

Ref: SEL/2023-24/000138
Date: 09/11/2023

To,
The Dy. Gen Manager
Corporate Relationship Dept.
BSE Limited
PJ 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

Dear Sir/ Madam,

Sub: Outcome of the Meeting of the Board of Directors of Sadbhav Engineering Limited ('the Company') held on 09th November, 2023.

With reference to above, we hereby inform that meeting of Board of Directors of the Company held today (i.e. 09th November, 2023), in which Board of Directors of the company has considered following business:

1. Approved and adopted the standalone and consolidated Unaudited Financial Results of the Company for the Quarter and half year ended on 30th September, 2023.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the following:

- a. Standalone and Consolidated Unaudited Financial Results of the Company for Quarter and half year ended on 30th September, 2023.
- b. Standalone Limited Review Report with modified opinion and Consolidated Limited Review Report with Disclaimer Opinion for Unaudited Financial Results of the Company for the Quarter and half year ended on 30th September, 2023.

The meeting of Board of Directors commenced at 07:30 p.m. and concluded at 10:10 p.m.

You are requested to take the same on record.

Thanking You,
Yours Faithfully,

For Sadbhav Engineering Limited

Shashin V. Patel
Chairman & Managing Director
DIN: 00048328



Sadbhav Engineering Limited

Regd Office: "Sadbhav House", Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad – 380006

T : +91 79 26463384 F : +91 79 26400210 E : info@sadbhav.co.in Web : www.sadbhav.co.in CIN : L45400GJ1988PLC011322

SADBHAV ENGINEERING LIMITED
CIN NO.: L45400GJ1988PLC011322

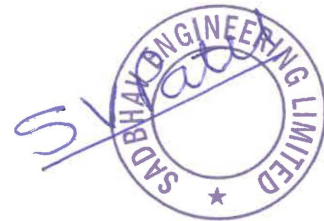
Corp. Office: "Sadbhav", Near Havmor Restaurant, B/H Navrangpura Bus Stand, Navrangpura, Ahmedabad-380 009 Gujarat

Tel:-9179 40400400, F:- 9179 40400444, Email:- selinfo@sadbhav.co.in, Website:-www.sadbhaveng.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

(Rs. in Lakhs, except for earning per share)

	Particulars	Quarter ended			Half year ended		Year ended
		September 30,2023 (Unaudited)	June 30,2023 (Unaudited)	September 30,2022 (Unaudited)	September 30,2023 (Unaudited)	September 30,2022 (Unaudited)	March 31,2023 (Audited)
	Income						
1	Revenue from operations	21,883.60	40,483.39	21,453.83	62,366.99	48,470.63	88,917.28
2	Other income	2,537.51	1,722.14	2,300.57	4,259.65	4,041.24	16,498.71
3	Total Income (1+2)	24,421.11	42,205.53	23,754.40	66,626.64	52,511.87	1,05,415.99
4	Expenses						
	Cost of Material Consumed	485.78	421.26	4,902.16	907.04	7,723.01	12,293.84
	Construction Expenses	14,579.86	27,896.06	7,490.85	42,475.92	26,217.74	63,595.46
	Employee benefits expense	665.92	608.53	960.82	1,274.45	2,189.90	3,687.39
	Finance costs	4,200.55	4,182.05	3,886.60	8,382.60	7,970.11	16,491.77
	Depreciation and amortization expense	695.26	761.10	1,209.08	1,456.36	2,457.79	4,446.99
	Other expenses (Refer note no. 6)	4,355.19	7,909.95	5,242.99	12,265.14	8,128.00	36,796.23
	Total Expenses	24,982.56	41,778.95	23,692.50	66,761.51	54,686.55	1,37,311.68
5	Profit/(Loss) before exceptional Items and tax (3-4)	(561.45)	426.58	61.90	(134.87)	(2,174.68)	(31,895.69)
6	Exceptional Items (Refer Note no. 3)	505.37	207.04	(1,205.94)	712.41	(1,205.94)	(2,490.66)
7	Profit/(Loss) before tax (5+6)	(56.08)	633.62	(1,144.04)	577.54	(3,380.62)	(34,386.35)
8	Tax Expense (incl. short/excess provision of earlier year(s))	62.89	415.31	-	478.20	-	157.32
	Deferred Tax	202.78	112.94	37.89	315.72	32.07	104.71
9	Profit/(Loss) for the period from continuing operations (7-8)	(321.75)	105.37	(1,181.93)	(216.38)	(3,412.69)	(34,648.38)
10	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss (Net of tax)	-4.71	-	3.63	(4.71)	3.63	27.71
11	Total Comprehensive Income for the period / year (9+10)	(326.46)	105.37	(1,178.30)	(221.09)	(3,409.06)	(34,620.67)
12	Paid up Equity share Capital (face value of Re. 1/- each)	1,715.71	1,715.71	1,715.71	1,715.71	1,715.71	1,715.71
13	Other Equity excluding Revaluation Reserves as at 31st March	-	-	-	-	-	106516.11
14	Basic & Diluted EPS (Rs.) (Face value of Re. 1/- each) (*not annualized)	-0.19*	0.06*	-0.69*	-0.13*	-1.99*	-20.19*



