy of the Company has been formulated by ensuring that the level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate Directors. Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis.

i) Remuneration to Non-Executive Directors

During the year 2016-17, Non-Executive Directors are paid sitting fees for each meeting of the Board attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ii) Remuneration to Managing Director

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

Mr. Vasistha C. Patel, Managing Director was paid remuneration of ₹ 2.50 Lakh per month by way of salary for the financial year ended 31st March, 2017. Mr. Vasistha C. Patel, Managing Director was also entitled to receive commission on profits as well as other perquisites as determined by the Board of Directors and approved by shareholders in the Extra Ordinary General Meeting held on 22nd October, 2014.

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

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

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

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

C. Stakeholders' Relationship Committee

I. Terms of Reference:

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

- Redressal of shareholders' / investors' grievances;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividend, balance sheets of the Company or any other documents or information to be sent by the Company to its shareholders;
- Carrying out any other function as prescribed under the Listing Regulations.

II. Composition and Attendance:

The Company has constituted Stakeholders' Relationship Committee in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Regulations. Mr. Hardik Modi acts as the secretary to the Committee. Mr. Nitin R. Patel, Chairman of the Stakeholders' Relationship Committee, was present at the Annual General Meeting of the Company held on 28th September, 2016.

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

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Nitin R. Patel	Chairman	Non-Independent, Non-Executive Director	4	4
Mr. Vasistha C. Patel	Member	Executive Director	4	4
Mr. Arun S. Patel	Member	Independent, Non-Executive Director	4	4
Mr. Sandip V. Patel	Member	Independent, Non-Executive Director	4	4

III. No. of Complaints received and resolved during the year:

Particulars	No. of Complaints
Complaints at the beginning of the year	Nil
Complaints received during the year	Nil
Complaints resolved during the year	Nil
Complaints remains unresolved at the end of the year	Nil

D. Finance and Investment Committee

The Board has constituted Finance Committee as "Finance and Investment Committee" comprising of Mr. Vishnubhai M. Patel, Mr. Vasistha C. Patel, Mr. Nitin R. Patel and Mr. Arun Patel, to review investment of funds, approval of short terms and/or long terms loans, banking transactions and any other matters related to finance and investments of the Company as decided by the Board of Directors of the Company.

Finance and Investment Committee meets as and when the need to consider any matter assigned to it arises.

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

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

E. Corporate Social Responsibility Committee

Company has duly constituted Corporate Social Responsibility Committee (known as "CSR Committee") in compliance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013, for the purpose of activities to be undertaken by the Company towards the Corporate Social Responsibility (CSR).

The terms of reference of CSR Committee includes, formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder and providing guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

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

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. Vasistha C. Patel	Chairman	Executive Director	1	1
Mr. Nitin R. Patel	Member	Non-Independent, Non-Executive Director	1	1
Mr. Sandip V. Patel	Member	Independent, Non-Executive Director	1	1
Mr. Atul N. Ruparel	Member	Independent, Non-Executive Director	1	1

F. Risk Management Committee

In compliance of Regulation 21 of Listing Regulations, the Company has constituted the Risk Management Committee and majority of members of the Committee are members of Board of Directors. The Company has a well-defined risk management framework to identify, recognize, monitor and mitigate risks as also identify business opportunities. The Committee has been delegated powers to monitor and review risk management plans. The Committee is headed by Mr. Vasistha C. Patel as Chairman of the Committee. Mr. Nitin R. Patel and Mr. Sandip Patel are members of the Committee. The Committee meets as and when the need to review the management plans.

4. GENERAL BODY MEETINGS

Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:

Financial Year	Day, Date & Time	Venue	Special Resolution passed
2015-16	Wednesday, 28th September, 2016 (11:00 AM)	Lions Hall, Near Mithakhali Six Road, Ellisbridge, Ahmedabad-380006	Yes - Issue of Secured/Unsecured Non-Convertible Debentures and/or other Debt Securities on private placement basis - To increase borrowing limits - To create charge on Company's properties
2014-15	Monday, 28th December, 2015 (11:00 AM)	Lions Hall, Near Mithakhali Six Road, Ellisbridge, Ahmedabad-380006	Yes - Issue of Secured/Unsecured Non-Convertible Debentures and/or other Debt Securities on Private Placement basis - To authorize Board of Directors to make Investment on behalf of the Company - To Approve Related Party Transactions
2013-14	Friday, 5th September, 2014 (2:00 PM)	Sadbhav House, Opp. Law Garden Police Chowki, Ellisbridge, Ahmeedabad-380006	Yes - Approval for creating security under Section 180(1)(a) of the Companies Act, 2013 - Approval for the Company's borrowing limit under Section 180(1)(c) of the Companies Act, 2013

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

5. MEANS OF COMMUNICATION

i) The quarterly, half yearly and annual financial results and other statutory information are generally communicated to the shareholders by way of an advertisement in an English newspaper viz. 'The Economic Times (English)' and in a vernacular language newspaper viz. 'The Economic Times (Gujarati)' as per requirements of the Listing Regulations.

ii) The Company is promptly reporting all material information including declaration of quarterly financial results, press releases, etc. to all Stock Exchanges where the securities of the Company are listed. Such information is also simultaneously displayed immediately on the Company's website www.sadbhavinfra.co.in

iii) The financials and other material information were uploaded by the Company on the websites of NSE and BSE i.e. www.nseindia.com and www.bseindia.com respectively through NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Listing Centre of BSE Ltd. (BSE).

iv) Official press releases, presentations made to institutional investors or to the analysts and transcripts of Con-call are displayed on Company's corporate website, www.sadbhavinfra.co.in.

v) The main channel of communication to the shareholders is through Annual Report, which includes inter-alia, the Directors' Report, Management's Discussion and Analysis, Report on Corporate Governance and Audited Financial Results.

6. GENERAL SHAREHOLDERS INFORMATION

A. General Information:

1. Annual General Meeting		
Date and Time	:	Tuesday, 26th September, 2017 at 11:00 A.M.
Venue	:	Lions Hall, Nr. Mithakhali Six Road, Ellisbridge, Ahmedabad - 380006.
2. Financial Year	:	1st April, 2017 to 31st March, 2018
3. Book Closure Date	:	Tuesday, 19th September, 2017 to Tuesday, 26th September, 2017 (both day inclusive)
4. Dividend Payment Date	:	Not Applicable

5. **Listing on Stock Exchanges**

Equity Shares	: **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.
	: **National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.
Debt Securities (Debentures)	: **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.

6. **Listing Fees** : Company has paid the annual listing fees for the financial year 2017-18 to the above Stock Exchanges.

7. **Stock Code**

BSE Limited	: 539346
National Stock Exchange of India Limited	: SADBHIN
ISIN for Equity Shares	: INE764L01010

B. Debt Securities (Debentures):

Following Redeemable, Secured, Non-Convertible Debentures of the Company are listed on Wholesome Debt Market at BSE Limited.

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

C. Details of Debenture Trustee:

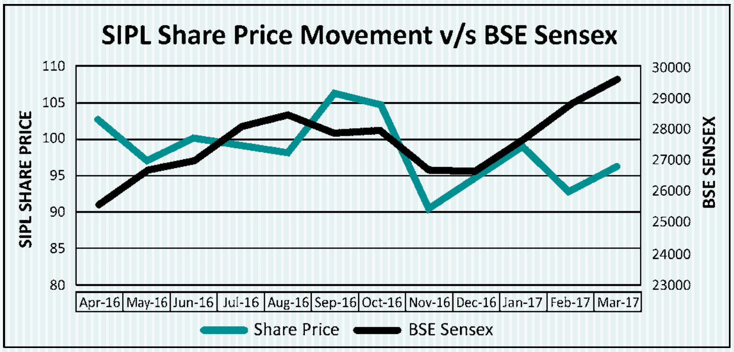
VISTRA ITCL (INDIA) LIMITED (Formerly known as IL&FS Trust Company Limited)	IL&FS Financial Centre, Plot C-22 G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. Tel: 022-26593612; Fax: 022-26533297 Email: itcl@ilfsindia.com Website: www.itclindia.com
CATALYST TRUSTEESHIP LIMITED (Formerly known as GDA Trusteeship Limited)	Office No. 83-87, 8th Floor, 'Mittal Tower', 'B' Wing, Nariman Point, Mumbai - 400021. Tel: 022-49220555; Fax: 022-49220505 Email: dt@ctltrustee.com Website: www.catalysttrustee.com
IDBI TRUSTEESHIP SERVICES LIMITED	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001. Tel: 022-40807000; Fax: 022-66311776 Email: itsl@idbitrustee.com Website: http://www.idbitrustee.com

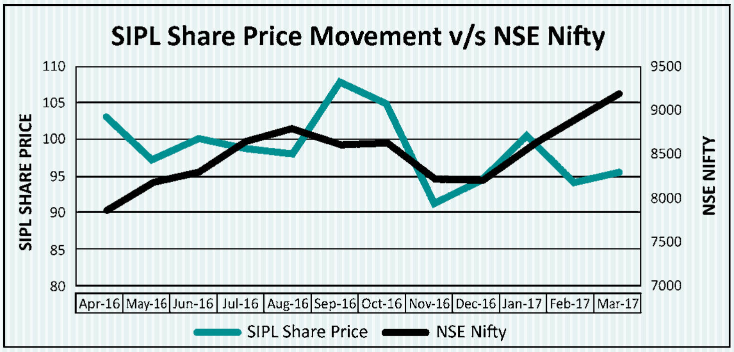
D. Market Price Data:

Below mentioned are the details of high/low, Number and Value of shares traded during each month in the last financial year.

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
Apr-2016	109.00	95.30	108.80	95.10
May-2016	103.00	96.05	103.00	95.05
June-2016	108.15	95.00	108.20	95.00
July-2016	107.40	97.10	107.90	97.30
Aug-2016	104.45	94.65	104.00	94.10
Sep-2016	120.40	100.00	121.00	99.00
Oct-2016	114.70	102.00	115.00	102.55
Nov-2016	105.40	81.05	106.00	80.50
Dec-2016	103.10	88.75	104.00	88.10
Jan-2017	103.70	95.50	104.00	95.10
Feb-2017	106.80	92.00	107.00	91.85
Mar-2017	108.35	92.20	106.95	92.25

E. Performance of the share price of the Company in comparison to BSE Sensex and NSE Nifty:





F. Registrar & Share Transfer Agent:

Name and Address	:	M/s. Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083
Phone	:	022-49186000
Fax	:	022-49186060
Email	:	rnt.helpdesk@linkintime.co.in
Website	:	www.linkintime.co.in

G. Share Transfer System:

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

Pursuant to Regulation 40(9) of the Listing Regulations with the stock exchanges, the Company obtains a Certificate from a Practicing Company Secretary on half yearly basis, for due compliance of share transfer formalities. Pursuant to SEBI (Depositories and

Participants) Regulations, 1996, a certificate has also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting Secretarial Audit on a quarterly basis for reconciliation of the share capital of the Company. The Company files copy of these certificates with the stock exchanges as required under the SEBI Listing Regulations.

H. Shareholding as on 31st March, 2017:

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

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

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

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

I. Dematerialization of Shares and Liquidity:

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

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

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

J. Outstanding GDRs / ADRs / Warrants or any convertible instrument, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / warrants or any convertible instruments.

K. Commodity price risk or foreign exchange risk and hedging: Not Applicable

L. Plant Locations: The Company does not have any manufacturing plant.

M. Address for Correspondence:

Shareholders may correspond to the Company Secretary of the Company or at the office of Registrar & Transfer Agent at the below mentioned addresses.

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

7. OTHER DISCLOSURES

A. All transactions entered into with related parties as defined under Companies Act, 2013 and Regulation 23 of Listing Regulations, during the financial year 2016-17, were in the ordinary course of business and on an arm's length basis. There were no materially significant Related Party Transactions during the financial year 2016-17 that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report. The Board has approved a policy for related party transactions which is uploaded on the website of the Company at http://www.sadbhavinfra.co.in/en/pdf/policy-on-related-party-transaction.pdf

B. There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. Further, there are no penalties or strictures imposed by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital market during the last three years.

C. In accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 22 of Listing Regulations, the Company has established a Whistle Blower Policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The said policy is uploaded on the website of the Company at http://www.sadbhavinfra.co.in/en/pdf/whistle-blower-policy.pdf

All protected disclosures should be in writing and can be submitted by hand delivery or by courier or post or by electronic mode addressed to the Chairman of the Audit Committee of the Company on below mentioned address.

Chairman of Audit Committee
Sadbhav Infrastructure Project Limited
"Sadbhav", Nr. Havmor Restaurant,
B/h Navrngpura Bus Stand, Navrngpura,
Ahmedabad - 380009

D. The Company has complied with all the mandatory and non mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Regulation 46 (1) & (2) relating to the dissemination of information on the website of the Company. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under:

The following non-mandatory requirements have been adopted by the Company:

a. The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results (Standalone and consolidated) of the Company for the quarter and year ended on 31st March, 2017.
b. The Company has appointed separate persons to the posts of Chairman and Managing Director.
c. The Internal Auditors report directly to the Audit Committee.

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

F. The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at http://www.sadbhavinfra.co.in/en/pdf/policy_for_determining_material_subsidiary_co.pdf

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

H. The Company has a well-defined risk management framework in place. The Audit Committee of the Board is also regularly informed about the business risks and the steps taken to mitigate the same. The implementation of the risk assessment and minimization procedures is an ongoing process and the Board members are periodically informed of the status.

I. The Board of Directors has adopted the Code of Conduct for Directors and Senior Management and the same has been placed on the Company's website http://www.sadbhavinfra.co.in/en/pdf/code-of-conduct.pdf. All Board Members and Senior Personnel have affirmed compliance of Code of Conduct. A declaration signed by the Managing Director to this effect is attached to this report.

J. In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed an Insider Trading Code to avoid any insider trading and it is applicable to all Directors, Officers and such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The said code laid down guidelines, which advices them on procedure to be followed and disclosures to be made, while dealing with the shares of the Company. The code has been placed on the Company's website http://www.sadbhavinfra.co.in/en/pdf/insider-trading-code-SIPL.pdf

K. A Management Discussion and Analysis Report forms part of this Annual Report and includes discussion on various matters specified under Regulation 34(2)(e) and Schedule V (B) of SEBI Listing Regulations.

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

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that all members of the Board and Senior Management personnel have affirmed compliance with Code of Conduct for the year ended 31st March, 2017.

For, Sadbhav Infrastructure Project Limited

Date : 10-08-2017
Place : Ahmedabad

Vasistha C. Patel
Managing Director
DIN: 00048324

Certification on Financial Statements of the Company

We, Vasistha C. Patel, Managing Director and Varun Mehta, Chief Finance Officer of Sadbhav Infrastructure Project Limited ('the Company'), certify that:

a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended 31st March, 2017 which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

   i. Significant changes in internal control over financial reporting during the year;
   ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date : 10-08-2017
Place : Ahmedabad

Vasistha C. Patel
Managing Director
DIN: 00048324

Varun Mehta
Chief Financial Officer

Compliance Certificate on Corporate Governance

To,
The Members,
Sadbhav Infrastructure Project Limited

We have examined the Compliance Conditions of Corporate Governance by Sadbhav Infrastructure Project Limited for the year ended on 31st March, 2017 as per Para E of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 01st April, 2016 to 31st March, 2017. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The Compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Ravi Kapoor & Associates
Company Secretaries

Ravi Kapoor
Proprietor
Membership No.: 2587

Date : 10th August, 2017
Place : Ahmedabad

Management Discussion & Analysis

CAVEAT

Under this section of the Annual Report 2016-17 in adherence to the rules and regulations as mandated by the Securities and Exchange Board of India, we would like to provide a statutory warning to the stakeholders and readers alike. The projections listed here along with describing the Company's objectives and approximate estimate may be forward looking in the current scenario and set in the framework meaning of applicable securities laws and regulations. Actual results, performances, achievements or subsequence of events may differ materially from those expressed or implied. The case of data and information external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Therefore, all concerned are requested to caution themselves from putting undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regards to their own specific objective. Furthermore, the discussion following herein reflects the perception on major issues that could influence the Company's operations' substantial downside risks are as on date and the opinions expressed herewith are subjected to change without prior notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward- looking statements expressed in this report, consequent to any new information, future events or otherwise.

Along with predictions of the future based on the foundation of existing scenario, the company presents its annual report for the year 2016-17.

ABOUT THE COMPANY

Sadbhav Infrastructure Project Limited ("SIPL") a subsidiary of Sadbhav Engineering Limited (SEL), was incorporated as an asset holding company for road and other Infrastructure Built, Operate and Transfer (BOT) projects in 2007. The essential task of SIPL has been development, operation and maintenance of road infrastructure assets. The current portfolio of a total of 18 projects which consists of 10 BOT (Toll) projects (9 are operational and 1 is partially operational), 1 operational BOT (Annuity) project and 7 Hybrid Annuity Mode ("HAM") under-construction projects. Total Project costs of all 18 projects is ₹ 15,905.9 crore. Seven out of these 11 operational projects have credit rating of A- or above. Earlier portfolio of 11 projects have been operational even in the tough environment. In last 18 months, your Company has bagged 7 HAM projects, of length of 1550 lane kilometers, costing a total of ₹ 5,807 crore, which are under development. With an average residual life of more than 16 years, entire portfolio of current BOT projects exhibits a stability and visibility of revenue.

Your organisation is involved in the development, operation and maintenance of national and state highways and roads in several states in India including Maharashtra, Gujarat, Rajasthan, Karnataka, Haryana, Madhya Pradesh and Telangana as well as border check posts in the state of Maharashtra. SEL, which also functions as a corporate promoter for the company, has an established track record of executing projects with over 25 years of experience in construction activities in the transport, mining and irrigation sectors since its incorporation in 1988. We apply the focus on assets primarily in states where the company currently has its operations.

SIPL enjoys the benefit of being present in the entire value chain of BOT roads projects thereby reducing reliance on third parties and also increasing the profitability by retaining the margins. Traffic and EPC consultants are appointed to carry out detailed study of the traffic growth and the road structure and In-house financial and traffic estimates of the assets are arrived at before helping in submitting rational bids for the asset. Lenders are approached for achievement of Financial Closure (FC) of the project and then EPC contractors are finalized before the appointed date and initial work on the project is carried out. To ensure diligent monitoring, and other than the engineers appointed by NHAI and Lenders, SIPL also appoints a marquee engineer who gives monthly tracking of the work being carried out on the projects.

1. GLOBAL ECONOMIC SCENARIO

Currently, the global economy is in severe slowdown mode amidst deepening credit crunch and upsetting developmental targets of economies across the world. In the prevailing scenario, infrastructure remains a top priority for addressing developmental gaps as it is considered omnipotent with potentials of lifting economies out of the financial turmoil. The governments around the world are pumping money to generate demands for goods and services by creating jobs through higher spending into physical and social infrastructure. Likewise, the Indian government on its part is not lagging behind on this score and has taken concrete steps to revive the sector to regain its past glory. The Indian economy is booming, with rates of Gross Domestic Product (GDP) growth exceeding 7% every year since 2003-04. This ongoing growth is due to rapidly developing services and manufacturing sectors, increasing consumer demand and government commitments to rejuvenate the agricultural sector and improve the economic conditions of India's rural population. Construction is the second largest economic activity in India after agriculture, and has been growing rapidly. The production of industrial machinery has also been on the rise – and the increasing flow of goods has spurred increases in rail, road and port traffic, necessitating further infrastructure improvements.

2. ROAD INFRASTRUCTURAL PERIPHERI IN THE INDIAN ECONOMY

Statistically, India has a 48.65 lakh kilometres of road network which is known as the second largest in the world. At present, with a National Highway network of about 92,851 kilometers, it only comprises of 1.9% of the total length of roads. India's road infrastructure has seen consistent improvement in the last few years. Connectivity has improved and road transportation has become a focus of rapid development. Recognizing the significance of a reliable and swift road network in the country and the role it plays in influencing its economic development, a considerable push is being given to expand the highway network in the country. Approximately over 6,061 kilometres of highways were constructed in the last financial year. The Budget 2017-18 also spelt optimism for the roads and highways sector with a total of outlay of USD 14 billion. Out of this, USD 10 billion has been earmarked for National Highways while the remaining is allocated towards the rural roads programme Pradhan Mantri Gram Sadak Yojana (PMGSY). The Government of India aims to develop a total network of 63,591 kms of National Highways. Development and maintenance of road infrastructure is a key priority for the Government of India. The sector has received strong budgetary support over the years. Standardised processes for Public Private Partnership (PPP) and public funded projects and a clear policy framework relating to bidding and tolling have been developed over the years. There are numerous opportunities that the Indian road sector provides to an investor under construction and O&M. The transport sector contributes 6% of the country's GDP with road transport having around 70% share. More than 60% of freight and 90% of the passenger traffic in the country is handled by roads. The Government of India has launched major initiatives to upgrade and strengthen highways and expressways in the country including enabling policy measures. Ministry of Roads, Transport and Highways (MoRTH), Government of India awarded the highest ever kilometres of new highways in 2015. In addition to highway development, focus is also on efficient operations & network management for improving logistics efficiency. This shall give rise to new investment opportunities. Government of India has targeted to convert 50000 kms of State Highways into National Highways and it has already started doing this in some states.

3. OPPORTUNITIES & STRENGTHS

With strategic locations of our projects in high economic growth areas as strengthen, SIPL observes the stability and growth of toll revenues. The organisation's ability to have teams for each and every activities has led to a build-up of a sizeable and diverse portfolio with effective toll collection and toll management systems. Your company looks forward to capture the immense growth opportunity in the Indian road sector by abiding to the Green Highways Policy (Plantation, Transplantation, Beautification and Maintenance Policy -2015). Under PPP financing scheme by NHAI in highway development, a model concession agreement was signed upon so as to benefit the contenders in the construction market. SIPL has already exhibited its credibility by timely executing projects of immense repute. This agreement may have significant advantage on the order book of one of the pioneer in this sector, such as your Company. SIPL is poised to participate in improving the road connectivity by the building innovative structures which are current evolving in the country such as Hybrid Annuity model, and many more. Ministry of Roads, Transport and Highways (MoRTH), Government of India has introduced various reforms in the bid and tender structure and invitation of public feedback through a mechanism of inviting a project for public comments. SIPL had lauded this move by the Government as it considers itself as an organisation contributing towards the society and believe in the inclusivity of all. Recently, a Memorandum of Understanding has been signed between the Ministry of Railways and Ministry of Roads, Transport and Highways (MoRTH) regarding construction of road over/ under bridges on national highway corridors. SIPL has implored this as a massive opportunity to display and deliver an outstanding performance. In financial year 2015-16, NHAI had awarded most projects in EPC mode however in financial year 2016-17, NHAI has awarded majority of projects in HAM mode and this model provides enormous opportunity to your company to grow with balanced risk-reward ratio.

4. RISKS & CHALLENGES

The management of company has identified the risk in two categories:

Internal and Business Risks
The successful completion of projects depends on our joint venture partners & EPC contractors and is therefore, sometimes, contingent on their performance. These projects are high valued contracts. Some of these entail a penalty for delay in completion of the project on time. These may adversely affect our profitability. Also, cost overrun due to problems of land acquisitions, removal of encroachment and complying with environmental standard and our insurance coverage may not adequately protect us against possible risk of loss. Delay due to sub-contactor's performance and shortage in supply of raw materials can postpone projects and eventually result in delay of the payment. Non-maintenance / break-down, mishandling of machines and equipment of pose a major risk towards non execution of projects and liability towards the organization. A temporary setback is faced by the organization if any key managerial personnel were to leave.

Any negligence towards health and safety of workforce and employees can affect our performance. An additional financial burden on the company, due to repayment and interest on external commercial borrowings, which is required to be made in fluctuating foreign currency, also contributes towards internal risks faced by the organisation.

External Risks
External Risks beyond the control of Management are identified in various ways. Any change in the government policy, political situation, regulatory environment and civil disturbances will have adverse effect on company's business. Natural risks like adverse weather condition, floods, earthquakes etc. However these risks are passed on by taking the Insurance Coverage from Insurance Company. Changes in the tax structure like GST, entry tax, RTO tax etc. also play a major role. An increase or decrease or withdrawal of tax benefits and other incentives by the Government will have an impact on our net income. An increased competition from large national and international organizations is also an area of concern. Deviation from estimated traffic volume may affect future earnings in case of toll based BOT projects.

5. MINIMIZING RISKS

A risk management exercise not only identifies risks, but also reduces risks to an acceptable level. Your Company has risk management policies to manage and overcome these risks to ensure smooth functioning of the Company's business operations which are reviewed periodically by the Directors of the Company. This provides a window for quick decisions. SIPL, a subsidiary of Sadbhav Engineering Ltd., manoeuvres to supply materials effectively and keep the cost escalation risk to a minimum. Before entering into any joint venture agreement we thoroughly analyse the prospective venture partners' past performances and credentials. We plan elaborately to execute all our projects before the scheduled time. We have a proven track record of completing work within the stipulated time. We have a full-fledged team of technical experts at our workshop, who are responsible for the repairs and maintenance of the equipment. Therefore, work without stoppages or no significant labour disruptions during its operational history was paved way for by our extensive employee welfare scheme which looks after their health and safety. We have taken contractor's all risk insurance policy in respect of projects and workmen's compensation polices to protect against losses caused to workmen through accident. Most of the critical work during the operation period is done by us and only very minimal portion of the work is sub-contracted. We always insist to have a performance guarantee and quality assurance from them. As a company, our ability to foresee and manage business risks plays a crucial role in achieving positive results even from the downturn of economic situations. We also regularly conduct third audits of the toll management systems and toll collection systems in order to identify lacunas and improve our operational performance.

6. SEGMENT WISE PERFORMANCE

As on 31st March, 2017 the Company has only one reportable business segment, that of infrastructure development. A segment wise performance on consolidated basis is given in the note no. 2.37 to the consolidated financial statements.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

We have internal controls for its business processes across departments to ensure efficiency of operations, compliance with internal policies and applicable laws and regulations, protection of resources and assets as well as accurate reporting of the financial transactions. Aiding the effectively of this system of internal control is extensive internal audits, regular reviews by the management team and standard policies and guidelines to ensure the reliability of financial and all other records. Therefore, the ERP-SAP system of the company, which is already operative, was established. It connects all the project sites with the corporate office by providing real time information to the top management of the Company. Ideation to centralize the entire data process is being acted upon by SIPL so as to assure transparency to each and every stakeholder of the Company.

8. FINANCIAL OVERVIEW

We generate revenues primarily from toll collection, user fee and annuity receipts. The company also provides operation, maintenance, advisory and project management services for our projects. For the financial year ended 31st March, 2017, our consolidated revenue from operations and net loss amounted to ₹ 1348.01 crore and ₹ 353.14 crore, respectively.

9. HUMAN RESOURCE DEVELOPMENT

A major part of the company strategy is satiated towards our employees whose relentless support and devotion took our company to great heights. With construction that binds the nation, our employees have been our core strength to deepen the roots. Therefore, as recognition of their perseverance and endeavour, SIPL bears the responsibility of their welfare providing them with many social amenities including Medical Expense, Provident Fund, Gratuity, and Leave Travel Allowance. A dedicated and competitive talent is braced in the mould of the vision and mission of the Company. The potential of each employee is advanced and skills are honed due to the provision of right opportunities to grow. This includes regular in-house and external training along for knowledge and skill development. A value-driven work environment with satisfaction and appreciation as well as professionalism has led us build an excellent team. We are 2154 people strong organisation as on 31st March, 2017.

10. ACHIEVEMENTS

Here is a congregation of our success for the current financial year.

1. **Refinancing of debt:**
   i) SIPL has completed refinancing of debt amounting to ₹ 2,204 crores in 5 BOT operational SPVs and tied up ₹ 266 crore for first major maintenance due between FY16 to FY 18.
   ii) Your organisation is currently in the process of refinancing debt amounting to ₹ 2,488 crore in 4 BOT operational SPVs. Also, refinance of ECB amounting to ₹ 380 crore is in process in 2 BOT operational SPVs.

   With the above, cost of debt has reduced to a large extent and it shall reduce further post completion of work-in progress refinance.

2. **New projects and Revenue Generation:** SIPL has won 7 Hybrid Annuity Mode (HAM) projects of the length 1550 lane kilometers worth ₹ 5,807 crore. With these HAM projects, Company's stategy is to diversify and also to have a portfolio mix which consists of toll and annuity projects. As on 31st March, 2017, Company has a portfolio of 10 toll projects and 7 annuity projects. Along with this, two projects i.e. BRTPL and RHTPL have already started generating revenues.

3. **Digitisation:** Supporting Government of India's initiative of 'Digital India', all the tolling lanes in all 10 BOT (Toll) operational projects of SIPL are now equipped with FASTag, PoS devices, mobile wallets and many more.

Independent Auditor's Report

To
the Members of **Sadbhav Infrastructure Project Limited**

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Sadbhav Infrastructure Project Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as 'Ind AS financial statements).

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with rules 7 of the Companies (Accounts) rules 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind As financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rules 7 of the Companies (Accounts) rules 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 41 to the standalone Ind AS financial statements;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
      iv. The Company has provided requisite disclosures in Note 49 to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number : 324982E/E300003

per **Sukrut Mehta**
Partner
Membership Number : 101974

Place of Signature : Ahmedabad
Date : May 18, 2017

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration Number : 106041W/W100136

per **K. B. Solanki**
Partner
Membership Number : 110299

Place of Signature : Ahmedabad
Date : May 18, 2017

Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Sadbhav Infrastructure Project Limited for the year ended March 31, 2017

(i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b) The fixed assets have been physically verified by the management during the year. In our opinion this periodicity is reasonable having regards to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification;

c) As per the Company's records, there are no immovable properties held as fixed assets by the Company during the year. Accordingly, the provisions of clause 3(i)(c) of the order are not applicable to the Company and hence not commented upon.

(ii) The management has conducted physical verification of inventories, in the nature of project inventory, at reasonable interval during the year and no material discrepancies were noticed on such physical verification.

(iii) a) The Company has granted loan to fifteen Companies covered in the register maintained under section 189 of the Act including interest free subordinate debt of INR 17,651.82 million of the nature of Project Sponsor Contribution as per Sponsor Support and Equity Contribution Agreement entered with the lenders of each special purpose entities as per service concession arrangement of each project. In our opinion and according to the information and explanations given to us, the terms and conditions of the loans are not prejudicial to the Company's interest.

b) The loans granted by the Company includes loans of INR 3,645.25 million re-payable on demand, to companies covered in the register maintained under section 189 of the Act. The loans granted which are subordinate debts, in the nature of Sponsor contribution are recoverable on achievement of certain financial performance of respective investee entities. We are informed that the Company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular except for certain loan transaction aggregating of INR 1,779.42 million granted by the Company to a subsidiaries Company.

c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which are outstanding for more than ninety days except interest of INR 209.18 million on demand loan which is overdue for more than ninety days from a Company covered in the register maintained under section 189 of the Act and in our opinion, at the year end, reasonable steps have been taken by the Company for recovery of the interest.

