

Ref: SEL/2020-21/72

February 12, 2021

To,
The Dy. Gen Manager
Corporate Relationship Dept.
BSE Limited
P. J. Tower, Dalal Street,
Mumbai- 400 001

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051
Fax : 022-26598237-38

Equity Scrip Code:532710

Equity Scrip Name: SADBHAV

Sub: Outcome of Board Meeting of the Company

Dear Sir/ Madam,

In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015"), we would like to inform you that the meeting of Board of Directors of the Company was held today i.e. Friday, February 12, 2021 at 03.00 p.m. and concluded at 7.00 p.m. Board of Directors has inter alia approved and adopted the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter and nine months ended on December 31, 2020 (Q3) as per regulation 33 of SEBI (LODR) Regulations, 2015. The copy of the said results along with Limited Review Report on Unaudited Financial Results of the Company for the quarter and nine months ended on December 31, 2020.

You are requested to take the above on your record.

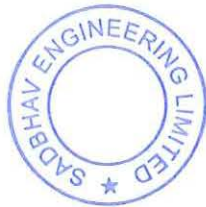
Thanking You,

Yours Faithfully,

For Sadbhav Engineering Limited



Tushar Shah
Company Secretary
Mem. No. F7216



Encl: As Above

SADBHAV ENGINEERING LIMITED
[CIN: L45400GJ1988PLC011322]

Corp. Office: "Sadbhav", Near Havmor Restaurant, B/H Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009, Gujarat.

Tel:-079 40400400; Fax:-079 40400444; Email :- selinfo@sadbhav.co.in; Website: www.sadbhaveng.com

UNAUDITED FINANCIAL RESULTS (STAND ALONE) FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2020

(Rs.in Lakhs except for Share data)


Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31/12/2020 (Unaudited)	30/09/2020 (Unaudited)	31/12/2019 (Unaudited)	31/12/2020 (Unaudited)	31/12/2019 (Unaudited)	31/03/2020 (Audited)
1	Revenue From operations	55,600.84	41,221.13	44,003.93	1,19,791.00	1,84,279.10	2,25,166.02
2	Other income	1,326.69	3,139.95	3,436.30	5,974.25	9,258.58	11,584.73
3	Total Income (1+2)	56,927.53	44,361.08	47,440.23	1,25,765.25	1,93,537.68	2,36,750.75
4	Expenses						
	Construction Expenses	34,916.22	25,859.41	24,425.73	73,342.58	1,16,703.10	1,35,665.26
	Cost of Material Consumed	9,091.99	6,595.78	9,197.61	20,563.97	28,342.60	37,837.17
	Employee benefits expenses	3,249.32	2,942.13	3,065.00	8,760.48	11,534.20	14,715.31
	Finance costs	4,815.56	5,379.29	4,982.41	13,962.87	14,551.77	19,411.74
	Depreciation and amortization expenses	2,353.29	2,451.62	2,676.71	7,299.34	8,248.41	10,844.88
	Other expenses	978.21	842.62	1,830.72	2,832.58	4,798.33	9,002.89
	Total Expenses	55,404.59	44,070.85	46,178.18	1,26,761.82	1,84,178.41	2,27,477.25
5	Profit/(Loss) before exceptional Items and tax (3-4)	1,522.94	290.23	1,262.05	-996.57	9,359.27	9,273.50
6	Exceptional Items	-	-	-	-	-	1,701.44
7	Profit/(Loss) before tax (5-6)	1,522.94	290.23	1,262.05	(996.57)	9,359.27	10,974.94
8	(1) Tax Expense	266.09	-	321.50	266.09	2,869.50	3,621.74
	(2) Deferred Tax	(259.53)	(233.82)	(224.95)	(645.10)	(1,207.60)	(1,162.30)
9	Profit/(Loss) for the Period/Year (7-8)	1,516.38	524.05	1,165.50	(617.56)	7,697.37	8,515.50
10	Other Comprehensive Income (OCI)						
	(i) Items that will not be reclassified to profit or loss						
	Remeasurement gains/losses on defined benefit plans	(27.93)	(86.48)	40.43	(114.41)	132.33	334.49
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
11	Total Comprehensive Income (9+10)	1,488.45	437.57	1,205.93	(731.97)	7,829.70	8,849.99
12	Paid up Equity Share Capital (Face value of Re. 1/- each)	1715.71	1715.71	1715.71	1715.71	1715.71	1715.71
13	Other Equity excluding Revaluation Reserves	-	-	-	-	-	208682.77
14	Basic and Diluted EPS (Rs.) (* not annualized)	0.88*	0.31*	0.68*	-0.36*	4.49*	4.96