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Notes :

- 1 The financial results for the quarter and half year ended September 30, 2023 were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at their respective meetings held on November 09, 2023. The results are prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013. In accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Statutory Auditors of the Company have carried out Limited Review of the above results.
- 2 The segment reporting is in accordance with its internal financial reports derived from SAP system which is reviewed by Chief Operating Decision Maker (CODM), CFO. Consequently, the Company has considered business as whole as a single operating segment in accordance with Indian Accounting Standard ('Ind AS') 108.
- 3 Exceptional items include:
 - a. During the half year ended September 30, 2023
 - (i) Profit of Rs. 712.41 lakhs on sale of assets.
 - b. During year ended March 31, 2023 :
 - (i) Profit of Rs. 493.10 lakhs on sale of assets.
 - (ii) Loss of Rs.1512.00 lakhs being loss on endorsement of concession on substitution of the Sadbhav Bangalore Highway Private Limited (SBGHPL), a step down subsidiary.
 - (iii) Loss of Rs. 1471.76 lakhs being loss on account of provision made on loan given to Rohtak Hissar Tollway Private Ltd, a step down
- 4 The management has evaluated the balances in all accounts of the creditors and determined to write back the outstanding amount payables after settlement of the dues and consequently amount of Rs. 2002.18 lakhs is written back and included in Other Income in the results for the half year ended on September 30, 2023.

Some of the vendors have initiated legal proceeding against the Company for recovery of their dues. The Management contended that in these cases the amount payable in respect of goods and service availed from such vendors is adequately provided in the books of accounts. However the vendors have claimed additional amount on account of interest etc. which is contested by the Company and according to the management such claims are not tenable and does not require provision in books of accounts. Having regard to this the management believes that carrying amount of trade payables is fairly valued.

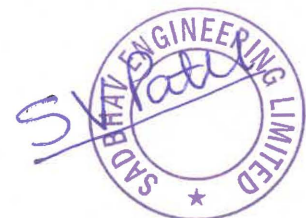
- 5 The Company has outstanding loan and other receivable aggregating to of Rs. 14873.20 lakhs given to Rohtak Panipat Tollway Private Limited (RPTPL), a step-down subsidiary company which is engaged in construction, operation and maintenance of road projects under concession agreement with National Highways Authorities of India (NHAI). The net worth of RPTPL has fully eroded. RPTPL has issued the termination notice on July 27, 2021, to NHAI by exercising the criteria of "Event of Defaults" under the concession agreement.

In this regard the management of RPTPL lodged total claims aggregating to Rs. 3,95,784.40 Lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In respect of such claims, The RPTPL has given notice invoking arbitration vide letter dt 27.03.2023.

In respect of Arbitration Claim of Rs. 222057.40 lakhs for competing road, the award by Majority is passed on May 30, 2023 against the RPTPL. The RPTPL has filed the application under section 34 of the Arbitration and Conciliation Act, 1996 before the Honourable Delhi High Court. Further with respect to the balance claim of Rs. 173727 lakhs, the arbitration proceeding is pending before the Arbitration Tribunal.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement, which is backed by legal opinion and pendency of the matter before Honourable Delhi high Court, the management has assessed that there is no impairment in the value of loan given to RPTPL and consequently no provision/adjustment to the carrying value of loan and other receivable as at September 30, 2023 is considered necessary.

The statutory auditors have expressed qualified opinion on financial statements in respect of above as regards recoverable value of Company's outstanding loan given to RPTPL.



- 6 a. In case of Sadbhav Nainital Highway Limited (Concessionaire or SNHL), a step down subsidiary which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI), NHAI vide its letter dated April 17, 2023 has given In-Principal approval for harmonious substitution of concessionaire. Thereafter the SNHL has entered into definitive agreement on July 14, 2023 for substitution of the Concession to the SPV nominated by new concessionaire and also executed Endorsement Agreement dated July 14, 2023 with the approval of NHAI for harmonious substitution of the SNHL in favour of new concessionaire for implementation of the project.

In terms of harmonious substitution, all the balances outstanding, pertaining to SNHL in books of the Company have been adjusted and amount of Rs. 4328.10 Lakhs has been transferred to statement of profit and loss and included in other expenses.

b. Company has entered in Tripartite settlement agreement with National Highways Authorities of India (NHAI) and Gawar Construction Limited (GCL) on 18th April, 2023 in respect of an EPC project of Construction of NH-24 Extension 4-lane bypass starting from Behta Road and terminating at Sitapur road in the State of Uttar Pradesh for subletting the said project to GCL for balance work. In terms of this settlement, all the balances outstanding, pertaining to this project in books of the Company have been adjusted and net balance of Rs. 3074.84 Lakhs has been transferred to statement of profit and loss and included in other expenses.

c. Other expenses for the quarter ended September 30, 2023 includes amount of Rs. 3064.70 lakhs being impairment provision in respects of contract assets.