(iv) In our opinion and according to the information and explanations given to us and based on legal opinion taken by the Company on applicability of section 185 of Act, in respect of loans to subsidiary entities in the nature of interest free subordinate debt as a project sponsor contribution, the Company has complied with the provisions of section 185 of the Companies Act, 2013. Further, based on the information and explanations given to us, being an Infrastructure Company, provision of section 186 of the Act is not applicable to the Company and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of deposits) rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the order are not applicable and hence not commented upon.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to road and other infrastructure projects related services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) a) Undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, value added tax, employee's state Insurance, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanation given to us there are no dues payable on account of customs duty, excise duty, wealth tax and cess during the year.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state Insurance, income-tax, service tax, sales-tax, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the information, explanation and records of the Company, the dues outstanding of income tax, sales tax, service tax, values added tax and cess on account of any dispute as follows:

Name of the statute	Nature of dues	Amount (INR in million)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	40.98	FY 2009-10 and FY 2010-11	CESTAT Ahmedabad

(viii) In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings from banks and debenture holders. The Company has not taken any loan or borrowing from financial institutions and government.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year and hence, reporting under clause 3(ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirement under clause 3(xiv) are not applicable to the Company and not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us, the company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number : 324982E/E300003

per **Sukrut Mehta**
Partner
Membership Number : 101974

Place of Signature : Ahmedabad
Date : May 18, 2017

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration Number : 106041W/W100136

per **K. B. Solanki**
Partner
Membership Number : 110299

Place of Signature : Ahmedabad
Date : May 18, 2017

Annexure 2 of the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Sadbhav Infrastructure Project Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Sadbhav Infrastructure Project Limited

We have audited the internal financial controls over financial reporting of Sadbhav Infrastructure Project Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number : 324982E/E300003

per **Sukrut Mehta**
Partner
Membership Number : 101974

Place of Signature : Ahmedabad
Date : May 18, 2017

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration Number : 106041W/W100136

per **K. B. Solanki**
Partner
Membership Number : 110299

Place of Signature : Ahmedabad
Date : May 18, 2017

Balance Sheet *as at March 31, 2017*

(INR in Million)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
1 Non-current Assets				
(a) Property, plant and equipment	5	8.44	0.49	12.84
(b) Investment property	6	2.88	2.88	2.88
(c) Financial assets				
(i) Investments	7	22,565.22	21,336.63	17,690.51
(ii) Other financial assets	12	0.06	-	-
(d) Deferred tax assets (Net)	31	72.11	-	-
(e) Other non current assets	13	72.36	126.10	393.45
Total Non-current assets		**22,721.07**	**21,466.10**	**18,099.68**
2 Current Assets				
(a) Inventories	8	-	4.26	-
(b) Financial assets				
(i) Trade receivables	9	674.70	371.24	408.42
(ii) Cash and cash equivalents	10	35.74	45.97	15.00
(iii) Bank balances other than (ii) above	10	21.08	21.08	21.08
(iv) Loans	11	3,815.62	2,605.77	3,082.14
(v) Other financial assets	12	451.91	332.61	240.29
(c) Current tax assets (Net)	14	-	59.70	-
(d) Other current assets	13	45.27	44.73	86.69
Total Current assets		**5,044.32**	**3,485.36**	**3,853.62**
Total Assets		**27,765.39**	**24,951.46**	**21,953.30**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	15	3,522.25	3,522.25	3,109.63
Other equity	16	9,905.04	9,441.32	5,892.30
Total equity		**13,427.29**	**12,963.57**	**9,001.93**
LIABILITIES				
1 Non-current Liabilities				
(a) Financial liabilities				
(i) Borrowings	17	8,110.82	5,290.30	6,702.07
(ii) Other financial liabilities	21	652.56	321.64	9.42
(b) Provisions	18	1.66	1.10	0.77
Total Non-current liabilities		**8,765.04**	**5,613.04**	**6,712.26**
2 Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	19	4,543.55	5,536.39	4,887.49
(ii) Trade payables	20	491.20	462.35	282.78
(iii) Other financial liabilities	21	388.39	288.97	731.97
(b) Other current liabilities	22	100.87	86.40	336.21
(c) Provisions	18	0.81	0.74	0.66
(d) Current tax liabilities (Net)	23	48.24	-	-
Total Current liabilities		**5,573.06**	**6,374.85**	**6,239.11**
Total Equity and Liabilities		**27,765.39**	**24,951.46**	**21,953.30**
Summary of significant accounting policies	3			

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No. 101974

Date : 18 May, 2017
Place : Ahmedabad

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No.: 106041W/W100136

per K. B. Solanki
Partner
Membership No. 110299

Date : 18 May, 2017
Place : Ahmedabad

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

Vasistha Patel
Managing Director
DIN : 00048324

Shashin Patel
Director
DIN : 00048238

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

Statement of Profit and Loss *for the year ended March 31, 2017*

(INR in Million)

Particulars	Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
INCOME			
I Revenue from operations	24	2,854.45	857.97
II Other income	25	282.65	405.56
III Total Income (I + II)		**3,137.10**	**1,263.53**
EXPENSES			
Cost of material consumed	26	245.54	-
Sub-contractors charges	27	939.61	326.51
Employee benefits expenses	28	31.89	45.67
Finance cost	29	1,294.99	1,460.63
Depreciation expenses	5	6.88	0.67
Other expenses	30	92.31	94.51
IV Total expenses		**2,611.22**	**1,927.99**
V Profit / (Loss) before exceptional item and tax (III - IV)		**525.88**	**(664.46)**
VI Exceptional Item	42	**-**	**616.00**
VII Profit / (Loss) before tax (V+VI)		**525.88**	**(48.46)**
VIII Tax expenses	31		
Current tax		133.80	1.78
Deferred tax		(19.59)	-
Adjustment of tax relating to earlier years		0.10	0.11
Total tax expenses		**114.31**	**1.89**
IX Profit/(Loss) for the year (VII-VIII)		**411.57**	**(50.35)**
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurements (losses)/gain on defined benefit plans (refer note 36)		(0.37)	0.06
Income tax effect		-	-
X Total Comprehensive Income for the year		**(0.37)**	**0.06**
XI Total Comprehensive Income for the year, net of tax (IX+X)		**411.20**	**(50.29)**
Earning/(Loss) Per Share (Value of share ₹ 10/-)			
Basic and Diluted	35	1.17	(0.15)
Summary of significant accounting policies	3		
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Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

Statement of Changes in Equity *for the year ended March 31, 2017*

A Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	Nos.	INR in Million
As at 1 April 2015	**31,096,3081**	**3,109.63**
Addition during the period	41,262,135	412.62
As at 31 March 2016	**352,225,216**	**3,522.25**
Addition during the period	--	--
As at 31 March 2017	**352,225,216**	**3,522.25**

B Other Equity **(INR in Million)**

Particulars	Equity Component of Compound Financial Instruments (Note 16)	Reserves and Surplus			Total
		Securities Premium (Note 16)	Debenture Redemption Reserve (Note 16)	Retained Earning (Note 16)	
As at April 1, 2015	**532.22**	**5,387.44**	**109.21**	**(136.57)**	**5,892.30**
Loss for the year	-	-	-	(50.35)	(50.35)
Other comprehensive Income					
Re-measurements (losses)/gain on defined benefit plans	-	-	-	0.06	0.06
Total comprehensive Income for the year	**-**	**-**	**-**	**(50.29)**	**(50.29)**
Premium on Issue of equity shares	-	3,837.38	-	-	3,837.38
Adjustment of share issued expenditure	-	(238.07)	-	-	(238.07)
As at March 31, 2016	**532.22**	**8,986.75**	**109.21**	**(186.86)**	**9,441.32**
As at April 1, 2016	532.22	8,986.75	109.21	(186.86)	9,441.32
Profit for the year	-	-	-	411.57	411.57
Other comprehensive Income					
Re-measurements (losses)/gain on defined benefit plans	-	-	-	(0.37)	(0.37)
Total comprehensive Income for the year	**-**	**-**	**-**	**411.20**	**411.20**
Transfer to Debenture redumption reserve	-	-	224.34	(224.34)	-
Adjustment on account of deferred tax assets	-	52.52	-	-	52.52
As at March 31, 2017	**532.22**	**9,039.27**	**333.55**	**-**	**9,905.04**

The accompanying notes are an integral part of these financial statements

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

Vasistha Patel
Managing Director
DIN : 00048324

Shashin Patel
Director
DIN : 00048238

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

Cash Flow Statement *for the year ended March 31, 2017*

(INR in Million)

Particulars		Year Ended March 31, 2017	Year Ended March 31, 2016
Cash Flows From Operating Activities			
Profit / (Loss) before tax		**525.88**	**(48.46)**
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation		6.88	0.67
Interest and other borrowing cost		1,294.99	1,460.63
Profit on sale of units of mutual funds		(0.34)	(1.31)
Actuarial Gain/Loss		(0.37)	0.06
Sundry creditors write back		-	(0.02)
Profit on sale of Fixed assets		-	(7.19)
Net gain on transfer of equity rights (refer note 41)		-	(616.00)
Interest Income		(282.31)	(397.05)
Operating profit before working capital changes		**1,544.73**	**391.34**
Movement in Working Capital:			
(Increase)/Decrease in other financial asset		(10.27)	(307.17)
Decrease/(Increase) in other assets		(4.86)	244.33
Decrease/(Increase) in Inventories		4.26	(4.26)
Decrease/(Increase) in Trade receivable		(303.46)	37.17
Increase/(Decrease) in other financial liabilities		0.46	0.21
Increase/(Decrease) in other liabilities and provisions		15.10	(249.54)
Increase/(Decrease) in trade payables		28.85	179.60
Cash generated from operations		**1,274.82**	**291.68**
Direct taxes paid / (refunded) (including TDS) (net)		44.12	(62.80)
Net cash flow from operating activities	**(A)**	**1,318.94**	**228.88**
Cash Flows From Investments Activities			
Purchase of tangible assets		(14.82)	(0.58)
Investments in subsidiaries		(264.21)	(728.39)
Short term loan given		(3,080.60)	(2,665.71)
Short term loan received		1,870.74	2,753.65
Sub-Ordinate debt given (refer note 3 below)		(1,128.09)	(2,641.40)
Sub-Ordinate debt received back		-	275.90
Investments in bank deposits (having original maturity of more than three months)		(0.06)	(2,071.83)
Proceeds from bank deposits (having original maturity of more than three months)		-	2,081.74
Purchase of mutual fund units (having original maturity of more than three months)		(146.50)	(414.14)
Redemption of mutual fund units (having original maturity of more than three months)		146.84	415.45
Proceeds from Sale of Fixed Assets		-	19.46
Proceeds from transfer of long term beneficial equity interest		-	720.00
Interest received		161.25	277.87
Net cash flow (used in) investing activities	**(B)**	**(2,455.45)**	**(1,977.99)**

Cash Flow Statement *for the year ended March 31, 2017*

(INR in Million)

Particulars		Year Ended March 31, 2017	Year Ended March 31, 2016
Cash Flows From Financing Activities			
Share issue expenses		(0.97)	(170.92)
Proceeds from initial public offer (IPO) of equity share (including premium)		-	4,413.78
Repayment of excess amount received toward share application		(0.09)	(163.67)
Proceeds from Non-current borrowings		3,000.00	-
Repayment of Non-current borrowings		-	(1,800.00)
Proceeds from current borrowings		4,862.12	4,968.26
Repayment of current borrowings		(5,854.96)	(4,319.36)
Interest and other borrowing cost		(879.82)	(1,148.01)
Net cash generated from financing activities	**(C)**	**1,126.28**	**1,780.08**
Net increase in cash and cash equivalents	**(A+B+C)**	(10.23)	30.97
Cash and cash equivalents at beginning of the year		45.97	15.00
Cash and cash equivalents at end of the year		**35.74**	**45.97**

Notes:

1. **Components of Cash and Cash Equivalents (Refer note 10)**		
Cash on Hand	0.01	0.01
Balance with Scheduled Banks		
in Current Accounts	35.70	45.84
in Current Accounts Earmarked for unpaid share application refund money	0.03	0.12
Cash and cash equivalents at end of the year	**35.74**	**45.97**

2. The cash flow statement has been prepared under indirect method as per Indian Accounting Standard -7 "Cash Flow Statement".
3. During the year, the Company has converted short term loan given to a subsidiary of INR 80.00 Million (Previous year INR 140.00 Million) into a sub-ordinate debts. Thus, the impact of these transaction have not been given in the cash flow statement.
4. The above cash flow does not include receipts of INR Nil (Previous year : INR 666.57 Million) towards proceeds of offer for sale (OFS) of INR Nil (Previous year 6,471,524 equity shares) on behalf of the selling shareholders in the Initial Public Offering (IPO) which has also been repaid (net of expenditure related to OFS) to them during the year.
5. Figures in brackets represents cash outflows.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No. 101974

Date : 18 May, 2017
Place : Ahmedabad

For Manubhai & Shah LLP
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ICAI Firm Reg. No.: 106041W/W100136

per K. B. Solanki
Partner
Membership No. 110299

Date : 18 May, 2017
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For and on behalf of Board of Directors
Sadbhav Infrastructure Project Limited

Vasistha Patel
Managing Director
DIN : 00048324

Shashin Patel
Director
DIN : 00048238

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

1. Corporate Information:

The financial statements comprise financial statements of Sadbhav Infrastructure Project Limited (the "Company or SIPL") for the year ended March 31, 2017. The Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at "Sadbhav House", Opp. Law Garden Police Chawki, Ellisbridge, Ahmedabad-380006.

The Company is engaged in development, construction as well as operation & maintenance of infrastructure projects and related consulting and advisory services. The Company undertakes infrastructure development projects directly or indirectly through Special Purpose Vehicles (SPVs) as per the concession agreements. The Company is a subsidiary of Sadbhav Engineering Limited ("SEL"), a listed Company, engaged in providing engineering, procurement and construction services ("EPC") in the road and other infrastructure projects.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 18, 2017.

During the year, the Company has sort clarification from Reserve Bank of India with regards to applicability of Systematically Important Core Investment Companies (Reserve Bank) Directions, 2011. The clarification is still awaited as at reporting date, however, the management believe that the Company is not required to be registered with Reserve Bank of India as on March 31, 2017 based on eligibility criteria mentioned in the Systematically Important Core Investment Companies (Reserve Bank) Directions, 2011.

2. Basis of preparation

The financial statements of the Company 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.

For all period up to and including the year ended March 31, 2016, the Company prepared its financial statement in accordance with the Accounting standards specified in Section 133 of the Companies Act, 2013, read with para 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provision of the Act. These financial statements for the year ended March 31, 2017 are the first financial statements that the Company has prepared in accordance with Ind AS. Refer to note no 42 for information of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet, Statement of profit & loss and Statement of cash flow.

The financial statements have been prepared on a historical cost basis, except 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 significant accounting policies

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

3.1 Current versus non-current classification

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

3.2 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Contractual Income:

Contract revenue and costs associated with project related activities are accrued and recognized by reference to the stage of completion of the projects at the reporting date. The stage of completion of a project is determined by the proportion that the contract cost incurred for work performed up to the reporting date bears to the estimated total contract costs.

Any excess revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed to the clients in accordance with the milestones completed as per the respective project, is accrued as “Unearned Revenue”.

Any short revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed to the clients in accordance with the milestones completed as per the respective project, is carried forward as “Unbilled Revenue”.

An expected loss on construction contract is recognized as an expense immediately when it is certain that total contract costs will exceed the total contract revenue.

Price escalation and other claims and/or variation in the contract work are included in contract revenue only when it probable that customer will accept the claim and the amount that is probable will be accepted by the customer can be measured reliably.

Income from sale of services:

Revenue in respect of arrangements made for rendering services over specific contractual term is recognized on the contractual term of the arrangement. Service tax collected on behalf of the government is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

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 investments is accrued in the year in which it is declared, whereby right to receive is established.

3.3 Property, Plant and Equipments:

Property, Plant and Equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost comprise the purchase price, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the assets to its working condition for its intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

De-recognition

An item of property, plant and equipments is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

Depreciation

Depreciation on Property, Plant and Equipments is provided on the written down value method basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual value, useful live and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.4 Impairment – Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

3.5 Investment Property

Investment Property is measured initially at cost including related transaction costs. Such cost comprises the purchase price, borrowing cost if capitalization criteria are met. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

An investment property is de-recognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

3.6 Inventory

Project Inventories are valued at lower of cost and net realizable value. Cost comprise all cost of purchase, and other costs incurred in bringing the inventories to their present location and condition. Cost of materials is determined on first-in-first-out basis. Net realizable value is the estimated selling price less estimated cost necessary to make the sale.

3.7 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 as defined in Indian Accounting Standard 23 - Borrowing Costs.

3.8 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

3.9 Investment in subsidiaries

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27.

3.10 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.

ii. Subsequent measurement of financial assets

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

- Financial assets at amortized cost
- 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 amortised cost**
  A 'debt instrument' is measured at the amortised cost if both the above conditions mentioned in "Financial assets at amortised cost" are met. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.
- **Perpetual debt**
  The Company invests in a sub ordinated perpetual debt, redeemable at the issuer's option, with a fixed coupon that can be deferred indefinitely at the option of the issuer. The Company classifies these instrument as equity under Ind AS 32.
- **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

All financial liabilities are recognised initially at fair value, in case of loan and borrowings and payables, 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 (FVTPL).

  Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition 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 recognised in the statement of profit or loss.

- **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.

- **Financial guarantee contracts**

  Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet 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 recognised 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 re-cognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.11 Fair Value Measurement

The Company measures financial instruments such as derivatives and Investment in Mutual Fund 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 recognised 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.

3.12 Employee Benefits

a) Short Term Employee Benefits

All employee benefits expected to be settled wholly within 12 months after the end of the reporting period are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensation etc. and the same are recognized as an expense in the statement of profit and loss in the period in which the employee renders the related services.

b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme is defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is charged to statement of profit & loss account during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

c) **Other employment benefits:**

The employee's compensated absences, which is expected to be utilized or encashed within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave are expected to be carried forward beyond 12 month from the reporting date.

3.13 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 tax 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 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.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Company recognizes tax credits in the nature of Minimum Alternate Tax (MAT) credit as an asset only to the extent that there is sufficient taxable temporary difference /convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent The Company does not have sufficient taxable temporary difference /convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.14 Provisions

General

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. The expense relating to a provision is presented in the statement of profit or loss, net of reimbursements, 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 recognised as a finance cost. Provision are reviewed at each balance sheet and adjusted to reflect the current best estimates.

3.15 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.

3.16 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, which is 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.

3.17 Earnings per share

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

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

3.18 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 pefromance.

4. Significant accounting judgements, estimates and assumption

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.

Revenue and expenses of construction contracts

As described in Note 3.2, Revenue recognition using the percentage-of-completion method which involves the use of estimates of certain key elements of the construction contracts, such as total estimated contract costs, allowances or provisions related to the contract, period of execution of the contract and recoverability of the claims. As far as practicable, the Company applies past experience in estimating the main elements of construction contracts and relies on objective data such as physical inspections or third parties confirmations. Nevertheless, given the highly tailored characteristics of the construction contracts, most of the estimates are unique to the specific facts and circumstances of each contract.

Although estimates on construction contracts are periodically reviewed on an individual basis, we exercise significant judgments and not all possible risks can be specifically quantified.

Impairment of Investments

The Company reviews its carrying value of its investments carried at amortised cost annually, or more frequently when there is indication for impairments. If the recoverable amount is less than it carrying amount, the impairment loss is accounted for.

Taxes

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

Impairment of non-financial assets

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

Property, plant and equipment

Refer Note 3.3 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

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.

5. Property, Plant and Equipment

(INR in Million)

Particulars	Building - Residential Flat	Office Equipments	Furnitures and Fixtures	Computers	Machineries	Vehicle	Total
At cost							
As at April 01, 2015	**11.13**	**0.01**	**1.66**	**0.04**	**-**	**-**	**12.84**
Addition	-	-	-	0.03	0.55	-	0.58
Disposal	11.13	-	1.66	-	-	-	12.79
As at March 31, 2016	**-**	**0.01**	**-**	**0.07**	**0.55**	**-**	**0.63**
Addition	-	-	-	0.03	14.53	0.26	14.82
Disposal	-	-	-	-	-		-
As at March 31, 2017	**-**	**0.01**	**-**	**0.10**	**15.08**	**0.26**	**15.45**
Accumulated Depreciation							
As at April 01, 2015							
Charge for the Period	0.14	0.01	0.39	0.03	0.10	-	0.67
On disposal	0.14	-	0.39	-	-		0.53
As at March 31, 2016	**-**	**0.01**	**-**	**0.03**	**0.10**	**-**	**0.14**
Charge for the Period	-	-	-	0.02	6.71	0.14	6.88
On disposal	-	-	-	-	-		-
As at March 31, 2017	**-**	**0.01**	**-**	**0.05**	**6.81**	**0.14**	**7.01**
Net Amount	**-**	**-**	**-**	**-**	**-**		**-**
As at April 01, 2015	11.13	0.01	1.66	0.04	-	-	12.84
As at March 31, 2016	-	-	-	0.04	0.45	-	0.49
As at March 31, 2017	**-**	**-**	**-**	**0.05**	**8.27**	**0.12**	**8.44**

Notes:

1. The Company has elected to continue with the carrying value for all of its Property,Plant and Equipment as recognised in its previous GAAP financials, as deemed cost at the transition date i.e. April 1, 2015 as per option under Ind AS 101 for the first time adopter.
2. Property, Plant and Equipments has been pledged / hypothicated against Secured borrowings in order to fulfil the collateral requirement for the Lenders.

6. Investment Property

(INR in Million)

Particulars	Freehold Land	Total
At cost		
As at April 01, 2015	**2.88**	**2.88**
Addition	-	-
Disposal	-	-
As at March 31, 2016	**2.88**	**2.88**
Addition	-	-
Disposal	-	-
As at March 31, 2017	**2.88**	**2.88**
Accumulated Depreciation	-	-
As at April 01, 2015	-	-
Charge for the year	-	-
Disposal	-	-
As at March 31, 2016	-	-
Charge for the year	-	-
Disposal	-	-
As at March 31, 2017	-	-
Net Amount	-	-
As at April 01, 2015	2.88	2.88
As at March 31, 2016	2.88	2.88
As at March 31, 2017	**2.88**	**2.88**

Notes:

1. The Company has elected to continue with the carrying value for all of its Investment property, as recognised in its previous GAAP financials, as deemed cost at the transition date i.e. April 1, 2015 as per option under Ind AS 101 for the first time adopter.
2. There are no income arise from above investment properties. Further, the Company has not incurred any expenditure for above property.
3. The above land consist of 3 land out of which two land is situated at Kadi Gujarat and one land at Tiruvallur Chennai has been mortgaged agianst Secured borrowings.
4. The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
5. The fair value disclosure for investment property is not presented as the property is specifically acquired for offering as security for borrowings and based on the information available with the management that there are no material development in the area where land is situated and accordingly, management believes that there is no material difference in fair value and carrying value of property.

7 Investments

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Investments			
Unquoted			
In Equity Shares of subsidiaries (valued at cost)			
10,460,000 (31 March 2016: 10,460,000 and 1 April 2015: 10,460,000) fully paid up equity shares of INR 10 each in Ahmedabad Ring Road Infrastructure Limited (ARRIL)	1,036.80	1,036.80	1,036.80
1,971,053 (31 March 2016: 1,971,053 and 1 April 2015: 1,971,053) fully paid up equity shares of INR 10 each in Aurangabad Jalna Tollway Limited (AJTL) (refer note (d) below)	835.73	835.73	835.73
77,739,200 (31 March 2016: 77,739,200 and 1 April 2015: 77,739,200) fully paid up equity shares of INR 10 each in Bijapur Hungund Tollway Private Limited (BHTPL)	777.39	777.39	777.39
3,247,283 (31 March 2016: 3,247,283 and 1 April 2015: 3,247,283) fully paid up equity shares of INR 10 each in Hyderabad Yadgiri Tollway Private Limited (HYTPL)	173.24	173.24	173.24
2,186,445 (31 March 2016: 2,186,445 and 1 April 2015: 2,186,445) fully paid up equity shares of INR 10 each in Rohtak Panipat Tollway Private Limited (RPTPL) (refer note (d) below)	217.74	217.74	217.74
45,500 (31 March 2016: 38,910 and 1 April 2015: 38,910) fully paid up equity shares of INR 10 each in Maharashtra Border Check Post Network Limited (MBCPNL) (refer note (c) below)	280.13	280.13	280.13
33,743,237 (31 March 2016: 33,743,237 and 1 April 2015: 20,743,237) fully paid up equity shares of INR 10 each in Shreenathji-Udaipur Tollway Private Limited (SUTPL)	337.43	337.43	207.43
17,340,000 (31 March 2016: 17,340,000 and 1 April 2015: 17,340,000) fully paid up equity shares of INR 10 each in Bhilwara-Rajsamand Tollway Private Limited (BRTPL)	173.40	173.40	173.40
10,768,000 (31 March 2016: 10,768,000 and 1 April 2015: 10,768,000) fully paid up equity shares of INR 10 each in Rohtak-Hissar Tollway Private Limited (RHTPL)	107.68	107.68	107.68
47,999,700 (31 March 2016: 47,999,840 and 1 April 2015: 47,999,840) fully paid up equity shares of INR 10 each in Nagpur Seoni Expressway Limited (NSEL) (refer note (d) below)	316.77	316.77	316.77
68,779,700 (31 March 2016: 68,779,800 and 1 April 2015: Nil) fully paid up equity shares of INR 10 each in Dhule Palenser Tollway Limited (DPTL)	556.59	556.58	-
4,000,000 (31 March 2016: Nil and 1 April 2015: Nil) fully paid up equity shares of INR 10 each in Sadbhav Bhavnagar Highway Private Limited (SBHPL)	40.00	-	-
1,000,000 (31 March 2016: Nil and 1 April 2015: Nil) fully paid up equity shares of INR 10 each in Sadbhav Nainital Highway Private Limited (SNHPL)	10.00	-	-
1,000,000 (31 March 2016: Nil and 1 April 2015: Nil) fully paid up equity shares of INR 10 each in Sadbhav Rudrapur Highway Private Limited (SRHPL)	10.00	-	-
4,000,000 (31 March 2016: Nil and 1 April 2015: Nil) fully paid up equity shares of INR 10 each in Sadbhav Una Highway Private Limited (SUHPL)	40.00	-	-
50,000 (31 March 2016: Nil and 1 April 2015: Nil) fully paid up equity shares of INR 10 each in Sadbhav Bangalore Highway Private Limited (SBHPL)	0.50	-	-
	4,913.40	**4,812.89**	**4,126.31**

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
In Equity Shares of associates (valued at cost)			
Nil (previous year: Nil and April 01, 2015: 1,439,200) fully paid up equity shares of INR 10 each in Dhule Palenser Tollway Limited (DPTL)	-	-	14.39
	-	**-**	**14.39**
Investment in Perpetual Debts (valued at cost) (refer note (b) and (d) below)			
Sub-ordinate Debts	17,651.82	16,523.74	13,549.81
Total	**22,565.22**	**21,336.63**	**17,690.51**

Note:

(a) Aggregate cost of unquoted investments (including sub-debts) as at March 31, 2017 INR 22,565.22 million (previous year: INR 21,336.63 million and April 01, 2015 INR 17,690.51 million).

(b) Investment in perpetual debts in form of Sub-ordinate debts are interest free, redeemable at issuer's option and redemption can be deferred indefinitely.

(c) In term of Memorandum of Understanding (MOU) dated January 17, 2017 between the Company and Sadbhav Engineering Limited('SEL'), SEL reduced its commitment, to sell investment in MBCPNL to third party, from 22% to 9% and resultantly, transferred such 13% ownership / beneficial ownership in MBCPL to the Company, raising Company's holding to 91%. SEL reaffirms that consideration received by it aggregating to INR 280.13 Million, is towards transfer of entire ownership of 91% in MBCPNL, and hence, no further payment is required to be made by SIPL to SEL. The procedural formalities for transfer of equity shares were in progress as on the balance sheet.

(d) The Company is having investments of INR 1,370.24 million to an operating subsidiaries of the Company, engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India. The net worth of such entities have fully eroded based on the latest financial statements.
Considering the gestation period required for break even for such infrastructure investments, expected higher cash flows based on future business projections and the strategic nature of these investments, no provision / adjustment to the carrying value of the said investments / loans is considered necessary by the Management as at March 31, 2017.

(e) The Company has pledged following investment in equity shares of subsidiaries, in favour of lenders for term loan facilities availed by the respective SPVs:

	March 31, 2017		
	Total Shares Held	Shares Pledged	% of Shares Pledged
Ahmedabad Ring Road Infrastructure Limited	10,460,000	627,600	6.00%
Aurangabad Jalna Tollway Limited	1,971,053	591,315	30.00%
Bhilwara-Rajsamand Tollway Private Limited	17,340,000	8,843,400	51.00%
Bijapur Hungund Tollway Private Limited	77,739,200	71,701,792	92.23%
Hyderabad Yadgiri Tollway Private Limited	3,247,383	2,630,570	81.01%
Maharashtra Border Check Post Network Limited (refer note (c) above)	45,500	13,453	29.57%
Nagpur Seoni Expressway Limited	47,999,840	47,520,000	99.00%
Rohtak-Hissar Tollway Private Limited	10,768,000	5,491,681	51.00%
Rohtak Panipat Tollway Private Limited	2,186,445	1,115,087	51.00%
Shreenathji-Udaipur Tollway Private Limited	33,743,237	17,209,052	51.00%
Dhule Palenser Tollway Limited	68,779,670	22,697,400	33.00%
Sadbhav Una Highway Private Limited	4,000,000	1,200,000	30.00%
Sadbhav Bhavnagar Highway Private Limited	4,000,000	1,200,000	30.00%
Sadbhav Rudrapur Highway Private Limited	1,000,000	300,000	30.00%
Sadbhav Nainital Highway Private Limited	1,000,000	300,000	30.00%
Sadbhav Bangalore Highway Private Limited	50,000	-	0.00%

	March 31, 2016		
	Total Shares Held	**Shares Pledged**	**% of Shares Pledged**
Ahmedabad Ring Road Infrastructure Limited	10,460,000	3137,940	30.00%
Aurangabad Jalna Tollway Limited	1,971,053	1008,816	51.18%
Bhilwara-Rajsamand Tollway Private Limited	17,340,000	8843,400	51.00%
Bijapur Hungund Tollway Private Limited	77,739,200	20212,192	26.00%
Hyderabad Yadgiri Tollway Private Limited	3,247,383	1656,355	51.01%
Maharashtra Border Check Post Network Limited	38,910	16,780	43.13%
Nagpur Seoni Expressway Limited	47,999,840	47520,000	99.00%
Rohtak-Hissar Tollway Private Limited	10,768,000	5491,681	51.00%
Rohtak Panipat Tollway Private Limited	2,186,445	1115,087	51.00%
Shreenathji-Udaipur Tollway Private Limited	33,743,237	17209,052	51.00%
Dhule Palenser Tollway Limited	68,779,800	22697,400	33.00%

	April 1, 2015		
	Total Shares Held	**Shares Pledged**	**% of Shares Pledged**
Ahmedabad Ring Road Infrastructure Limited	10,460,000	2,510,340	24.00%
Aurangabad Jalna Tollway Limited	1,971,053	1,008,816	51.18%
Bhilwara-Rajsamand Tollway Private Limited	17,340,000	8,843,400	51.00%
Bijapur Hungund Tollway Private Limited	77,739,200	20,212,192	26.00%
Hyderabad Yadgiri Tollway Private Limited	3,247,283	1,656,355	51.01%
Maharashtra Border Check Post Network Limited	38,910	16,780	43.13%
Nagpur Seoni Expressway Limited	47,999,840	14,400,000	30.00%
Rohtak-Hissar Tollway Private Limited	10,768,000	5,491,681	51.00%
Rohtak Panipat Tollway Private Limited	2,186,445	1,115,087	51.00%
Shreenathji-Udaipur Tollway Private Limited	20,743,237	10,579,052	51.00%

(f) Following investment in equity shares of subsidairies are pledged in favour of lenders for long term borrowing availed by the Company.

	March 31, 2017		
	Total Shares Held	**Shares Pledged**	**% of Shares Pledged**
Ahmedabad Ring Road Infrastructure Limited	10,460,000	9,832,340	94.00%
Maharashtra Border Check Post Network Limited	38,718	23,000	59.40%
Rohtak Panipat Tollway Private Limited	2,186,445	1,071,198	48.99%
Aurangabad Jalna Tollway Limited	1,970,993	965,816	49.00%
Hyderabad Yadgiri Tollway Private Limited	3,247,233	616,663	18.99%
Shreenathji-Udaipur Tollway Private Limited	33,743,087	15,184,457	45.00%

	March 31, 2016		
	Total Shares Held	**Shares Pledged**	**% of Shares Pledged**
Ahmedabad Ring Road Infrastructure Limited	10,460,000	5,857,600	56.00%
Maharashtra Border Check Post Network Limited	38,910	11,673	30.00%
Rohtak Panipat Tollway Private Limited	2,186,445	1,071,198	48.99%

	April 1, 2015		
	Total Shares Held	**Shares Pledged**	**% of Shares Pledged**
Ahmedabad Ring Road Infrastructure Limited	10,460,000	5,857,600	56.00%
Maharashtra Border Check Post Network Limited	38,910	11,673	30.00%
Rohtak Panipat Tollway Private Limited	2,186,445	1,071,198	48.99%

8 Inventories

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Project Inventories (refer note 26)	-	4.26	-
Total	**-**	**4.26**	**-**

9 Trade Receivables, unsecured considered good

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Receivable from related parties (refer note 40)	674.70	371.24	408.42
Total	**674.70**	**371.24**	**408.42**

Notes

(a) Fair value disclosures for financial assets are given in Note 32.

10 Cash and Bank Balance

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Cash and Cash Equivalents			
Cash on hand	0.01	0.01	0.46
Balance With Banks			
In Current Accounts	35.70	45.84	14.54
In current accounts earmarked for unpaid share application refund money	0.03	0.12	-
Total	**35.74**	**45.97**	**15.00**
Other Bank Balances			
Deposits with original maturity over 3 months but less than 12 months (refer note (a) below)	21.08	21.08	21.08
Total	**21.08**	**21.08**	**21.08**

Note

(a) Fixed deposit is lying with the bank in the name of IL&FS Trust Company Limited (ITCL) designated account as per terms of debenture trust cum mortgage deed towards debt servicing reserve of Redeemable Non Convertible debentures (NCD of INR 1,405.41 Million.

(b) Fair value disclosures for financial assets are given in Note 32.

11 Loans

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unsecured, Considered good			
Loans to related parties (refer note 40)	3,645.25	2,435.40	2,663.33
Inter Corporate Loans	170.37	170.37	418.80
Total	**3,815.62**	**2,605.77**	**3,082.14**

Note

(a) The Company has granted interest bearing loans in the nature of loans aggregating INR 3,645.25 million (previous year: INR 2,435.40 million and April 01, 2015: INR 2,526.18 million)(including renewals on due dates) as at March 31, 2017 to its subsidiaries. The funds are advanced based on business needs of the subsidiaries Company in accordance with Lender's Loan agreements and Sponsor Support and Equity Contribution Agreement of the respective SPV entities.

(b) Fair value disclosures for financial assets are given in Note 32.

12 Other Financial Assets

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Fixed Deposits with banks having more than 12 months maturity	0.06	-	-
Total	**0.06**	**-**	**-**
Current			
Deposits	-	24.59	0.02
Receivable from subsidiaries (refer note 40)	63.79	28.89	14.18
Interest receivable from related parties (refer note 40)	387.39	278.31	184.97
Interest receivable on fixed deposit with bank	0.70	0.75	0.92
Interest receivable from others	-	-	40.20
Others	0.03	0.07	-
Total	**451.91**	**332.61**	**240.29**
	451.97	**332.61**	**240.29**

Fair value disclosures for financial assets are given in Note 32.

13 Other Assets

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Advance against share purchase (refer note 40)	-	-	267.81
Advance Income Tax (Net of Provisions)	60.91	118.97	117.76
Deposits (refer note 41)	2.50	2.51	2.51
Tax credits and receivables	8.95	4.62	5.37
Total	**72.36**	**126.10**	**393.45**
Current			
Advances to Contractor	12.83	22.00	14.19
Loans to Employees	-	0.01	-
Prepaid Expenses	2.53	-	0.21
Unbilled Revenue (refer note 37)	22.21	15.09	-
Tax credits and receivables	7.70	7.63	6.11
Initial Public Issue related advances	-	-	66.18
Total	**45.27**	**44.73**	**86.69**

14 Current Tax Assets

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance income tax (Net of provision)	-	59.70	-
Total	**-**	**59.70**	**-**

15 Equity Share Capital

	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)	No. of shares	(INR in Million)
Authorized share capital						
Equity Shares of ₹ 10 each	403,000,000	4,030.00	403,000,000	4,030.00	403,000,000	4,030.00
	403,000,000	**4,030.00**	**403,000,000**	**4,030.00**	**403,000,000**	**4,030.00**
Issued, subscribed and fully paid						
Equity Shares of Rs 10 each	352,225,216	3,522.25	352,225,216	3,522.25	310,963,081	3,109.63
Total	**352,225,216**	**3,522.25**	**352,225,216**	**3,522.25**	**310,963,081**	**3,109.63**

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

Equity Shares	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)	No. of shares	(INR in Million)
At the beginning of the year	**352,225,216**	**3,522.25**	**310,963,081**	**3,109.63**	**310,963,081**	**3,109.63**
Add: Issued during the year						
- Initial public issue	-	-	41,262,135	412.62	-	-
Outstanding at the end of the year	**352,225,216**	**3,522.25**	**352,225,216**	**3,522.25**	**310,963,081**	**3,109.63**

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share held.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding Company:

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Sadbhav Engineering Limited, holding Company 241,783,427 (31 March 2016: 240,733,427 and 1 April 2015: 240,733,427) equity shares	2,417.83	2,407.33	2,407.33

(d) Details of shareholders holding more than 5% shares in the Company:

Name of Shareholders	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of Shares	% holding in class	No. of Shares	% holding in class	No. of Shares	% holding in class
Equity shares of INR 10/- each fully paid						
Sadbhav Engineering Limited	241,783,427	68.64%	240,733,427	68.35%	240,733,427	77.42%
Xander Investment Holding XVII Ltd.	29,121,860	8.27%	29,121,860	8.27%	32,357,622	10.41%
Norwest Venture Partners VII-A Mauritius	29,121,860	8.27%	29,121,860	8.27%	32,357,622	10.41%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Aggregate number of Equity Shares allotted as fully paid-up for consideration other than cash during 5 years immediately preceding the date of Balance Sheet:

The Company had issued 282,693,710 equity shares of INR 10/- each as fully paid bonus shares in the ratio of 10:1 by capitalisation of INR 2,826.94 Million from Securities Premium Account in the financial year 2014-15.

16 Other Equity

(INR in Million)

	As at March 31, 2017	As at March 31, 2016
16.1 Equity Component of Compound Financial Instrument (refer note (a) below & 40)		
Balance at the beginning of the year	532.22	532.22
Balance at the end of the year	**532.22**	**532.22**
16.2 Securities premium account		
Balance at the beginning of the year	**8,986.75**	**5,387.44**
Add: Addition during the year		
Premium for Issue of equity shares	-	3,837.38
Premium on Conversion of CCDs	-	-
Deferred tax assets	52.52	-
Less: Utilised during the year		
Initial Public offer expense (IPO) (refer note (c) below)	-	(238.07)
Balance at the end of the year	**9,039.27**	**8,986.75**

(INR in Million)

	As at March 31, 2017	As at March 31, 2016
16.3 Debenture Redemption Reserve		
Balance at the beginning of the year	**109.21**	**109.21**
Add : Transfer from surplus of statement of Profit & Loss (refer note (b))	224.34	-
Balance at the end of the year	**333.55**	**109.21**
16.4 Retained Earnings		
Balance at the beginning of the year	**(186.86)**	**(136.57)**
Adjustment during year		
Profit / (Loss) for the year	411.57	(50.35)
Other comprehensive Income for the year	(0.37)	0.06
Transfer to Debenture Redemption Reserve during the year (refer note (b))	(224.35)	-
Balance at the end of the year	**-**	**(186.86)**
Total (16.1+16.2+16.3+16.4)	**9,905.04**	**9,441.32**

Notes:

a Interest free loan given by Promotors (Sadbhav Engineering Limited) pursuant to the conversion of Compulsory Convertible Cumulative Preference Shares (CCCPS) into equity shares, whereby promotors have given a commitment to keep the loan balance of INR 779.56 Million in the Company for a period of 11 years from the date of conversion of CCCPS i.e. November 27, 2014.