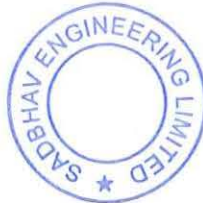


Notes :-

- 1 In accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the aforesaid financial results for the third quarter and nine months ended December 31, 2020 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meeting held on February 12, 2021. The Statutory auditors have carried out limited review of the same.
- 2 The segment reporting is in accordance with its internal financial reports derived from ERP system which is reviewed by Chief Operating Decision Maker (CODM). Consequently, the company has considered business as whole as a single operating segment in accordance with Indian Accounting Standard ('Ind AS')
- 3 Depreciation on Plant & machinery other than those used for mining sites has been provided at higher rate by considering lower useful life compared to useful life prescribed under schedule II to the Companies Act, 2013, hence depreciation charged for the quarter ended on 31/12/2020 is higher by Rs. 227.09 Lakhs (Rs. 257.39 Lakhs).
- 4 The Company has decided not to exercise the option permitted under section 115BBA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.
- 5 During the previous financial year, pursuant to the definitive share purchase agreement dated July 1, 2019 between the Sadbhav infrastructure Project limited (SIPL), a subsidiary company with Indinfravit Trust, the entire equity shareholding in seven of its subsidiary companies and Mysore Bellary Highway Private Limited (MBHPL) (a subsidiary of the Company) have been transferred to Indinfravit Trust with effect from 14th Feb, 2020. This has resulted into profit of Rs. 1701.44 lakhs which has been disclosed as Exceptional Item in the financial results for the year ended 31.03.2020.
- 6 The Board of Directors at their meeting dated October 19, 2019 have approved a scheme of merger and arrangement under Section 230 to 232 of Companies Act 2013, subject to the regulatory approvals required whereby, the Sadbhav Infrastructure Project Limited (SIPL), a subsidiary will merge into the Company. The appointed date of merger is 1st April, 2019. Approval of SEBI and BSE/NSE have been received. Now the Company has made application to National Company Law Tribunal (NCLT) for its approval. On receipt of approval of NCLT and filing of copy of order of NCLT with Registrar of Companies, the scheme will become effective from appointed date.
- 7 The COVID-19 pandemic is rapidly spreading across the world as well as in India and has caused shutdown across the country. The Company has resumed operations in a phased manner in line with the directives of the Government of India. The management has made assessment of possible impact of COVID-19 on business / operations of the Company and believes that the impact may not be significant over the terms of its contracts. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at date of approval of these standalone financial results has used corroborative information. As on date, the company has concluded that the impact of Covid-19 is not material based on the evaluations. Due to the nature of the pandemic, the company will continue to monitor developments to identify significant uncertainties in future periods, if any. The management does not see any long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.
- 8 The Indian Parliament has passed the Code on Social Security, 2020. The Code when implemented will impact the contribution by the Company towards benefits such as Provident Fund, Gratuity etc. The effective date(s) of implementation of this code is yet to be notified. In view of this, any financial impact due to the change will be assessed and accounted for in the period of notification.
- 9 The listed non-convertible debentures of the Company aggregating Rs.14,500.00 Lakhs outstanding as on December 31, 2020 which are secured by way of shares of Company's subsidiary. The asset cover thereof exceeds hundred percent of the principal amount of the said debentures.
- 10 The figures for the previous period have been regrouped/rearranged wherever necessary, to make them comparable with those of the current period.
- 11 The above Financial Results are available on company's website www.sadbhaveng.com and on the websites of the stock exchange viz www.bseindia.com and www.nseindia.com

For, SADBHAV ENGINEERING LIMITED


Nirmal R. Patel
Executive Director & Chief Financial Officer
DIN : 00466330
Place : Ahmedabad
Date : 12/02/2021



Dhirubhai Shah & Co LLP
Chartered Accountants
401/408 'Aditya' Opp. Sardar Patel Seva
Samaj Hall, Nr. Mithakali Six roads,
Ahmedabad,
Gujarat, 380006

Manubhai & Shah LLP
Chartered Accountants
G-4 Capstone, Opp. Chirag
Motors, Sheth Mangaldas Road,
Ellisbridge, Ahmedabad,
Gujarat, 380006

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of Sadbhav Engineering Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors of
Sadbhav Engineering Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Sadbhav Engineering Limited (the "Company") for the quarter and nine months ended on December 31, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted



in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter:

We draw attention to Note No. 7 to the accompanying unaudited standalone financial results, as regards the management's evaluation of COVID-19 impact on the operations and assets of the Company.