- 7 a. Company reviews balances outstanding in the accounts of trade receivable, advance to vendor and loans given and identifies those debts that have been outstanding for an extended period and are unlikely to be received. The Company applies the prudence concept and have written off/provided for the doubtful trade receivable and advance to vendor and loans given as expenses amounting to Rs. 26337.58 lakhs during the year ended March 31, 2023.

b. The contract assets as on September 30, 2023 includes amount of Rs. 35021.63 lakhs in respect of which claims before the regulators have been preferred and based on legal opinion obtained, management believes that the amount is realisable.

- 8 The Management acknowledges that there are difficulties in meeting payment obligations to suppliers and statutory dues in the normal course of business. There are also delays/defaults in repayment of dues to lenders. The consortium of lenders of the company, except one lender, had signed an Inter Creditor Agreement on December 26, 2022, due to defaults in the repayment of dues, leading to the company's account being classified as Non-Performing Assets by majority of lenders. This factors raise concern about the company's ability to continue as going concern.

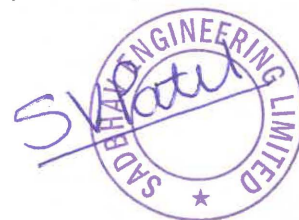
In this regard, due to delays in the completion of EPC works under execution essentially on account of shortage of working capital, the Company has taken proactive steps to rearrange the EPC contracts. The management has also submitted Restructuring Plan to the consortium of lender and management is in discussion with the Consortium of lenders to finalize the Restructuring Plan. The ingredients of Restructuring Plan include monetization of HAM and other Assets, infusion of funds from the promoters, cash flows from Gadag Project, receipt of claim amounts from projects under arbitration and dispute settlement, receivables, and refinance / stake sale of operational projects as well as of restructuring of lender dues.

Considering the expected approval from lenders of the proposed Resolution Plan, realization of receivables and proceeds from monetization and infusion of funds from promoters, the management believes that Company will be able to ramp up its operations and generate incremental cash-flows.

In view of the this in the opinion of the Management to the going concern assumption adopted in the preparation of financial results for the quarter and half year ended September 30, 2023 is appropriate.

- 9 The Company has investment in equity shares of Sadbhav Infrastructure Project Limited (SIPL) and loan given to SIPL, the amount of which is Rs. 79709.29 lakhs as on September 30, 2023. As per the consolidated financial statements of the Sadbhav Infrastructure Project Limited (SIPL) and its subsidiaries, there is negative net worth of the Group of SIPL and its subsidiaries.

The management has carried out impairment assesment of these assets as on September 30, 2023 considering the projected cash flow from revenue of operating SPV's, sale of HAM assets and realization of GST claims. Based on the assessment it is concluded that no impairment is required to the carrying value of investment in equity shares and loan to SIPL as on September 30,2023.



- 10 Deferred tax asset include Rs. 6537.25 lakhs being amount of unused tax credit recognized in earlier years. Based on the projection of future profitability, management believes that the Company will have regular taxable income against which the unused tax credit will be adjusted.
- 11 During the half year ended September 30, 2023 revenue from operations includes sale of material of Rs. 1212.50 lakhs (September 30,2022 : Rs 1180.12 lakhs) and Rs. 17960.59 lakhs (September 30,2022 : Rs Nil) being amount of compensation on forgoing an EPC contract and Cost of material sold of Rs. 596.85 lakhs (September 30,2022 : Rs 995.24 lakhs) is included in cost of material consumed.
- During the year ended March 31, 2023 revenue from operations include sale of material of Rs. 3057.36 lakhs and cost of material sold of Rs. 2617.13 lakhs is included in cost of material consumed.
- 12 During the quarter and half year ended September 30, 2023 the Geology and Mining Department, Government of Gujarat has raised demand of Rs. 18615.51 lakhs, including the penalty of Rs. 5413.02 lakhs in respect of royalty on minerals alleging unauthorized use of minerals by the company in the earlier years on the ground of non submission of required documents to the authority. Against this demand Company has deposited Rs. 264.05 lakhs and file appeal objecting the levy of royalty and is in the process of submitting the documents to the authority. The management believes that demand is not sustainable hence no provision is required.
- 13 As on September 30, 2023 , the outstanding amount of unlisted non-convertible debentures of the company is aggregating to Rs. 8335 lakhs said debentures are not listed. Hence the disclosure required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is not required.
- 14 Statement of Unaudited Standalone Cash flow for the half year ended September 30, 2023 and September 30, 2022 is given in Annexure I.