Under previous GAAP, the said Interest free loan received from promotors was disclosed under long term borrowings. Under Ind AS, the Interest free loan has been separated into liability and equity components based on the terms of the contract and equity component has been classified in the other equity and liability component classified in the long term borrowings (refer note 17). Interest on liability component is recognised using the effective interest method.

b The Company has issued redeemable non-convertible debentures (refer note 17). Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. Though the DRR is required to be created over the life of debentures, the Company has upfront created DRR out of retained earnings. Further, the Company has created debenture redemption reserve to the extent surplus available for the purpose of creation of debenture redemption reserve.

c During the previous year, pursuant to the IPO, share issue expenses amounting to INR 238.07 million were debited to Securities Premium account in terms of section 52(2)(c) of the Companies Act, 2013.

17 Non-Current Borrowings

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured			
Redeemable, Non Convertible Debentures			
2,000 (31 March 2016: 2,000 and 1 April 2015: 2,000) of INR 1,000,000 each	2,000.00	2,000.00	2,000.00
1,600 (31 March 2016: 1,600 and 1 April 2015: 1,600) of INR 1,000,000 each	1,600.00	1,600.00	1,600.00
1,405,405 (31 March 2016: 1,405,405 and 1 April 2015: 1,405,405) of INR 1,000 each	1,405.41	1,405.41	1,405.41
3,000 (31 March 2016: Nil and 1 April 2015: Nil) of INR 1,00,000 each	3,000.00	-	-
	8,005.41	**5,005.41**	**5,005.41**
Term loan from banks*	-	-	1,765.89
Unsecured			
Liability Component of Compound Financial Instrument (refer note 40)	316.22	284.89	256.66
Total	**8,321.63**	**5,290.30**	**7,027.96**

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Less: Current Maturities of non-current borrowing			
Redeemable, Non Convertible Debentures	210.81	-	-
Term loan from banks*	-	-	325.89
Total	**210.81**	**-**	**325.89**
Total Non-current Borrowings	**8,110.82**	**5,290.30**	**6,702.07**

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

(a) 2,000 Redeemable Non-Convertible Debentures (NCD) are secured by:

(i) first ranking charge created on 10,71,198 Shares of the Company in the Rohtak Panipat Tollway Private Limited(RPTPL); (ii) the Corporate Guarantee by Sadbhav Engineering Limited ('SEL') (Holding Company); (iii) first and exclusive mortgage over the mortgaged property, in accordance with the respective Security Documents.

(b) 1,600 Redeemable, Non Convertible debentures (NCD) are secured by:

(i) an unconditional, irrevocable and continuing corporate guarantee from Sadbhav Engineering Limited- holding Company (SEL), covering the entire redemption amount. (ii) Pledge of 10,287,215 shares of Sadbhav Engineering Limited (SEL) by Sadbhav Finstock Pvt. Ltd. (iii) Pledge of 67% shareholding of Dhule Palsner Tollway Limited (DPTL) representing 46,082,466 equity shares. However, pending for pledge of the shares of DPTL with lender, 56% of shares of Ahmedabad Ring Road Infrastructure Limited (ARRIL) representing 5,857,540 equity shares have been pledged. (iv) Working Capital Demand Loan (WCDL) facility to the extent of next repayment instalment to be lien marked for the NCD to be obtained by the Company/SEL and to be utilised only towards repayment of the NCD at least 20 days before each redemption payment date for amount which are due in next 20 days.

(c) 1,405,405 Redeemable Non Convertible debentures (NCD) are secured by:

(i) Pledge of 19.46% shareholding of the Company representing 46,846,725 equity share held by Sadbhav Engineering Limited (SEL) the holding Company. (ii) Pledge of 30% shareholding of Maharashtra Border Check Post Network Limited representing 11,673 equity shares held by the Company and SEL. (iii) Unconditional and irrevocable corporate guarantee from SEL and personal guarantee of the Promotors i.e. Vishnubhai M. Patel. (iv) Second charge by mortgage over all immovable property and hypothecation of all movable, tangible and intangible assets, receivable, cash and liquid investment of the Company. (v) All bank account & assignment of all contract, documents, insurance, clearances and interest of the Company.

(d) 3,000 Redeemable, Non Convertible debentures (NCD) are secured by:

(i) Pledge of 15% shareholding of Shreenathji-Udaipur Tollway Private Limited representing 5,061,486 equity shares held by the Company. (ii) Pledge of 16% shareholding of Maharashtra Border Check Post Network Limited representing 8,000 equity shares held by the Company (iii) Pledge of 18.99% shareholding of Hyderabad Yadgiri Tollway Private Limited representing 616,663 equity shares held by the Company (iv) Pledge of 49% shareholding of Aurangabad-Jalna Tollway Limited representing 965,816 equity shares held by the Company (v) Pledge of 14% shareholding of Ahmedabad Ring Road Infrastructure Limited representing 1,464,400 equity shares held by the Company (v) A first charge over the Designated A/c-Debenture Payments and all funds and monies lying therein present & future.

(e) Terms of Repayment for:

(i) 2,000 Redeemable Non-Convertible Debentures (NCDs)

Series of NCDs	No. of NCDs issued	Coupon Rate p.a. %	Terms of Repayment	Earliest Date of Redemption
Series A	800	0%	Bullet Repayment	26-Apr-18
Series B	500	11.75%	Bullet Repayment	13-Apr-20
Series C	700	5%	Bullet Repayment	13-Apr-20

The debenture holders at the end of Year 3 and Year 4 shall have the right to seek prepayment / early redemption of Series B and Series C debentures in whole or part or in such proportion as it may deem fit. Thereupon, the Company shall be obliged to prepay debentures in such manner that debenture holders may achieve the IRR at the rate of 11.75% on value of the debentures for which the Put option is exercised.

(ii) 1,600 Redeemable, Non Convertible debentures (NCD):

Series of NCDs	No. of NCDs issued	Coupon Rate p.a. %	Terms of Repayment	Earliest Date of Redemption
Series I	480	9%	Bullet Repayment	18-Apr-18
Series II	480	9%	Bullet Repayment	18-Apr-19
Series III	640	9%	Bullet Repayment	18-Nov-19

The debenture holders at the end of Year 3 and Year 4 shall have the right to seek prepayment / early redemption of Series II and Series III debentures in whole or part or in such proportion as it may deem fit. Thereupon, the Company shall be obliged to prepay debentures in such manner that debenture holders may achieve the IRR at the rate of 12.14% on the value of debentures for which the Put option is exercised.

(iii) 1,405,405 Redeemable Non Convertible debentures (NCD)

NCD is having a floating interest rate carrying from 12.74% to 11.96% which is linked to benchmark rate to be reset on a quarterly basis and are repayable in 6 structured instalments starting from July 1, 2017 and ending on April 5, 2020. The Company shall have an option to repay the Facility at End of 4th year and 5th year with the condition that the minimum yield on the entire facility will get revised upwards by 0.50% per annum and 0.25% per annum, respectively.

(iv) 3,000 Redeemable, Non Convertible debentures (NCD):

Series of NCDs	No. of NCDs issued	Coupon Rate p.a. %	Terms of Repayment
Series I	50	2.60%	Bullet Repayment
Series II	50	2.60%	Bullet Repayment
Series III	50	2.60%	Bullet Repayment
Series IV	50	2.60%	Bullet Repayment
Series A	25	0%	Bullet Repayment
Series B	25	0%	Bullet Repayment
Series C	25	0%	Bullet Repayment
Series D	25	0%	Bullet Repayment

The debenture holders at the end of Year 3 shall have the right to seek prepayment / early redemption of Series III and Series IV debentures in full. Thereupon, the Company shall be obliged to pay all accrued coupon thereon and redemption premium set forth at Part B of Schedule IV of the Debenture Trust Deed.

(v) Rupee Loan from ICICI Bank Limited:

The Company has pre-paid entire loan on September 16, 2015 in accordance with mandatory prepay clause of loan agreement in the previous year. The loan was carrying a floating interest rate based on bank base rate + spread i.e. 13.50%.

(vi) Liability Component of Compound Financial Instrument:

Interest free loan given by Promotors (Sadbhav Engineering Limited) pursuant to the conversion of Compulsory Convertible Cumulative Preference Shares (CCCPS) into equity shares, whereby Promotors has given a commitment to keep the loan balance of INR 779.56 Million in the Company for a period of 11 years from the date of conversion of CCCPS i.e. November 27, 2014. Under previous GAAP, the said Interest free loan received from promotors disclosed under long term borrowings. Under Ind AS, the Interest free loan has been separated into liability and equity components based on the terms of the contract and equity component has been classified in the other equity and liability component classified in the long term borrowings (refer note 17). Interest on liability component is recognised using the effective interest method.

(vii) Default and breaches:

Non current borrowings contain debt covenants relating to debt-equity ratio and total debt to net worth. The Company has satisfied all the debts covenants prescribed in the terms of respective loan agreement as at reporting date.

(viii) Fair value disclosures for financial liabilities are given in Note 32.

18 Provisions

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current			
Provision for employee benefits - Grauity (refer note 36)	1.66	1.10	0.77
Total	**1.66**	**1.10**	**0.77**
Current			
Provision for employee benefits - Grauity (refer note 36)	0.11	0.10	0.03
Provision for employee benefits - leave encashment	0.70	0.64	0.63
Total	**0.81**	**0.74**	**0.66**

19 Short Term Borrowings

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans Repayable on Demand			
Related parties (unsecured) (refer note 40)	4,425.95	5,326.39	4,677.49
Interest free loan from Others (unsecured)	17.60	110.00	110.00
Working Capital Demand Loan from banks (unsecured)	100.00	100.00	100.00
Total	**4,543.55**	**5,536.39**	**4,887.49**

Notes

1. Loan from related parties carries interest of 9.75% to 11% p.a. and is repayable on demand/call notice.
2. Interest free loan from others is repayable on demand.
3. Working Capital Demand Loan facility from banks is secured against Corporate guarantee of Sadbhav Engineering Limited (SEL) i.e. the Holding Company. The Working Capital Demand Loan is repayable within 90 days of borrowing and carries interest from 10.50% to 9.75% p.a.

20 Trade Payables

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payables* (refer note 40)	491.20	462.35	282.78
Total	**491.20**	**462.35**	**282.78**

* As per intimation available with the Company, there are no micro, small and medium enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no related additional disclosure have been made.

21 Other Financial Liabilities

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non current			
Interest accrued but not due on Non Convertible Debentures	652.56	321.64	9.42
Total	**652.56**	**321.64**	**9.42**
Current			
Current maturities of Non-current borrowing (refer note 17)	210.81	-	325.89
Interest accrued but not due on borrowing	85.85	56.03	66.12
Interest accrued and due on borrowing (refer note 40)	89.58	66.47	118.38
Employee emoluments payable	2.12	1.67	1.58
Initial Public Offer expenses payable	-	0.97	-
Share application money refundable	0.03	0.12	-
Other Payable	-	163.71	220.00
Total	**388.39**	**288.97**	**731.97**

22 Other Current Liabilities

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance from customer (refer note 37)	-	-	181.90
Unearned revenue (refer note 37)	62.08	64.34	129.94
Statutory dues payable	38.79	22.06	24.37
Total	**100.87**	**86.40**	**336.21**

23 Current Tax Liabilities (Net)

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Tax Liabilities (Net)	48.24	-	-
Total	**48.24**	**-**	**-**

24 Revenue from Operations (Refer note 40)

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Contractual Income		
Engineering, procurement & construction (EPC) and other contract income (Refer note below and 37)	2,642.53	688.67
Operational and maintenance income	205.91	81.70
Sale of Service		
Project and toll management fees	6.00	87.60
Total	**2,854.45**	**857.97**

Note:

1. The contractual Income includes cost escalation claim, of INR 43.12 Million (31 March 2016: INR 44.06 Million) from Maharashtra Border Check Post Network Limited, a subsidiary, in line with cost escalation principal (cost escalation formula recommended by Technical Evaluation Committee duly appointed by project steering committee of Maharashtra State Road Development Corporation ('The Project Authority'), which has also been approved by Lender's engineers of the customer.

25 Other income

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Profit on Sale of Current Investments (Mutual Funds)	0.34	1.31
Interest Income on		
Corporate loan	268.62	387.13
Fixed deposit	1.66	9.91
Income tax refund	12.03	-
Profit on sale of fixed assets	-	7.19
Miscellaneous Income	-	0.02
Total	**282.65**	**405.56**

26 Cost of Materials Consumed

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Inventory at the beginning of the year	4.26	-
Add : Purchase during the year	241.28	6.89
	245.54	**6.89**
Less : Transfered to unbilled revenue (Refer Note below)	-	2.63
	245.54	**4.26**
Less : Inventory at the end of the year (Refer Note 8)	-	4.26
Cost of material consumed	**245.54**	**-**

Note:

The operation and maintenance contract on which material consumed was in progress and accordingly, the Company had not recognised margin on the cost incurred till date including material consumption and recorded as unbilled revenue in the previous year.

27 Sub contractors charges

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Construction contract charges to sub-contractors	826.84	264.28
Operation and maintenance charges to sub-contractors	112.78	62.23
Total	**939.61**	**326.51**

28 Employee benefit expenses (INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Salaries, allowances, bonus and leave expenses (including managerial remuneration)(refer note no 36)	30.54	44.51
Contribution to Provident Fund and other funds (refer note no 36)	0.87	0.57
Gratuity Expenses (refer note no 36)	0.39	0.46
Staff welfare expenses	0.09	0.12
Total	**31.89**	**45.67**

29 Finance Cost (INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Interest on:		
Debenture	773.26	624.83
Short term borrowings	480.72	772.95
Unwinding of discount on interest free loan	31.34	28.23
Others	0.01	0.12
Other Borrowing cost		
Bank Charges and other finance costs	9.66	0.39
Amortisation of Processing fees	-	34.11
Total	**1,294.99**	**1,460.63**

30 Other Expenses (INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Electricity expenses	-	1.62
Rent (refer note no 39)	7.96	0.98
Rates and taxes	8.19	4.60
Repairs & maintenance	0.01	1.31
Insurance	0.72	-
Travelling expenses	1.47	1.61
Communication expense	0.53	3.22
Legal and professional fees	67.30	59.41
Auditors' remuneration (refer below)	2.52	1.61
Director sitting fees	0.66	0.63
Donation	-	1.00
Listing fees	1.27	14.86
Miscellaneous expenses	1.68	3.66
Total	**92.31**	**94.51**

Payment to auditors (INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Towards		
Statutory audit fees (includes limited review fees)	1.98	1.40
Certification fees	0.51	0.19
Reimbursement of expenses	0.03	0.02
Total	**2.52**	**1.61**

Note:

The Company has also paid INR Nil Million (March 31, 2016: INR 7.52 million) to auditors for professional fee for services rendered in respect of Initial Public offering (IPO) of the Company. The expenses is related to fresh issue of equity shares and accordingly it has been adjusted against securities premium account in terms of section 52(2)(c) of the Companies Act, 2013.

31 Income Tax expense

The major component of income tax expenses for the year ended March 31, 2017 and March 31, 2016 are as under.

a) Profit and Loss Section **(INR in Million)**

	Year Ended March 31, 2017	Year Ended March 31, 2016
Current tax		
Current tax charges	133.80	1.78
	133.80	**1.78**
Deferred tax		
Deferred tax charge	98.42	-
MAT Credit (taken)	(118.01)	-
Total deferred income tax expense	**(19.59)**	**-**
Adjustments in respect of current tax of earlier years	0.10	0.11
Tax Expense reported in the Statement of Profit and Loss	**114.31**	**1.89**

Deferred tax items relating to equity

Deferred tax related to items recognised in equity during the year

Particular **(INR in Million)**

	Year Ended March 31, 2017	Year Ended March 31, 2016
Expenditure allowed over the period -Share issue expenses	(52.52)	-
	(52.52)	**-**

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

	Year Ended March 31, 2017	Year Ended March 31, 2016
Accounting profit/(loss) before tax	525.88	(48.46)
Statutory Income tax rate	34.608%	33.063%
Expected Income tax expenses	**182.00**	**(16.02)**
Tax Effect of adjustments to reconcile expected Income tax expenses to reported income tax expenses		
Tax effect of non deductible items	21.56	13.92
Tax in respect of earlier years	0.10	0.11
Tax on income at different rates	0.69	18.27
Tax effect on brought forward losses not recognised earlier	(90.03)	(14.39)
Income tax expenses as per normal tax rate	**114.31**	**1.89**
Consequent to reconciliation items shown above, the effective tax rate	**21.74%**	**-3.90%**

(c) Deferred Tax

The movement in deferred tax assets and liabilities during the year ended March 31, 2017, March 31, 2016 and April 1, 2015:

(INR in Million)

Particulars	**Balance sheet**			**Statement of Profit and Loss / Equity**	
	March 31, 2017	**March 31, 2016**	**April 1, 2015**	**March 31, 2017**	**March 31, 2016**
Deferred tax liability					
Impact of EIR of borrowings	-	(3.54)	(13.98)	3.54	10.44
Impact on liability component of Compound instruments	(160.35)	(163.55)	(169.66)	3.20	6.10
Accelerated depreciation for tax purpose	1.60	0.01	0.19	1.59	(0.18)
Expenditure allowed on payment basis	1.59	0.66	0.46	0.93	0.21
Expenditure allowed over the period	52.52	-	-	52.52	-
Unused tax losses avaliable for offsetting against future taxable income	58.74	166.42	182.99	(107.68)	(16.57)
Tax Credit Entitlement under MAT	118.01	-	-	118.01	-
Total deferred tax expenses /(Income)				**72.11**	**-**
Net deferred tax assets/(liabilities)	**72.11**	**-**	**-**		

(d) The Company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet at:

Financial Year	Amount (INR in Million)	Expiry Year
2015-16	2.02	2030-31
2016-17	115.99	2031-32
Total	**118.01**	

32 Disclosure of Financial Instruments by Category

(INR in Million)

Particulars	Note no.	March 31, 2017				March 31, 2016				April 1, 2015			
		FVTPL	FVTOCI	Amortized cost	Cost	FVTPL	FVTOCI	Amortized cost	Cost	FVTPL	FVTOCI	Amortized cost	Cost
Financial asset													
Investments	7	-	-	-	22,565.22	-	-	-	21,336.63	-	-	-	17,690.51
Trade Receivables	9	-	-	674.70	-	-	-	371.24	-	-	-	408.42	-
Cash and Cash Equivalents	10	-	-	35.74	-	-	-	45.97	-	-	-	15.00	-
Other Bank Balances	10	-	-	21.08	-	-	-	21.08	-	-	-	21.08	-
Loans	11	-	-	3,815.62	-	-	-	2,605.77	-	-	-	3,082.13	-
Other financial assets	12	-	-	451.97	-	-	-	332.61	-	-	-	240.29	-
Total Financial Asset		**-**	**-**	**4,999.11**	**22,565.22**	**-**	**-**	**3,376.67**	**21,336.63**	**-**	**-**	**3,766.92**	**17,690.51**
Financial liabilities													
Non current borrowings	17	-	-	8,110.82	-	-	-	5,290.30	-	-	-	6,702.07	-
Current borrowings	19	-	-	4,543.55	-	-	-	5,536.39	-	-	-	4,887.49	-
Trade Payables	20	-	-	491.20	-	-	-	462.35	-	-	-	282.78	-
Other Financial Liabilities	21	-	-	1,040.96	-	-	-	610.61	-	-	-	741.39	-
Total Financial Liabilities		**-**	**-**	**14,186.53**	**-**	**-**	**-**	**11,899.65**	**-**	**-**	**-**	**12,613.73**	**-**

33 Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(INR in Million)

Particulars	Note no.	March 31, 2017		March 31, 2016		April 1, 2015	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities							
Redeemable, Non Convertible Debentures	17	8,005.41	8,227.49	5,005.41	5,074.76	5,005.41	5,005.41
Total Financial Liabilities		**8,005.41**	**8,227.49**	**5,005.41**	**5,074.76**	**5,005.41**	**5,005.41**

Notes:

a The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

b The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

34 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2017, March 31, 2016 and April 1, 2015.

(INR in Million)

	Note no.	Fair value measurement using Significant observable inputs (Level 2)		
		March 31, 2017	**March 31, 2016**	**April 1, 2015**
Redeemable, Non Convertible Debentures	17	8,227.49	5,074.76	5,005.41

There have been no transfers between level 1 and level 2 during the years.

35 Earning Per Share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Profit / (Loss) after tax for the year available for Equity shareholders	411.57	(50.35)
Number of equity shares at the end of the year	352,225,216	352,225,216
Weighted average number of equity shares for basic and diluted EPS	352,225,216	333,911,611
Nominal value of equity shares	10	10
Earnings / (Loss) per share	**1.17**	**(0.15)**

36 Employee Benefits Disclosure

A Defined Contribution Plans:

Amount of ₹ 0.87 million (March 31, 2016: ₹ 0.57 million) is recognised as expenses and included in Note No. 26 "Employee Benefits Expenses"

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Contribution to Provident Funds	0.77	0.55
Contribution to ESI	0.09	0.01
Contribution to Benevolent Fund	0.01	0.01
Total	**0.87**	**0.57**

B Defined benefit plans - Gratuity benefit plan:

The Company has a Gratuity benefit plan. Every employee who has completed five years or more of service gets a gratuity on the termination of his employeement at 15 days salary (last draw salary) for each completed year of service. The scheme is unfunded. The present value of obligation in respect of gratuity is determind based on actuarial valuation using the Project Unit Credit Method as prescribed by the Indian Accounting Standard - 19. Gratuity has been recognised in the financial statement as per details given below:

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Defined benefit obligations as at beginning of the year - **A**	1.20	0.80
Cost charged to statement of profit and loss		
Current service cost	0.30	0.40
Interest cost	0.09	0.06
Sub-total included in statement of profit and loss - B	**0.39**	**0.46**
Remeasurement gains/(losses) in other comprehensive income		
Actuarial Loss/(Gain) due to change in financial assumptions	0.05	0.02
Actuarial Loss/(Gain) due to change in demographic assumptions	-	0.15
Actuarial Loss/(Gain) due to experience	0.32	(0.23)
Sub-total included in OCI - C	**0.37**	**(0.06)**
Benefit paid - D	(0.19)	-
Defined benefit obligations as at end of the year (A+B+C+D)	**1.77**	**1.20**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Discount Rate	7.15%	7.60%
Salary Growth Rate	6.00%	6.00%
Withdrawal Rate	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Sensitivity level	March 31, 2017	March 31, 2016
Discount rate	0.50% increase	(0.06)	(0.04)
	0.50% decrease	0.06	0.04
Salary Growth Rate	0.50% increase	0.03	0.02
	0.50% decrease	(0.04)	(0.02)
Withdrawal rate	10% increase	0.02	0.01
	10% decrease	(0.01)	(0.01)

D Maturity Profile of the Defined Benefit Obligation

	As at March 31, 2017	
	INR in Million	%
2018	0.11	3.80%
2019	0.19	6.30%
2020	0.16	5.30%
2021	0.15	4.90%
2022	0.31	10.50%
2023 - 2027	0.63	21.10%

	As at March 31, 2016	
	INR in Million	%
2017	0.10	4.30%
2018	0.10	4.40%
2019	0.14	6.10%
2020	0.12	5.10%
2021	0.11	4.80%
2022 - 2026	0.56	23.80%

The average future duration of the defined benefit plan obligation at the end of the end of the reporting period is 23.25 years (March 31, 2016: 23.55 years).

C Other employee benefit:

Salaries, Wages and Bonus include INR 2.62 million (Previous Year INR 2.79 million) towards provision made as per actual basis in respect of accumulated leave encashment/compensated absences, Bonus and leave travel allowance.

37 Disclosure in respect of Construction Contracts

Revenue from fixed price construction contracts are recognized on the percentage of completion method, measured by reference to the percentage of cost incurred up to the year end to estimated total cost for each contract.

(INR in Million)

	March 31, 2017	March 31, 2016	April 01, 2015
I Contract revenue recognized as revenue in the year	2,642.53	688.67	478.44
II For Contracts that are in progress:-			
a. Contract costs incurred and recognized upto reporting date	2,870.75	1,798.37	2,052.55
b. Profits (less recognized losses) upto reporting date	2,353.38	1,080.30	673.10
c. Advances received	-	-	181.90
d. Retention Money	25.10	29.56	29.44
III Unbilled Revenue	22.21	15.09	-
IV Unearned Revenue	62.08	64.34	129.94

Percentage completion method for income recognition on long term contracts involves technical estimates by engineers/ technical officials, of percentage of completion and costs to completion of each project/contract on the basis of which profit/ loss is allocated.

38 Segment Reporting

As permitted by paragraph 4 of Ind AS 108, "Operating Segments", if a single financial report contains both consolidated financial statements and the separate financial statement of the Parent Company, segment information need to be presented on the basis of the consolidated financial statements and therefore, no separate disclosure on segment information is given in these financial statements.

39 Operating Lease:

The Company has taken office space on operating leases basis. There are no sub-leases and the leases are cancellable in nature at any point of time by either of parties. There are no restrictions imposed under the lease arrangements. There is neither any contingent rent nor any escalation clause in the lease agreements. During the year, the Company has incurred INR 0.90 Million (31 March 2016: INR 0.90 Million) towards rent for office space.

40 Related Party disclosures

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

Name of Related Parties and related party relationship

(a) Related Parties where control exists

Holding Company	Sadbhav Engineering Limited (SEL)
Subsidiaries	Ahmedabad Ring Road Infrastructure Limited (ARRIL) Aurangabad Jalna Toll Way Limited (AJTL) Bijapur Hungund Tollway Private Limited (BHTPL) Hyderabad Yadgiri Tollway Private Limited (HYTPL) Rohtak Panipat Tollway Private Limited (RPTPL) Maharashtra Border Check Post Network Limited (MBCPNL) Nagpur Seoni Express Way Limited (NSEWL) Shreenathji-Udaipur Toll way Private Limited (SUTPL) Bhilwara-Rajsamand Toll way Private Limited (BRTPL) Rohtak Hissar Tollway Private Limited (RHTPL) Dhule Palesnar Tollway Limited (DPTL) (w.e.f. October 29, 2015) Sadbhav Bhavnagar Highway Private Limited (SBHPL) (w.e.f June 20, 2016) Sadbhav Nainital Highway Private Limited (SNHPL) (w.e.f May 01, 2016) Sadbhav Rudrapur Highway Private Limited (SRHPL) (w.e.f May 01, 2016) Sadbhav Una Highway Private Limited (SUHPL) (w.e.f June 22, 2016)

(b) Related parties with whom transactions have taken place during the year

Key management personnel (KMP)	Mr. Vasistha C. Patel, Managing Director
Enterprises over which the holding Company having significant influence	Dhule Palesnar Tollway Limited (DPTL) (upto October 29, 2015) Mumbai Nasik Express Way Limited (MNEL) (upto February 29, 2016)
Fellow Subsidiary	Mysore-Bellary Highway Pvt.Ltd. (MBHPL)

Terms and conditions of the balance outstanding:
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.

(c) Transactions with Related Parties during the year **(INR in Million)**

Sr. No.	Particulars	Holding		Subsidiaries		Enterprises over which holding Company is able to exercise significant influence		Fellow Subsidiary		Key Management Personnel	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
1	Unsecured Loan Taken										
	SEL	4,215.12	4,968.26	-	-	-	-	-	-	-	-
	ARRIL	-	-	247.00	-	-	-	-	-	-	-
2	Unsecured Loan repaid (Including Interest)										
	SEL	5,580.93	5,009.69		-	-	-	-	-	-	-
	ARRIL		-	182.68	14.16	-	-	-	-	-	-
3	Interest Expense										
	SEL	466.27	652.26	-	-	-	-	-	-	-	-
	ARRIL	-	-	4.94	0.31	-	-	-	-	-	-
4	Purchase of Share										
	SEL	-	186.92	-	-	-	-	-	-	-	-
5	Unsecured Loan Given										
	AJTL	-	-	34.85	63.90	-	-	-	-	-	-
	ARRIL	-	-	-	13.20	-	-	-	-	-	-
	BRTPL	-	-	333.82	1,212.60	-	-	-	-	-	-
	DPTL	-	-	449.35	138.81	-	-	-	-	-	-
	HYTPL	-	-	250.22	21.40	-	-	-	-	-	-
	MBCPNL	-	-	651.92	146.70	-	-	-	-	-	-
	MBHPL	-	-	-	-	-	-	24.80	6.50	-	-
	NSEL	-	-	261.97	17.80	-	-	-	-	-	-
	RHTPL	-	-	493.17	1,031.20	-	-	-	-	-	-
	RPTPL	-	-	405.70	-	-	-	-	-	-	-
	SUTPL	-	-	161.90	13.60	-	-	-	-	-	-
	SBHPL	-	-	3.30	-	-	-	-	-	-	-
	SUHPL	-	-	2.40	-	-	-	-	-	-	-
	SNHPL	-	-	3.70	-	-	-	-	-	-	-
	SRHPL	-	-	3.50	-	-	-	-	-	-	-
6	Proceeds from unsecured loan given including interest										
	AJTL	-	-	379.85	49.67	-	-	-	-	-	-
	ARRIL	-	-	-	13.42	-	-	-	-	-	-
	BRTPL	-	-	369.21	1,095.66	-	-	-	-	-	-
	HYTPL	-	-	209.02	24.45	-	-	-	-	-	-
	MBCPNL	-	-	102.03	813.78	-	-	-	-	-	-
	MBHPL	-	-	24.80	-	-	-	-	-	-	-
	DPTL	-	-	340.72	1.07	-	-	-	-	-	-
	MNEL	-	-		-	-	188.34	-	-	-	-
	NSEL	-	-	-	18.80	-	-	-	-	-	-
	RHTPL	-	-	452.74	743.39	-	-	-	-	-	-
	RPTPL	-	-	15.00	7.23	-	-	-	-	-	-
	SUTPL	-	-	30.00	0.01	-	-	-	-	-	-
7	Sub Ordinate Debt Given										
	DPTL	-	-	-	45.01	-	-	-	-	-	-
	RHTPL	-	-	-	24.00	-	-	-	-	-	-
	SUTPL	-	-	-	1,357.50	-	-	-	-	-	-
	SBHPL	-	-	303.36	-	-	-	-	-	-	-
	SUHPL	-	-	183.94	-	-	-	-	-	-	-
	SRHPL	-	-	272.96	-	-	-	-	-	-	-
	SNHPL	-	-	287.82	-	-	-	-	-	-	-
8	Sub ordinate Debt received back										
	MBCPNL	-	-	-	50.00	-	-	-	-	-	-
	SUTPL	-	-	-	225.90	-	-	-	-	-	-
9	Advance recovered against contract										
	MBCPNL	-	-	-	181.90	-	-	-	-	-	-

Sr. No.	Particulars	Holding		Subsidiaries		Enterprises over which holding Company is able to exercise significant influence		Fellow Subsidiary		Key Management Personnel	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
10	Sale of Services (Including Contract Revenue)										
	(excluding service tax) (Refer note 2 below)										
	AJTL	-	-	461.22	25.80	-	-	-	-	-	-
	ARRIL	-	-	13.64	12.00	-	-	-	-	-	-
	DPTL	-	-	55.63	9.60	-	-	-	-	-	-
	HYTPL	-	-	13.32	25.39	-	-	-	-	-	-
	MBCPNL	-	-	152.33	215.33	-	-	-	-	-	-
	NSEL	-	-	207.30	22.92	-	-	-	-	-	-
	RPTPL	-	-	31.61	43.35	-	-	-	-	-	-
	RHTPL	-		231.97	-	-	-	-	-	-	-
	SUTPL	-	-	276.87	6.25	-	-	-	-	-	-
	BRTPL	-	-	179.95	-	-	-	-	-	-	-
	SEL	247.37	497.33	-	-	-	-	-	-	-	-
	SUHPL	-	-	177.00	-	-	-	-	-	-	-
	SBHPL	-	-	246.00	-	-	-	-	-	-	-
	SRHPL	-	-	276.00	-	-	-	-	-	-	-
	SNHPL	-	-	292.00	-	-	-	-	-	-	-
11	Reimbusement of expenses (net)										
	SEL	4.86	27.72	-	-	-	-	-	-	-	-
	AJTL	-	-	2.07	-	-	-	-	-	-	-
	DPTL	-	-	-	0.25	-	-	-	-	-	-
	HYTPL	-	-	-	0.14	-	-	-	-	-	-
	MBCPNL	-	-	4.22	23.93	-	-	-	-	-	-
	RPTPL	-	-		0.01	-	-	-	-	-	-
	SUTPL	-		0.80	-	-	-	-	-	-	-
	NSEL	-	-	0.00	-	-	-	-	-	-	-
	SBNHPL	-	-	0.02	-	-	-	-	-	-	-
	SBHPL	-	-	0.05	-	-	-	-	-	-	-
	SNHPL	-	-	0.29	-	-	-	-	-	-	-
	SRHPL	-	-	0.29	-	-	-	-	-	-	-
	SUHPL	-	-	0.06	-	-	-	-	-	-	-
12	Interest Income										
	AJTL	-	-	34.63	58.72	-	-	-	-	-	-
	ARRIL	-	-	-	0.22	-	-	-	-	-	-
	BRTPL	-	-	4.93	0.38	-	-	-	-	-	-
	DPTL	-	-	6.82	67.65	-	-	-	-	-	-
	HYTPL	-	-	13.97	19.50	-	-	-	-	-	-
	MBCPNL	-	-	17.66	62.50	-	-	-	-	-	-
	MNEL	-	-	-	-	-	13.05	-	-	-	-
	NSEL	-	-	70.98	63.03	-	-	-	-	-	-
	RHTPL	-	-	9.28	0.11	-	-	-	-	-	-
	RPTPL	-	-	100.41	72.27	-	-	-	-	-	-
	SUTPL	-	-	9.77	0.10	-	-	-	-	-	-
	SNHPL	-	-	0.05	-	-	-	-	-	-	-
	SRHPL	-	-	0.05	-	-	-	-	-	-	-
	SUHPL	-	-	0.03	-	-	-	-	-	-	-
	SBHPL	-	-	0.05	-	-	-	-	-	-	-
13	Receipt of services and Material (excluding tax)										
	SEL	66.14	21.13	-	-	-	-	-	-	-	-
14	Rent Paid (excluding Service tax)										
	SEL	0.90	0.90	-	-	-	-	-	-	-	-
15	Fixed assets sold										
	SEL	-	20.50	-	-	-	-	-	-	-	-
16	Fixed assets Purchased (including VAT)										
	SEL	15.40	-	-	-	-	-	-	-	-	-
17	Remuneration										
	Vasistha Patel	-	-	-	-	-	-	-	-	3.00	3.25