Our conclusion is not modified in respect of this matter.

For, Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/W100298

Samip K. Shah.

Samip K Shah
Partner
Membership No: 128531
ICAI UDIN: 21128531AAAABW6873
Place: Ahmedabad
Date: February 12, 2021



For, Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/W100136

Kaushik C Patel

Kaushik C Patel
Partner
Membership No: 030083
ICAI UDIN: 21030083AAAABT3728
Place: Ahmedabad
Date: February 12, 2021



SADBHAV ENGINEERING LIMITED
[CIN: L45400GJ1988PLC011322]

Corp. Office: "Sadbhav", Near Havmor Restaurant, B/11 Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009, Gujarat.

Tel:-079 40400400; Fax:-079 40400444; Email :- selinfo@sadbhav.co.in; Website: www.sadbhaveng.com

UNAUDITED FINANCIAL RESULTS (CONSOLIDATED) FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2020

(Rs.in Lakhs except for Share data)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31/12/2020 (Unaudited)	30/09/2020 (Unaudited)	31/12/2019 (Unaudited)	31/12/2020 (Unaudited)	31/12/2019 (Unaudited)	31/03/2020 (Audited)
1	Revenue From operations	69,576.14	54,071.80	68,129.15	1,62,012.87	2,85,757.83	3,48,705.08
2	Other income	9,343.21	8,008.23	9,767.58	24,629.69	29,907.91	37,510.46
3	Total Income (1+2)	78,919.37	62,080.03	77,896.73	1,86,642.56	3,15,665.74	3,86,215.54
4	Expenses						
	Construction Expenses	33,783.12	25,504.28	23,110.15	79,352.25	1,36,448.13	1,59,089.42
	Cost of Material Consumed	9,092.00	6,595.78	9,197.62	20,563.98	28,345.31	37,839.87
	Employee benefits expenses	4,036.12	3,700.93	4,067.60	11,004.78	15,536.30	19,671.81
	Finance costs	26,501.47	23,815.18	37,724.89	73,775.81	1,09,816.85	1,41,083.41
	Depreciation and amortization expenses	6,074.29	6,468.02	10,834.61	16,834.44	31,781.61	40,118.08
	Other expenses	2,162.81	1,925.72	3,191.92	5,832.78	9,221.98	17,883.25
	Total Expenses	81,649.82	68,009.91	88,126.79	2,07,364.04	3,31,150.18	4,15,685.84
5	Profit before exceptional Items and tax (3-4)	(2,730.45)	(5,929.88)	(10,230.06)	(20,721.48)	(15,484.44)	(29,470.30)
6	Exceptional Items	-	-	-	-	-	1,50,101.34
7	Profit before tax (5-6)	(2,730.45)	(5,929.88)	(10,230.06)	(20,721.48)	(15,484.44)	1,20,631.04
8	(1) Tax Expense	459.99	348.20	570.60	1,235.49	3,734.10	5,235.34
	(2) Deferred Tax	1,172.27	(236.82)	(342.05)	792.60	(1,134.20)	4,771.10
	(3) Adjustment for short or excess Provision of the previous year	(226.70)	-	-	(226.70)	(631.50)	-
9	Net Profit/(Loss) for the period after taxes Before Non-controlling Interest	(4,136.01)	(6,041.26)	(10,458.61)	(22,522.87)	(17,452.84)	1,10,624.60
	Other Comprehensive Income (OCI)						
	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
10	Re-measurement gains/(losses) on defined benefit plans	(27.93)	(86.48)	40.43	(114.41)	132.33	336.69
	Other Comprehensive Income (OCI)						
	(i) Items that will not be reclassified to profit or loss						
11	Total Comprehensive Income for the Period/Year (9+10)	(4,163.94)	(6,127.74)	(10,418.18)	(22,637.28)	(17,320.51)	1,10,961.29
	Profit/(Loss) for the period/year attributable to:						
	Owners of the Company	(2,432.06)	(4,050.73)	(6,979.27)	(15,895.02)	(9,380.16)	79,282.97
	Non-controlling Interest	(1,703.96)	(1,990.53)	(3,479.24)	(6,627.85)	(8,072.68)	31,341.63
12	Other Comprehensive Income for the period/year attributable to:						
	Owners of the Company	(27.93)	(86.48)	16.69	(114.41)	108.59	336.69
	Non-controlling Interest	-	-	23.74	-	23.74	-
13	Total Comprehensive Income for the period/year attributable to:						
	Owners of the Company	(2,459.99)	(4,137.21)	(6,962.58)	(16,009.43)	(9,271.57)	79,619.66
	Non-controlling Interest	(1,703.96)	(1,990.53)	(3,455.50)	(6,627.85)	(8,048.94)	31,341.63
	Total Income (including other comprehensive income)	(4,163.95)	(6,127.74)	(10,418.08)	(22,637.28)	(17,320.51)	1,10,961.29
	Paid up Equity share Capital (face value of Re. 1 each)	1715.71	1715.71	1715.71	1715.71	1715.71	1715.71
14	Other Equity excluding Revaluation Reserves	-	-	-	-	-	158352.78
15	Basic and Diluted EPS (Rs.) (* not annualized)	-1.42*	-2.36*	-4.07*	-9.26*	-5.47*	46.21