SIGNED FOR IDENTIFICATION BY

Kumbel
**MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS**

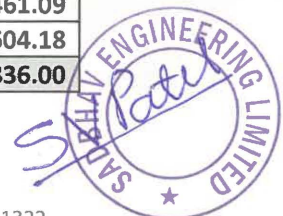
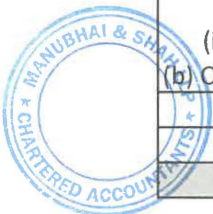
For SADBHAV ENGINEERING LIMITED

Shashin V. Patel
Chairman and Managing Director
DIN: 00048328
Place : Ahmedabad
Date : November 09, 2023



STATEMENT OF ASSETS AND LIABILITIES - STANDALONE

PARTICULARS	As at September 30, 2023	As at March 31, 2023
Assets		
Non-current Assets		
(a) Property, Plant and Equipment	8181.25	12824.65
(b) Capital Work in Progress	406.11	376.91
(c) Intangible Assets	40.58	41.22
(d) Financial Assets		
(i) Investments	59073.88	57635.33
(ii) Trade receivable	2830.04	2830.04
(iii) Loans	6240.14	5914.82
(iv) Other Financial Assets	8029.31	8511.37
(e) Deferred Tax Assets (net)	9799.95	10115.67
(f) Other Non Current Assets	52.08	0.00
Total Non-current Assets	94653.34	98250.01
Current Assets		
(a) Inventories	2765.58	3304.43
(b) Financial Assets		
(ii) Trade receivables	46750.98	54439.64
(iii) Cash and cash equivalents	1173.08	1121.97
(iv) Bank Balance other than (ii) above	468.67	493.97
(v) Loans	40993.06	43473.02
(vi) Other financial assets	24697.32	28766.30
(c) Current tax assets (net)	2601.15	2931.91
(d) Other current assets	100263.43	103054.75
Total Current Assets	219713.27	237585.99
Total Assets	314366.61	335836.00
Equity and Liabilities		
Equity		
(i) Equity share capital	1715.71	1715.71
(ii) Other Equity	110327.17	106516.11
Total Equity	112042.88	108231.82
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	15211.17	5143.09
Total Non-current Liabilities	15211.17	5143.09
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	98363.35	109314.99
(ii) Trade Payable		
Dues of micro and small enterprises	572.66	855.34
Dues of creditors other than micro and small enterprises	31930.54	42361.98
(iii) Other financial liabilities	26435.25	30201.70
(b) Other Current liabilities	29810.76	39727.08
Total Current Liabilities	187112.56	222461.09
Total Liabilities	202323.73	227604.18
Total Equity and Liabilities	314366.61	335836.00



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SADBHAV ENGINEERING LIMITED
CIN NO.: L45400GJ1988PLC011322

Annexure-1 Statement of unaudited standalone Cash Flow for the half year ended on September 30, 2023

(Rs. In Lakhs)

Particulars	For the half year ended September 30, 2023	For the half year ended September 30, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before Tax	577.54	(3380.62)
Adjustments For :		
Interest Income	(2235.27)	(2282.69)
Interest Expenses	8382.60	7970.11
Depreciation & Amortisation	1456.36	2457.79
Impairment of Contract Assets	10467.64	-
Expected Credit Loss	-	376.18
Actuarial Gain/Loss	(4.71)	3.63
Exceptional Items (Net)	(712.41)	1205.94
	17354.21	9730.96
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	17931.75	6350.34
Adjustment For :		
(Increase) of Long Term Trade Receivables	-	(5381.95)
(Increase)/Decrease of Trade Receivables	7688.66	(1143.45)
(Increase)/Decrease of Other Current Assets	(7676.31)	1757.77
Decrease of Other Current Financial Assets	4068.98	6234.77
Decrease of Other Non Current Assets	(52.08)	132.34
Decrease of Other Non Current Financial Assets	482.06	256.08
Decrease of Inventories	538.85	3172.53
Decrease of Other Bank Balances	26.84	732.29
Increase/(Decrease) of Trade Payables	(10714.12)	596.57
(Decrease) of Other Current Liabilities	(9916.32)	(10965.14)
Increase/(Decrease) of Other Current Financial Liabilities	(3766.45)	5839.61
	(19319.89)	1231.42
Cash generated from Operations	(1388.14)	7581.76
Tax Paid	(147.44)	(42.91)
Net Cash flow From/(used in) Operating Activities	(1535.58)	7538.85
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, Plant & Equipments and Intangible Assets	(503.02)	(249.75)
Sales of Property, Plant & Equipments	4373.92	1343.14
Investments in Subsidiary Companies	(1438.55)	(1100.00)
Other Non Current Investment	0.00	0.01
Loan recd back from Subsidiary Companies	2154.64	3311.20
Interest Received	2235.27	2282.69
Net Cash Flow from Investing Activities	6822.26	5587.29
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Fresh Capital including Premium		
(Repayment) From Long Term Borrowings	(9871.67)	(11080.77)
Proceeds From Long Term Borrowings	15302.99	-
(Repayment) of Short Term Borrowings	(2574.37)	3820.02
Proceeds of Short Term Borrowings	2448.74	-
Proceeds / (Repayment) in Working Capital Loan	(2157.12)	2680.54
Payment of Lease Liability	-	(147.68)
Interest Paid	(8382.60)	(7970.11)
Net Cash Flow (used in) Financing Activities	(5234.03)	(12698.00)
Net Increase In Cash & Cash Equivalents (A+B+C)	52.65	428.14
Opening Balance Of Cash & Cash Equivalents	315.18	1434.84
Closing Balance Of Cash & Cash Equivalents	367.83	1862.98
Components Of Cash & Cash Equivalents		
Cash On Hand	0.38	2.99
Balance In Current Account With Banks	367.45	1860.00
	367.83	1862.99