(d) Balances at the year end: **(INR in Million)**

Sr. No.	Particulars	Holding			Subsidiaries			Enterprises over which holding Company is able to exercise significant influence			Fellow Subsidiary			Key Management Personnel		
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
1	Trade Receivable (including retention money)															
	AJTL	-	-	-	77.41	36.78	27.94	-	-	-	-	-	-	-	-	-
	ARRIL	-	-	-	1.38	29.48	180.88	-	-	-	-	-	-	-	-	-
	BRTPL	-		-	10.29	-	-	-	-	-	-	-	-	-	-	-
	DPTL	-	-	-	25.13	20.93	-	-	-	4.70	-	-	-	-	-	-
	HYTPL	-	-	-	4.90	5.47	2.99	-	-	-	-	-	-	-	-	-
	MBCPNL	-	-	-	218.70	154.03	147.20	-	-	-	-	-	-	-	-	-
	NSEL	-	-	-	72.18	27.81	37.14	-	-	-	-	-	-	-	-	-
	RHTPL	-	-	-	0.85	-	0.07	-	-	-	-	-	-	-	-	-
	RPTPL	-	-	-	16.72	9.20	7.50	-	-	-	-	-	-	-	-	-
	SUTPL	-	-	-	247.13	6.18	-	-	-	-	-	-	-	-	-	-
	SEL	-	81.38	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Unsecured Loan															
	AJTL	-	-	-	264.44	546.48	508.76	-	-	-	-	-	-	-	-	-
	BRTPL	-	-	-	96.85	130.00	11.90	-	-	-	-	-	-	-	-	-
	DPTL	-	-	-	258.17	138.81	-	-	-	-	-	-	-	-	-	-
	HYTPL	-	-	-	234.98	177.64	162.45	-	-	-	-	-	-	-	-	-
	MBCPNL	-	-	-	510.67	21.80	748.20	-	-	-	-	-	-	-	-	-
	MBHPL	-	-	-	-	-	-	-	-	-	7.40	7.40	0.90		-	
	MNEL	-	-	-	-	-	-	-	-	137.16	-	-	-	-	-	-
	NSEL	-	-	-	818.42	556.45	538.66	-	-	-	-	-	-	-	-	-
	RHTPL	-	-	-	328.35	287.92	-	-	-	-	-	-	-	-	-	-
	RPTPL	-	-	-	961.00	555.30	555.30	-	-	-	-	-	-	-	-	-
	SUTPL	-	-	-	152.08	13.60	-	-	-	-	-	-	-	-	-	-
	SBHPL	-	-	-	3.30	-	-	-	-	-	-	-	-	-	-	-
	SNHPL	-	-	-	3.70	-	-	-	-	-	-	-	-	-	-	-
	SRHPL	-	-	-	3.50	-	-	-	-	-	-	-	-	-	-	-
	SUHPL	-	-	-	2.40	-	-	-	-	-	-	-	-	-	-	-
3	Sub-Ordinate debt															
	AJTL	-	-	-	282.00	282.00	282.00	-	-	-	-	-	-	-	-	-
	BRTPL	-	-	-	1,159.60	1,159.60	1,159.60	-	-	-	-	-	-	-	-	-
	BHTPL	-	-	-	843.92	843.92	843.92	-	-	-	-	-	-	-	-	-
	DPTL	-	-	-	3,267.23	3,267.23	-	-	-	1,538.89	-	-	-	-	-	-
	HYTPL	-	-	-	1,017.23	1,017.23	1,017.23	-	-	-	-	-	-	-	-	-
	MBCPNL	-	-	-	3,936.13	3,856.13	3,766.13	-	-	-	-	-	-	-	-	-
	NSEL	-	-	-	118.29	118.29	118.29	-	-	-	-	-	-	-	-	-
	RHTPL	-	-	-	993.12	993.12	969.12	-	-	-	-	-	-	-	-	-
	RPTPL	-	-	-	2,209.06	2,209.06	2,209.06	-	-	-	-	-	-	-	-	-
	SUTPL	-	-	-	2,777.17	2,777.17	1,645.57	-	-	-	-	-	-	-	-	-
	SBHPL	-	-	-	303.36	-	-	-	-	-	-	-	-	-	-	-
	SNHPL	-	-	-	287.82	-	-	-	-	-	-	-	-	-	-	-
	SRHPL	-	-	-	272.95	-	-	-	-	-	-	-	-	-	-	-
	SUHPL	-	-	-	183.94	-	-	-	-	-	-	-	-	-	-	-
4	Advance towards purchase of shares															
	SEL	-	-	267.81	-	-	-	-	-	-	-	-	-	-	-	-
5	Interest Payable															
	SEL	89.05	66.47	117.91	-	-	-	-	-	-	-	-	-	-	-	-
	ARRIL	-	-	-	0.53	-	0.47	-	-	-	-	-	-	-	-	-
6	Advance against contract															
	MBCPNL	-	-	-	-	-	181.90	-	-	-	-	-	-	-	-	-
7	Trade Payable															
	SEL	2.19	63.15	71.25	-	-	-	-	-	-	-	-	-	-	-	-
8	Interest Receivable															
	AJTL	-	-	-	7.70	39.49	4.26	-	-	-	-	-	-	-	-	-
	BRTPL	-	-	-	2.20	-	0.78	-	-	-	-	-	-	-	-	-
	DPTL	-	-	-	-	4.58	-	-	-	-	-	-	-	-	-	-
	HYTPL	-	-	-	0.77	4.34	3.07	-	-	-	-	-	-	-	-	-

Sr. No.	Parti-culars	Holding			Subsidiaries			Enterprises over which holding Company is able to exercise significant influence			Fellow Subsidiary			Key Management Personnel		
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
	MBCPNL	-	-	-	2.53	5.69	23.86	-	-	-	-	-	-	-	-	-
	MNEL	-	-	-	-	-	-	-	-	38.14	-	-	-	-	-	-
	NSEL	-	-	-	178.09	114.21	69.98	-	-	-	-	-	-	-	-	-
	RHTPL	-	-	-	8.35	-	-	-	-	-	-	-	-	-	-	-
	RPTPL	-	-	-	185.28	109.92	44.88	-	-	-	-	-	-	-	-	-
	SUTPL	-	-	-	2.29	0.09	-	-	-	-	-	-	-	-	-	-
	SBHPL	-	-	-	0.04	-	-	-	-	-	-	-	-	-	-	-
	SNHPL	-	-	-	0.05	-	-	-	-	-	-	-	-	-	-	-
	SRHPL	-	-	-	0.04	-	-	-	-	-	-	-	-	-	-	-
	SUHPL	-	-	-	0.03	-	-	-	-	-	-	-	-	-	-	-
9	Expense receivable															
	BRTPL	-	-	-	-	-	1.08	-	-	-	-	-	-	-	-	-
	DPTL	-	-	-	-	0.25	-	-	-	-	-	-	-	-	-	-
	MBCPNL	-	-	-	63.59	28.89	4.97	-	-	-	-	-	-	-	-	-
	NSEL	-	-	-	0.00	-	-	-	-	-	-	-	-	-	-	-
	MBHPL	-	-	-	-	-	-	-	-	-	-	-	8.12	-	-	-
	SUTPL	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-
	SBNHPL	-	-	-	0.02	-	-	-	-	-	-	-	-	-	-	-
	SBHPL	-	-	-	0.05	-	-	-	-	-	-	-	-	-	-	-
	SNHPL	-	-	-	0.04	-	-	-	-	-	-	-	-	-	-	-
	SRHPL	-	-	-	0.04	-	-	-	-	-	-	-	-	-	-	-
	SUHPL	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-
10	Expense Payable															
	SEL	6.39	97.72	68.99	-	-	-	-	-	-	-	-	-	-	-	-
	RPTPL	-	-	-	-	-	0.07	-	-	-	-	-	-	-	-	-
11	Unsecured Loan Taken															
	SEL	4,357.64	5,326.39	4,664.11	-	-	-	-	-	-	-	-	-	-	-	-
	ARRIL	-	-	-	68.31	-	13.38	-	-	-	-	-	-	-	-	-
12	Interest on 0.01% unsecured CCD															
	SEL	-	-	0.14	-	-	-	-	-	-	-	-	-	-	-	-
13	Payable for Share acquisition															
	SEL	-	163.71	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Interest Free Unsecured Loan (Equity and liability components less finance cost recognised till date reporting date)															
	SEL	779.56	779.56	779.56	-	-	-	-	-	-	-	-	-	-	-	-
15	Managerial Remuneration Payable															
	Vasistha Patel	-	-	-	-	-	-	-	-	-	-	-	-	-	0.33	0.25

Notes:

1. Non convertible debenture of INR 8,005.41 Million as at 31 March 2017 (31 March 2016: INR 5,005.41 million, April 1, 2015: INR 5,112.00 million) is guaranteed by the corporate guarantee of Sadbhav Engineering Limited, the holding Company and Non convertible debenture of INR 5,005.41 Million as at 31 March 2017 (31 March 2016: INR 5,005.41, April 1, 2015: INR 5,112.00 million) personal guarantee of Mr. Vishnubhai Patel (Promoter of holding Company (SEL)). Further, Sadbhav Engineering Limited has pledged 16% of its shareholding in the Company to the lenders toward borrowings availed by the Company.
2. The sale of service include unearned revenue of INR 62.08 Million (31 March 2016: INR 64.34 million) and unbilled revenue of INR 22.21 million (31 March 2016: INR 15.09 million) accounted during the year as of the order from its subsidiaries as per the Company policy.
3. During the year, the Company has converted short term loan given to a subsidiary of INR 80.00 Million (Previous year: INR 140.00 Million) into a sub-ordinate debts, the movement of the same disclosed under respective items.
4. The unsecured loans given to subsidaries Company is based on business needs of the subsidiaries Company in accordance with Lender's Loan agreements and Sponsor Support and Equity Contribution Agreement of the respective SPV entities. The loan given to subsidaries on demand basis which carries interest of 9.19% to 11.20% based on cost of fund of respective subsidaries entities.
5. The Remuneration disclosed above given to key managerial personnel is mainly related to short term employee benefits and does not includes post employee benefits as the same is not determinable.

41 Contingent liabilities and commitments

I Contingent Liabilities **(INR in Million)**

	March 31, 2017	March 31, 2016	April 01, 2015
Claims against the Company not acknowledged as debts			
Service Tax*	43.48	43.48	43.48
	43.48	**43.48**	**43.48**

* Towards service tax demand from authorities for recovery of CENVAT credit on input service availed during the financial years 2009-10 and 2010-11. In respect of said matter, the Company has preferred appeal with Tribunal, and received stay order from tribunal for recoveries of demands against deposit of 2.5 Millions. The matter is pending with Tribunal as at reporting date.

II The minority Shareholder of Bijapur Hungund Tollway Private Limited ('BHTPL') (a subsidiary of the Complany) has filed Company Petition under sections 397 and 398 of the Companies Act,1956 before the Hon'ble Company Law Board (CLB), Mumbai Bench, alleging acts of oppression and mismanagement by the majority shareholders Company, SEL (Sadbhav Group) and the past and present Directors of the BHTPL appointed by the Sadbhav Group (hereinafter referred to as "Respondents"). The Company had filed an Application to stay proceedings before the CLB and refer matters to arbitration on the ground that all disputes raised in the Company Petition were arbitrable and should therefore be referred to arbitration under the arbitration clause contained in the Shareholders Agreement dated July 9, 2010 between Montecarlo, BHTPL and the Company. The said Application was dismissed by the CLB by Order dated January 8, 2014. The Company then proceeded to file a Writ Petition before the Hon'ble Gujarat High Court challenging the January 8, 2014 CLB Order. The Writ Petition was dismissed by single judge of Honourable High Court of Gujarat by Order dated August 14, 2014. The Company has filed Letters Patent Appeal No.1070 of 2014 before the Division Bench of the Hon'ble Gujarat High Court against the August 14, 2014 Hon'ble Gujarat High Court Order.The Hon'ble Gujarat High Court has passed order dated November 24, 2014 continued the interim orders passed during the pendency of the Writ Petition and further directed to stay proceedings before CLB till disposal of LPA. The LPA is, pending hearing before the Hon'ble Gujarat High Court. The Management represents that no liability is likely to devolve in the matter on the Company.

III Commitments

The followings are the estimated amount of contractual commitments of the Company: **(INR in Million)**

	March 31, 2017	March 31, 2016	April 01, 2015
(i) EPC Sub-Contract Commitments	786.87	388.31	438.54
(ii) Other Commitments towards sub ordinate debts/equity shares in various subsidiaries	3,465.82	-	1,261.60

(iii) The BOT projects of subsidiary companies viz. ARRIL, AJTL, MBCPNL, BHTPL, HYTPL, RPTPL, NSEL, SUTPL, BRTPL,RHTPL, DPTL, SBHPL, SNHPL, SUHPL and SBHPL have been funded through various credit facility agreements with banks. Against the said facilities availed by the subsidiary companies from the banks, the Company has executed agreements with respective lenders whereby the Company has committed to hold minimum shareholding and pledge of its holding in the respective subsidiary Company, details of which is as follows:

Name of Subsidiary	% of Non Disposal Undertaking		% of Shares to Pledge As at March 31, 2017	% of Shares to Pledge As at March 31, 2016	% of Shares to Pledge As at April 1, 2015
	Upto Commercial Operation Date	After Commercial Operation Date			
ARRIL	70.00%	45.00%*	6.00%	30.00%	24.00%
AJTL	21.00%	21.00%	30.00%	51.18%	51.18%
BRTPL	51.00%	51.00%	51.00%	51.00%	51.00%
BHTPL	51.00%	51.00%	92.23%	26.00%	26.00%
HYTPL	51.00%	51.00%	81.01%	51.01%	51.01%
MBCPNL	70.00%	51.00%	29.57%	43.13%	43.13%
NSEL	30.00%	30.00%	99.00%	99.00%	30.00%
RHTPL	51.00%	51.00%	51.00%	51.00%	51.00%
RPTPL	51.00%	51.00%	51.00%	51.00%	51.00%
SUTPL	51.00%	51.00%	51.00%	51.00%	51.00%
DPTL	51.00%	33.00%	33.00%	33.00%	NA
SUHPL	51.00%	51.00%	30.00%	NA	NA
SBHPL	51.00%	51.00%	30.00%	NA	NA
SRHPL	51.00%	51.00%	30.00%	NA	NA
SNHPL	51.00%	51.00%	30.00%	NA	NA

* In case of ARRIL the undertaking for non disposal of shares shall be reduced to 21% on repayment of 80% of the total Loan given by lenders.

(iv) The Company has agreed to acquire 74% equity shareholding of Mysore-Bellary Highway Pvt.Ltd. (MBHPL) from Sadbhav Engineering Limited (SEL) as per agreement dated November 3, 2014, subject to regulatory approvals.

42 In the previous year, the Company had transferred its rights in the 1,04,00,000 equity shares of Mumbai Nasik Expressway Limited (MNEL) at a consideration of INR 720.00 million. The profit made on sale of rights in equity shares of INR 616.00 million (i.e. net of cost of INR 104.00 million) had been accounted as an exceptional item in the statement of profit and loss for year ended March 31, 2016.

43 The following are the details of loans and advances in the nature of loans (includes in the nature of sub-ordinate debts) given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53(F) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2015).

(INR in Million)

Name of Entities	Outstanding amount as at			Maximum amount Outstanding during the year		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Ahmedabad Ring Road Infrastructure Limited	-	-	-	-	13.20	-
Aurangabad Jalna Toll Way Limited	546.44	828.48	790.76	837.48	835.28	932.37
Bijapur Hungund Tollway Private Limited	843.92	843.92	843.92	843.92	843.92	843.92
Bhilwara-Rajsamand Toll way Private Limited	1,256.45	1,289.60	1,171.50	1,256.45	1,507.29	1,195.05
Dhule Palesnar Tollway Limited	3,525.40	3,406.04	1,538.89	3,574.61	3,406.04	1,538.89
Hyderabad Yadgiri Tollway Private Limited	1,252.21	1,194.87	1,179.68	1,252.21	1,201.08	1,179.68
Maharashtra Border Check Post Network Limited	4,446.80	3,877.93	4,514.33	4,446.80	4,720.31	4,851.68
Nagpur Seoni Express Way Limited	936.71	674.74	656.95	936.71	674.74	722.31
Rohtak Hissar Tollway Private Limited	1,321.47	1,281.04	969.12	1,215.99	1,323.26	989.82
Rohtak Panipat Tollway Private Limited	3,170.06	2,764.36	2,764.36	3,170.06	2,764.36	2,803.89
Shreenathji-Udaipur Toll way Private Limited	2,929.25	2,790.77	1,645.57	2,939.50	2,790.77	1,645.57
Mumbai Nasik Express Way Limited	-	-	137.16	-	137.16	162.58
Mysore-Bellary Highway Private Limited	7.40	7.40	0.90	32.20	7.40	38.47
Sadbhav Bhavnagar Highway Private Limited	306.66	-	-	306.66	-	-
Sadbhav Nainital Highway Private Limited	291.52	-	-	291.52	-	-
Sadbhav Rudrapur Highway Private Limited	276.45	-	-	276.45	-	-
Sadbhav Una Highway Private Limited	186.34	-	-	186.34	-	-

Note: All loans are given on interest bearing excepts loan given as sub-debts (in the nature of promotors contribution) by the Company (as a sponsor) in accordance with the Lender's Loan agreement and Sponsor Support and Equity Contribution agreement with the respective SPV entities.

44 Disclosure Significant interest in subsidiaries as per Ind AS 27 para 17.

Name of Entities	Relationship	Place of Business	Ownership %	
			March 31, 2017	March 31, 2016
Ahmedabad Ring Road Infrastructure Limited (ARRIL)	Subsidary	India	100%	100%
Aurangabad Jalna Toll Way Limited (AJTL)	Subsidary	India	100%	100%
Bijapur Hungund Tollway Private Limited (BHTPL)	Subsidary	India	77%	77%
Hyderabad Yadgiri Tollway Private Limited (HYTPL)	Subsidary	India	100%	100%
Rohtak Panipat Tollway Private Limited (RPTPL)	Subsidary	India	100%	100%
Maharashtra Border Check Post Network Limited (MBCPNL)	Subsidary	India	91%	78%
Nagpur Seoni Express Way Limited (NSEWL)	Subsidary	India	100%	100%
Shreenathji-Udaipur Toll way Private Limited (SUTPL)	Subsidary	India	100%	100%
Bhilwara-Rajsamand Toll way Private Limited (BRTPL)	Subsidary	India	100%	100%
Rohtak Hissar Tollway Private Limited (RHTPL)	Subsidary	India	100%	100%
Dhule Palesnar Tollway Limited (DPTL) (w.e.f. October 29, 2015)	Subsidary	India	100%	100%
Sadbhav Bhavnagar Highway Private Limited (SBHPL) (w.e.f June 20, 2016)	Subsidary	India	100%	NA
Sadbhav Nainital Highway Private Limited (SNHPL) (w.e.f May 01, 2016)	Subsidary	India	100%	NA
Sadbhav Rudrapur Highway Private Limited (SRHPL) (w.e.f May 01, 2016)	Subsidary	India	100%	NA
Sadbhav Una Highway Private Limited (SUHPL) (w.e.f June 22, 2016)	Subsidary	India	100%	NA
Sadbhav Bangalore Highway Private Limited (SBGHPL) (w.e.f. October 29, 2016)	Subsidary	India	100%	NA

45 Financial Risk Management

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 as well development and maintenance of SPVs project. The Company's principal financial assets include Investments, other receivables and cash and bank balances.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance

The Board of Directors have 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.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 25-basis points of the interest rate yield curves in all currencies

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017, March 31, 2016 and April 1, 2015.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the Company mainly from Long term borrowings with variable rates. The Company maintains its borrowings at fixed rate using interest rate swaps to achieve this when necessary. The Company manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. The Company measures risk through sensitivity analysis.

The banks are now finance at variable rate only, which is the inherent business risk.

Interest rate sensitivity

The Company is not exposed to interest rate risk because its borrowings in Non convertible debenture carries fixed interest rate.

(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 exposed to credit risk related to operating activities (primarily trade receivables and other financial assets), financing activities including temporary Investment in mutual fund and other financial instruments.

Trade receivable mainly consist of receivable from related parties. Accordingly, the Company is not exposed to credit risk in relation to Trade receivable.

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only in accordance with Company policy. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk from balance with bank and financial instructions as of March 31, 2017 is INR 56.82 million, March 31, 2016 is INR 67.05 million and April 1, 2015 is INR 36.08 million.

(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 Company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

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

(INR in Million)

Particular	Total Amount	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
As at March 31, 2017						
Bonds and Debentures	8,005.41	-	210.81	1,350.27	5,694.33	750.00
Long Term Loan from Related Parties	779.56	-	-	-	-	779.56
Interest Accrued on Borrowings	2,291.63	-	-	412.27	1,440.69	438.68
Loans Repayable on Demand	4,543.55	4,543.55	-	-	-	-
Trade Payables	491.20	-	491.20	-	-	-
Other Payables	388.39	-	388.39	-	-	-
Total	**16,499.73**	**4,543.55**	**1,090.40**	**1,762.54**	**7,135.02**	**1,968.24**
As at March 31, 2016						
Bonds and Debentures	5,005.41	-	-	210.81	4,794.60	-
Long Term Loan from Related Parties	779.56	-	-	-	-	779.56
Interest Accrued but not due on Borrowings	896.22	-	-	-	896.22	-
Loans Repayable on Demand	5,536.39	5,536.39		-	-	-
Trade Payables	462.35	-	462.35	-	-	-
Other Payables	288.97	-	288.97	-	-	-
Total	**12,968.90**	**5,536.39**	**751.32**	**210.81**	**5,690.82**	**779.56**
As at April 01, 2015						
Bonds and Debentures	5,005.41	-	-	-	3,102.71	1,902.70
Long Term Loan from Banks	1,800.00	-	360.00	450.00	990.00	-
Long Term Loan from Related Parties	779.56	-	-	-		779.56
Interest Accrued on Borrowings	896.22	-	-	-	617.42	278.80
Loans Repayable on Demand	4,887.49	4,887.49	-	-	-	-
Trade Payables	282.78	-	282.78	-	-	-
Other Payables	731.97	-	731.97	-	-	-
Total	**14,383.42**	**4,887.49**	**1,374.75**	**450.00**	**4,710.13**	**2,961.06**

46 Capital Management

For the purpose of the Company's capital management, Capital consist of share capital, Securities Premium, Other equity 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. The Company monitors capital using debit equity ratio which does not exceed 2:1 which is total Borrowings divided by total equity.

The key performance ratios as at 31 March are as follows **(₹ in Million)**

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current Borrowings* (refer note 17)	8,321.63	5,290.30	5,262.07
Other Non-current Financial Liabilities (refer note 21)	652.56	321.64	9.42
Current Borrowings (refer note 19)	4,543.55	5,536.39	4,887.49
Total Debts - A	**13,517.74**	**11,148.34**	**10,158.98**
Equity Share Capital (refer note 15)	3,522.25	3,522.25	3,109.63
Other Equity (refer note 16)	9,905.04	9,441.32	5,892.30
Total Equity - B	**13,427.29**	**12,963.57**	**9,001.93**
Debt equity ratio (A/B)	**1.01**	**0.86**	**1.13**

* Includes current maturities of non current borrowing disclosed under other current financial liabilities.

47 First time adoption of Ind AS

These financial statements, for the year ended 31 March, 2017 are the first Ind AS financial statements, the Company has prepared in accordance with Ind AS. For periods upto and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the companies Act, 2013 read with paragraph 7 of the companies (Account) Rules, 2014 (Previous GAAP).

Accordingly, The Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March, 2017 together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. This note explains the principle adjustments made by the Company in restating its previous GAAP financial statements including the balance sheet as at 1st April 2015 , and the previously published Previous GAAP financial statements as at and for the year ended March 31, 2016.

A Exemptions applied

Ind AS 101 "First-time Adoption of Indian Accounting Standards" allows first-time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

Ind AS optional exemptions

a. Deemed cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant Equipments and Investment property as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its Property, Plant Equipments and Investment property, as recognised in its previous GAAP financials, as deemed cost at the transition date.

b. Investment in subsidiaries, Joint Ventures and Associate

The Company has elected to measure its investments in subsidiaries in separate financial statements at their previous GAAP carrying amount on the date of transition to Ind AS.

Ind AS mandatory exceptions

a. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

b. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B Reconciliation between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliation from previous GAAP to Ind AS:

a. Reconciliation of equity as at March 31, 2016 and April 1, 2015 **(INR in Million)**

Particulars	Note No.	March 31, 2016	April 1, 2015
Equity as per previous GAAP	**A**	**12,458.23**	**8,435.92**
Adjustments as per IND AS			
Equity component of compound financial instrument (Gross)		532.22	532.22
Finance cost recognised on liability component of compound financial instruments		(37.54)	(9.31)
Equity component of compound financial instrument (Net)	i	494.68	522.91
Finance cost recognised on amortised cost of financial liability	ii	10.66	43.10
Total Ind AS Adjustments	**B**	**505.34**	**566.01**
Equity as per Ind AS	**(C=A+B)**	**12,963.57**	**9,001.93**

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016 **(INR in Million)**

Particulars	Note No.	March 31, 2016
Profit after tax as per Previous GAAP		10.38
Adjustments as per IND AS		
Finance cost recognised on liability component of compound financial instruments	i	(28.23)
Finance cost recognised on amortised cost of financial liability	ii	(32.44)
Reclassification of re-measurement gains on defined benefit plans to OCI	iii	0.06
Total Ind AS Adjustments		**(60.61)**
Profit after tax as per Ind AS		**(50.23)**
Other Comprehensive Income (OCI)		
Other Comprehensive income (net of tax)	iv	
Re-measurement gains on defined benefit plans	iii	(0.06)
Total Comprehensive Income as per Ind AS		**(50.29)**

Impact of Ind AS adoption on statement of cash flows for the year ended March 31, 2016 **(INR in Million)**

Particulars	Previous GAAP	Adjustments	Ind AS
Net Cash Flows from Operating Activities	(85.42)	314.30	228.88
Net Cash Flows from Investing Activities	(1,977.99)	-	(1,977.99)
Net Cash Flows from Financing Activities	2,094.38	(314.30)	1,780.08
Net Increase / (Decrease) in cash and cash equivalents	**30.97**	**-**	**30.97**
Cash and cash equivalents as at April 01, 2015	15.00	-	15.00
Cash and cash equivalents as at March 31, 2016	**45.97**	**-**	**45.97**

C Footnotes to the reconciliation of profit and loss for the year ended March 31, 2016 and equity as at April 01, 2015 and March 31, 2016:

i. Equity Component of Financial Instrument

Under previous GAAP, Interest free loan received from promoters were disclosed under long term borrowings. Under Ind AS, the Interest free loan has been separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised using the effective interest method.

ii. Finance cost recognition on account of amortised cost of financial liability:

Under Previous GAAP, transaction costs incurred in connection with borrowings are charged off upfront to statement of profit or loss. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

iii. Re-measurement gain / loss on defined benefit plan

Under Ind AS, re-measurement i.e. actuarial gain loss excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurement were forming part of the profit or loss for the year.

iv. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income and expense that are not recognised in profit or loss but are shown in the Statement of profit and loss as "other comprehensive income" includes re-measurement of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

48 Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt this standard when it becomes effective.

Amendment to Ind AS 7 'Statement of cash flows':

The Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017 in March 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

This standard will come into force from accounting period commencing on or after 1 April 2017. The Company will adopt the new standard on the required effective date. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

49 Disclosure in respect of Specified Bank Notes (SBNs) held and transacted:-

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(Amount in INR

Particular	Specified Bank Notes (SBNs)*	Other Denomination Notes & coins	Total
Closing Cash in hand as on November 8, 2016	**-**	**5,785**	**5,785**
Add: Permitted Receipt	-	25,000	25,000
Less: Permitted Payments	-	(16,557)	(16,557)
Less: Amount deposited in Banks	-	-	-
Closing Cash in hand as on December 30, 2016	**-**	**14,228**	**14,228**

* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No. 101974

Date : 18 May, 2017
Place : Ahmedabad

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No.: 106041W/W100136

per K. B. Solanki
Partner
Membership No. 110299

Date : 18 May, 2017
Place : Ahmedabad

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

Vasistha Patel
Managing Director
DIN : 00048324

Shashin Patel
Director
DIN : 00048238

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

Consolidated Financial Statements

Independent Auditors' Report *on the Consolidated Financial Statements*

To,
The Members of **Sadbhav Infrastructure Project Limited**

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Sadbhav Infrastructure Project Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2017, their consolidated loss including other comprehensive income and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 56 of the consolidated Ind AS financial statement in respect of accounting of Intangible Asset / Intangible Assets under Development of INR 1,883.09 million (31 March 2016: INR 1,740.57million) under the Service Concession Arrangement of Maharashtra Border Check Post Network Limited, a subsidiary company, based upon recommendation made by the project lenders' engineer and technical experts appointed by project authorities. Pending final approval by the Government of Maharashtra, no further cost adjustments are considered necessary in these consolidated Ind AS financial statement. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports, we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss (including the Statement of Other Comprehensive Income) the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account mentioned for the purpose of preparation of the consolidated Ind AS financial statement;
(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended;
(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure" to this report;
(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate Ind AS financial statements as also the other financial information of the subsidiaries as noted in the 'Other matter' paragraph:
    i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group–Refer Note 43 to the consolidated Ind AS financial statements;
    ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.
    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India during the year ended March 31, 2017.
    iv. The Holding Company and subsidiaries incorporated in India, have provided requisite disclosures in Note 54 to these consolidated Ind AS financial statements as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures performed and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group as produced to us by the Management of the Holding Company.

Other Matter

We did not audit the financial statements and other financial information, in respect of four subsidiaries whose Ind AS financial statements include total assets of INR 13,898.21 million and net assets of INR 604.30 million as at March 31, 2017, and total revenues of INR 2,454.76 million and net cash outflows of INR 29.00 million for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number : 324982E/E300003

per **Sukrut Mehta**
Partner
Membership Number : 101974

Place of Signature : Ahmedabad
Date : May 18, 2017

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration Number : 106041W/W100136

per **K. B. Solanki**
Partner
Membership Number : 110299

Place of Signature : Ahmedabad
Date : May 18, 2017

Annexure to the Independent Auditor's report of even date on the consolidated Ind AS Financial Statements of Sadbhav Infrastructure Project Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Sadbhav Infrastructure Project Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Sadbhav Infrastructure Project Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number : 324982E/E300003

per **Sukrut Mehta**
Partner
Membership Number : 101974

Place of Signature : Ahmedabad
Date : May 18, 2017

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration Number : 106041W/W100136

per **K. B. Solanki**
Partner
Membership Number : 110299

Place of Signature : Ahmedabad
Date : May 18, 2017

Consolidated Balance Sheet *as at March 31, 2017*

(INR in Million)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
1 Non-current assets				
(a) Property plant and equipment	5	202.20	214.52	214.64
(b) Capital work-in-progress	5	-	-	6.68
(c) Investment property	7	20.83	20.83	19.94
(d) Goodwill on consolidation	6	2,043.74	2,043.74	1,332.75
(e) Other Intangible assets	6	93,140.60	79,107.48	50,223.22
(f) Intangible assets under development	6	1,830.85	15,789.79	17,286.85
(g) Financial asset				
(i) Investments	9	0.02	0.02	1,553.30
(ii) Receivable under service concession arrangement	11	2,012.03	2,010.91	2,205.32
(iii) Other financial asset	13	590.03	351.36	456.03
(h) Deferred tax assets (net)	35	72.11	-	-
(i) Other non-current assets	15	389.83	384.31	2,288.64
Total Non-current assets		**1,00,302.24**	**99,922.96**	**75,587.37**
2 Current assets				
(a) Inventories	8	-	4.26	-
(b) Financial assets				
(i) Investments	9	558.26	243.69	49.09
(ii) Trade receivables	10	5.39	55.93	8.24
(iii) Cash and cash equivalents	12	503.89	871.68	1,674.55
(iv) Bank Balances other than above (iii)	12	21.08	21.08	21.08
(v) Loans	14	177.78	177.77	556.90
(vi) Receivable under service concession arrangement	11	1,787.13	383.96	383.96
(vii) Other current financial assets	13	935.05	480.81	827.47
(c) Current tax assets (net)	16	1.18	88.60	-
(d) Other current assets	15	129.56	121.73	585.24
Total Current assets		**4,119.32**	**2,449.51**	**4,106.53**
Total Assets		**1,04,421.56**	**1,02,372.47**	**79,693.90**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	17	3,522.25	3,522.25	3,109.63
Other equity	18	(2,805.78)	1,032.09	658.21
Equity attributable to equity holders of the parent		**716.47**	**4,554.34**	**3,767.84**
Non controlling interest		262.29	(68.42)	50.47
Total equity		**978.76**	**4,485.92**	**3,818.31**
LIABILITIES				
1 Non-Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	19	76,359.81	73,039.74	56,650.61
(ii) Other financial liabilities	23	14,126.91	11,895.19	8,566.18
(b) Provisions	21	1,616.11	1,470.65	656.01
(c) Deferred tax liabilities (net)	35	660.44	698.84	-
Total Non-current liabilities		**92,763.27**	**87,104.42**	**65,872.80**
2 Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	20	4,578.24	5,639.39	4,977.11
(ii) Trade payables	22	1,007.11	770.74	838.27
(iii) Other financial liabilities	23	3,855.24	3,879.06	3,633.23
(b) Provisions	21	1,001.10	276.93	2.48
(c) Other current liabilities	24	189.61	216.01	458.15
(d) Current tax liabilities (net)	25	48.23	-	93.55
Total Current liabilities		**10,679.53**	**10,782.13**	**10,002.79**
Total Equity and Liabilities		**1,04,421.56**	**1,02,372.47**	**79,693.90**
Summary of significant accounting policies	3			

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No. 101974

Date : 18 May, 2017
Place : Ahmedabad

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No.: 106041W/W100136

per K. B. Solanki
Partner
Membership No. 110299

Date : 18 May, 2017
Place : Ahmedabad

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

Vasistha Patel
Managing Director
DIN : 00048324

Shashin Patel
Director
DIN : 00048238

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

Consolidated Statement of Profit and Loss *for the year ended March 31, 2017*

(INR in Million)

Particulars	Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
INCOME			
I Revenue from operations	26	13,480.09	19,709.66
II Other income	27	558.81	387.50
III Total Income (I+II)		**14,038.90**	**20,097.16**
IV EXPENSES			
Consumption of project material	28	245.54	-
Construction expenses	29	1,350.72	10,749.63
Operating expenses	30	2,270.65	1,643.68
Employee benefits expenses	31	414.77	308.77
Finance costs	32	10,561.72	9,773.03
Depreciation and amortisation	33	2,210.90	1,355.46
Other expenses	34	509.55	514.49
Total Expenses		**17,563.85**	**24,345.06**
V (Loss) before exceptional items and tax (III - IV)		**(3,524.95)**	**(4,247.90)**
VI Exceptional Item	58	-	616.00
VII (Loss) before tax (VI + VII)		**(3,524.95)**	**(3,631.90)**
VIII Tax expense:			
(a) Current Tax		133.79	1.77
(b) Deferred Tax		(57.99)	(12.15)
(c) Adjustment of tax relating to earlier years		0.23	(96.33)
Total tax expense (a+b+c)		**76.04**	**(106.71)**
IX Net (Loss) for the year (VII-VIII)		**(3,600.99)**	**(3,525.19)**
Loss for the year attributable to:			
Owners of the company		(3,531.44)	(3,406.20)
Non-controlling Interest		(69.55)	(118.99)
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent period:			
Re-measurement (losses)/gains on defined benefit plans (refer note 40)		(8.65)	1.23
Income tax effect		-	-
X Total Other Comprehensive Income for the year, net of tax		**(8.65)**	**1.23**
XI Total Comprehensive Income for the year (IX + X)		**(3,609.64)**	**(3,523.96)**
Total Comprehensive Income for the year attributable to:			
Owners of the company		(3,539.89)	(3,405.08)
Non-controlling Interest		(69.75)	(118.88)
Earning (Loss) Per Share [Value of shares INR 10 each]			
Basic & Diluted	39	(10.05)	(10.20)
Summary of significant accounting policies	3		
The accompanying notes are an integral part of these consolidated financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No. 101974

Date : 18 May, 2017
Place : Ahmedabad

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No.: 106041W/W100136

per K. B. Solanki
Partner
Membership No. 110299

Date : 18 May, 2017
Place : Ahmedabad

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

Vasistha Patel
Managing Director
DIN : 00048324

Shashin Patel
Director
DIN : 00048238

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

Consolidated Statement of Changes in Equity for the year ended March 31, 2017

A Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	Nos.	INR in Million
As at 1 April 2015	**31,09,63,081**	**3,109.63**
Addition during the period	4,12,62,135	412.62
As at 31 March 2016	**35,22,25,216**	**3,522.25**
Addition during the period	--	--
As at 31 March 2017	**35,22,25,216**	**3,522.25**

B Other Equity **(INR in Million)**

	Attributable to the equity holders of the parent							
		Reserves and Surplus						
Particulars	**Equity Component of Compound Financial Instrument (Note 18)**	**Securities Premium (Note 18)**	**Capital Reserve (Note 18)**	**Debenture Redemption Reserve (Note 18)**	**Retained Earning (Note 18)**	**Total**	**Non Controlling Interest**	**Total**
As at April 1, 2015	532.22	5,387.44	75.80	109.21	(5,446.46)	658.21	50.47	**708.68**
Loss for the year	-	-	-	-	(3,406.20)	(3,406.20)	(118.99)	**(3,525.19)**
Other Comprehensive Income								
Remeasurement gain on defined benefit plans	-	-	-	-	1.12	1.12	0.11	**1.23**
Total Comprehensive Income for the year	-	-	-	-	(3,405.08)	(3,405.08)	(118.88)	**(3,523.95)**
Premium on Issue of equity shares	-	3,837.38	-	-	-	3,837.38	-	**3,837.38**
Adjustment of share issued expenditure	-	(238.07)	-	-	-	(238.07)	-	**(238.07)**
Addition in compound financial instrument	179.65	-	-	-	-	179.65	-	**179.65**
As at March 31, 2016	**711.87**	**8,986.75**	**75.80**	**109.21**	**(8,851.54)**	**1,032.09**	**(68.41)**	**963.67**
As at April 1, 2016	711.88	8,986.75	75.80	109.21	(8,851.54)	1,032.09	(68.41)	**963.67**
Loss for the year	-	-	-	-	(3,531.44)	(3,531.44)	(69.55)	**(3,600.99)**
Other Comprehensive Income								
Remeasurement (loss) on defined benefit plans	-	-	-	-	(8.45)	(8.45)	(0.20)	**(8.65)**
Total Comprehensive Income for the year	-	-	-	-	(3,539.89)	(3,539.89)	(69.75)	**(3,609.64)**
Addition in compound financial instrument	-	-	-	-	-	-	49.96	**49.96**
Adjustment on account of acquisition of Non-controlling interest (refer note 1 below)	(179.65)	-	-	-	(170.85)	(350.50)	350.50	**-**
Transfer to debenture redemption reserve	-	-	-	224.34	(224.34)	-	-	**-**
Adjustment on account of deferred tax assets	-	52.52	-	-	-	52.52	-	**52.52**
As at March 31, 2017	**532.22**	**9,039.27**	**75.80**	**333.55**	**(12,786.62)**	**(2,805.78)**	**262.30**	**(2,543.48)**

Notes

1. Pursuant to share transfer agreement dated January 16, 2017 between the Group, Sadbhav Engineering Limited, D Thakkar Construction Private Limited and DTC Toll Projects Private Limited, with respect to shares of MBCPNL, the minority interest in the MBCPNL has been reduced to at 9%.