Notes :

- 1 The aforesaid unaudited consolidated financial results of Sadbhav Engineering Limited ('the Company') and its subsidiaries including step-down subsidiaries (together referred to as 'Group') for the quarter and nine months ended December 31, 2020 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their respective meetings held on February 12, 2021. The results are prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013. The statutory auditors have carried out limited review of the same.
- 2 The segment reporting is in accordance with its internal financial reports derived from ERP system which is reviewed by Chief Operating Decision Maker (CODM). Consequently, the company has considered business as whole as a single operating segment in accordance with Indian Accounting Standard ('Ind AS') 108.
- 3 Depreciation on Plant & machinery other than those used for mining sites has been provided at higher rate by considering lower useful life compared to useful life prescribed under schedule II to the Companies Act, 2013, hence depreciation charged for the quarter ended on 30/09/2020 is higher by Rs. 227.09 Lakhs (Rs. 257.39 Lakhs).
- 4 In case of Ahmedabad Ring Road Infrastructure Limited (ARRIL), one of the step down subsidiary, Ahmedabad Urban Development Authority (AUDA), has vide resolution passed by its board of directors in the meeting held on October 09, 2017, exempted Light Motor Vehicles (four wheelers) from payment of toll, w.e.f October 10, 2017. In this connection AUDA, relying on legal opinion, in its board meeting has passed resolution to assess claims and make payments as per actual traffic. ARRIL has raised the claims as per the directions of the Board of AUDA. Pending final decision on claim assessment by AUDA, ARRIL has recognised revenue of toll collection of INR 179.20 lakhs, INR 178.10 lakhs and INR 175.50 lakhs for the quarter ended December 31, 2020, September 30, 2020 and December 31, 2019 respectively and INR 530.90 lakhs and INR 512.70 lakhs for the nine months ended December 31, 2020 and December 31, 2019 respectively and INR 686.30 lakhs for the year ended March 31, 2020 based on the actual average daily traffic of Light Motor Vehicles (four wheelers) during period April 2017 to September 2017. During the nine months period ended December 31, 2020 ARRIL has received amount of Rs 2030 lakhs from AUDA as adhoc amount against the claim.
- 5 The revenue from operation includes revenue from construction contracts of INR 13,890.60 lakhs, INR 14,682.50 lakhs and INR 18672.20 lakhs for quarter ended December 31, 2020, September 30, 2020 and December 31, 2019 respectively and INR 43,759.60 lakhs and INR 90702.70 lakhs for the nine months period ended December 31, 2020 and December 31, 2019 and INR 107084.40 lakhs for the year ended March 31, 2020 related to intangible assets under development and development of Hybrid Annuity Model (HAM) assets as per concession arrangements which are recognised in accordance with the requirements of Appendix-D of Ind AS 115 "Revenue from contracts with customers.
- 6 Maharashtra Border Check Post Network Limited ('MBCPNL') a one of the step down subsidiary, has accepted and accounted certain project related costs variation 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 incurred due to various reasons not attributable to MBCPNL, in terms of service concession agreement, up to September 30, 2020 is Rs. 22,288.40 lakhs (March 31, 2020 Rs. 22,288.40 lakhs). The costs have been accounted as intangible assets/ intangible assets under development. 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.
- 7 Operating expenses include provision for Periodic Major Maintenance of INR 498.30 lakhs, INR 498.30 lakhs and INR 2393.60 lakhs for the quarter ended December 31, 2020, September 30, 2020 and December 31, 2019 respectively and INR 1,494.90 lakhs and INR 6,965.10 lakhs for the nine months period ended December 31, 2020 and December 31, 2019 respectively and INR 7,535.90 lakhs for the year ended March 31, 2020.
- 8 The exceptional item amounting to INR 1,50,101.34 Lakhs for the year ended March 31, 2020 was towards the profit on sale of entire equity shareholding in seven of its step down subsidiary companies i.e. Bijapur Hungund Tollway Private Limited, Aurangabad Jalna Tollway Limited, Hyderabad Yadgiri Tollway Private Limited, Dhule Palesner Tollway Limited, Nagpur Seoni Expressway Limited, Shreenathji Udaipur Tollway Private Limited, Bhilwara Rajsamand Tollway Private Limited and Mysore Bellary Highway Private Limited (MBHPL), a subsidiary of the Company pursuant to the definitive share purchase agreement ('the agreement') dated July 1, 2019