Notes:

- All figures in bracket are outflow.
- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- Fixed Deposits are pledged with central and various state govt/undertakings and local bodies , hence not considered in Components of Cash & Cash equivalents
- The cash flow statement has been prepared under indirect method as per Indian Accounting Standard -7 "Cash Flow Statement".



Manubhai & Shah LLP

Chartered Accountants

Independent Auditor's Review Report on Quarterly and Year to Date Unaudited Standalone Financial Results of Sadbhav Engineering Limited (the "Company") pursuant to the Regulations 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 half year ended September 30, 2023 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulations 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 and in compliance with Regulation 33 of the Listing Regulations. 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) We draw attention to Note 5 to the accompanying unaudited standalone financial results with respect to termination of concession agreement by Rohtak Panipat Tollway Private Limited a step-down subsidiary of the Company. The said step-down subsidiary has issued notice of termination of concession agreement to National Highways Authority of India (NHAI) on account of Force Majeure Event as per concession agreement. As explained in the said note considering the expected payment arising out of aforesaid termination and other claims filed with NHAI, which are under Arbitration management has concluded that no impairment / adjustment to the carrying value of the loan and other receivables balance is necessary as at September 30, 2023.

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878
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However, we have not been able to corroborate the management's contention of realizing the carrying value of loan and other receivables aggregating to Rs. 14,873.20 Lakhs as on the reporting date, related to the said step-down subsidiary.

Accordingly, we are unable to comment on the appropriateness of the carrying value of such loan and the consequential impact on the financial results of the Company for the quarter and half year ended September 30, 2023.

Our opinion on financial statements for the quarter and year ended on March 31, 2023 and conclusion on financial results for the quarter and half year ended June 30, 2023 were also qualified in respect of this matter.

5) Based on our review conducted as above, except for the possible effects of our observation in paragraph 4 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 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.

6) Material uncertainty related to going concern:

We draw attention to Note 8 to the accompanying unaudited standalone financial results, which indicates that there are defaults in repayment of due to lenders and the Company finds difficulty in meeting obligations of payment to suppliers and statutory dues. Further, consortium of the lenders of the Company have executed Inter-Creditor Agreement on December 26, 2022 and accounts of the Company by the majority lenders have been classified as Non-Performing Assets. These events or conditions along with other matters as set forth in the said note indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the said note.

Our conclusion is not modified in respect of this matter.

For, Manubhai & Shah LLP

Chartered Accountants

ICAI Firm Registration Number:106041W/W100136



K. C. Patel

Partner

Membership No: 030083

UDIN: 23030083BGWVAO2810



Place: Ahmedabad

Date: November 9, 2023

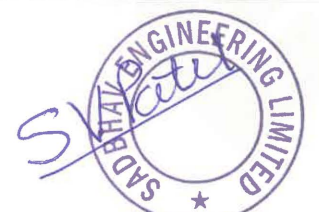
SADBHAV ENGINEERING LIMITED
CIN NO.: L45400GJ1988PLC011322

Corp. Office: "Sadbhav", Near Havmor Restaurant, B/H Navrangpura Bus Stand, Navrangpura, Ahmedabad-380 009 Gujarat
Tel:-9179 40400400, F:- 9179 40400444, Email:- selinfo@sadbhav.co.in, Website:-www.sadbhaveng.com