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No. 101974

Date : 18 May, 2017
Place : Ahmedabad

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per K. B. Solanki
Partner
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Sadbhav Infrastructure Project Limited

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Managing Director
DIN : 00048324

Shashin Patel
Director
DIN : 00048238

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

Consolidated Cash Flow Statement *for the year ended on March 31, 2017*

(INR in Million)

Particulars		Year Ended March 31, 2017	Year Ended March 31, 2016
(A) Cash flows from operating activities			
(Loss) before tax as per Consolidated Statement of Profit and Loss		**(3,524.95)**	**(3,631.90)**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation		2,210.90	1,355.46
Net gain on transfer of equity rights (refer note 58)		-	(616.00)
(Profit) / loss on sale of tangible assets		(0.06)	(17.14)
Interest and other borrowing cost		10,561.72	9,773.03
Profit on sale of Investments (net)		(48.11)	(45.31)
Periodic Major Maintenance Expense		1,301.05	-
Interest income		(245.65)	291.44
Bad debts written off and provision for doubtful debt		2.16	0.44
Sundry balances written back		(11.66)	(0.41)
Unrealised Gain/(loss) on Derivative Contract		(239.06)	28.16
Operating Profit before working capital changes		**10,006.34**	**7,137.77**
<u>Movement in Working Capital:</u>			
(Increase) /Decrease in trade receivables		50.54	(3.44)
Decrease / (Increase) in financial assets		(1,607.03)	701.20
Decrease / (Increase) in other assets		(71.87)	(65.83)
Decrease / (Increase) in Inventories		4.26	(4.26)
Increase /(Decrease) in trade payables		229.19	(67.13)
Increase /(Decrease) in other financial liabilities		(283.89)	(980.87)
Increase /(Decrease) in other liabilities		(26.40)	(242.14)
Increase in provisions		(587.22)	1,094.05
Cash generated from operations		**7,713.92**	**7,569.35**
Direct taxes paid (net of refund received)		60.15	(74.64)
Net cash generated from operating activities	**(A)**	**7,774.07**	**7,494.71**
(B) Cash flows from investing activities			
Purchase of PPE and other intangible assets (including Intangible asset under development)		(2,276.97)	(11,848.22)
Proceeds from sale of tangible assets		0.16	33.96
Proceeds from transfer of long term beneficial equity Interest		-	720.00
Payment towards acquisition of Subsidiary (including sub-ordinate debt taken over)		-	(550.29)
Unsecured loans given		(24.80)	(38.31)
Unsecured loan received back		24.80	137.16
Investments in bank deposits (having original maturity of more than three months)		(0.06)	(3,526.30)
Proceeds from bank deposits (having original maturity of more than three months)		-	3,558.88
Proceeds from sale of non-current investment		-	8.08
Payment towards purchase of non-current investment		-	(0.90)
Redemption / (Purchase) from sale of units of Mutual Fund (Net) (including realised gain)		(310.02)	(153.96)
Interest received		9.42	185.88
Net cash (used in) investing activities	**(B)**	**(2,577.48)**	**(11,474.02)**

***Consolidated Cash Flow Statement** for the year ended on March 31, 2017*

(INR in Million)

Particulars		Year Ended March 31, 2017	Year Ended March 31, 2016
(C) Cash Flows from financing activities		-	4,413.78
Proceeds from Initial Public Offer (IPO) of equity shares (including security premium)			
Repayment of excess amount received towards share application		(0.09)	(163.66)
Proceeds from subdebt from Minority shareholders		-	179.66
Share issue expenses		(0.97)	(170.90)
Proceeds from long-term borrowings		4,832.37	25,260.79
Repayment of long term borrowings		(1,015.35)	(18,503.39)
Proceeds from short-term borrowings		4,862.12	4,968.27
Repayment of short-term borrowings		(5,854.96)	(4,305.99)
Interest expense paid		(8,387.51)	(8,526.07)
Net cash generated / (used) from /in financing activities	**(C)**	**(5,564.39)**	**3,152.49**
Net increase in cash and cash equivalents	**(A+B+C)**	**(367.79)**	**(826.82)**
Cash and cash equivalents at beginning of the year		871.68	1,674.55
Cash and cash equivalents on acquisition of subsidiary		-	23.95
Cash and cash equivalents at end of the year		**503.89**	**871.68**
Notes:			
1. **Components of cash and cash equivalents: (refer note 12)**			
Cash on hand		45.26	38.22
Balances with scheduled banks:			
- In current accounts		458.51	581.24
- In current accounts earmarked for unpaid share application refund money		0.12	0.12
- In deposit accounts earmarked for Debt Service Reserve (DSR)		-	252.10
Cash and cash equivalents at end of the year		**503.89**	**871.68**

2. The above cash flow does not include receipts of INR Nil million (31 March 2016 : INR 666.57 million) towards proceeds of offer for sale (OFS) of Nil equity shares (31 March 2016: 6,471,524 equity shares) on behalf of the selling shareholders in the Initial Public Offering (IPO) which has also been repaid (net of expenditure related to OFS) to them during the year.
3. The cash flow statement has been prepared under indirect method as per Indian Accounting Standard-7 "Cash Flow Statement".
4. Figures in brackets represent cash outflows.

As per our report of even date

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Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
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Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

1. Company Information:

The Consolidated Financial Statements comprise of financial statements of Sadbhav Infrastructure Project Limited ('the Company' or 'SIPL') and its subsidiaries (collectively, 'the Group') for the year ended March 31, 2017. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at "Sadbhav House", Opp. Law Garden Police Chawki, Ellisbridge, Ahmedabad-380006.

The Group undertakes road and related infrastructure development projects directly or indirectly through Special Purpose Vehicles (SPVs) as per the concession agreements. The Company is a subsidiary of Sadbhav Engineering Limited ("SEL"), a company listed on Indian stock exchanges and engaged in providing engineering, procurement and construction services ("EPC") in the road and other infrastructure projects.

The consolidated financial statements were authorized for issue in accordance with a resolution of the directors on May 18, 2017.

2. Basis of preparation

2.1 The Consolidated financial statements of the Group 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, as amended thereafter.

For all period up to and including the year ended March 31, 2016, the Group has prepared its financial statement in accordance with the Accounting standards specified in Section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as "Indian GAAP") and other relevant provision of the Act. These financial statements for the year ended March 31, 2017 are the first financial statements that the Group has prepared in accordance with Ind AS. Refer to note 52 for information on how the Group adopted Ind AS.

The Consolidated financial statements have been prepared on accrual and a historical cost basis, except:

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

The Consolidated financial statements are presented in Indian Rupee ('INR') which is also the Group's functional currency and all values are rounded to the nearest Million (INR 000,000), except when otherwise indicated.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries listed in (vi) below as at 31 March 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has;

- Power over the investee (i.e. existing rights that give it the current liability to direct the relevant activities of investee)
- Exposure, or rights to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The Contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assessee whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e. year ended on 31 March.

Consolidation Procedure:

i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full, except as stated in point iv. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

iv. The Build, Operate & Transfer (BOT)/ Design, Build, Finance, Operate & Transfer (DBFOT) contracts are governed by service concession agreements with government authorities (Grantor). Under these agreements, the operator (Group Companies) which are Special Purpose Vehicles, does not own the Infrastructure assets, but gets toll collection/service fee rights against the construction services rendered. Since the construction revenue earned by the Group companies is considered as exchanged with the grantor against toll collection/service fee rights, profit from such contracts is considered as realised. Accordingly, the intra group transactions on BOT/DBFOT contracts and the profits arising thereon are taken as realised and not eliminated.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flow relating to transactions between members of the Group are eliminated in full on consolidation.

v. The following entities are considered in the Consolidated Financial Statements as well as the Company's voting power in entities listed below:

Sr. No.	Name of Entity	Proportion of Ownership Interest (%)		
		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
1.	Ahmedabad Ring Road Infrastructure Limited (ARRIL)	100%	100%	100%
2.	Aurangabad Jalna Tollway Limited (AJTWL)	100%	100%	100%
3.	Bijapur Hungud Tollway Private Limited (BHTPL)	77%	77%	77%
4.	Hyderabad Yadgiri Tollway Private Limited (HYTPL)	100%	100%	100%
5.	Maharashtra Border Check Post Network Limited (MBCPNL) (refer note 1 below)	91%	78%	78%
6.	Rohtak Panipat Tollway Private Limited (RPTPL)	100%	100%	100%
7.	Shreenathji-Udaipur Tollway Private Limited (SUTPL)	100%	100%	100%
8.	Bhilwara Rajsamand Tollway Private Limited (BRTPL)	100%	100%	100%
9.	Rohtak Hissar Tollway Private Limited (RHTPL)	100%	100%	100%
10.	Nagpur Seoni Expressway Limited (NSEL)	100%	100%	100%
11.	Dhule Palesner Tollway Limited (DPTL)(refer note 2 below)	100%	100%	1%
12.	Sadbhav Bhavnagar Highway Private Limited (SBHPL) (refer note 3 below)	100%	NA	NA
13.	Sadbhav Rudrapur Highway Private Limited (SRHPL) (refer note 3 below)	100%	NA	NA
14.	Sadbhav Una Highway Private Limited (SUHPL) (refer note 3 below)	100%	NA	NA
15.	Sadbhav Nainital Highway Private Limited (SNHPL) (refer note 3 below)	100%	NA	NA
16.	Sadbhav Bangalore Highway Private Limited (SBGHPL) (refer note 3 below)	100%	NA	NA

All the above entities has principal nature of activity is Infrastructure and are incorporated in India.

Notes:

1. In term of Memorandum of Understanding (MOU) dated January 17, 2017 between the Company and Sadbhav Engineering Limited ('SEL'), SEL reduced its commitment, to sell investment in MBCPNL to third party, from 22% to 9% and resultantly, transferred such 13% ownership / beneficial ownership in MBCPNL to the Company, raising its holding to 91%.
2. The Company has completed the 100% acquisition of equity shares in Dhule Palesner Tollway Limited ('DPTL') w.e.f October 29, 2015 in terms of restated share purchase agreement dated October 29, 2015 with JV partner HCC Concessions Limited ('HCC').
3. During the year, five new subsidiaries i.e. Sadbhav Bhavnagar Highway Private Limited (w.e.f. June 20, 2016), Sadbhav Rudrapur Highway Private Limited (w.e.f May 01, 2016), Sadbhav Una Highway Private Limited (w.e.f. June 22, 2016), Sadbhav Nainital Highway Private Limited (w.e.f. May 1, 2016) and Sadbhav Bangalore Highway Private limited (w.e.f. October 29, 2016) have been incorporated.

3. Summary of significant accounting policies

3.1 Business Combination and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has exercised exemption and elected not to apply Ind AS accounting for business combinations retrospectively.

The excess of cost to the group of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognized as 'Goodwill' being an asset in the Consolidated Financial Statements. This Goodwill is tested for impairment at the close of each financial year. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the group it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

3.2 Current versus non-current classification

The Group 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 Group 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 Group has identified twelve months as its operating cycle.

3.3 Foreign currency transactions:

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency.

Transaction and balances

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss with the exception of the following:

- Long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.4 Right arising from service concession arrangement

The Group builds infrastructure assets under public-to-private Concession Arrangements which it operates and maintains for periods specified in the Concession Arrangements.

Under the Concession Agreements, where the Group has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets" in accordance with Appendix A to Ind AS 11. Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the Group at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the subsidiary companies receives the completion certificate from the authority as specified in the Concession Agreement and in case of MBCPNL (entity operating multiple border checkposts in the state of Maharashtra), each check post is capitalised when the MBCPNL receives completion certificate from the authority. The economics of the project is for the entire length of the road / infrastructure as per the bidding submitted by the Group companies.

Under the Concession Agreements, where the Group has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as " Receivable under service concession arrangement" under financial assets.

Premium Capitalization

Under some of the concession agreements, the Group has contractual obligation to pay premium (concession fees) to National Highway Authority of India ("NHAI"), Grantor, over the concession period. Such obligation has been recognised upfront on an discounted basis when the project gets completed as per the Concession Agreements as 'Intangible assets – Toll Collection Right' and corresponding obligation for committed premium is recognised as liabilities.

Amortization

The intangible rights which are recognized in the form of right to charge users of the infrastructure asset are amortized on a systematic basis over its useful life using the pattern that reflects the pattern in which the assets' future economic benefits are expected to be consumed by the entities. The amortization charges for each period are recognized in the statement of profit or loss. With respect to toll road assets constructed and in operation as at March 31, 2016, the amortization of such intangible rights are based on actual revenue earned compared to total projected revenue from the project over the balance concession period to cost of intangible assets.

As required, total Projected traffic or revenue are reviewed by the management at the end of the each financial year and accordingly, the total projected traffic or revenue is adjusted to reflect any changes in the estimates which lead to the actual number of traffic or revenue at the end of the concession period.

3.5 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Toll collection and user fee income

The revenue is recognized in the period of collection which generally coincide as and when the traffic passes through toll-plazas.

Annuity income

Revenue from annuity based projects is recognised in the Statement of Profit and Loss over the concession period of the respective projects based on the implicit rate of return embedded in the projected cash flows. Such income is duly adjusted for any variation in the amount and timing of the cash flows in the period in which such variation occurs.

Contractual Income

Contract revenue and costs associated with project related activities are accrued and recognized by reference to the stage of completion of the projects at the reporting date. The stage of completion of a project is determined by the proportion that the contract cost incurred for work performed up to the reporting date bears to the estimated total contract costs.

Any excess revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed to the clients in accordance with the milestones completed as per the respective project, is accrued as “Unearned Revenue”.

Any short revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed to the clients in accordance with the milestones completed as per the respective project, is carried forward as “Unbilled Revenue”.

An expected loss on construction contract is recognized as an expense immediately when it is certain that total contract costs will exceed the total contract revenue.

Price escalation and other claims and/or variation in the contract work are included in contract revenue only when it probable that customer will accept the claim and the amount that is probable will be accepted by the customer can be measured reliably.

Income from sale of services
Revenue in respect of arrangements made for rendering services over specific contractual term is recognized on the contractual term of the arrangement. Service tax collected on behalf of the government is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

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 Group 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 investments is accrued in the year in which it is declared, whereby right to receive is established.

3.6 Property, Plant and Equipments:
Property, Plant and Equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost comprise the purchase price, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the assets to its working condition for its intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

De-recognition
An item of property, plant and equipments is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

Depreciation
Depreciation on Property, Plant and Equipments is provided on the written down value method basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual value, useful live and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7 Intangible assets:
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation
Software is amortized over management estimate of its useful life of 3-6 years

Intangible assets under development
Expenditure related to and incurred during implementation of project are included under "Intangible Assets under Development". The same will be transferred to the respective intangible assets on completion of project.

3.8 Impairment – Non-financial assets
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset which is based on the discounting of estimated 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 risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecasts calculation (DCF method). These budgets and forecast calculations are generally covering a period of the concession agreements using long terms growth rates applied to future cash flows.

Intangible assets with indefinite useful lives are tested for impairment annually as and when circumstances indicate that the carrying value may be impaired and charges to statement of profit and loss accounts.

3.9 Investment Property
Investment Property is measured initially at cost including related transaction costs. Such cost comprises the purchase price, borrowing cost if capitalization criteria are met. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

An investment property is de-recognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

3.10 Inventory
Project Inventories are valued at lower of cost and net realizable value. Cost comprise all cost of purchase, and other costs

incurred in bringing the inventories to their present location and condition. Cost of materials is determined on first-in-first-out basis. Net realizable value is the estimated selling price less estimated cost necessary to make the sale.

3.11 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. Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are expensed in the year they occur. Borrowing cost consist of interest and other costs that Group incurs in connection with the borrowing of funds as defined in Indian Accounting Standard 23 – Borrowing Cost.

3.12 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

3.13 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.

ii. Subsequent measurement of financial assets

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

- Financial assets at amortized cost
- 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 amortised cost**
  A 'debt instrument' is measured at the amortised cost if both the above conditions mentioned in "Financial assets at amortised cost" are met. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.
- **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 Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

iv. Impairment of financial assets

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

All financial liabilities are recognised initially at fair value, in case of loan and borrowings and payables, 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 (FVTPL).

  Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition 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 recognised in the statement of profit or loss.

- **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.

- **Financial guarantee contracts**

  Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet 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 recognised 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 Group currently has enforceable legal right to offset the re-cognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) **Derivative financial instruments**

The Group uses derivative financial instruments, such as options and interest rate swaps, to hedge its foreign currency risks and interest rate risks. These derivative contracts does not qualify for hedge accounting under Ind AS 109, financial instrument and are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss

3.14 Fair Value Measurement

The Group measures financial instruments such as derivatives and Investment in Mutual Fund 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 Group.

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 Group 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 recognised in the financial statements on a recurring basis, the Group 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 Group'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 Group'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 Group 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.

3.15 Employee Benefits

a) Short Term Employee Benefits

All employee benefits expected to be settled wholly within 12 months after the end of the reporting period are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensation etc. and the same are recognized as an expense in the statement of profit and loss in the period in which the employee renders the related services.

b) Post-Employment Benefits

(i) Defined contribution plan

The Group's approved provident fund scheme is defined contribution plans. The Group has no obligation, other than the contribution paid/payable to the provident fund. The Group recognize contribution paid/payable under the provident fund is charged to statement of profit & loss account during the period in which the employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(ii) Defined benefit plan

The employee's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is measured based on the actuarial valuation using the Projected Unit Credit Method as at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

c) Other employment benefits

The employee's compensated absences, which is expected to be utilized or encashed within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as result of the unused entitlement that has accumulated at the reporting date. As per Group's policy, no leave are expected to be carried forward beyond 12 month from the reporting date.

3.16 Government grants

Government grants are recognized where there is reasonable assurance that grant will be received and all attached conditions will be complied with. When the grant relates to an expense item. It is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an assets, it is recognised as income in equal amounts over the expected useful life of the related assets.

3.17 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 tax 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 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.

As per provision of Income tax Act 1961, the Company's subsidiaries are eligible for a tax holiday under section 80IA for a block of 10 consecutive assessment year out of 20 year beginning of toll operation. Accordingly, no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing difference which is reverse after the tax holiday period is recognised in the year in which the timing difference originate. However, the Group 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 Group 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.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Group recognizes tax credits in the nature of Minimum Alternate Tax (MAT) credit as an asset only to the extent that there is sufficient taxable temporary difference /convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent The Group does not have sufficient taxable temporary difference /convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.18 Provisions

General

Provisions are recognized when the Group 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 reimbursements, 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 recognised as a finance cost. Provision are reviewed at each balance sheet and adjusted to reflect the current best estimates.

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

The Group has contractual obligations to maintain the road / infrastructure to a specified level of serviceability or restore the road / infrastructure 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. In case of intangible assets, the timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. Such costs are recognised by charging it to revenue on the basis of units of usage method i.e. on the number of vehicles expected to use the project facility, over the period at the end of which the overlay is estimated to be carried out based on management estimates.

3.19 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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liabilities are reviewed at each balance sheet date.

3.20 Premium deferment

Premium deferral (i.e. premium payable less paid after adjusting premium deferment) is aggregated under premium deferred obligation in the balance sheet. The interest payable on the above is aggregated under premium deferral obligation. Interest on premium deferral is charged to the statement of profit and loss.

3.21 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, which is 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 Group's cash management.

3.22 Cash dividend to equity holders of the Company

The Group recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.23 Earnings per share

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

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

3.24 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 Group's performance.

4. Significant accounting judgements, estimates and assumption

The preparation of the Group'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 Group 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 Group. Such changes are reflected in the assumptions when they occur.

Revenue and expenses of construction contracts
As described in Note 3.5, Revenue recognition using the percentage-of-completion method which involves the use of estimates of certain key elements of the construction contracts, such as total estimated contract costs, allowances or provisions related to the contract, period of execution of the contract and recoverability of the claims. As far as practicable, the Group applies past experience in estimating the main elements of construction contracts and relies on objective data such as physical inspections or third parties confirmations. Nevertheless, given the highly tailored characteristics of the construction contracts, most of the estimates are unique to the specific facts and circumstances of each contract.

Although estimates on construction contracts are periodically reviewed on an individual basis, we exercise significant judgments and not all possible risks can be specifically quantified

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

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

Property, plant and equipment
Refer Note 3.6 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

Service concession arrangement
The Cash flow model indicates the cash flow to be generated over the project lifecycle. The key inputs of the model comprise of revenue inflows (Toll / annuity), expenses to incurred to earn the revenue, estimations on cost to build and maintain the asset, interest obligations based on financing pattern and other operational efficiencies. These inputs are based on circumstances existing and management judgement / assumption on the future expectations based on current situations. Judgements include management view on expected earnings in future years, changes in interest rates, cost inflation, government policy changes, etc. These input assumptions could affect the reported cash flow from the related assets and accordingly these assumptions are reviewed periodically.

Amortization of Intangible Assets
The intangible assets which are recognized in the form of Right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets. The estimation of total projection revenue requires significant assumption about expected growth rate and traffic projection for future. All assumptions are reviewed at each reporting date

Provision for periodical Major Maintenance
Provision for periodical Major Maintenance 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. All assumptions are reviewed at each reporting date.

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.

5 Property Plant and Equipment and Capital work-in-progress

(INR in Million)

Particulars	Freehold-Land	Building	Building-Residential Flat	Machineries & Equipments	Furniture & Fixtures	Vehicles	Computers	Office Equipments	Total	Capital Work-in-Progress
At Cost										
As at April 1, 2015	28.24	63.02	11.13	79.82	8.22	14.97	1.95	7.29	**214.64**	6.68
Addition on acquisition of subsidiary (refer note 50)	9.72	-	-	-	-	22.89	2.03	1.30	**35.94**	-
Additions	14.24	-	-	5.35	0.01	7.05	1.35	2.83	**30.83**	-
Disposals / Adjustments	-	(3.25)	(11.13)	(0.78)	(2.08)	-	(0.10)	(0.17)	**(17.51)**	(6.68)
As at March 31, 2016	**52.20**	**59.77**	**-**	**84.39**	**6.15**	**44.91**	**5.23**	**11.25**	**263.90**	**-**
Additions	-	0.60	-	22.78	0.63	3.46	1.57	3.82	**32.86**	-
Disposals / Adjustments	(4.57)	-	-	-	-	-	-	-	**(4.57)**	-
As at March 31, 2017	**47.63**	**60.37**	**-**	**107.17**	**6.78**	**48.37**	**6.80**	**15.07**	**292.18**	**-**
Accumulated Depreciation										
As at April 1, 2015	-	-	-	-	-	-	-	-	**-**	-
Addition on acquisition of subsidiary (refer note 50)	-	-	-	-	-	10.66	2.01	0.96	**13.63**	-
Charge for the year	-	3.06	0.14	19.09	2.07	7.02	1.30	3.78	**36.46**	-
Disposals / Adjustments	-	(0.08)	(0.14)	-	(0.39)	-	(0.10)	-	**(0.71)**	-
As at March 31, 2016	**-**	**2.98**	**-**	**19.09**	**1.68**	**17.68**	**3.21**	**4.74**	**49.38**	**-**
Charge for the year	-	3.02	-	23.62	1.38	7.98	1.33	3.26	**40.60**	-
Disposals / Adjustments	-	-	-	-	-	-	-	-	**-**	-
As at March 31, 2017	**-**	**6.00**	**-**	**42.71**	**3.06**	**25.66**	**4.55**	**8.00**	**89.98**	**-**
Net Block										
As at April 01, 2015	**28.24**	**63.02**	**11.13**	**79.82**	**8.22**	**14.97**	**1.95**	**7.29**	**214.64**	**6.68**
As at March 31, 2016	**52.20**	**56.79**	**-**	**65.30**	**4.47**	**27.23**	**2.02**	**6.51**	**214.52**	**-**
As at March 31, 2017	**47.63**	**54.37**	**-**	**64.46**	**3.72**	**22.71**	**2.25**	**7.07**	**202.20**	**-**

Notes:

(i) The Group has elected to continue with the carrying value for all of its Property, Plant and Equipments and capital work in progress as recognised in its previous GAAP financials, as deemed cost at the transition date i.e. April 1, 2015 as per option permits under Ind AS 101 for the first time adopter.

(ii) Property Plant and Equipments other than land has been pledged against Secured non-current borrowings in order to fulfil the collateral requirement for the Lenders.

6 Intangible asset and Intangible asset under development

(INR in Million)

Particulars	Toll Collection Rights	Use Fee Rights	Softwares	Total	Goodwill on consolidation (Refer note (vi) below)	Intangible asset under development
Cost						
As at April 1, 2015	**41,897.45**	**10,780.93**	**-**	**52,678.38**	**1,332.75**	**17,286.85**
Addition on acquisition of subsidiary (refer note 50)	14,434.31	-	-	**14,434.31**	710.99	271.50
Additions (refer note (i) below)	14,134.64	1,436.77	2.04	**15,573.45**	-	12,631.82
Foreign exchange differences (refer note (ii) below)	234.76	-	-	**234.76**	-	-
Adjustments (refer note (v) below)	(0.74)	(38.52)	-	**(39.26)**	-	(14,400.38)
As at March 31, 2016	**70,700.42**	**12,179.18**	**2.04**	**82,881.64**	**2,043.74**	**15,789.79**
Additions	14,971.78	739.58	0.39	**15,711.75**	-	1,752.41
Foreign exchange differences (refer note (ii) below)	(255.33)	-	-	**(255.33)**	-	-
Adjustments	747.04	-	-	**747.04**	-	(15,711.35)
As at March 31, 2017	**86,163.91**	**12,918.76**	**2.43**	**99,085.09**	**2,043.74**	**1,830.85**
Accumulated Amortisation						
As at April 1, 2015	**2,330.26**	**124.91**	**-**	**2,455.16**	**-**	**-**
Charge for the year	1,155.68	162.91	0.41	**1,319.00**	-	-

Particulars	Toll Collection Rights	Use Fee Rights	Softwares	Total	Goodwill on consolidation (Refer note (vi) below)	Intangible asset under development
Adjustments	-	-	-	-	-	-
As at March 31, 2016	**3,485.94**	**287.81**	**0.41**	**3,774.16**	**-**	**-**
Charge for the year	1,974.91	194.34	1.07	**2,170.33**	-	-
Adjustments	-	-	-	**-**	-	-
As at March 31, 2017	**5,460.85**	**482.15**	**1.48**	**5,944.49**	**-**	**-**
Net Block						
As At April 01, 2015	**39,567.19**	**10,656.02**	**-**	**50,223.22**	**1,332.75**	**17,286.85**
As At March 31, 2016	**67,214.48**	**11,891.37**	**1.63**	**79,107.48**	**2,043.74**	**15,789.79**
As at March 31, 2017	**80,703.06**	**12,436.61**	**0.95**	**93,140.60**	**2,043.74**	**1,830.85**

Notes:

(i) Toll collection rights also include premium paid / payable to Concessioning authorities under the concession agreement over the concession period. The present value of premium INR 10,159.45 million (includes INR 2,362.72 million capitalised during the previous year) payable under the concession agreement of at the time of receipt of completion certificate from the authority has been included in the Toll Collection rights.

(ii) The Group had adopted an option under Para 46A of AS 11 under previous GAAP which the Group has elected to continue as per para D13AA of Ind AS 101 'First time adoption Indian Accounting Standard". Accordingly the exchange difference arising on reporting of long-term foreign currency monetary items taken before March 31, 2016 (date of adoption), in so far as they relate to the acquisition of depreciable asset, is added or deducted from the cost of the asset and shall be amortised over the balance life of the asset.

(iii) Toll collection right has been pledged against Secured non-current borrowings in order to fulfill the collateral requirement of the Lenders. (refer note 19)

(iv) Refer note 51 for additional disclosure pursuant to Appendix - A to Ind AS 11 - " Service Concession Arrangements" ('SCA')

(v) Adjustment in the gross block of user fee rights of INR Nil million (March 31, 2016: INR 38.52 million) is on account of revision in the price escalation formula as per recommendation made by Technical Expert Committee appointed by steering committee of project.

(vi) The Group has determined that goodwill on account of acquisition of subsidiaries has indefinite useful life. As at March, 2017 it is tested for impairment. The recoverable amount has been determined based on a value in use by calculating cash flow projections from financial projects. It was concluded that the fair value exceeds the value in use.

(vii) In terms of the Concession agreement, deposits for electricity supply is considered as a part of the project cost, accordingly, capitalized under the User fee rights.

7 Investment Property

(INR in Million)

Particulars	Land	Total
At Cost		
As at April 1, 2015	19.94	19.94
Addition	0.89	0.89
Disposal	-	-
As at March 31, 2016	**20.83**	**20.83**
Addition	-	-
Disposals	-	-
As at March 31, 2017	**20.83**	**20.83**
Accumulated Depreciation		
As at April 1, 2015	**-**	**-**
Charge for the year	-	-
Disposals / Adjustments	-	-
As at March 31, 2016	**-**	**-**
Charge for the year	-	-
Disposals / Adjustments	-	-
As at March 31, 2017	**-**	**-**
Net Amount		
As at April 1, 2015	**19.94**	**19.94**
As at March 31, 2016	**20.83**	**20.83**
As at March 31, 2017	**20.83**	**20.83**

Notes:

(i) The Group has elected to continue with the carrying value for all of its Investment property, as recognised in its previous GAAP financials, as deemed cost at the transition date i.e. April 1, 2015 as per option under Ind AS 101 for the first time adopter.

(ii) There is no income arise from above investment properties. Further, the group has not incurred any expenditure for above property.

(iii) The Group has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iv) The fair value disclosure for investment property is not presented as the property is specifically acquired for offering as security for borrowings and based on the information available with the management that there are no material development in the area where land is situated and accordingly, management believes that there is no material difference in fair value and carrying value of property.

8 Inventories

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Project Inventories (refer note 28)	-	4.26	-
Total	**-**	**4.26**	**-**

9 Investments

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<u>**Non-current**</u>			
Unquoted			
In Equity Shares (valued at cost)			
Nil (31 March 2016: Nil and April 1, 2015: 1,439,000) Equity Shares of Dhule Palesner Tollway Limited of INR 10/- each (refer note 50)	-	-	14.39
Investment in Others (valued at cost)			
Government Securities -National Saving Certificates	0.02	0.02	0.02
Investment in Perpetual Debts (refer note (i) below)	-	-	1,538.89
Total	**0.02**	**0.02**	**1,553.30**
<u>**Current**</u>			
Unquoted			
(Investments carried at fair value through profit or loss)			
Investment in units of Mutual Fund (refer note (iii) below)	558.26	243.69	49.09
Total	**558.26**	**243.69**	**49.09**
Total	**558.28**	**243.71**	**1,602.39**
Aggregate amount of unquoted investments	558.28	243.71	1,602.39

Notes:

(i) Investment in perpetual debts in form of Subordinate debts are interest free, redeemable at issuer's option and redemption can be deferred indefinitely.

(ii) Fair value disclosures for financial assets are given in Note 36.

(iii) **Details of Investments in Unquoted Units of Mutual Funds:** **(INR in Million other than figures in bracket)**

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ICICI Prudential Liquid - Money Market Fund - Regular Plan - Growth	-	-	15.01
	(-)	(-)	(77,671.99)
ICICI Prudential Liquid - Regular Plan - Growth	-	70.88	12.25
	(-)	(2,52,209.71)	(59,241.33)
ICICI Prudential Ultra Short Term Plan - Growth	-	25.91	-
	(-)	(16,96,897.61)	(-)
IDBI Liquid Fund-Growth	-	12.19	11.03
	(-)	(7,534.25)	(7,367.39)
ICICI Prudential Flexible Income plan	3.01	-	-
	(9,650.77)	(-)	(-)
HDFC Mutual Fund Cash Management Growth Option	167.96	-	-
	(48,88,254.59)	(-)	(-)

(INR in Million other than figures in bracket)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Reliance Liquid Fund- Cash Plan-Growth Option	104.23	-	-
	(40,966.68)	(-)	(-)
Reliance Short Term Fund-Growth Plan Growth Option	141.01	-	-
	(45,75,731.70)	(-)	(-)
L & T Ultra Short Term fund - Growth	7.59	118.05	-
	(2,85,625.02)	(48,01,640.56)	(-)
UTI Floating rate Fund - Direct Growth	30.04	-	-
	(11,313.86)	(-)	(-)
Axis Liquid Fund - Direct Growth	85.06	-	-
	(47,168.33)	(-)	(-)
Principal PNB Fixed Maturity -Regular Plan Growth	-	-	10.80
	(-)	(-)	(1,00,000.00)
SBI Savings Fund - Regular Plan - Growth	19.38	16.66	-
	(7,64,740.90)	(7,08,768.63)	(-)
Total	**558.26**	**243.69**	**49.09**

The figures mentioned in bracket represent absolute number of investment units.

10 Trade Receivables

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured Considered Good (refer note 42)	5.39	55.93	8.24
Unsecured Considered Doubtful	0.30	0.44	0.70
Total	**5.69**	**56.37**	**8.94**
Less: Allowance for expected credit loss/bad and doubtful debts	(0.30)	(0.44)	(0.70)
Total	**5.39**	**55.93**	**8.24**

Notes:

(i) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

(ii) No trade or other receivables are due from directors or other officers of the group either severally or jointly with any other person. For terms and conditions relating to related party receivables, refer Note 42.

(iii) Fair value disclosures for financial assets are given in Note 36.

11 Receivable under Service Concession Arrangement (Unsecured considered good)

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Receivable under Service concession arrangements	2,012.03	2,010.91	2,205.32
Total	**2,012.03**	**2,010.91**	**2,205.32**
Current			
Receivable under Service concession arrangements	1,787.13	383.96	383.96
Total	**1,787.13**	**383.96**	**383.96**

Notes:

(i) Under a Service Concession Arrangement (SCA), where a Special Purpose Vehicle (SPV) has acquired contractual rights to receive specified determinable amounts (Annuity) for use of an asset, such amounts are recognised as "Financial Assets" and are disclosed as "Receivable against Service Concession Arrangements".