Further, the condition precedents mentioned in the agreement such as regulatory approvals, lender's consent, other customary approvals with respect to one step down subsidiary i.e. Ahmedabad Ring Road Infrastructure Limited (ARRIL), has been received as at the reporting date. However transfer of shareholding in pursuance of agreement is yet not done. Accordingly, investments in this subsidiary company has been classified as assets held for sale in accordance with Ind AS 105 – "Non-Current Assets Held for Sale and Discontinuing Operations".
- 9 The Group has carrying value of intangible assets of INR 2,60,037.00 lakhs in its 2 step down subsidiaries engaged in construction, operation and maintenance of infrastructure projects under concession agreement with National Highways Authorities of India. The net worth of these subsidiary companies has fully eroded as per their latest financial results. Considering the gestation period required for break even for such infrastructure investments, expected higher cash flows based on future business projections, claims of INR 1,70,634.80 lakhs lodged by one of the step down subsidiary in terms of conditions of concession agreements which is backed by legal opinion on tenability of the claim, debt refinancing, internal plan of revival to meet its dues and obligations and the strategic nature of these investments, the Company's management believes that the network of these entities would become positive in due course. Considering the same, no provision/adjustment to the carrying value of intangible assets as at December 31, 2020 is considered necessary at this stage.
- 10 Due to ongoing farmer agitation which started from Punjab thereafter in Haryana, the operations of toll were hampered at two step down subsidiaries i.e. Rohtak Hissar Tollway Pvt. Ltd (RHTPL) and Rohtak Panipat Tollway Pvt. Ltd. (RPTPL). Farmers specifically targeted toll plazas and started protest near the plaza and prevented collection of toll from any category of users. This is already brought to the notice of the Authority for appropriate relief as per Concession Agreement.



11 The COVID-19 pandemic is rapidly spreading across the world as well as in India and has caused shutdown across the country. The Group has resumed operations in a phased manner in line with the directives of the Government of India. This has an impact on the revenue from toll collection and construction services for the quarter however, the Company's management has made assessment of possible impact of COVID-19 on business / operation of group and believes that the impact may not be significant over the terms of its contracts. The group has also filed / is in the process of filing of claims for appropriate relief as per the terms of concession agreements with NHA/Local Authority and has also availed the relief provided by its lenders by way of moratorium on certain principal / interest payment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company's management, as at date of approval of these consolidated financial results has used corroborative information. As on date, the Company's management has concluded that the impact of Covid-19 is not material based on the evaluations. Due to the nature of the pandemic, the group will continue to monitor developments to identify significant uncertainties in future periods, if any. The Company's management does not see any long term risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.