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

(Rs. in Lakhs, except for earning per share)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30,2023 (Unaudited)	June 30,2023 (Unaudited)	September 30,2022 (Unaudited)	September 30,2023 (Unaudited)	September 30,2022 (Unaudited)	March 31,2023 (Audited)
1	Revenue From operations	43,835.42	71,116.23	41,831.15	1,14,951.66	91,880.53	1,77,693.69
2	Other income	5,442.55	4,934.65	8,484.63	10,377.20	16,390.43	39,955.57
3	Total Income (1+2)	49,277.97	76,050.88	50,315.78	1,25,328.85	1,08,270.96	2,17,649.26
4	Expenses						
	Cost of Material Consumed	485.79	421.25	4,902.16	907.04	12,554.51	12,293.84
	Construction Expenses	25,849.43	44,011.31	17,791.22	69,860.74	43,306.34	1,07,584.97
	Employee benefits expense	1,350.32	1,346.33	1,667.92	2,696.65	3,574.80	6,585.59
	Finance costs	15,128.09	14,277.60	22,121.02	29,405.69	48,182.30	66,106.38
	Depreciation and amortization expense	3,181.96	3,277.80	3,572.48	6,459.76	7,184.59	13,096.79
	Other expenses (Refer Note No. 10)	5,492.15	10,044.20	3,032.37	15,536.35	9,194.32	46,432.50
	Total Expenses	51,487.74	73,378.50	53,087.17	1,24,866.23	1,23,996.86	2,52,100.07
5	Profit/(Loss) before exceptional items and tax (3-4)	(2,209.77)	2,672.39	(2,771.39)	462.62	(15,725.90)	(34,450.81)
6	Exceptional Items (Refer Note No. 4)	(27,947.59)	(3,048.86)	(35,062.24)	(30,996.45)	(44,891.12)	(36,883.14)
7	Profit/(Loss) before tax for the period / year (5-6)	(30,157.36)	(376.47)	(37,833.63)	(30,533.83)	(60,617.02)	(71,333.95)
8	Tax Expense	228.59	807.53	(445.10)	1,036.12	-	2,048.60
	Deferred Tax	(1,104.82)	140.34	(60.91)	(964.48)	472.07	(1,811.89)
	Adjustment for short or excess provision of the previous year		306.58	-	306.58	(571.30)	(1,631.68)
9	Profit/(Loss) for the period / year from continuing operations (7-8)	(29,281.13)	(1,630.92)	(37,327.62)	(30,912.05)	(60,517.79)	(69,938.98)
10	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss (Net of tax)	(4.71)	-	15.23	(4.71)	15.23	38.41
11	Total Comprehensive Income for the period / year (9+10)	(29,285.84)	(1,630.92)	(37,312.39)	(30,916.76)	(60,502.56)	(69,900.57)
12	Profit/ (Loss) for the period/year attributable to:						
	Owners of the Company	(21,014.37)	(1,023.90)	(26,510.14)	(22,038.27)	(43,178.58)	(58,909.84)
	Non-controlling Interest	(8,266.76)	(607.02)	(10,817.48)	(8,873.78)	(17,339.21)	(11,029.14)
13	Other Comprehensive Income for the period / year attributable to:						
	Owners of the Company	(4.71)	-	15.23	(4.71)	15.23	32.81
	Non-controlling Interest	-	-	-	-	-	5.60
14	Total Comprehensive Income for the period / year attributable to:						
	Owners of the Company	(21,019.08)	(1,023.90)	(26,494.91)	(22,042.98)	(43,169.05)	(58,877.06)
	Non-controlling Interest	(8,266.76)	(607.02)	(10,817.48)	(8,873.78)	(17,333.51)	(11,023.51)
	Total Income (Including other comprehensive Income)	(29,285.84)	(1,630.92)	(37,312.39)	(30,916.76)	(60,502.56)	(69,900.57)
15	Paid up Equity share Capital (face value of Re. 1 each)	1,715.71	1,715.71	1,715.71	1,715.71	1,715.71	1,715.71
16	Other Equity excluding Revaluation Reserves as at 31st March	-	-	-	-	-	15,806.51
17	Basic & Diluted EPS (Rs.) before extra ordinary items (Face value of Re. 1/- each) (*not annualized)	-12.25*	-0.6*	-15.45*	-12.85*	-25.17*	-34.34



Sadbhav Engineering Limited

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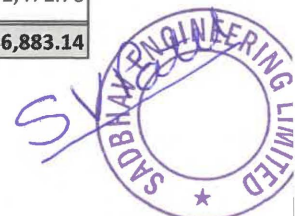
Notes :

- 1 The unaudited consolidated financial results for the quarter and half Year ended September 30,2023 of Sadbhav Engineering Limited ('the Company' or 'holding company') and its subsidiaries (holding company and subsidiaries together referred to as 'Group') for the quarter and half year ended September 30, 2023 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their respective meetings held on November 09, 2023. 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 revenue from operations includes revenue from construction contracts of Rs. 9659.80 lakhs, Rs. 14581.80 lakhs, Rs. 7351.90 lakhs for quarter ended September 30, 2023, June 30, 2023 and September 30, 2022 respectively and Rs.24241.50 lakhs and Rs. 29358.10 lakhs for the half year ended September 30, 2023 and September 30, 2022 respectively related to intangible assets under development and development of Hybrid Annuity assets as per concession arrangements which are recognised in accordance with the requirements of Appendix-D of Ind AS 115 "Revenue from Contracts with Customers."
- 3 The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of the Maharashtra Boarder Check Post Network Limited, a step down subsidiary Company which has been approved by the Management, whose unaudited interim financial results/information reflect, total revenue of Rs. 7857.70 lakhs and Rs. 8283.70 lakhs, total net profit after tax of Rs. 860.00 lakhs and Rs. 446.80 lakhs and total comprehensive income of Rs. 860.00 lakhs and Rs. 446.80 lakhs for the quarter ended on September 30, 2023 and June 30, 2023 respectively.