The value of a Financial Asset covered under a SCA includes the fair value estimate of the construction services which is estimated at the inception of the contract and is based on the fair value of the constructed asset and comprises of the actual construction cost, a margin as per the SCA, estimates of the future operating and maintenance costs, including overlay / renewal costs.

The cash flows from a Financial Asset commences from the Provisional / Final Commercial Operation Date as certified by the granting authority for the SCA. The cash flow from a Financial Asset is accounted using the effective interest rate method. The intrinsic interest element in each Annuity receipt is accounted as finance income and the balance amount is accounted towards recovery of dues from the "Receivable against Service Concession Arrangements".

(ii) Refer note 51 for additional disclosure pursuant to Appendix A to Ind AS 11- " Service Concession Arrangements" ('SCA').

(iii) Fair value disclosures for financial assets are given in Note 36.

12 Cash and Bank Balances

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash and cash equivalents			
Cash on hand (refer note (iii) below)	45.26	38.22	24.29
Balance with Banks			
In Current accounts (refer note (i) below)	458.51	581.24	1,320.23
In current accounts earmarked for unpaid share application refund money	0.12	0.12	-
In Fixed Deposits with original maturity of less than 3 months (refer note (ii) below)	-	252.10	330.03
	503.89	**871.68**	**1,674.55**
Other Balances with Banks			
In Fixed Deposits with original maturity for more than 3 months but less than 12 months (refer note (iv) below)	21.08	21.08	21.08
Total	**524.97**	**892.76**	**1,695.63**

Notes:

(i) Balances with Banks includes balances of INR 359.82 million (March 31, 2016 INR 432.12 million and April 1, 2015 INR 765.83 million) lying in the Escrow Accounts which are offered as a security against borrowings as per terms of borrowings with the lenders.

(ii) Balance with Banks in fixed deposit include balance of INR Nil million (March 31, 2016: INR 252.10 Million and April 1, 2015: INR 330.03 Million) being the deposit earmarked for Debt Service Reserve (DSR) of term loan of BHTPL.

(iii) Cash on hand include amount collected towards toll charges / user fee, pending deposit with the bank.

(iv) Fixed deposit is lying with the bank in the name of IL&FS Trust Company Limited (ITCL) designated account as per terms of debenture trust cum mortgage deed towards debt servicing reserve of Redeemable Non Convertible debentures (NCD) of INR 1,405.41 Million.

(v) Fair value disclosures for financial assets are given in Note 36.

13 Other Financial Asset (Unsecured considered good, unless stated otherwise)

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Deposits	2.70	3.21	3.34
Advance against share purchase	-	-	267.80
Derivative not designated as hedges	587.33	348.15	184.89
Total	**590.03**	**351.36**	**456.03**
Current			
Deposits	5.25	29.95	3.78
Grant Receivable from concessionaire authorities (refer note (i) below)	64.34	299.38	629.06
Receivable from concessionaire authorities toward claims/ utility shifting / change in scope (refer note (ii) below)	472.09	117.05	83.14
Receivable from Toll Suspension (refer note (iii) below)	381.11	-	-
Advances to suppliers	1.22	31.94	9.43
Interest receivable from related parties	-	-	38.14
Interest receivable from fixed deposit with bank and others	0.70	2.49	42.67
Receivable from EPC contractors towards change of scope	-	-	17.27
Other Receivables			
Unsecured, considered good	10.34	-	3.98
Unsecured, doubtful	2.16	-	-
	12.50	**-**	**3.98**
Less: Allowance for Expected credit loss / doubtful receivable	(2.16)	-	-
Total	**935.05**	**480.81**	**827.47**

Notes:

(i) As per the respective Concession Agreements between ARRIL and Ahmedabad Urban Development Authority (AUDA) and, between BRTPL & RHTPL and NHAI, ARRIL, BRTPL and RHTPL are entitled to receive grant of INR 360 Million, INR 2,664 Million and INR 2,115 Million, respectively for meeting the part project cost subject to the conditions laid down in the Concession Agreements. Upto March 31, 2017 the said companies have received grant of INR 295.76 Million, INR 2,664 Million and INR 2,114.90 Million in ARRIL, BRTPL and RHTPL, respectively. Also, ARRIL and RHTPL have grant of INR 64.24 Million and INR 0.10 Million, respectively as receivable since the conditions of the Concession Agreement related to grant have been met.

(ii) Receivable from concessionaries authorities includes amount receivable in one of the subsidiaries Aurangabad Jalna Tollway Limited ('AJTL') where Government of Maharashtra, has vide Notification dated 26th May 2015 exempted Light Motor Vehicles, buses of Maharashtra State Road Transport Corporation (MSRTC) from payment of toll, w.e.f 01-06-2015. However the government has not prepared any policy or modalities by which the AJTL will be reimbursed for the losses. Pending the announcement by the government of its policy/modalities for reimbursement of losses, the said subsidiary has recognised revenue of toll collection of INR 228.45 Million for the period 01-06-2015 to 31-03-2017 (which includes INR 137.99 Million for the year ended March 31, 2017), in respect of exempted vehicles based on the projections submitted to Maharashtra government under the concession agreement. The Government of Maharashtra has paid amount of INR 52.95 Million till March 31, 2017 to the aforesaid subsidiary company in this respect and AJTL expects to receive the balance amount.

(iii) Pursuant to demonetisation, concessioning authorities had announced suspension of toll collection at all roads from November 09, 2016 until December 2, 2016. Based on subsequent notification and provisions of concession agreement with the relevant authorities, the group has claimed and recognised revenue of INR 597.88 Millions during the year. As at March 31, 2017, the group has received INR 206.77 million against such claim from NHAI and the balance is still receivable.

(iv) Fair value disclosures for financial assets are given in Note 36.

14 Loans (Unsecured, Considered good)

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans to related parties (refer note 42)	7.41	7.40	138.06
Inter-Corporate Loans	170.37	170.37	418.84
Total	**177.78**	**177.77**	**556.90**

Note

(i) Fair value disclosures for financial assets are given in Note 36.

15 Other Assets (Unsecured considered good, unless stated otherwise)

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Capital Advance	-	0.15	1,935.01
Tax paid under protest (refer note 43)	2.50	9.38	2.51
Advance payment of processing fees	83.84	-	-
Deferred cenvat credit (refer note below)	85.10	82.95	74.61
Advance Income Tax (Net of Provision)	195.03	253.55	206.89
Tax credit receivables	8.95	4.62	16.69
Unamortised Option Premium	14.41	33.66	52.93
Total	**389.83**	**384.31**	**2,288.64**
Current			
Unbilled revenue (refer note 41)	22.21	15.09	-
Advance to Supplier	18.85	27.56	20.17
Unamortised Option premium	19.26	19.26	19.26
Prepaid Expense	40.10	22.52	13.77
Initial public issue related advances	-	-	66.18
Tax credit receivables	26.51	34.02	30.15
Other non-trade receivable	2.63	3.28	435.70
Total	**129.56**	**121.73**	**585.23**

Note: The CENVAT Credit on works contract for construction of building and civil infrastructure have been accounted as Deferred CENVAT credit account. The utilization of deferred CENVAT credit is subject to assessment made by the statutory authority.

16 Current tax assets

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance income tax (Net of provision)	1.18	88.60	-
Total	**1.18**	**88.60**	**-**

17 Share Capital

	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)	No. of shares	(INR in Million)
Authorised share Capital						
Equity Shares of INR 10/- each	40,30,00,000	4,030.00	40,30,00,000	4,030.00	40,30,00,000	4,030.00
	40,30,00,000	**4,030.00**	**40,30,00,000**	**4,030.00**	**40,30,00,000**	**4,030.00**
Issued, Subscribed and Fully Paid						
Equity Shares of INR 10/-each	35,22,25,216	3,522.25	35,22,25,216	3,522.25	31,09,63,081	3,109.63
	35,22,25,216	**3,522.25**	**35,22,25,216**	**3,522.25**	**31,09,63,081**	**3,109.63**

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

Equity Shares	March 31, 2017		March 31, 2016		April 1, 2015	
	No. of shares	(INR in Million)	No. of shares	(INR in Million)	No. of shares	(INR in Million)
At the beginning of the year	35,22,25,216	3,522.25	31,09,63,081	3,109.63	31,09,63,081	3,109.63
Add: Issued during the year						
- Initial public issue	-	-	4,12,62,135	412.62	-	-
Outstanding at the end of the year	**35,22,25,216**	**3,522.25**	**35,22,25,216**	**3,522.25**	**31,09,63,081**	**3,109.63**

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of INR 10 per share. All equity shares rank equally with regard to dividend and share in the Company's residual assets in proportion of amount paid up. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive residual assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders. At present, there are no preference shares.

(c) Shares held by holding company:

Out of equity shares issued by the company, shares held by its holding company, is as below:

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	(INR In Million)	No. of Shares	(INR In Million)	No. of Shares	(INR In Million)
Sadbhav Engineering Limited, holding Company	24,17,83,427	2,417.83	24,07,33,427	2,407.33	24,07,33,427	2,407.33

(d) Details of shareholders holding more than 5% shares in the Company:

Name of Shareholders	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	% holding in class	No. of Shares	% holding in class	No. of Shares	% holding in class
Equity shares of INR 10/- each fully paid						
Sadbhav Engineering Limited	24,17,83,427	68.64%	24,07,33,427	68.35%	24,07,33,427	77.42%
Xander Investment Holding XVII Ltd	2,91,21,860	8.27%	2,91,21,860	8.27%	3,23,57,622	10.41%
Norwest Venture Partners VII-A Mauritius	2,91,21,860	8.27%	2,91,21,860	8.27%	3,23,57,622	10.41%

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

(e) Aggregate number of Equity Shares allotted as fully paid-up for consideration other than cash during 5 years immediately preceding the date of Balance Sheet:

The Company had issued 282,693,710 equity shares of INR 10/- each as fully paid bonus shares in the ratio of 10:1 by capitalisation INR 2,826.94 Million from Securities Premium Account in the financial year 2014-15.

18 Other Equity

(INR in Million)

		As at March 31, 2017	As at March 31, 2016
18.1	**Equity component of Compound financial Instruments (refer note (i) below and 52)**		
	Balance at the beginning of the year	**711.87**	**532.22**
	Additions during the year	-	179.65
	Adjustment on account of acquisition of Non-controlling interest	(179.65)	-
	Balance at the end of the year	**532.22**	**711.87**
18.2	**Capital Reserve- acquisition of subsidiaries**		
	Balance at the beginning of the year	**75.80**	**75.80**
	Additions during the year	-	-
	Balance at the end of the year	**75.80**	**75.80**
18.3	**Securities premium account**		
	Balance at the beginning of the year	**8,986.75**	**5,387.44**
	Add: Premium received for issue of equity shares	-	3,837.38
	Less: Initial public offer expenses (refer note (iii) below)	-	(238.07)
	Add: adjustment on account of deferred tax on IPO expanses	52.52	-
	Balance at the end of the year	**9,039.27**	**8,986.75**
18.4	**Debenture Redemption Reserve (DRR)**		
	Balance at the beginning of the year	**109.21**	**109.21**
	Add : Transfer from statement of profit and loss (refer note (ii) below)	224.34	-
	Balance at the end of the year	**333.55**	**109.21**
18.5	**(Deficit) in Consolidated Statement of Profit and Loss**		
	Balance at the beginning of the year	**(8,851.54)**	**(5,446.46)**
	Adjustments during the year		
	Add: Adjustment on account of acquisition of Non-controlling interest	(170.85)	-
	Add: (Loss) for the year	(3,531.44)	(3,406.20)
	Add: Other comprehensive income for the year	(8.45)	1.12
	Less: Transfer to debenture redemption reserve during the year	(224.34)	-
	Balance at the end of the year	**(12,786.61)**	**(8,851.54)**
	Total (18.1+18.2+18.3+18.4+18.5)	**(2,805.78)**	**1,032.09**

Notes:

(i) Interest free loan given by Promoters (Sadbhav Engineering Limited) pursuant to the conversion of Compulsory Convertible Cumulative Preference Shares (CCCPS) into equity shares, whereby promoters have given a commitment to keep the loan balance of INR 779.56 Million in the Group for a period of 11 years from the date of conversion of CCCPS i.e. November 27, 2014.

Under previous GAAP, the said Interest free loan received from promoters was disclosed under long term borrowings. Under Ind AS, the Interest free loan has been separated into liability and equity components based on the terms of the contract and equity component has been classified in the other equity and liability component classified in the long term borrowings (refer note 19). Interest on liability component is recognised using the effective interest method.

(ii) The Group has issued redeemable non-convertible debentures (refer note 19). Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Group to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. Though the DRR is required to be created over the life of debentures, the Group has upfront created DRR out of retained earnings. Further, the Group has created debenture redemption reserve to the extent surplus available for the purpose of creation of debenture redemption reserve.

(iii) During the previous year, pursuant to the IPO, share issue expenses amounting to INR 238.07 million were debited to Securities Premium account in terms of section 52(2)(c) of the Companies Act, 2013.

19 Non Current Borrowing

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured*			
Redeemable, Non Convertible Debentures			
2,000 (31 March 2016: 2,000 and 1 April 2015: 2,000) of INR 1,000,000 each	2,000.00	2,000.00	2,000.00
1,600 (31 March 2016: 1,600 and 1 April 2015: 1,600) of INR 1,000,000 each	1,600.00	1,600.00	1,600.00
1,405,405 (31 March 2016: 1,405,405 and 1 April 2015: 1,405,405) of INR 1,000 each	1,405.41	1,405.41	1,405.41
3,000 (31 March 2016: Nil and 1 April 2015: Nil) of INR 1,00,000 each	3,000.00	-	-
55,883 (31 March 2016: 19,500) Non convertible debentures of INR 1,00,000 each	5,538.81	1,948.40	-
4,87,500 (31 March 2016: 500,000) Non convertible debentures of INR 10,000 each	4,869.93	4,994.30	-
Term loan from banks			
Indian Rupee	51,889.23	53,371.19	42,058.09
Foreign Currency Loan	6,517.85	6,790.94	8,379.97
Loan from financial institutions	1,486.00	2,186.02	2,243.18
	78,307.23	**74,296.26**	**57,686.65**
Unsecured			
Liability Component of Compound Financial Instrument (refer note (v))	316.22	284.89	256.66
	78,623.45	**74,581.15**	**57,943.31**
Less: Current maturities of non-current borrowing* (refer note 23)			
Redeemable, Non Convertible Debentures	473.78	204.08	-
Term loan from banks	1,717.15	1,235.49	1,236.10
Loan from Financial institution	72.71	101.84	56.60
	2,263.64	**1,541.41**	**1,292.70**
	76,359.81	**73,039.74**	**56,650.61**

* Includes the effect of transaction cost paid to Lenders on upfront basis.

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

(i) Redeemable Non-Convertible Debentures (NCDs) issued by the holding company

(a) 2,000 Redeemable Non-Convertible Debentures (NCDs)

1. NCDs are secured by (i) first ranking charge created on 10,71,198 equity shares of the Company in the Rohtak Panipat Tollway Private Limited; (ii) the Corporate Guarantee by Sadbhav Engineering Limited (Holding Company); (iii) first and exclusive mortgage over the mortgaged property, in accordance with the respective Security Documents.

2. Terms of repayments are as under

Series of NCDs	No. of NCDs issued	Coupon Rate p.a. %	Terms of Repayment	Earliest Date of Redemption
Series A	800	0%	Bullet Repayment	26-Apr-18
Series B	500	11.75%	Bullet Repayment	13-Apr-20
Series C	700	5%	Bullet Repayment	13-Apr-20

The debenture holders at the end of Year 3 and Year 4 shall have the right to seek prepayment / early redemption of Series B and Series C debentures in whole or part or in such proportion as it may deem fit. Thereupon, the Company shall be obliged to prepay debentures in such manner that debenture holders may achieve the IRR at the rate of 11.75% on value of the debentures for which the Put option is exercised.

(b) 1,600 Redeemable , Non Convertible debentures (NCD):

1. NCDs are secured by (i) an unconditional , irrevocable and continuing corporate guarantee from Sadbhav Engineering Limited- holding company (SEL), covering the entire redemption amount. (ii) Pledge of 10,287,215 shares of Sadbhav Engineering Limited (SEL) by Sadbhav Finstock Pvt. Ltd. (iii) Pledge of 67% shareholding of Dhule Palesner Tollway Limited (DPTL) representing

46,082,466 equity shares. However, pending for pledge of the shares of DPTL with lender, 56% of shares of Ahmedabad Ring Road Infrastructure Limited (ARRIL) representing 5,857,540 equity shares have been pledged. (iv) Working Capital Demand Loan (WCDL) facility to the extent of next repayment instalment to be lien marked for the NCD to be obtained by the Company/ SEL and to be utilised only towards repayment of the NCD at least 20 days before each redemption payment date for amount which are due in next 20 days.

2. Terms of repayments are as under

Series of NCDs	No. of NCDs issued	Coupon Rate p.a. %	Terms of Repayment	Earliest Date of Redemption
Series I	480	9%	Bullet Repayment	18-Apr-18
Series II	480	9%	Bullet Repayment	18-Apr-19
Series III	640	9%	Bullet Repayment	18-Nov-19

The debenture holders at the end of Year 3 and Year 4 shall have the right to seek prepayment / early redemption of Series II and Series III debentures in whole or part or in such proportion as it may deem fit. Thereupon, the Company shall be obliged to prepay debentures in such manner that debenture holders may achieve the IRR at the rate of 12.14% on the value of debentures for which the Put option is exercised.

(c) 1,405,405 Redeemable Non Convertible debentures (NCD)

1. NCDs are secured by (i) Pledge of 19.46% shareholding of the company representing 46,846,725 equity share held by Sadbhav Engineering Limited (SEL) the holding Company. (ii) Pledge of 30% shareholding of Maharashtra Border Check Post Network Limited representing 11,673 equity shares held by the Company and SEL. (iii) Unconditional and irrevocable corporate guarantee from SEL and personal guarantee of the Promotors i.e. Vishnu Bhai M. Patel. (iv) Second charge by mortgage over all immovable property and hypothecation of all movable, tangible and intangible assets, receivable, cash and liquid investment of the Company. (v) All bank account & assignment of all contract, documents, insurance, clearances and interest of the Company.

2. Terms of repayments are as under

NCD is having a floating interest rate carrying from 12.74% to 11.96 % which is linked to benchmark rate to be reset on a quarterly basis and are repayable in 6 structured instalments starting from July 1, 2017 and ending on April 5, 2020.

The Company shall have an option to repay the Facility at End of 4th year and 5th year with the condition that the minimum yield on the entire facility will get revised upwards by 0.50% per annum and 0.25% per annum, respectively.

(d) 3,000 Redeemable, Non Convertible debentures (NCD):

1. NCDs are secured by (i) Pledge of 15% shareholding of Shreenathji-Udaipur Tollway Private Limited representing 5,061,486 equity shares held by the Company. (ii) Pledge of 16% shareholding of Maharashtra Border Check Post Network Limited representing 8,000 equity shares held by the Company (iii) Pledge of 18.99% shareholding of Hyderabad Yadgiri Tollway Private Limited representing 616,663 equity shares held by the Company (iv) Pledge of 49% shareholding of Aurangabad-Jalna Tollway Limited representing 965,816 equity shares held by the Company (v) Pledge of 14% shareholding of Ahmedabad Ring Road Infrastructure Limited representing 1,464,400 equity shares held by the Company (v) A first charge over the Designated A/c-Debenture Payments and all funds and monies lying therein present & future.

2. Terms of repayments are as under

Series of NCDs	No. of NCDs issued	Coupon Rate p.a. %	Terms of Repayment
Series I	50	2.60%	Bullet Repayment
Series II	50	2.60%	Bullet Repayment
Series III	50	2.60%	Bullet Repayment
Series IV	50	2.60%	Bullet Repayment
Series A	25	0%	Bullet Repayment
Series B	25	0%	Bullet Repayment
Series C	25	0%	Bullet Repayment
Series D	25	0%	Bullet Repayment

The debenture holders at the end of Year 3 shall have the right to seek prepayment / early redemption of Series III and Series IV debentures in full. Thereupon, the Company shall be obliged to pay all accrued coupon thereon and redemption premium set forth at Part B of Schedule IV of the Debenture Trust Deed.

(ii) Redeemable Non-Convertible Debentures (NCDs) issued by the Subsidiaries:

The Facility, and the payment and other obligations of the Borrower under the finance documents shall be secured by a first ranking:

- Charge on all the borrower's immovable and movable property (both present and future) except Project Assets.
- An assignment by way of security over all the borrower`s right, title and interest in and to each transaction document.
- A share pledge, at all times, over not more than 99% of the sponsors shareholding in the borrower.
- The Security created under The Debenture Trust Deed shall rank pari passu inter se, amongst The trustees.

(a) NSEL

19,500 Redeemable, Non Convertible Debentures (NCD):

Terms of repayment are as under:

Series of NCDs	No. of NCDs issued	Coupon Rate p.a. %	Terms of Repayment	Earliest Date of Redemption
Series A	10,000	8.72%	Partial Repayment	01-Aug-17
Series B	9,500	8.91%	Partial Repayment	01-Aug-17

At the time of redemption of any Debentures on any Redemption Date, the company shall pay the relevant debenture holders the unpaid Interest on such debentures, accrued upto such redemption date.

The redemption of debenture for SERIES A (8.72%) shall be made in 18 semi annually instalments while for SERIES B (8.91%) shall be made in 15 Semi annually instalments on the first day of each half year i.e. 1st February and 1st August of the year, commencing from 1st August 2016.

Interest on such Debentures shall be paid along with the Redemption of Debentures on the same day i.e. 1st February and 1st August of each year.

(b) DPTL

4,87,500 Redeemable, Non Convertible Debentures (NCD):

Terms of Repayment

Non convertible debentures are repayable in 40 consecutive quarterly installment commencing from 5th Apr 2016 to 5th Dec 2025 on the repayment dates and in percentage as mentioned in Schedule VI of Debenture Trust Deed executed on 10th Mar 2016.

The NCD carry fix interest rate of at 9.4% per annum as on March 31, 2017.

(c) BHTPL

24,983 Redeemable, Non Convertible Debentures (NCD):

Terms of Repayment

The redemption of debenture shall be made in 148 monthly instalments on the last day of each month, commencing from 31 May, 2016. The T1 NCD carry interest of 9.40% as on March 31, 2017.

(d) HYTPL

12,000 Redeemable, Non Convertible Debentures (NCD):

Terms of Repayment

The redemption of debenture shall be made in 59 quarterly instalments on the last day of each quarter, commencing from 15 September, 2016 and last date of Instalment is March 15, 2031. The NCD carry interest at 5 years benchmark rate plus 1000 basis point as spread i.e. 9.5% per annum as on March 31, 2017.

(iii) Rupee Term Loans from ICICI bank availed by the Holding company:

The Company has pre-paid entire loan on September 16, 2015 in accordance with mandatory prepay clause of loan agreement in the previous year. The loan was carrying a floating interest rate based on bank base rate + spread i.e. 13.50%.

(iv) Rupee Term Loans and Foreign Currency Loans from banks and other parties availed by Subsidiaries are secured by:

1 a first mortgage and charge on all the respective subsidiary's immovable properties, both present and future, save and except the Project Assets;

2 a first charge on all the respective subsidiary'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 a first charge over all accounts of the respective subsidiary's 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 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 a first charge on all intangibles assets of the respective subsidiary entity including but not limited to goodwill, rights, undertakings and uncalled capital present and future excluding the Project Assets.

5 a first charge on assignment by way of security in
- all the right, title, interest, benefits, claims and demands whatsoever of the respective subsidiary entity in the Project documents;
- charge/ assignment on all the intangible assets of the respective subsidiary (Other than project assets) including but not limited to goodwill, rights, undertakings, all the right, title, interest, benefits, claims and demands whatsoever of the respective subsidiary 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 respective subsidiary under all Insurance Contracts.

6 pledge of equity shares held by the Company and other promoters of the respective Subsidiary as stipulated in the Loan Agreements.

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.

Terms of Repayment of borrowings availed by Subsidiaries:

(a) ARRIL

Term loans include loan amounting to INR 3,020.52 million as on March 31, 2017 (March 31, 2016: INR 3,367.56 million and April 1, 2015: INR 3,547.24 million) taken from a consortium consisting of a bank and financial institutions.

First Ranking Rupee Loan:

The First Ranking Rupee Loan is repayable to each lender in 50 structured quarterly instalments commencing from August 31, 2009. As per repayment schedule of the loan agreement, the principal amount outstanding under the said agreement shall be repaid by November 30, 2021.

As at March 31, 2017, the loans carries average interest rate of 10.40% to 11.05% per annum.

Second Ranking Rupee Loan:

The Second Ranking Rupee Loan is repayable to the lender in 52 structured quarterly instalments commencing from August 31, 2011. As per repayment schedule of the loan agreement, all the principal amount outstanding under the said agreement shall be repaid by May 31, 2024.

As at March 31, 2017, the loan carries average interest rate of 12.00% per annum.

(b) AJTL

Term loans include loan amounting to INR 2,213.55 million as on March 31, 2017 (March 31, 2016: INR 1,539.44 million and April 1, 2015: INR 1,654.93 million) taken from a consortium consisting of a bank and finance institutions.

Indian Rupee Term Loans from Banks & Other Party:

The Company had Refinance option from ICICI Bank of Rs.2244.98 Millions. In Refinance option the Principal Amounts of the Loan to each of the Lenders are repayable in 53 equal quarterly installments commencing from September 30, 2016 . As per the repayment schedule of the loan agreement, all the principal amount outstanding under the said agreement shall be repaid by March 31, 2030. Similary, the Company also has the option to prepay the loans.

As at March 31, 2017, term loans carry interest rate of 9.35% to 10.05% per annum.

(c) BHTPL

Term loans include loan amounting to INR 5,818.08 million as on March 31, 2017 (March 31, 2016: INR 8,435.10 million and April 1, 2015: INR 8,569.15 million) taken from a consortium consisting of a bank and finance companies.

Indian Rupee Term Loans from Banks:

The Principal Amounts of the Loan to each of the Lenders is repayable in unequal 161 monthly instalments on the last day of each month , commencing from 31 May, 2016. Further, The company has taken overdraft which is repayable in unequal 149 monthly instalments on the last day of each month,commencing from 31st May, 2016.

The Loans carries interest of 9.05% to 9.75% as on March 31, 2017.

Foreign Currency loan from Bank:

Foreign currency loan is repayable in 10 unequal semi-annual instalments commencing from 30th June 2014.

The BHTPL pays interest @ LIBOR+ Margin of 4.70% per annum on the foreign currency loan.

(d) HYTPL

Term loans include loan amounting to INR 2,598.22 million as on March 31, 2017 (March 31, 2016: INR 3,888.99 million and April 1, 2015: INR 3,872.38 million) taken from a consortium consisting of a bank and financial institutions.

Indian Rupee Term Loans from Banks & Other Party:

The Principal Amounts of the Loan to each of the Lenders shall be repayable in 180 structured Monthly instalments on the last day of each Month, commencing from the April 15, 2017 and last date of Instalment is March 15, 2031.

Term loans carry interest at bank base rate plus 700 basis point as spread i.e. 10.20% per annum as on March 31, 2017.

Foreign Currency loan from Bank:

Foreign Currency loan from Bank shall be repayable in unequal 10 semi-annual instalments. First repayment shall be made from the half year anniversary falling immediately after the date on which any scheduled repayment is made to the Rupee Lenders in accordance with the Common Rupee Loan agreement (scheduled repayment date of rupee loan is September 29,2013).

The Loan carry interest at LIBOR plus 470 basis points i.e. 6.13% per annum as on March 31, 2017.

(e) MBCPNL

Term loans include loan amounting to INR 10,570.75 Million as on March 31, 2017 (March 31, 2016: INR 10,386.37 million and April 1, 2015: INR 9,515.57 million) taken from a consortium consisting of banks.

Indian Rupee Term Loans from Banks:

The long term loans from the banks carry interest rate from 11.25 % to 11.30% per annum. Such loan is repayable in 50 quarterly instalments commencing from last day of 15th quarter from the first disbursement i.e. 20th March 2010.

(f) RPTPL

Term loans include loan amounting to INR 10,035.02 million as on March 31, 2017 (March 31, 2016: INR 10,093.93 million and April 1, 2015: INR 9,934.07 million) taken from a consortium consisting of a bank and finance companies.

Indian Rupee Term Loans from Banks & Other Party:

The Principal Amounts of the Loan to each of the Lenders shall be repayable in 43 structured quarterly instalments on the last day of each quarter, commencing from the expiry of monotarium period (22 quarters from initial drawdown date i.e. March 30th, 2011). The last date of instalment is March 31, 2027. Term loans carry interest at bank base rate plus 200 basis point as spread i.e. 11.60% to 12.10% per annum as on March 31, 2017.

Foreign Currency loan from Bank:

Foreign Currency loan from Bank shall be repayable in 6 unequal semi-annual instalments. First repayment shall be made from the half year anniversary falling immediately after the date on which any scheduled repayment is made to the Rupee Lenders in accordance with the Common Rupee Loan agreement (scheduled repayment date of rupee loan is September 28, 2016). At the end of payment of 5 unequal semi-annual instalments, the Company propose to convert balance loan amounting to USD 37.83 Million into a new Rupee Term Loan. The Company pays interest at LIBOR plus 4.70 basis points per annum on the foreign currency loan.

(g) SUTPL

Term loans include loan amounting to INR 8,178.36 million as on March 31, 2017 (March 31, 2016: INR 8,136.97 million and April 1, 2015: INR 6,320.74 million) taken from a consortium consisting of a banks.

Indian Rupee Term Loans from Banks:

The Principal amounts of the Loan is repayable to the Lenders in 138 structured monthly instalments, commencing from the expiry of thirteenth (13th) calendar month starting from the calendar month in which the SCOD occurs i.e 30 November 2016.

(h) BRTPL

Term loans include loan amounting to INR 2,742.04 million as on March 31, 2017 (March 31, 2016: INR 2,576.62 million and April 1, 2015: INR 1,245.09 million) taken from a consortium consisting of banks.

Indian Rupee Term Loans from Banks:

The Principal amount of the Loan is repayable to the Lenders in 174 structured monthly instalments, commencing from the expiry of thirteenth (13th) calendar month starting from the calendar month in which the SCOD occurs.

As at March 31, 2017, term loans carries average interest rate of 11.50% per annum.

(i) RHTPL

Term loans include loan amounting to INR 9,442.37 million as on March 31, 2017 (March 31, 2016: INR 8,588.72 million and April 1, 2015: INR 4,374.51 million) taken from a consortium consisting of a banks.

Term Loans from Banks:

The Principal amounts of the Loan is repayable to the Lenders in 174 structured monthly installments , commencing from the expiry of thirteenth (13th) calendar month starting from the calendar month in which the Scheduled Commercial Operations Date (SCOD) occurs.

As at March 31, 2017 term loans carries interest of 11.70% per annum.

(j) DPTL

Term loans include loan amounting to INR 5,274.20 million as on March 31, 2017 (March 31, 2016: INR 5,334.45 million) taken from a consortium consisting of banks.

Company had refinanced loan facility during previous year and new rupee loan facility is repayable in 43 consecutive quarterly instalment commencing from 5th Jan 2016 to 5th July 2026 on the repayment dates and in percentage as mentioned in amortization schedule as set forth in schedule XIII of the Common Loan Agreement executed on 28th Sep 2015

Term loans carry interest at bank base rate plus 700 basis point as spread i.e. 9.95% per annum as on March 31, 2017.

(v) Liability Component of Compound Financial Instrument:

Interest free loan given by Promotors (Sadbhav Engineering Limited) pursuant to the conversion of Compulsory Convertible Cumulative Preference Shares (CCCPS) into equity shares, whereby Promotors has given a commitment to keep the loan balance of INR 779.56 Million in the Company for a period of 11 years from the date of conversion of CCCPS i.e. November 27, 2014.

Under previous GAAP, the said Interest free loan received from promoters disclosed under long term borrowings. Under Ind AS, the Interest free loan has been separated into liability and equity components based on the terms of the contract and equity component has been classified in the other equity and liability component classified in the non-current borrowings (refer note 19). Interest on liability component is recognised using the effective interest method.

(vi) Default and breaches:

Non current borrowings contain debt covenants relating to debt-equity ratio and total debt to net worth. Group has satisfied all the debts covenants prescribed in the terms of respective loan agreement as at reporting date, except in one of the subsidiary (RPTPL), has not been able to meet one of the covenants viz debt service coverage ratio as at the end of the year. In the opinion of the management, this does not have any financial or other implication as regards these financial statement.

(vii) Fair value disclosures for financial liabilities are given in Note 36.

20 Current Borrowings

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans repayable on demand from Bank (Unsecured)	100.00	100.00	100.00
Loan from Holding Company (Unsecured) (refer note 42)	4,357.64	5,326.39	4,664.11
Interest free loan from others (unsecured)	120.60	213.00	213.00
Total	**4,578.24**	**5,639.39**	**4,977.11**

Notes:

(i) Working Capital Demand Loan facility from banks is secured against Corporate guarantee of Sadbhav Engineering Limited (SEL) i.e. the Holding company. The Working Capital Demand Loans are repayable within 90 days of borrowing and carries interest from 10.50% to 9.75% p.a.

(ii) Loan from related parties carries interest of 9.75% to 11% p.a. and is repayable on demand/call notice.

(iii) Interest free loan from others is repayable on demand.

21 Provisions:

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Provision for Employee benefit - Gratuity (refer note 40)	15.71	5.41	3.60
Provision for Periodical major maintenance (refer note 44)	1,600.40	1,465.24	652.41
Total	**1,616.11**	**1,470.65**	**656.01**
Current			
Provision for Employee benefit - Gratuity (refer note 40)	3.96	1.57	0.58
Provision for Employee benefit - Leave encashment	4.26	2.62	1.90
Provision for Periodical major maintenance (refer note 44)	944.90	272.74	-
Other provisions	47.98	-	-
Total	**1,001.10**	**276.93**	**2.48**

22 Trade Payables

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total outstanding dues of creditors to micro and small enterprises*	-	-	-
Total outstanding dues of creditors other than micro and small enterprises (refer note 42)	1,007.11	770.73	838.27
Total	**1,007.11**	**770.73**	**838.27**

*As per intimation available with the group, there are no micro, small and medium enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 to whom the Group owes dues on account of principal amount together with interest and accordingly no related additional disclosure have been made.

23 Other Financial Liabilities

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Premium Obligation under Concession Agreement	11,736.76	10,579.59	7,980.71
Less: Current Maturities of Premium Obligation	(362.55)	(290.80)	-
	11,374.21	**10,288.79**	**7,980.71**
Deferred Premium Obligation	1,872.08	1,174.41	551.37
Interest accrued on premium obligation (refer note (i) below)	226.06	109.16	23.83
Interest accrued but not due on non convertible debentures	652.57	321.64	9.41
Retention Money	1.99	1.19	0.85
Total	**14,126.91**	**11,895.19**	**8,566.18**
Current			
Current maturities of non current borrowings (refer note 19)	2,263.64	1,541.41	1,292.69
Current maturities of premium obligation to NHAI (refer above)	362.55	290.80	-
Interest accrued but not due on borrowings	209.87	200.38	162.26
Interest accrued and due on borrowings (refer note 42)	347.03	157.68	215.71
Interest accrued and due on NHAI Premium Obligation	14.95	0.50	-
Payable towards capital expenditure (refer note 42)	525.10	1,421.38	1,550.71
Employee Emoluments	28.52	23.53	20.38
Payable towards equity share capital (refer note 42)	-	163.71	220.00
Share application money refundable	0.03	0.12	-
Initial public offer expenses	-	0.97	-
Payable to Authorities (AUDA, NHAI)	36.78	36.78	53.70
Payable towards option premium	5.62	5.63	-
Rent Deposit	4.35	3.80	4.21
Other Payable	56.80	32.37	113.57
Total	**3,855.24**	**3,879.06**	**3,633.23**

(i) In case of subsidiaries, HYTPL, SUTPL and RPTPL the premium obligation under the Concession Agreement of INR 8,061.40 million as at March 31, 2017 has been deferred by NHAI. As per the Ministry of Road Transport & Highways policy of NHAI, where the premium obligation under the concession agreement is deferred, the Group is liable to make payment of Interest on Deferment of Premium at Bank Rate + 2% p.a.which is charged to Statement of Profit & Loss account for the year and obligation on the same has been recognised as liabilities. Such deferred premium obligation along with interest thereon is payable no later than one year prior to the expiry of the concession period.