12 Key numbers of standalone financial results of the Company for the quarter, nine months and year ended are as under:-

Particulars	Quarter ended			Nine months ended		Year ended
	31/12/2020 (Unaudited)	30/09/2020 (Unaudited)	31/12/2019 (Unaudited)	31/12/2020 (Unaudited)	31/12/2019 (Unaudited)	31/03/2020 (Audited)
Income from operations	55,600.84	41,221.13	44,003.93	1,19,791.00	1,84,279.10	2,25,166.02
Profit before tax	1,522.94	290.23	1,262.05	(996.57)	9,359.27	10,974.94
Profit after tax	1,516.38	524.05	1,165.50	(617.56)	7,697.37	8,515.50
Total other comprehensive income for the period / year	1,488.45	437.57	1,205.93	(731.97)	7,829.70	8,849.99

13 The Group has certain step down subsidiaries having accumulated losses, which has resulted into erosion net-worth of those step down subsidiaries. Such operational step down subsidiaries are expected to achieve adequate profitability as per the future traffic projections by way of increase in traffic and reduction in finance costs through repayment/refinancing of loan during their respective project tenure. There have also been favourable arbitration claims received by these step down subsidiaries in the past and have further claims, the tenability of which, as per concession agreement, is backed up by a legal opinion. As mentioned in the note 9 above, the Company has completed sale of seven SPV's at a value higher than their carrying cost and also is in the process of closing sale of one more on similar terms. Basis these and further complimented by the continuing unconditional financial support offered to the step down subsidiaries from the Company, the group will be able to meet/will continue to meet their financial obligations in the ordinary course of the business. Further, the management has also evaluated on annual basis and concluded that BOT/Annuity assets value are in excess of carrying value based on certain parameters like cash flow projections, future projected traffic, growth rate etc.

14 The Board of Directors at their meeting dated October 19, 2019 have approved a scheme of merger and arrangement under Section 230 to 232 of Companies Act 2013, subject to the regulatory approvals required whereby, the Sadbhav Infrastructure Project Limited (SIPL), a subsidiary will merge into the Company. The appointed date of merger is 1st April, 2019. Approval of SEBI and BSE/NSE have been received. Now the Company has made application to National Company Law Tribunal (NCLT) for its approval. On receipt of approval of NCLT and filing of copy of order of NCLT with Registrar of Companies, the scheme will become effective from appointed date.

15 The listed non-convertible debentures of the Group aggregating INR 49500.00 lakhs outstanding as on December 31, 2020 are secured by way of corporate guarantee of Sadbhav Engineering Limited (SEL), the holding Company, first ranking charge created on shares of certain subsidiaries held by the company and of Company. The asset cover thereof exceeds hundred percent of the principal amount of the said debentures.

16 The Indian Parliament has passed the Code on Social Security, 2020. The Code when implemented will impact the contribution by the Company towards benefits such as Provident Fund, Gratuity etc. The effective date(s) of implementation of this code is yet to be notified. In view of this, any financial impact due to the change will be assessed and accounted for in the period of notification.

17 The above Financial Results are available on company's website www.sadbhaveng.com and on the websites of the stock exchange viz. www.bseindia.com and www.nseindia.com

18 Figures for the previous periods have been regrouped / rearranged, wherever necessary. Figures for the quarter and nine months period ended December 31, 2019 and year ended March 31, 2020 includes figures of seven step down subsidiaries which have been sold during the quarter ended March 31, 2020 as mentioned in note 8 above. Consequently,

For, SADBHAV ENGINEERING LIMITED


Nitin B. Patel
Executive Director & Chief Financial Officer
DIN : 00466330
Place : Ahmedabad
Date : 12/02/2021



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Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of Sadbhav Engineering Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors of
Sadbhav Engineering Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Sadbhav Engineering Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and nine months ended on December 31, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the financial results of following entities:

List of Subsidiaries:

1. Sadbhav Infrastructure Project Limited
2. Sadbhav Gadag Highway Private Limited

List of step-down subsidiaries:

1. Ahmedabad Ring Road Infrastructure Ltd
2. Maharashtra Border Check Post Network Ltd
3. Rohtak Panipat Tollway Private Ltd
4. Rohtak Hissar Tollway Private Ltd
5. Sadbhav Rudrapur Highway Private Limited
6. Sadbhav Una Highway Private Limited
7. Sadbhav Bhavnagar Highway Private Limited
8. Sadbhav Nainital Highway Private Limited
9. Sadbhav Bangalore Highway Private Limited
10. Sadbhav Vidarbha Highway Private Limited
11. Sadbhav Udaipur Highway Private Limited
12. Sadbhav Jodhpur Ring Road Private Limited
13. Sadbhav Tumkur Highway Private Limited
14. Sadbhav Vizag Port Road Private Limited
15. Sadbhav Kim Expressway Private Limited
16. Sadbhav Bhimasar Bhuj Highway Private Limited
17. Sadbhav Hybrid Annuity Project Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditors referred to in paragraph 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. **Emphasis of Matter:**

We draw attention to the following notes to the consolidated financial results:

- a) Note No. 6 to the accompanying unaudited consolidated financial results in respect of accounting of Intangible Assets/ Intangible Assets under Development of INR. 22,288.40 lakhs under the Service Concession Arrangement of Maharashtra Border Check Post Network Limited, a step-down subsidiary company, based upon recommendation made by project lenders' engineers and technical experts appointed by project authorities. Pending final approval by the Government of Maharashtra, no adjustments are considered necessary in these consolidated financial results.
- b) Note No. 9 to the accompanying unaudited consolidated financial results in respect of erosion in net worth of 2 step-down subsidiary companies and non-provision/non adjustment to the carrying value of Intangible Assets as at December 31, 2020 in the books of those step down subsidiary companies for the reasons stated in the said note.
- c) Note No. 11 to the accompanying unaudited consolidated financial results, as regards the management's evaluation of COVID-19 impact on the operations and assets of the Group.

Our conclusion is not modified in respect of the above matters.

7. The consolidated financial results include unaudited financial results of 1 subsidiary and 3 step down subsidiaries whose financial information reflects (before eliminating intercompany transactions) total revenue of INR 2473.40 lakhs and INR 2797.90 lakhs, total net profit (loss) after tax of INR (2.20) lakhs and INR (3.10) lakhs, total comprehensive profit (loss) of INR (2.20) lakhs and INR (3.10) lakhs for the quarter ended and nine months ended on December 31, 2020 respectively. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the statement, in so far it relates to the amount and disclosures included in respect of these subsidiary companies, is based on solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group. Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the financial statements certified by the management.
8. We did not review the interim financial results and other financial information in respect of 1 subsidiary and 6 step-down subsidiaries, whose financial results/information reflects (before eliminating intercompany transactions) total revenue of INR 21,157.93 lakhs and INR 53,369.55 lakhs, total net loss after tax of INR 11,502.69 lakhs and INR 18,797.98 lakhs , total comprehensive loss of INR 11,502.69 lakhs and INR 18,797.98 lakhs for the quarter and nine months ended on December 31, 2020 respectively as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors, whose reports have been furnished to us by the management. Our conclusion on the statement, in so far as it relates to the amounts and disclosures in respect of such subsidiary companies is based solely on the report of other auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the statement is not modified in respect of this matter.



9. The consolidated financial result includes unaudited financial results of 8 step down subsidiaries whose financial information reflects (before eliminating intercompany transactions) total revenue of INR 21,459.98 lakhs and INR 61,310.51 lakhs, total net profit (loss) after tax of INR (589.44) lakhs and INR (2575.90) lakhs, total comprehensive profit (loss) of INR (589.44) lakhs and INR (2575.90) lakhs for the quarter and nine months ended on December 31, 2020 respectively as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by one of the joint auditors. Our conclusion on the statement, in so far as it relates to the amounts and disclosures in respect of such step down subsidiary companies is based solely on the report of joint auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the statement is not modified in respect of this matter.

For, Dhirubhai Shah & Co LLP
Chartered Accountants
FRN: 102511W/W100298

Samip K. Shah

Samip K Shah
Partner
Membership No: 128531
ICAI UDIN: 21128531AAAABX6329
Place: Ahmedabad
Date: February 12, 2021



For, Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/W100136

Kaushik C Patel

Kaushik C Patel
Partner
Membership No: 030083
ICAI UDIN: 21030083AAAABU7786
Place: Ahmedabad
Date: February 12, 2021