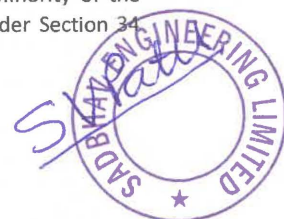
4 Exceptional items include:

(Rs. in Lakhs)

Particulars	Quarter ended Sept 30, 2023	Quarter ended June 30, 2023	Year ended March 31,2023
Loss on account of harmonious substitution of Concession of Sadbhav Jodhpur Ringroad Private Limited (SJRRPL) (Refer Note No. 10 (a))			8,093.32
Loss account of sale of units of IndInfravit Trust held by Sadbhav Infrastructure Projects Limited (SIPL), a Subsidiary Company.			474.50
Provision for impairment of investment in shares of Sadbhav Jodhpur Ringroad Private Limited by SIPL (Refer Note No.10 (a))			1,165.00
Provision for impairment of investment in shares of Sadbhav Bangalore Highway Private Limited by SIPL. (Refer Note No. 10 (b))			3,090.30
Loss on endorsement of concession on substitution of the Sadbhav Bangalore Highway Private Limited (SBGHPL). (Refer note No. 10 (b))		599.60	22,584.56
(Profit) on sale of shares of Sadbhav PIMA Private Limited (including reversal of provision for impairment of Rs. 5 lakhs) (Refer note 4.1)			(109.90)
(Profit) on account of sale of assets.	(505.51)	(207.04)	(493.10)
Loss on Sale of Stake in Sadbhav Bhavnagar Highway Limited (Refer Note 4.2)	527.10	1,246.30	978.80
Loss on Sale of Stake in Sadbhav Una Highway Limited (Refer Note 4.2)		1,410.00	
Loss on account of Substitution of concession agreement of Sadbhav Nainital Highway Limited (Refer Note No 10 (c))	5,484.00		
Loss on substitution of concession of Sadbhav Vidarbha Highway Limited (Including provision of Impairment of Rs. 2579.90 lakhs) (Refer Note 4.4)	9,721.00		
Loss on Settlement of dues from Indinfravit Trust (Refer Note 4.5)	8,394.00		
Provision for Impairment of Contract Assets	4,322.00		
Provision for impairment in carrying value of shares of Sadbhav Hybrid Annuity Projects Limited	5.00		
Amount received on sale of carved out assets by Maharashtra Boarder Checkpost Network Limited (Refer Note 4.3 below)			(372.10)
Loss on account of provision made on loan given to the step down subsidiary.			1,471.76
	27,947.59	3,048.86	36,883.14