(ii) Fair value disclosures for financial assets are given in Note 36.

24 Other current Liabilities

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unearned revenue (refer note 41)	62.09	64.34	129.94
Statutory Dues payable	123.56	147.46	146.30
Advance from Customer (refer note 42)	3.61	4.12	181.90
Others	0.35	0.09	0.01
Total	**189.61**	**216.01**	**458.15**

25 Current Tax Liabilities (Net)

(INR in Million)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Income tax (net of advance tax)	48.24	-	93.55
Total	**48.24**	**-**	**93.55**

26 Revenue from Operations

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Revenue from Toll Collection, User fees and Annuity Income (refer note (ii) below)	9,460.92	6,337.73
Construction Income (refer note 41 and (i) below)	3,961.96	13,322.61
Other Operating Revenue	57.21	49.32
Total	**13,480.09**	**19,709.66**

Note:

(i) The Contractual income includes cost escalation claim of INR 43.12 (31 March 2016: INR 44.06 Million) from Maharashtra Border Check Post Network Limited, a subsidiary entity, in line with cost escalation principal (cost escalation formula) recommended by Technical Evaluation Committee duly appointed by project steering committee of Maharashtra State Road Development Corporation ('The Project Authority'), which has also been approved by Lender's engineers of the customer.

(ii) Pursuant to demonetisation, concessioning authorities had announced suspension of toll collection at all roads from November 09, 2016 until December 2, 2016. Based on subsequent notification and provisions of concession agreement with the relevant authorities, the group has claimed and recognised revenue of INR 597.88 Millions during the year, except in case of one of its subsidiary MBCPNL where claim of INR 208.27 Million is not recognised as revenue, pending conclusion of modalities of compensation.

27 Other income

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Interest Income on		
Inter corporate loan	-	105.71
Fixed deposits	7.63	33.00
Income tax refund	15.54	3.00
NHAI claim received	76.14	-
Receivable under Service concession arrangements	146.34	149.73
Profit on sale of assets	0.06	17.14
Sundry balances written back	11.66	0.41
Gain on Sale of units of Mutual Funds	48.11	45.31
Income on change in fair valuation of financial instruments	248.42	28.16
Miscellaneous income	4.91	5.04
Total	**558.81**	**387.50**

28 Cost of materials consumed

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Inventory at the beginning of the year	4.26	-
Add : Purchase during the year	241.28	6.89
	245.54	**6.89**
Less : Transfer to unbilled revenue (Refer note below)	-	2.63
	245.54	**4.26**
Less : Inventory at the end of the year (refer note 8)	-	4.26
Total	**245.54**	**-**

Note:

The operation and maintenance contract on which material is consumed, was in progress and accordingly, the group had not recognised margin on the cost incurred till date including material consumption and recorded the transaction as unbilled revenue in the previous year.

29 Construction cost

	Year Ended March 31, 2017	Year Ended March 31, 2016
	(INR in Million)	
Sub-contracting expense	1,350.72	10,749.63
Total	**1,350.72**	**10,749.63**

30 Operating expenses

	Year Ended March 31, 2017	Year Ended March 31, 2016
	(INR in Million)	
Sub Contractors expenses	583.13	541.88
Periodic Major Maintenance expense (refer note 44)	1,301.05	797.81
Power and Fuel	166.31	120.40
Security expenses	151.00	110.36
Miscellaneous expenses	69.16	73.23
Total	**2,270.65**	**1,643.68**

31 Employee benefit expenses

	Year Ended March 31, 2017	Year Ended March 31, 2016
	(INR in Million)	
Salaries, allowance, bonus and leave expense (including managerial remuneration (refer note 40 & 42)	354.80	266.45
Contribution to Provident and Other funds (refer note 40)	22.55	12.71
Gratuity expense (refer note 40)	5.46	5.06
Staff welfare expenses	31.96	24.55
Total	**414.77**	**308.77**

32 Finance Cost

	Year Ended March 31, 2017	Year Ended March 31, 2016
	(INR in Million)	
Interest Expenses on:		
Long Term Loans from Banks and Others	7,857.36	6,824.57
Short Term Loans from Banks and Others (refer note 42)	491.02	658.84
Deferment of premium obligation	155.48	86.00
Others	78.11	1.59
Unwinding of discount on		
Provision of major maintenance	155.80	74.07
NHAI Premium obligation	1,108.45	885.72
Non convertible debentures	331.56	291.56
Interest free loan	31.34	28.23
Other Borrowing Cost		
Amortization of Processing fees / option premium	248.83	286.12
Bank Charges and other finance costs	103.75	636.33
Total	**10,561.72**	**9,773.03**

33 Depreciation and amortisation

	Year Ended March 31, 2017	Year Ended March 31, 2016
	(INR in Million)	
Depreciation on tangible assets (refer note 5)	40.60	36.46
Amortisation on intangible assets (refer note 6)	2,170.33	1,319.00
Total	**2,210.93**	**1,355.46**

34 Other Expenses

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Rent (refer note 42)	21.33	12.90
Insurance	38.15	24.05
Rates and taxes (refer note (i) below)	138.50	197.65
Repairs and maintenance (refer note (ii) below)	64.60	17.39
Legal and professional fees	186.12	149.83
Communication expense	5.56	7.21
Travelling expenses	7.07	7.10
Auditors' Remuneration	6.32	5.76
Directors' Sitting Fees	1.31	0.86
Cash collection charges	12.12	15.44
Allowances for expected credit loss/bad and doubtful debts	2.16	0.44
Change in fair valuation of financial instruments	-	15.42
Loss of assets including cash balances (refer note (ii) below)	-	2.06
Donation	1.38	2.17
Miscellaneous expenses	24.93	56.21
Total	**509.55**	**514.49**

Notes:

(i) Pursuant to the Maharashtra Government's notification no. BCP-0715/C. R.205/Transport-4, dated October 18, 2016, MBCPNL has started collecting service tax on service fees at applicable rates with effect from October 19, 2016. Service tax amounting to INR 101.61 Million has accordingly been reduced from user fee for the period.

As regards service tax for the period prior to 19 October 2016, in accordance with the concession agreement with Maharashtra State Road Development Corporation (MSRDC) since it is eligible for getting reimbursed by MSRDC, an amount of INR 120.04 Million for the year ended March 31, 2017 such amount paid upto 18 October 2016 has been claimed with the relevant authorities. However, the same has been expensed off in books of account.

(ii) There was a social unrest in the State of Haryana, which caused some damages to Rohtak Panipat Tollway Private Limited ('RPTPL'), a subsidiary of the company, toll assets including loss of toll operations for few days from February 17 to 26, 2016. The damages to assets (including cost of replacement) amounting to INR 47.96 million (previous year: INR 6.09 million and cash loss of INR 0.58 million) has been charged off in the statement of profit and loss under Repairs and maintenance and Loss of assets including cash balances respectively. Against above loss, the subsidiary has filled insurance claim with Insurance company for compensation of the damages to assets and towards estimated loss of revenue during the unrest period, however the process is underprogress as at reporting date.

35 Income Tax expense

The major component of income tax expenses for the year ended March 31, 2017 and March 31, 2016 are as under

(a) Profit and Loss Section (INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Current tax		
Current tax charges	133.79	1.77
	133.79	**1.77**
Deferred tax		
Deferred tax charge	60.02	(12.15)
MAT Credit (taken)	(118.01)	-
Total deferred income tax expense	**(57.99)**	**(12.15)**
Adjustments in respect of current tax of earlier years	0.23	(96.33)
Tax Expense reported in the Statement of Profit and Loss	**76.04**	**(106.71)**

Deferred tax items relating to equity

Deferred tax related to items recognised in equity during the year

Particulars (INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Expenditure allowed over the period -Share issue expenses	(52.52)	-
	(52.52)	-

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

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Accounting loss before tax	(3,524.95)	(3,631.90)
Statutory Income tax rate	30.90%	30.90%
Expected Income tax expenses	**(1,089.21)**	**(1,122.26)**
Tax Effect of adjustments to reconcile expected Income tax expenses to reported income tax expenses		
Tax effect of non deductible items	23.93	14.93
Tax in respect of earlier years	0.23	(96.33)
Tax on income at different rates	0.69	18.27
Tax effect on brought forward losses not recognised earlier	(90.03)	(14.39)
Tax losses not recognised due to absence of probable certainity of reversal (refer note (f) below)	1,230.43	1,093.06
Income tax expenses as per normal tax rate	**76.04**	**(106.71)**
Consequent to reconciliation items shown above, the effective tax rate	**(2.16%)**	**2.94%**

(c) Deferred Tax

The movement in deferred tax assets and liabilities during the year ended March 31, 2017, March 31, 2016 and April 1, 2015:

(INR in Million)

Particulars	Balance sheet			Statement of Profit and Loss / Equity	
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016
Deferred tax liability					
Impact of amortisation of financial liabilities	(160.35)	(167.10)	(183.64)	6.75	16.54
Impact of fair valuation of financial instruments	(599.06)	(497.09)	(481.15)	(101.97)	(15.93)
Accelerated depreciation for tax purpose	1.60	0.01	0.19	1.59	(0.18)
Expenditure allowed on payment basis	681.86	537.79	(349.16)	144.06	886.95
Expenditure allowed over the period	(3,301.55)	(3,556.59)	(2,170.92)	255.04	(1,385.67)
Impact of business combination	-	-	-	-	710.99
Unused tax losses available for offsetting against future taxable income	2,671.16	2,984.13	3,184.68	(312.97)	(200.55)
Tax Credit Entitlement under MAT	118.01	-	-	118.01	-
Total deferred tax expenses /(Income)				**110.51**	**12.15**
Net deferred tax assets /(liabilities)	**(588.33)**	**(698.84)**	-		

(d) Reconciliation of Deferred tax **(INR in Million)**

	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended April 1, 2015
Deferred tax assets (net)	72.11	-	-
Deferred tax liabilities (net)	(660.44)	(698.84)	-
	(588.33)	**(698.84)**	-

(e) The group has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet at:

Financial Year	Amount (INR in Million)	Expiry Year
2015-16	2.02	2030-31
2016-17	115.99	2031-32
Total	**118.01**	

(f) Certain subsidiary companies has carried forward losses aggregating INR 28,098.10 million (March 31, 2016: INR 22,891.52 million and as at April 01, 2015: INR 15,023.58 million) under the Income Tax Act, 1961, which can be adjusted against taxable profits for limited period of 8 years of the respective year from the date of origin.

Deferred tax assets has not been recognised in respect of these unabsorbed losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets, the profit would increase by INR 8,682.31 million.

36 Disclosure of Financial Instruments by Category

(INR in Million)

Particulars	Note no.	March 31, 2017				March 31, 2016				April 1, 2015			
		FVTPL	FVOCI	Amortized cost	Cost	FVTPL	FVOCI	Amortized cost	Cost	FVTPL	FVOCI	Amortized cost	Cost
Financial asset													
Derivative not designated as hedges	13	587.33	-	-	-	348.15	-	-	-	184.89	-	-	-
Receivable under Service concession arrangements	11	-	-	3,799.16	-	-	-	2,394.87	-	-	-	2,589.28	-
Investments	9 & 14	558.26	-	-	0.02	243.69	-	-	0.02	49.09	-	-	1,553.30
Trade Receivables	10	-	-	5.39	-	-	-	55.93	-	-	-	8.24	-
Loans	14	-	-	177.78	-	-	-	177.77	-	-	-	556.90	-
Cash and cash equivalents	12	-	-	503.89	-	-	-	871.68	-	-	-	1,674.55	-
Other bank balances	12	-	-	21.08	-	-	-	21.08	-	-	-	21.08	-
Other financial assets	13	-	-	937.75	-	-	-	484.02	-	-	-	1,098.61	-
Total Financial Asset		**1,145.59**	**-**	**5,445.05**	**0.02**	**591.84**	**-**	**4,005.35**	**0.02**	**233.98**	**-**	**5,948.66**	**1,553.30**
Financial liability													
Non Current Borrowing	19	-	-	76,359.81	-	-	-	73,039.74	-	-	-	56,650.61	-
Current Borrowing	20	-	-	4,578.24	-	-	-	5,639.39	-	-	-	4,977.11	-
Trade Payables	22	-	-	1,007.11	-	-	-	770.73	-	-	-	838.27	-
Other Financial liabilities	23	-	-	17,982.15	-	-	-	15,774.25	-	-	-	12,199.41	-
Total Financial Liabilities		**-**	**-**	**99,927.31**	**-**	**-**	**-**	**95,224.11**	**-**	**-**	**-**	**74,665.40**	**-**

37 Fair value disclosures for financial assets and financial liabilities

(INR in Million)

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets at fair value through profit or loss						
Investments in Mutual Fund	558.26	558.26	243.69	243.69	49.09	49.09
Derivative not designated as hedges	587.33	587.33	348.15	348.15	184.89	184.89
Total Financial Assets	**1,145.59**	**1,145.59**	**591.84**	**591.84**	**233.98**	**233.98**
Financial liability at fair value through profit or loss						
Redeemable, Non Convertible Debentures	8,005.41	8,227.49	5,005.41	5,074.76	5,005.41	5,005.41
Premium Obligation under Concession Agreement	11,772.76	12,461.97	10,579.59	10,579.59	7,980.71	7,491.53
Total Financial Liabilities	**19,778.17**	**20,689.46**	**15,585.00**	**15,654.35**	**12,986.12**	**12,496.94**

(i) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(ii) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(iii) The Group has entered into derivative financial instruments with Bank. Interest rate swaps, option contract are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques includes forward pricing and swap models, using present value calculations. The modes incorporate various inputs included currency spot rate, risk free interest rate of respective currency, currency volatility and interest rate curves. The derivative instrument fair value is arrived using mark-to-market valuation as at March 31, 2017.

(iv) The fair value of Premium Obligation is calculated by discounting future cash flows using rates as per RBI Bank rate + 2%.

(v) The caring value of Group's interest-bearing borrowings are reasonable approximations of fair values as the borrowing carry floating interest rate.

38 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2017, March 31, 2016 and April 1, 2015.

(INR in Million)

	Note no.	Fair value measurement using Significant observable inputs (Level 2)		
		March 31, 2017	March 31, 2016	April 1, 2015
Assets measured at fair value				
Fair value through profit & loss				
Investment in Mutual Fund	9 & 14	558.26	243.69	49.09
Derivatives not designated as hedges	13	587.33	348.15	184.89
Liabilities measured at fair value				
Assets for which fair values are disclosed				
Redeemable, Non Convertible Debentures	19	8,227.49	5,074.76	5,005.41
Premium Obligation under Concession Agreement	23	12,461.97	10,579.59	7,491.53

There have been no transfers between level 1 and level 2 during the years.

39 Earning Per Share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

(INR in Million)

		Year Ended March 31, 2017	Year Ended March 31, 2016
Earning/(Loss) Per Share (EPS)			
Net (Loss) after tax for the year available for equity shareholders	(A)	(3,539.89)	(3,405.08)
Number of equity shares at the end of the year		35,22,25,216	35,22,25,216
Weighted average number of equity shares for basic and diluted EPS	(B)	35,22,25,216	33,39,11,611
Nominal value of equity shares		10	10
(Loss) per share (in INR)	**(A/B)**	**(10.05)**	**(10.20)**

40 Employee Benefits:

mount of Rs. 22.55 million (March 31, 2016: Rs. 12.71 million) is recognised as expenses and included in Note No. 31 "Employee Benefits Expenses".

(INR in Million)

		Year Ended March 31, 2017	Year Ended March 31, 2016
A	**Defined Contribution Plans:**		
	Contribution to Provident Funds	20.36	10.98
	Contribution to ESI	0.54	1.34
	Contribution to Benevolent Fund	1.60	0.36
	Maharashtra Labour Welfare Fund	0.05	0.04
	Total	**22.55**	**12.71**

B Defined benefit plans - Gratuity benefit plan:

The Group has a Gratuity benefit plan. Every employee who has completed five years or more of service gets a gratuity on the termination of his employment at 15 days salary (last draw salary) for each completed year of service. The scheme is unfunded. The present value of obligation in respect of gratuity is determined based on actuarial valuation using the Project Unit Credit Method as prescribed by the Indian Accounting Standard - 19. Gratuity has been recognised in the financial statement as per details given below:

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Cost charged to statement of profit and loss		
Current service cost	4.70	4.49
Interest cost	0.77	0.57
Sub-total included in statement of profit and loss	**5.47**	**5.06**

(INR in Million)

	Year Ended March 31, 2017	Year Ended March 31, 2016
Remeasurement gains/(losses) in other comprehensive income		
Actuarial Loss/(Gain) due to change in financial assumptions	1.01	(0.08)
Actuarial Loss/(Gain) due to change in demographic assumptions	-	(0.23)
Actuarial Loss/(Gain) due to experience	7.64	(0.92)
Sub-total included in OCI	**8.65**	**(1.23)**
Reconciliation of net defined benefit obligation / plan assets		
Reconciliation of defined benefit obligations as at beginning of the year		
Defined benefit obligations as at beginning of the year	**10.98**	**7.36**
Cost charged to statement of profit and loss	5.47	5.06
Remeasurement gains/(losses) in other comprehensive income	8.65	(1.23)
Benefit paid	(0.46)	(0.21)
Defined benefit obligations as at end of the year	**24.64**	**10.98**
Reconciliation of Fair Value of Plan Assets		
Plan Asset as at beginning of the year	**4.00**	**3.18**
Interest Income	0.34	0.32
Return on plan assets excluding amounts included in interest income	(0.13)	(0.05)
Contribution by Employer	0.89	0.74
Benefits paid	(0.13)	(0.19)
Sub-total - D	**4.97**	**4.00**
Net Defined benefit obligations as at end of the year (A+B)	**19.67**	**6.98**
Current	3.96	1.57
Non-current	15.71	5.41

(e) The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

	Year Ended March 31, 2017	Year Ended March 31, 2016
Discount rate	7% to 7.60%	7.80%
Salary Growth rate	6.00%	6.00%
Withdrawal rate	15% at younger ages, reducing to 3% at older ages	15% at younger ages, reducing to 3% at older ages
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

A quantitative sensitivity analysis for significant assumption is as shown below: **(INR in Million)**

Particulars	**Sensitivity level**	**Year Ended March 31, 2017**	**Year Ended March 31, 2016**
Discount rate	0.50% increase	(0.73)	(0.33)
	0.50% decrease	0.79	0.34
Salary Growth Rate	0.50% increase	0.74	0.31
	0.50% decrease	(0.70)	(0.30)
Withdrawal rate	10% increase	(0.21)	0.08
	10% decrease	0.24	0.07

Maturity Profile of the Defined Benefit Obligation	**INR in Million**
	March 31, 2017
2018	1.39
2019	1.80
2020	2.08
2021	2.18
2022	2.49
2023 - 2027	9.74

INR in Million

	March 31, 2016
2017	0.75
2018	0.78
2019	1.04
2020	1.09
2021	1.06
2022 - 2026	2.25

C Other employee benefit:

Salaries, Wages and Bonus include INR 15.11 million (Previous Year INR 11.79 million) towards provision made as per actual basis in respect of accumulated leave encashment / compensated absences, Bonus and leave travel allowance.

41 Disclosure in respect of Construction Contracts :

Revenue from fixed price construction contracts are recognized on the percentage of completion method, measured by reference to the percentage of cost incurred up to the year end to estimated total cost for each contract.

(INR in Million)

		Year Ended March 31, 2017	Year Ended March 31, 2016
I	Contract revenue recognized as revenue in the year	3,961.96	13,322.61
II	For Contracts that are in progress:-		
	(a) Contract costs incurred & recognized upto reporting date	6,671.64	14,551.48
	(b) Profits (less recognized losses) upto reporting date	2,353.38	1,080.30
	(c) Advances received	-	-
	(d) Retention Money	25.10	29.56
III	Unbilled revenue	22.21	15.09
IV	Unearned revenue	62.08	64.34

Percentage completion method for income recognition on long term contracts involves technical estimates by engineers/ technical officials, of percentage of completion and costs to completion of each project/contract on the basis of which profit/loss is allocated.

42 Related Party disclosures

Name of Related Parties and related party relationship

(a) Related Parties where control exists

Holding Company	Sadbhav Engineering Limited (SEL)

(b) Related parties with whom transactions have taken place during the year:

Key management personnel (KMP)	Mr. Vasistha C. Patel, Managing Director Mr. Vishnubhai M Patel, Chairman and Non Executive Director, (up to March 03, 2017) Mr. Shashin Patel, Chairman and Non Executive Director (w.e.f March 03, 2017) Mr. Nitin R Patel, Non Executive Director Mr. Arunkumar Patel, Independent Director Mr. Sandip Patel, Independent Director Mr. Atul Ruparel, Independent Director Mr. Mirat Bhadlawala, Independent Director Mrs. Daksha Shah, Independent Director Late Dr. Jagdish Joshipura, Independent Director (Up to November 12, 2016) Mr. Varun Mehta, Chief Financial Officer Mr. Hardik Modi, Company Secretary (w.e.f July 08, 2016) Mr. Gaurav Vesasi, Company Secretary (up to May 31, 2016)
Enterprise over which the company/holding Company is having significant influence	Dhule Palesnar Tollway Limited (DPTL) (up to October 29, 2015), it became subsidiary subsequently Mumbai Nasik Express Way Limited (MNEL) (up to February 29, 2016), investment sold subsequently
Fellow Subsidiary	Mysore-Bellary Highway Pvt. Ltd. (MBHPL) (w.e.f. October 7, 2014)

Note: 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.

(c) Transactions with Related Parties during the year **(INR in Million)**

Sr. No.	Particulars	Holding		Enterprises over which holding company is able to exercise significant influence		Fellow Subsidiary		Key Management Personnel	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
1	Unsecured Loan Taken								
	SEL	4,215.12	4,968.26	-	-	-	-	-	-
2	Unsecured Loan repaid (Including Interest)								
	SEL	5,580.93	5,009.69	-	-	-	-	-	-
3	Interest Expense								
	SEL	466.27	652.26	-	-	-	-	-	-
4	Purchase of Shares of SPV entity								
	SEL	-	186.92	-	-	-	-	-	-
5	Unsecured Loan Given								
	MBHPL	-	-	-	-	24.80	6.50	-	-
6	Proceeds from unsecured loan given including interest								
	MBHPL	-	-	-	-	24.80	-	-	-
	MNEL	-	-	-	188.34	-	-	-	-
7	EPC Contract, Utility shifting and Variation service availed								
	SEL	1,552.24	10,993.25	-	-	-	-	-	-
8	Mobilization Advance recovered								
	SEL	281.20	1,119.83	-	-	-	-	-	-
9	Interest Income								
	MNEL	-	-	-	13.05	-	-	-	-
10	Receipt of services and Material (excluding tax)								
	SEL	66.14	21.13	-	-	-	-	-	-
11	Sale of Services (Including Contract Revenue) (excluding service tax) (Refer note 2 below)								
	SEL	247.37	497.33	-	-	-	-	-	-
12	Rent, Re-Imbursement and Allocation of Expense								
	SEL	53.97	88.14	-	-	-	-	-	-
	MBHPL					51.26	63.57		
13	Fixed assets sold								
	SEL	-	20.50	-	-	-	-	-	-
14	Fixed assets Purchased (including VAT)								
	SEL	15.40	-	-	-	-	-	-	-
15	Sitting Fees								
	Vasistha C. Patel	-	-	-	-	-	-	0.11	0.04
	Vishnubhai M. Patel	-	-	-	-	-	-	0.05	0.11
	Shashin V. Patel	-	-	-	-	-	-	0.08	0.11
	Nitin R. Patel	-	-	-	-	-	-	0.21	0.13
	Arunkumar Patel	-	-	-	-	-	-	0.15	0.10
	Sandip Patel	-	-	-	-	-	-	0.14	0.06
	Atul Ruparel	-	-	-	-	-	-	0.06	0.08
	Mirat Bhadlawala	-	-	-	-	-	-	0.12	0.03
	Daksha Shah	-	-	-	-	-	-	0.09	0.06
	Jagdish Joshipura	-	-	-	-	-	-	0.05	0.06
16	Remuneration								
	Vasistha Patel	-	-	-	-	-	-	3.00	3.25
	Varun Mehta	-	-	-	-	-	-	3.00	2.15
	Hardik Modi	-	-	-	-	-	-	0.45	-
	Gaurav Vesasi	-	-	-	-	-	-	0.26	0.77

(d) Balances at the year end: **(INR in Million)**

Sr. No.	Particulars	Holding			Enterprises over which holding company is able to exercise significant influence			Fellow Subsidiary			Key Management Personnel		
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
1	Trade Receivable (including retention money)												
	DPTL	-	-	-	-	-	4.70	-	-	-	-	-	-
	SEL	-	81.38	-	-	-	-	-	-	-	-	-	-
2	Unsecured Loan												
	MBHPL	-	-	-	-	-	-	7.40	7.40	0.90		-	
	MNEL	-	-	-	-	-	137.16	-	-	-	-	-	-
3	Sub-Ordinate debt												
	DPTL	-	-	-	-	-	1,538.89	-	-	-	-	-	-
4	Mobilisation and Material Advance given												
	SEL	-	-	1,119.25									

Sr. No.	Particulars	Holding			Enterprises over which holding company is able to exercise significant influence			Fellow Subsidiary			Key Management Personnel		
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
5	Advance towards purchase of shares												
	SEL	-	-	267.81	-	-	-	-	-	-	-	-	-
6	Interest Payable												
	SEL	89.05	66.47	117.91	-	-	-	-	-	-	-	-	-
7	Payable for shares												
	SEL	-	163.71	-									
8	Trade Payable												
	SEL	59.55	177.98	174.60	-	-	-	-	-	-	-	-	-
9	EPC Contract including retention money												
	SEL	684.53	1,547.78	2,351.15									
10	Interest Receivable												
	MNEL	-	-	-	-	-	38.14	-	-	-	-	-	-
11	Expense receivable												
	MBHPL	-	-	-	-	-	-	-	-	8.12	-	-	-
12	Unsecured Loan Taken												
	SEL	4,357.64	5,326.39	4,664.11	-	-	-	-	-	-	-	-	-
13	Interest on 0.01% unsecured CCD												
	SEL	-	-	0.14	-	-	-	-	-	-	-	-	-
14	Interest Free Unsecured Loan (Equity and liability components less finance cost recognised till date reporting date)												
	SEL	779.56	779.56	779.56	-	-	-	-	-	-	-	-	-
15	Other Current Asset												
	SEL	-	-	17.27									
16	Managerial Remuneration Payable												
	Vasistha Patel	-	-	-	-	-	-	-	-	-	-	0.33	0.25
	Varun Mehta	-	-	-	-	-	-	-	-	-	0.14	0.16	0.15
	Hardik Modi	-	-	-	-	-	-	-	-	-	0.05	-	-
	Gaurav Vesasi	-	-	-	-	-	-	-	-	-	-	0.06	0.04

Notes:

(i) Non convertible debenture of INR 8,005.41 Million as at 31 March 2017 (31 March 2016: INR 5,005.41 million, April 1, 2015: INR 5,112.00 million) is guaranteed by the corporate guarantee of Sadbhav Engineering Limited, the holding company and Non convertible debenture of INR 5,005.41 Million as at 31 March 2017 (31 March 2016: INR 5,005.41, April 1, 2015: INR 5,112.00 million) personal guarantee of Mr. Vishnubhai Patel (Promoter of holding company (SEL)). Further, Sadbhav Engineering Limited has pledged 16% of its shareholding in the Company to the lenders toward borrowings availed by the Company.

(ii) The Remuneration disclosed above given to key managerial personnel is mainly related to short term employee benefits and does not includes post employee benefits as the same is not determinable.

43 Contingent liabilities and commitments

(a) Contingent Liabilities **(INR in Million)**

	Year Ended March 31, 2017	Year Ended March 31, 2016
Claims against the Group not acknowledged as debts		
Service Tax:-		
Demand from authorities for recovery of CENVAT credit (refer note (i) below)	43.48	43.48
Income Tax:-		
Income tax demand pertaining to various subsidiaries (refer note (ii) below)	29.95	29.95
Claims against the Group not acknowledged as debts (refer note (iii) below)	8.38	8.38
	81.81	**81.81**

(i) Towards service tax demand from authorities for recovery of CENVAT credit on input service availed during the financial years 2009-10 and 2010-11. In respect of said matter, the Group has preferred appeal with Tribunal and received stay order from tribunal for recoveries of demands against deposited INR 2.5 Million. Further the matter is pending with Tribunal as at reporting date.

(ii) The income tax demands are pertaining to various subsidiary entities on account of disallowance in computation of income claimed by the entities under the Income tax Act. The entities are contesting the demands and the management believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(iii) In case of ARRIL, interest has been charged by India Infrastructure Finance Company Limited (IIFCL) at a rate higher than agreed rate and the same is not accepted by the subsidiary company.

(b) Other Litigations:

Bijapur Hungud Tollway Private Limited:

The minority Shareholder of Bijapur Hungund Tollway Private Limited ('BHTPL') (a subsidiary of the Company) has filed Company Petition under sections 397 and 398 of the Companies Act,1956 before the Hon'ble Company Law Board (CLB), Mumbai Bench, alleging acts of oppression and mismanagement by the majority shareholders Company, SEL (Sadbhav Group) and the past and present Directors of the BHTPL appointed by the Sadbhav Group (hereinafter referred to as "Respondents"). The Company had filed an Application to stay proceedings before the CLB and refer matters to arbitration on the ground that all disputes raised in the Company Petition were arbitrable and should therefore be referred to arbitration under the arbitration clause contained in the Shareholders Agreement dated July 9, 2010 between Montecarlo, BHTPL and the Company. The said Application was dismissed by the CLB by Order dated January 8, 2014. The Company then proceeded to file a Writ Petition before the Hon'ble Gujarat High Court challenging the January 8, 2014 CLB Order. The Writ Petition was dismissed by single judge of Honourable High Court of Gujarat by Order dated August 14, 2014. The Company has filed Letters Patent Appeal No.1070 of 2014 before the Division Bench of the Hon'ble Gujarat High Court against the August 14, 2014 Hon'ble Gujarat High Court Order.The Hon'ble Gujarat High Court has passed order dated November 24, 2014 continued the interim orders passed during the pendency of the Writ Petition and further directed to stay proceedings before CLB till disposal of LPA. The LPA is, pending hearing before the Hon'ble Gujarat High Court. The Management represents that no liability is likely to devolve in the matter on the Company.

(c) Commitments

The followings are the estimated amount of contractual commitments of the Group: **(INR in Million)**

		March 31, 2017	March 31, 2016	April 01, 2015
(i)	EPC Sub-Contract Commitments	786.87	388.31	438.54
(ii)	Capital commitment (net of capital advances)	24,454.03	2,725.62	10,778.15

(iii) The BOT projects of the group have been funded through various credit facility agreements with banks. Against the said facilities availed by the subsidiary companies from the banks, the Company has executed agreements with respective lenders whereby the Company has committed to hold minimum shareholding and pledge of its holding in the respective subsidiary company, details of which is as follows:

Name of Subsidiary	% of Non Disposal Undertaking		% of Shares to Pledge as at		
	Upto Commercial Operation Date	After Commercial Operation Date	March 31, 2017	March 31, 2016	April 1, 2015
ARRIL	70.00%	45.00%*	6.00%	30.00%	24.00%
AJTL	21.00%	21.00%	30.00%	51.18%	51.18%
BRTPL	51.00%	51.00%	51.00%	51.00%	51.00%
BHTPL	51.00%	51.00%	92.23%	26.00%	26.00%
HYTPL	51.00%	51.00%	81.01%	51.01%	51.01%
MBCPNL	70.00%	51.00%	29.57%	43.13%	43.13%
NSEL	30.00%	30.00%	99.00%	99.00%	30.00%
RHTPL	51.00%	51.00%	51.00%	51.00%	51.00%
RPTPL	51.00%	51.00%	51.00%	51.00%	51.00%
SUTPL	51.00%	51.00%	51.00%	51.00%	51.00%
DPTL	51.00%	33.00%	33.00%	33.00%	NA
SUHPL	51.00%	51.00%	30.00%	NA	NA
SBHPL	51.00%	51.00%	30.00%	NA	NA
SRHPL	51.00%	51.00%	30.00%	NA	NA
SNHPL	51.00%	51.00%	30.00%	NA	NA

* In case of ARRIL the undertaking for non disposal of shares shall be reduced to 21% on repayment of 80% of the total Loan given by lenders.

(iv) The Group has agreed to acquire 74% equity shareholding of Mysore-Bellary Highway Pvt. Ltd. (MBHPL) from Sadbhav Engineering Limited (SEL) as per agreement dated November 3, 2014, subject to regulatory approvals.

44 Disclosure related to Periodic Major Maintenance provisions:

Provision for major maintenance in respect of toll roads maintained by the Group under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facility to a specified level of serviceability in respect of such asset. Estimate of the provision is measured using a number of factors, such as contractual requirements, road usage, expert opinions and expected price levels.Becasuse actual cash flows can differ from estimates due to changes in laws, regulations, public expectations, prices and conditions, and can take place many years in future, the carrying amounts of provision is reviewed at regular intervals and adjusted to take account of such changes. Below is the movement in provision for the year:

INR in Million

Particulars	March 31, 2017
Carrying amount as at Beginning of the Year	1,737.98
Add: Additional provision made during the year (refer note 30)	1,301.04
Add: increase during the Year in the discounted amount due to passage of time	155.81
Less: Amounts used (i.e. incurred and charged against the provision) during the year	649.53
Carrying amount as at end of the year	**2,545.30**
Current	944.90
Non-Current	1,600.40
Total	**2,545.30**
Year of expected cash outflow	2017-2023

45 The Group has taken office space on operating leases basis. There are no sub-leases and the leases are cancellable in nature at any point of time by either of parties. There are no restrictions imposed under the lease arrangements. There is neither any contingent rent nor any escalation clause in the lease agreements. During the year, the Group has incurred INR 12.55 Million (31 March 2016: INR 12.08 Million) towards rent for office space.

46 Segment Information

Operating Segments

The Group has determined following reporting segments based on the information reviewed by the Group's Chief Operating Decision Maker ('CODM').

(i) BOT includes toll operations , user fees and annuity income.

(ii) Contract activity includes Engineering Procurement Construction (EPC) Contract and construction revenue under service concession arrangement.

Identification of Segments:

The chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure.

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment's, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

(INR in Million)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Segment Revenue		
BOT (Toll Operation, User Fees and other operating income)	9,518.12	6,387.05
Contract Activities	2,061.73	690.78
	11,579.85	**7,077.83**
Construction revenue under Service Concession Arrangement	1,900.24	12,631.83
Total Revenue	**13,480.09**	**19,709.66**
Results		
BOT (Toll Operation and User Fees)	5,118.31	4,869.47
Contractual Income	1,444.01	362.67
Segment Results	**6,562.32**	**5,232.14**
Add: Unallocated Corporate Income (net of expenses)	474.45	908.99
Operating Profit	**7,036.77**	**6,141.13**

(INR in Million)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Less: Finance costs	(10,561.72)	(9,773.03)
Loss before tax	(3,524.95)	(3,631.90)
Tax Expense	76.04	(106.71)
Loss after tax	**(3,600.99)**	**(3,525.19)**
Less: Minority Interest	(69.55)	(118.99)
Net Profit	**(3,531.44)**	**(3,406.20)**
Other Information		
Segment Assets		
BOT (Toll Operation and User Fees)	1,01,050.66	99,160.06
Contract Activities	63.35	61.81
Unallocated corporate assets	3,307.55	3,150.60
Total Assets	**1,04,421.56**	**1,02,372.47**

(INR in Million)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Segment Liabilities		
BOT (Toll Operation and User Fees)	20,160.56	17,347.36
Contract Activities	500.16	348.07
Unallocated corporate liabilities	82,782.08	80,191.12
Total Liabilities	**1,03,442.80**	**97,886.55**
Segment Depreciation and Amortisation (Expense)		
BOT (Toll Operation and User Fees)	2,204.02	1,354.79
Contract Activities	6.88	0.67
Total Segment Depreciation and Amortisation (Expense)	**2,210.90**	**1,355.46**
Major Non-Cash Expenses other than Depreciation and amortisation		
BOT (Toll Operation and User Fees)	2,565.94	1,757.60
Major Non-Cash unallocated expenses other than Depreciation and amortisation	362.26	28.23
Total Major Non-Cash Expenses other than Depreciation and amortisation	**2,928.20**	**1,785.83**

Notes:

(i) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The net expenses, which are not directly attributable to the Business Segment, are shown as unallocated corporate cost.
Assets and Liabilities that cannot be allocated amongst the segments are shown as part of unallocated assets and liabilities respectively.

(ii) The Group is operating in a single geographical segment i.e. India, accordingly, the reporting requirement as per Ind AS 108, 'Segment reporting', is not applicable, and hence, detail thereon are not given.

47 Financial Risk Management

The Group's principal financial liabilities comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support operations as well as development and maintenance of SPVs project. The Group's principal financial assets include Investments, other receivables and cash and bank balances.

The Group's business activities are exposed to a variety of financial risks, namely market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

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

Within the various methodologies to analyse and manage risk, Group has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 25-basis points of the interest rate yield curves in all currencies
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 2%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analyses:
- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017, March 31, 2016 and April 1, 2015.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group seeks to mitigate such risk by entering into interest rate derivative financial instruments such as interest rate swaps. Interest rate swap agreements are used to adjust the proportion of total debt, that are subject to variable and fixed interest rates.

Under an interest rate swap agreement, the Group either agrees to pay an amount equal to a specified fixed-rate of interest times a notional principal amount, and to receive in return an amount equal to a specified variable-rate of interest times the same notional principal amount or, vice-versa, to receive a fixed-rate amount and to pay a variable-rate amount. The notional amounts of the contracts are not exchanged. No other cash payments are made unless the agreement is terminated prior to maturity, in which case the amount paid or received in settlement is established by agreement at the time of termination, and usually represents the net present value, at current rates of interest, of the remaining obligations to exchange payments under the terms of the contract.

The banks are now finance at variable rate only, which is the inherent business risk.

Interest rate sensitivity

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

(INR in Million)

	Effect on loss before tax	
	March 31, 2017	**March 31, 2016**
Increase in 25 basis point	(118.22)	(112.91)
Decrease in 25 basis point	120.31	121.81

The effect of interest rate changes on future cash flows is excluded from this analysis.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business in local currency and in foreign currency, primarily in USD. The Group has obtained foreign currency loans and is, therefore, exposed to foreign exchange risk. The Group may use foreign exchange options towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the group.

The Group manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure, as approved by Board as per established risk management policy. Details of the hedge & unhedged position of the Group given in Note no. 48.

Foreign currency sensitivity

As per the Group's policy, exchange rate differences of long-term foreign currency loans which are related to acquisition of depreciable fixed assets have been added to or deducted from the cost of the assets and depreciated over the balance life of the assets. Accordingly, the change in USD rate is not impacted directly on loss before tax and pre-tax equity for the year ending March 31, 2017 and March 31, 2016 and accordingly sensitivity analysis of change in USD rate has not been presented.

(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 Group is exposed to credit risk related to operating activities (primarily trade receivables and other financial assets), financing activities including temporary Investment in mutual fund and other financial instruments.

Credit risk from balances with banks and financial institutions is managed by the Group's finance department in accordance with the Group's policy. Investments of surplus funds are made only in accordance with group policy. The Group monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Group adjusts its exposure to various counterparties. The Group's maximum exposure to credit risk from balance with bank and financial institutions as of March 31, 2017 is INR 1,083.23 million, March 31, 2016 is INR 1,136.45 million and April 1, 2015 is INR 1,744.74 million.

(c) Liquidity risk

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

The Group regularly monitors the rolling forecast to ensure it has sufficient cash on an on-going basis to meet operational needs. Any Short term cash generated, over and above its working capital management and other operational requirement, is retained as cash nad cash equivalents (to the extent required) and any excess is invested in short term mutual fund to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation. The Group ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

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

(INR in Million)

Particular	Total Amount	On Demand	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
As at March 31, 2017						
Non-current borrowings #	79,693.30	-	2,263.73	5,218.27	19,948.42	52,262.88
Loans Repayable on Demand	4,578.24	4,578.24	-	-	-	-
Trade Payables	1,007.11	-	1,007.11	-	-	-
Other financial liabilities *	27,334.26	-	2,863.40	449.22	2,627.38	21,394.27
Total	**1,12,612.91**	**4,578.24**	**6,134.24**	**5,667.49**	**22,575.80**	**73,657.15**
As at March 31, 2016						
Non-current borrowings #	75,750.09	-	1,605.60	2,779.58	22,114.03	49,250.88
Loans Repayable on Demand	5,639.39	5,639.39		-	-	-
Trade Payables	770.73	-	770.73	-	-	-
Other financial liabilities*	25,842.77	-	3,451.76	355.04	2,240.49	19,795.48
Total	**1,08,002.98**	**5,639.39**	**5,828.09**	**3,134.62**	**24,354.52**	**69,046.36**
As at April 01, 2015						
Non-current borrowings #	59,121.77	-	1,391.98	1,987.16	18,229.22	37,513.40
Loans Repayable on Demand	4,977.11	4,977.11	-	-	-	-
Trade Payables	838.27	-	838.27	-	-	-
Other financial liabilities*	15,191.05	-	3,421.76	10.00	881.62	10,877.67
Total	**80,128.20**	**4,977.11**	**5,652.01**	**1,997.16**	**19,110.84**	**48,391.08**

Current maturities of Non-current borrowings is included and transaction cost paid to lender on upfront basis excluded from above Non Current borrowing.

* Other financial liabilities includes liability on premium obligation which is considered above on undiscounted basis.

48 Derivative instruments:

Derivative outstanding as at the reporting date **(INR in Million)**

Nature of instrument	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Swap contract - Interest Swap			
Notional amount of USD Millions	14.27	21.53	28.11
Option contracts to buy			
Notional amount of USD Millions	112.67	125.36	134.57

The Group has entered into Option contract over the borrowing terms for hedging foreign currency exchange risk against external Commercial borrowings. The group has also entered into Swap contract to hedge interest rate fluctuation over a borrowing terms.

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

49 Capital Management

For the purpose of the Group's capital management, Capital consist of share capital, Securities Premium, Other equity and all other reserves attributable to the equity holders of the Group. The primary objective of the Group'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 Group 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 Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares. The Group monitors capital using debit equity ratio which does not exceed 7:1 which is total Borrowings divided by total equity.

The key performance ratios as at 31st March are as follows: **(INR in Million)**

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current Borrowings* (refer note 19)	78,623.46	74,581.15	57,943.31
Current Borrowings (refer note 20)	4,578.24	5,639.39	4,977.11
Total Debts - A	**83,201.70**	**80,220.54**	**62,920.42**
Equity Share Capital (refer note 17)	3,522.25	3,522.25	3,109.63
Other Equity (refer note 18)	(2,805.78)	1,032.09	658.21
Add: Retained Earnings (refer note 18)	12,786.62	8,851.54	5,446.46
Total Equity - B	**13,503.09**	**13,405.88**	**9,214.30**
Debt equity ratio (A/B)	**6.16**	**5.98**	**6.83**

* Non-current borrowings includes current maturities of non-current borrowings which has been classified under other current financial liabilities and the effect of transaction cost paid to lenders on upfront basis included in non-current borrowings.

50 Business Combination

The Group has acquired 99% of the equity shares of Dhule Palesnar Tollway Limited (DPTL) pursuant to share purchase agreement dated October 29, 2015 at a consideration of INR 550.29 million. Dhule Palesner Tollway Limited is a Special Purpose Vehicle for Design, Engineering, Finance, Construction, Operation & Maintenance of 4 Laning of Maharashtra Border-Dhule section of NH -3 from kms 168.500 to 265.000 in the state of Maharashtra under NHDP Phase III on DBFOT basis awarded by National Highway Authority of India (NHAI). The Group acquired Dhule Palesnar Tollway Limited because it will help realize the anticipated growth opportunities and synergies from combining these businesses.

The fair value of the identifiable assets and liabilities of DPTL as at the date of acquisition were as follows:

(INR In Million

Particulars	Fair Value recognised on acquisition
Property, plant and equipment's	22.31
Intangible Assets	14,434.31
Intangible Assets under development	271.50
Cash & Cash Equivalents	23.95
Other assets	13.07
Total Assets	**14,765.14**

Non-current borrowings	9,794.34
Other liabilities	1,160.15
Perpetual debt	3,254.03
Deferred tax liability	710.99
Total Liabilities	**14,919.51**
Total identifiable net assets at fair value	**(154.37)**
Goodwill arising on acquisition	710.99
Purchase consideration transferred	**556.62**
Represent Investment held by the group in the subsidiaries upto October 29, 2015	6.33
Purchase consideration paid	550.29

From the date of acquisition, Dhule Palesnar Tollway Limited has contributed INR 1,055.82 Million of revenue and reported a loss of INR 260.02 Million. If the combination had taken place at the beginning of the year, revenue would have been INR 1,914.62 million and the loss for the group would have been INR 724.61 million.

51 Disclosure pursuant to Appendix - A to Ind AS 11 - " Service Concession Arrangements" ('SCA')

(A) Disclosures with regard to Toll Collection rights (Intangible Assets)

Sr. No.	Name of Concessionaire	Start of concession period under concession agreement (Appointed date)	End of concession period under concession agreement	Period of concession since the appointed date	Construction completion date or scheduled construction completion date under the concession agreement, as applicable	Remaining amortisation period as at the reporting date
1	Ahmedabad Ring Road Infrastructure Limited	December 28, 2006	December 27, 2026	20 years	June 30, 2008	10.76 years
2	Aurangabad Jalna Tollway Limited	February 01, 2007	July 31, 2030	23 years 6 months	July 24, 2009	13.34 years
3	Bhilwara Rajsamand Tollway Private Limited	October 9, 2013	October 8, 2043	30 years	June 4, 2016	27.54 years
4	Bijapur Hungund Tollway Private Limited	September 05,2010	September 04,2030	20 years	June 20,2012	13.43 years
5	Hyderabad Yadgiri Tollway Private Limited	July 30, 2010	July 29, 2033	23 Years	December 10, 2012	16.34 years
6	Maharashtra Border Check Post Network Limited	March 30, 2009	September 29, 2033	24 years & 6 months	November 16, 2011	16.51 years
7	Rohtak Hissar Tollway Private Limited	December 26,2013	December 26,2035	22 years	July 29,2016	17.74 years
8	Rohtak Panipat Tollway Private Limited	April 18, 2011	April 17, 2036	25 years	January 6, 2014	19.06 years
9	Shreenathji Udaipur Tollway Private Limited	April 18, 2013	April 17, 2040	27 years	December 4, 2015	23.60 years
10	Dhule Palesner Tollway Limited	December 21, 2009	December 20, 2027	18 years	January 23, 2012	10.73 years

Notes:

(i) The above BOT/ DBFOT projects shall have following rights/obligations in accordance with the Concession Agreement entered into with the respective Government Authorities:-

a. Rights to use the Specified assets.

b. Obligations to provide or rights to expect provision of services.

c. Obligations to deliver or rights to receive at the end of the Concession.

(ii) The actual concession period may vary based on terms of concession agreement.

(B) Disclosures with regard to Annuity project / Hybrid annuity project

Sr. No.	Name of Concessionaire	Start of concession period under concession agreement (Appointed date)	End of concession period under concession agreement	Period of concession since the appointed date	Construction completion date or scheduled construction completion date under the concession agreement, as applicable
1	Nagpur Seoni Expressway Limited	November 26, 2007	November 25, 2027	20 years	May 25, 2010
2	Sadbhav Una Highway Private Limited	February 09, 2017	August 07, 2034	15 years from COD	August 08, 2019
3	Sadbhav Bhavnagar Highway Private Limited	February 07, 2017	August 05, 2034	15 years from COD	August 06, 2019
4	Sadbhav Rudrapur Highway Private Limited	March 31, 2017	March 31, 2034	15 years from COD	March 31, 2019
5	Sadbhav Nainital Highway Private Limited	In the process of achieving financial closure	In the process of achieving financial closure	15 years from COD	In the process of achieving financial closure
6	Sadbhav Bangalore Highway Private Limited	In the process of achieving financial closure	In the process of achieving financial closure	15 years from COD	In the process of achieving financial closure

Notes:

(i) 40% of the Bid Project Cost, adjusted for the Price Index Multiple, shall be due and payable to the company in 5 equal instalments of 8% each during the Construction Period in accordance with the provisions of the SCA.

(ii) The remaining Bid Project Cost, adjusted for the Price Index Multiple, shall be due and payable in 30 biannual instalments commencing from the 180th day of COD in accordance with the provison of the SCA.

(iii) 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 instalment specified in of SCA.

52 First time adoption of IND AS

These consolidated financial statements, for the year ended 31 March, 2017 are the first the Group has prepared in accordance with Ind AS. For periods upto and including the year ended 31 March 2016, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the companies Act, 2013 read with paragraph 7 of the companies (Account) Rules, 2014 (Previous GAAP).

Accordingly, The Group has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on 31 March, 2017 together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. This note explains the principle adjustments made by the Group in restating its previous GAAP financial statements including the balance sheet as at 1st April 2015, and the previously published Previous GAAP financial statements as at and for the year ended March 31, 2016.

A Exemption from other Ind AS

a. Deemed cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant Equipment's and Investment property as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, since there is no change in the functional currency, the Group has elected to continue with the carrying value for all of its Property, Plant Equipments and Investment property, as recognised in its previous GAAP financials, as deemed cost at the transition date.

b. Revenue based amortization of Toll Collection Rights

Ind AS 101 permits a first time adopter to continue policy adopted for amortization of Toll Collection Rights arising from service concession arrangements related to toll roads recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, the group has elected to continue with the Revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013 for toll collection rights recognised under service concession arrangements, as per policy adopted by the group in the previous GAAP.

c. Long Term Foreign Currency Monetary Items

The Group has elected to avail exemption under Ind AS 101 to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items outstanding and recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

d. Business combination

Ind AS 103 Business Combinations has not been applied to acquisitions, which are considered as business combination under Ind AS that occurred before 1 April 2015. The carrying amounts of assets and liabilities in accordance with previous GAAP are considered as their deemed cost at the date of acquisition. After the date of the acquisition, measurements is in accordance with

Ind AS. The carrying amount of goodwill in the opening Ind AS balance sheet is its carrying amount in accordance with the previous GAAP.

Ind AS mandatory exceptions

a. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in the conformity with previous GAAP. The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 1, 2015, the date of transition to Ind AS and as of March 31, 2016.

b. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Reconciliation between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS:

a. Reconciliation of Total Equity as at March 31, 2016 and April 1, 2015

(INR in Million)

Particulars	Note No	March 31, 2016	April 1, 2015
Total Equity as per Previous GAAP		**11,953.21**	**7,809.10**
Adjustments as per Ind AS			
Recognisation of Finance cost on account of amortised cost of financial liability	i	86.49	92.10
Discounting/unwinding of liability / provision	ii	(1,356.09)	(775.13)
Impact of Annuity assets considered as Financial assets	iv	(730.48)	(536.07)
Reversal of amortisation of goodwill	v	172.71	-
Adjustment of Capital Reserve (Government Grant) to Intangible Asset	iii	(6,274.29)	(3,407.20)
Impact on account of Business combination		(27.40)	-
Others	viii	661.76	635.50
Total Ind AS Adjustments		**(7,467.29)**	**(3,990.79)**
Total Equity as per Ind AS		**4,485.92**	**3,818.31**

b. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

(INR in Million)

Particulars	Note No	March 31, 2016
loss after tax as per Previous GAAP		**(2,605.90)**
Adjustments as per Ind AS		
Recognition of Finance cost on account of amortised cost of financial liability	i	(5.62)
Discounting/unwinding of liability / provision	ii	(580.95)
Recognition of Construction Revenue including Government Grant	iii	12,753.13
Recognition of Construction Expense and Other expenses	iii	(12,753.13)
Change in share of minority Interest		(12.36)
Impact of Annuity assets considered as Financial assets	iv	(194.42)
Reclassification of re-measurement gains on defined benefit plans to OCI	vi	1.12
Impact on account of Business combination		(27.40)
Reversal of amortisation of goodwill	v	172.71
Others	viii	(153.39)
Total Ind AS Adjustments		**(800.30)**
Loss after tax as per Ind AS		**(3,406.20)**
Other Comprehensive Income (OCI)	vii	
Reclassification of re-measurement gains on defined benefit plans	vi	1.12
Total Comprehensive Income as per Ind AS		**(3,405.08)**

c. Impact of Ind AS adoption on statement of cash flows for the year ended March 31, 2016

Particulars	Previous GAAP	Adjustments	Ind AS
Net Cash Flows from Operating activities	4,752.19	(2 742.52)	7494.71
Net Cash Flows from Investing activities	(12,727.88)	(1 253.86)	(11,474.02)
Net Cash Flows from Financing activities	7,148.87	3 996.38	3152.49
Net Increase / (Decrease) in cash and cash equivalents	**(826.82)**	**-**	**(826.82)**
Cash and cash equivalents as at April 01, 2016	1,698.50	-	1,698.50
Cash and cash equivalents as at March 31, 2017	**871.68**	**-**	**871.68**

Footnotes to the reconciliation of profit and loss for the year ended March 31, 2016 and equity as at April 01, 2015 and March 31, 2016:

i. Finance cost recognition on account of amortised cost of financial liability:

Under Previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss / capitalized in the Intangible assets. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

ii. Discounting / unwinding of Liability / Provision:

Under the previous GAAP, the provision of Major Maintenance expenses and the premium obligation payable to government authorities were recognised on undiscounted basis in the intangible assets. As required under Ind AS, the same have been recognised on discounted basis.

iii. Recognition of Construction Revenue including Government Grant under Service Concession Arrangement:

The construction revenue and related construction cost of assets developed under concession arrangements with government are recognised as income and expenditure and concession rights capitalised as intangible assets as per the Appendix A of Ind AS 11 'Service Concession Arrangement' on specific conditions being met in terms of accounting standard. Under Indian GAAP, construction costs are recognised as Intangible rights under concession arrangement.

iv. Annuity assets considered as financial assets:

Financial Income on the Annuity based BOT project recognised as financial assets considering the time value of total receivables as per the Appendix A of Ind AS 11 'Service Concession Arrangement' under Ind AS. Under Previous GAAP, the fixed amount receivable from authorities was recognised as Income on gross basis.

v. Reversal of Goodwill on Consolidation:

The goodwill on consolidation was amortised under previous GAAP over the concession period. Under Ind AS, the goodwill value is not amortised and is carried as previous GAAP carrying value in accordance with Ind AS 101 and tested for impairment.

vi. Re-measurement gain / loss on defined benefit plan:

Under Ind AS, re-measurement i.e. actuarial gain loss excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurement were forming part of the profit or loss for the year.

vii. Other comprehensive income:

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income and expense that are not recognised in profit or loss but are shown in the Statement of profit and loss as "other comprehensive income" includes re-measurement of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

viii. Others

The others consist of interest free loan has been separated into liability and equity components based on the term of the contract, fair valuation of financial instruments and reversal of amortisation of intangible assets on accounts of adjustment of transition impact in intangible assets.

53 Standards issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Group's financial statements is disclosed below. The Group intends to adopt this standard when it becomes effective.

Amendment to Ind AS 7 'Statement of cash flows':

The Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017 in March 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

This standard will come into force from accounting period commencing on or after 1 April 2017. The Group will adopt the new standard on the required effective date. The group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

54 Disclosure of Specified Bank Notes (SBNs):-

During the year, the Group had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(Amount in INR)

Particulars	Specified Bank Notes (SBNs)*	Other Denomination Notes & coins	Total
Closing Cash in hand as on November 8, 2016	**3,00,61,749**	**2,16,76,484**	**5,17,38,233**
Add: Permitted Receipt	11,94,40,751	54,27,18,960	66,21,59,711
Less: Permitted Payments	25,500	74,27,315	74,52,815
Less: Amount deposited in Banks	14,94,77,000	50,48,17,363	65,42,94,363
Closing Cash in hand as on December 30, 2016	-	**5,21,50,766**	**5,21,50,766**

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

55 In terms of the Concession Agreement for setting up the project for Modernization and Computerisation of integrated Border Check Post ('Project') in the state of Maharashtra on Build, Operate and Transfer basis, the Maharashtra Border Check Post Network Limited (MBCP), a subsidiary, has been regularly representing in the Steering Committee of the project set up by Maharashtra State Road Development Corporation (MSRDC) under Concession agreement, about handover of the additional project BCP sites so as to meet Concessionaire obligations as regards implementation of project as per the Concession agreement. As at 31st March, 2017, the company has achieved provisional certificate of completion for 17 check posts out of total 22 check posts as per Concession agreement. The collection of service fees have been started in 13 BCP as per directive of MSRDC. Further, MBCP had received general resolution from government of Maharashtra for construction of additional 2 Check post on BOT basis.

As at 31st March, 2017, the project implementation is in progress and there are costs variance in development of each BCP site. The Company has been accounting cost variations, if any based on the approval of independent engineers appointed by MSRDC read with note 56 below. MBCP has been regularly representing to MSRDC for the time extension of completion of BCP construction in terms of Concession agreement. MBCP is confident that necessary approvals relating to time extension for completion of BCP construction will be received and that no additional financial obligations is envisaged to be levied on the company under the terms of concession agreement.

56 Maharashtra Border Check Post Network Limited ('MBCPNL'), a subsidiary entity has accepted and accounted certain project related costs variation amounting towards increased cost of construction due to delay in execution of the Modernization and Computerisation of 22 Border Check Post Project ('BCP Project'). Such costs variations are incurred due to various reasons not attributable to MBCPNL in terms of service concession agreement, up to March 31, 2017 is INR 1,883.09 Million (March 31, 2016 INR 1,740.57 million). The costs have been accounted as intangible assets. Further, such costs variations is required to be approved by Government of Maharashtra (GoM) although the Independent Engineer of the Project, Technical Evaluation Committee duly appointed by project Steering Committee of Maharashtra State Road Development Corporation Limited ('the Project Authority') which is monitoring the project progress and the lender's independent engineer has in-principle accepted and recommended MBCPNL's cost variation claim. Based on the recommendations at the project steering committee, GoM (Grantor) will conclude in regard to cost variations claim of the MBCPNL although MBCPNL is confident that the additional costs accounted in the books will be fully accepted by the GoM.

57 In the case of the following subsidiaries there are accumulated losses as at the balance sheet date, which have resulted in erosion of the respective company's net worth. The subsidiaries have no intention of curtailing the scale of operations and have projected increased traffic movement for their respective projects. Also, the subsidiaries have been able to meet their financial obligations in the ordinary course of the business complimented by the continuing financial support offered from Sadbhav Infrastructure Project Limited (SIPL). Accordingly, these consolidated financial statements have been prepared assuming that such Subsidiaries will continue as a going concern. The details are as follows:

(INR in Million)

Name of the Subsidiary	Accumulated Losses as at		
	March 31, 2017	March 31, 2016	April 1, 2015
Aurangabad Jalna Tollway Limited	926.49	-	
Ahmedabad Ring Road Infrastructure Limited	-	-	618.97
Nagpur Seoni Expressway Limited	1,087.49	1,024.91	-
Rohtak-Panipat Tollway Private Limited	4,777.95	3,195.12	-

58 In the previous year, the Group had transferred its rights in the 1,04,00,000 equity shares of Mumbai Nasik Expressway Limited (MNEL) at a consideration of INR 720.00 million. The profit made on sale of rights in the equity shares of INR 616.00 million (i.e. net of cost of INR 104.00 million) has been accounted as an exceptional item in the Consolidated statement of profit and loss.

59 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013.

As on March 31, 2017

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit / (loss)		Share in Other Comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	Amount INR in Million	As % of consolidated profit/(loss)	Amount INR in Million	As % of consolidated OCI	Amount INR in Million	As % of consolidated TCI	Amount INR in Million
Parent Company								
SIPL	-1277%	(12,500.47)	39.40%	(1,418.74)	4.26%	(0.37)	39.31%	(1,419.11)
Subsidiary Companies								
Indian								
ARRIL	10%	100.27	-3.53%	127.06	38.49%	(3.33)	-3.43%	123.73
BHTPL	42%	406.26	8.64%	(311.22)	9.47%	(0.82)	8.64%	(312.04)
AJTL	26%	253.06	-9.96%	358.56	10.92%	(0.94)	-9.91%	357.61
MBCPNL	345%	3,377.71	-0.96%	34.71	23.87%	(2.07)	-0.90%	32.64
NSWEL	59%	579.49	-4.38%	157.86	0.00%	-	-4.37%	157.86
HYTPL	29%	281.62	5.69%	(204.87)	1.07%	(0.09)	5.68%	(204.96)
RPTPL	-121%	(1,188.16)	40.29%	(1,450.76)	-0.58%	0.05	40.19%	(1,450.71)
SUTPL	271%	2,653.49	9.42%	(339.18)	1.86%	(0.16)	9.40%	(339.34)
BRTPL	137%	1,343.69	-2.46%	88.56	0.00%	-	-2.45%	88.56
RHTP	87%	850.86	9.56%	(344.19)	0.00%	-	9.54%	(344.19)
DPTL	347%	3,397.46	10.21%	(367.67)	8.27%	(0.72)	10.21%	(368.39)
SBHPL	35%	346.73	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
SUHPL	23%	226.40	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
SRHPL	29%	286.25	0.01%	(0.29)	0.00%	-	0.01%	(0.29)
SNHPL	31%	301.32	0.01%	(0.29)	0.00%	-	0.01%	(0.29)
SBGHPL	0%	0.51	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Minority interest in all subsidiaries	27%	262.29	-1.93%	69.55	2.36%	(0.20)	-1.92%	69.35
Total	**100.00%**	**978.76**	**100.00%**	**(3,600.99)**	**100.00%**	**(8.65)**	**100.00%**	**(3,609.64)**

As on March 31, 2016

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit / (loss)		Share in Other Comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	Amount INR in Million	As % of consolidated profit/(loss)	Amount INR in Million	As % of consolidated OCI	Amount INR in Million	As % of consolidated TCI	Amount INR in Million
Parent Company								
SIPL	-224.38%	(10,065.36)	14.15%	(498.66)	4.87%	0.06	14.15%	(498.60)
Subsidiary Companies								
Indian								
ARRIL	2.05%	92.06	-4.88%	172.00	35.72%	0.44	-4.89%	172.44
BHTPL	13.41%	601.75	7.10%	(250.34)	4.06%	0.05	7.10%	(250.29)
AJTL	14.13%	633.87	3.14%	(110.54)	0.88%	0.01	3.14%	(110.53)
MBCPNL	70.89%	3,180.13	2.04%	(72.05)	29.25%	0.36	2.03%	(71.69)
NSWEL	6.06%	271.85	13.43%	(473.55)	0.00%	-	13.44%	(473.55)
HYTPL	10.27%	460.65	7.25%	(255.50)	6.50%	0.08	7.25%	(255.42)
RPTPL	-2.09%	(93.90)	41.04%	(1,446.60)	10.56%	0.13	41.05%	(1,446.47)
SUTPL	64.60%	2,897.86	6.32%	(222.96)	0.00%	-	6.33%	(222.96)
BRTPL	32.56%	1,460.65	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
RHTP	30.91%	1,386.66	0.01%	(0.52)	0.00%	-	0.01%	(0.52)
DPTL	83.11%	3,728.13	7.02%	(247.43)	0.00%	-	7.02%	(247.43)
Minority interest in all subsidiaries	-1.53%	(68.42)	3.38%	(118.99)	8.16%	0.10	3.37%	(118.89)
Total	**100.00%**	**4,485.93**	**100.00%**	**(3,525.19)**	**100.00%**	**1.23**	**100.00%**	**(3,523.96)**

60 During the year, Bhilwara Rajsamand Tollway Private Limited (BRTPL) and Rohtak Hissar Tollway Private Limited (RHTPL) , the subsidiaries, have received Provisional Commercial Operation Date (PCOD) as on June 04, 2016 and July 29, 2016 respectively and accordingly the toll collection was started from June 09, 2016 and August 03, 2016 respectively. The statement of profit & loss for the year ended March 31, 2017 also includes operations of BRTPL and RHTPL w.e.f. PCOD and to that extent current year operational nos are not comparable with the previous year operational nos for the year ended March 31, 2016.

61 Events occurred after Balance Sheet date

Subsequent to the year end, income tax department carried out search u/s 132 and survey u/s 133A of the income Act, 1961 at premises of the Company and its couple of subsidiaries. Management believes there would be no implication in this regards on these consolidated financial statements.

62 Previous year comparatives

Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to current year classification.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per Sukrut Mehta
Partner
Membership No. 101974

Date : 18 May, 2017
Place : Ahmedabad

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg. No.: 106041W/W100136

per K. B. Solanki
Partner
Membership No. 110299

Date : 18 May, 2017
Place : Ahmedabad

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

Vasistha Patel
Managing Director
DIN : 00048324

Shashin Patel
Director
DIN : 00048238

Hardik Modi
Company Secretary

Varun Mehta
Chief Financial Officer

Date : 18 May, 2017
Place : Ahmedabad

Note :

Note :

Sadbhav
TODAY FOR TOMORROW

SADBHAV INFRASTRUCTURE PROJECT LIMITED

CIN : L45202GJ2007PLC049808
Registered Office : 'Sadbhav House' Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad-380006, Gujarat • Tel.: 91 79 26463384 • Fax : 91 79 26400210
E-mail : investor@sadbhavinfra.co.in • Web : www.sadbhavinfra.co.in

ATTENDANCE SLIP

DP ID	
Client ID	

Folio No.	
No. of Shares	

Name and address of Shareholder / Proxy holder
____
____

I hereby record my presence at the **11th Annual General Meeting of the Company** held on Tuesday, 26th September, 2017 at Lions Hall, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad - 380006 at 11.00 A.M.

Shareholder / Proxy's Signature

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the Meeting Hall)

Sadbhav
TODAY FOR TOMORROW

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PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules.2014]

Name of the Member(s):			
Registered Address:			
E-mail ID:			
Folio No./ Client ID:		**DP ID:**	

I/We, being the member(s) of ____________ shares of the **Sadbhav Infrastructure Project Limited**, hereby appoint;

1) ____________ of ____________ having e-mail id ____________ or failing him / her

2) ____________ of ____________ having e-mail id ____________ or failing him / her

3) ____________ of ____________ having e-mail id ____________

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **11th Annual General Meeting of the Company,** to be held on Tuesday, 26th September, 2017 at 11.00 a.m. at Lions Hall, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad - 380006, Gujarat and at any adjournment thereof in respect of such resolution as are indicated below:

P. T. O.

1. Consider and adopt:
   (a) Audited Standalone Financial Statements, Report of the Board of Directors and Auditors thereon.
   (b) Audited Consolidated Financial Statements and the Report of Auditors thereon.
2. Re-Appointment of Mr. Nitin R. Patel (DIN: 00466330) who retires by rotation.
3. Ratification of Appointment of Joint Statutory Auditors and fixing their remuneration.
4. Ratification of Remuneration of Cost Auditor.
5. Re-appointment of Mr. Vasistha C. Patel (DIN: 00048324) as Managing Director.
6. Issue of Secured/Unsecured Non-Convertible Debentures and/or other Debt Securities on private placement basis.
7. Increase in borrowing limits.
8. Creation of charge on Company's properties.
9. To approve conversion of loan into equity.
10. To consider and decide place of maintaining and keeping Register of Members & other registers at place other than the Registered Office of the Company.
11. Alteration of Articles of Association.

Signed this ________________ day of ________________ 2017

Please affix Re 1/- Revenue Stamp

____
Signature of shareholder

____
Signature of 1st proxy holder

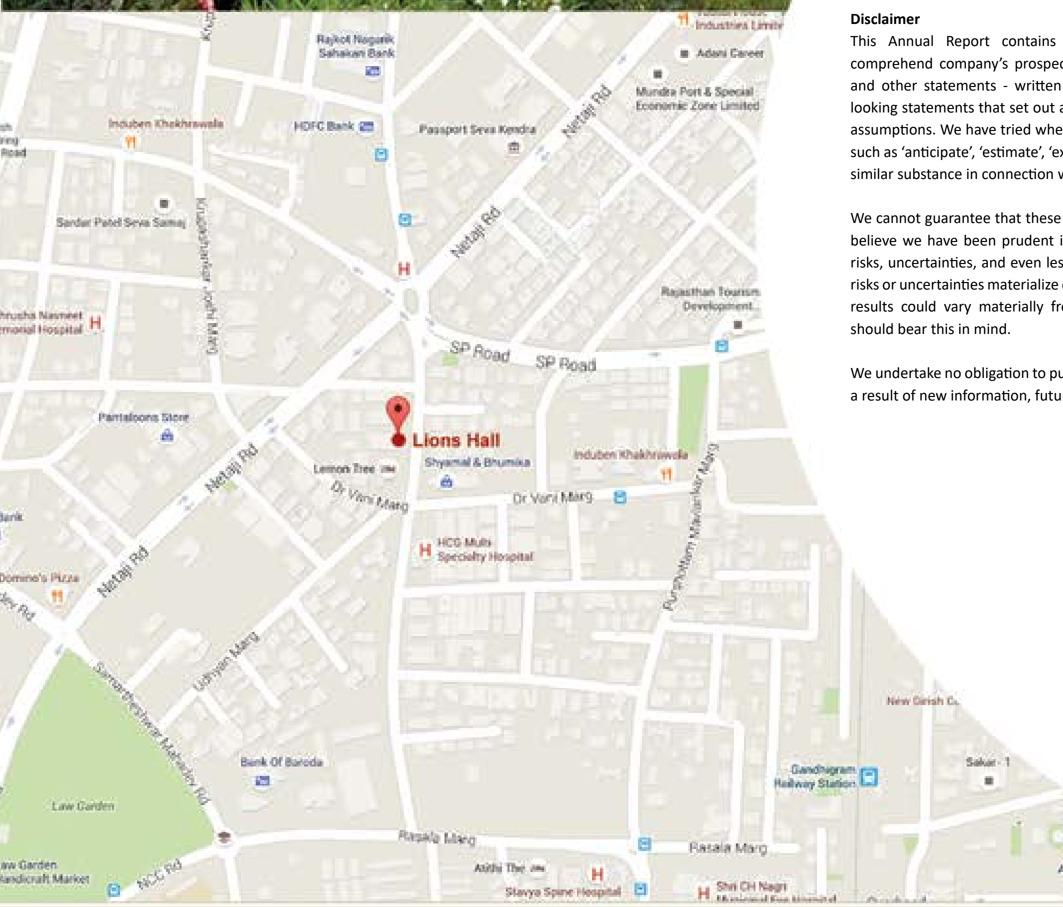
____
Signature of 2nd proxy holder

____
Signature of 3rd proxy holder

Notes :

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.
(2) A Proxy need not be a member of the Company.
(3) A Person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the share capital of the Company carrying rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
(4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
(5) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Sadbhav
TODAY FOR TOMORROW



Disclaimer

This Annual Report contains forward-looking information to enable investors to comprehend company's prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties, and even less than accurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Sadbhav
TODAY FOR TOMORROW

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Website : www.sadbhavinfra.co.in

TÜV NORD
TUV India Private Ltd.
ISO 9001

08/2017 marg