- 4.1 The Sadbhav Infrastructure Project Limited (SIPL), a subsidiary had entered into Share Purchase and Subscription Agreement on November 1, 2022 whereby it has agreed to sell its entire shareholding in Sadbhav PIMA Private Limited (Stepdown subsidiary Company) to Ind Infravit Trust at an aggregate consideration of Rs. 115.00 lakhs. During the quarter ended on December 31, 2022, the Company has transferred shares in stepdown subsidiary Company on December 12, 2022. The profit on transfer of these shares amounting to Rs. 109.90 lakhs is recognised as an exception during the year ended March 31, 2023.
- 4.2 Pursuant to sell of entire share holding in Sadbhav Bhavnagar Highway Limited (SBHL) and Sadbhav Una Highway Limited (SUHL) to Kalthia Engineering and Construction Limited at aggregate consideration of Rs. 1750 lakhs in terms of Memorandum of Understanding (MOU) and Share Purchase Agreement (SPA), the Company had made provision for impairment amounting to Rs. 978.80 lakhs in carrying value of investment during previous year ended March 31, 2023. Further all the balances outstanding relating to SBHL and SUHL in the books of the Company, have been written off / written back and net amount of Rs. 3183.30 lakhs is disclosed as exceptional item in these financial results.
- 4.3 SIPL, a subsidiary and Adani Road Transport Limited (ARTL) executed Share Purchase Agreement (SPA) on August 16, 2021 (Amended and restated on January 27, 2022), for sale of its equity shares of Maharashtra Border Check Post Network Limited (MBCPNL) a wholly owned subsidiary of the SIPL, out of which 49% shares have been acquired by ARTL. During the year ended March 31, 2022, SIPL has received consideration of Rs. 35750 lakhs and it has recognised loss of Rs. 7851.90 lakhs in relation of transfer of 49% stake. During the previous year March 31, 2023, SIPL has received amount of Rs. 372.10 lakhs towards sale of carved out assets, which has been disclosed as exceptional item.
- 4.4 Pursuant to the definitive agreement, dated August 16, 2023 entered into between the Company, one of the step down subsidiaries of the Group namely Sadbhav Vidarbha Highway Limited (SVHL or concessionaire), Sadbhav Infrastructure Project Limited (SIPL), Gawar Construction Limited (GCL) and Gawar Waranga Highways Private Limited (Nominated SPV or new concessionaire), for substitution of concession of SVHL with the nominated SPV by GCL and execution of Endorsement Agreement between SVHL, Nominated SPV and senior lenders dated October 6, 2023 with the approval of National Highways Authority of India (NHAI) for implementation of the project by new concessionaire in substitution of SVHL. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of SVHL are transferred to the new concessionaire. Consequently, balances written off/written back in the books of SIPL and SVHL are disclosed as exceptional items in these financial results.
- 4.5 During the quarter ended on September 30, 2023 the Sadbhav Infrastructure Project Limited (SIPL), a subsidiary has signed Memorandum of Understanding (MOU) with IndInfravit Trust for a settlement of pending obligation under routine road and major maintenance agreements in respect of SPV's sold to it. In terms of this MOU all the balances and part of the investment in units of the Trust have been adjusted and the net balances are written off which is disclosed as an exceptional item in these financial results.
- 5 One of the step down subsidiary of the Group namely Rohtak Panipat Tollways Private Limited (RPTPL) has issued the termination notice on July 27, 2021, to National Highway Authority of India (NHAI) by exercising the criteria of "Event of Defaults" under the concession agreement. Since the project of the RPTPL has been terminated, the management of RPTPL is of the view that going concern assumption for preparation of accounts is not appropriate and accounts have been drawn accordingly on non-going concern basis.
- The management of RPTPL has lodged a total claim amounting to Rs. 193792.00 lakhs relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid 19. The Arbitral proceedings for the same are currently ongoing.
- The Arbitration matter of Competing Road was referred to Arbitration. In the said matter, the majority award was passed on May 30, 2023 in favour of NHAI setting aside claims of Company and Minority Award dated 05.06.2023 in favour of Company amounting to Rs. 85098.00 lakhs. The Company has challenged the Majority Award dated 30.05.2023 and filed a petition under Section 34 of Arbitration & Conciliation Act 1996 before the Hon'ble Delhi High Court to set aside the Majority Award dated 30.05.2023.
- The dispute of Claim for Additional Cost on account of ban of quarrying of stone and loss of Toll collection due to delayed issuance of Provisional Certificate was referred to Arbitration. A unanimous Award dated 06.10.2017 by Arbitral Tribunal was awarded in favour of Company amounting to Rs. 89020.00 lakhs (amount inclusive of costs & interest pendente lite). This Award was challenged by NHAI under Section 34 before the Delhi High Court. The Delhi High Court in its Judgment dated 16.02.2023, the value of award payable by NHAI to RPTPL as on 15.10.2023 works out to Rs. 1211.90 Crores. NHAI has challenged the said award under Section 37 before Division Bench of Delhi High Court which is sub-judice.
- NHAI had claimed on RPTPL on account of negative FRL which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to Rs. 2034.00 lakhs. The interest on delayed payment is awarded at 7.4% simple interest, as on 15/10/2023 works out to Rs. 2479.00 lakhs. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice.



During the quarter ended on March 31, 2023, RPTPL has reversed interest of Rs. 10269.40 lakhs provided during the earlier period considering the fact that the project of RPTPL has been terminated and lenders have classified loans as Non Performing Assets.

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

- 6 One of the step down subsidiary of the group namely Rohtak Hissar Tollways Private Limited (RHTPL) has issued the termination notice on August 27, 2021, to NHAI by exercising the criteria of “Event of Defaults” under the concession agreement. Since the project of RHTPL has been terminated, the management of RHTPL is of the view that going concern assumption for preparation of accounts is not appropriate and accounts have been drawn accordingly on non-going concern basis.

In this regard the management of RHTPL lodged total claims amounting to Rs. 161253.30 lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & loss on account of demonetization etc. RHTPL has given notice invoking arbitration vide letter dt 27.03.2023. The arbitration proceeding is pending before the Arbitration Tribunal.

During the quarter ended on March 31, 2023, RHTPL has reversed interest of Rs. 12280.90 lakhs provided during the earlier period considering the fact that the project of RHTPL has been terminated and lenders have classified loans as Non Performing Assets (NPA).

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

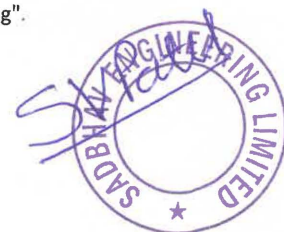
- 7 The management of the Holding Company has evaluated the balances in all accounts of the creditors in their books and determined to write back the outstanding amount payables after settlement of the dues and consequently amount of Rs. 2002.18 lakhs is written back and included in other income in the results for the half year ended on September 30, 2023.

Some of the vendors of the holding Company have initiated legal proceeding against the holding Company for recovery of their dues. The Management contended that in these cases the amount payable in respect of goods and services availed from such vendors is adequately provided in the books of accounts. However the vendors have claimed additional amount on account of interest etc. which is contested by the holding Company and according to the management such claims are not tenable and does not require provision in books of accounts. Having regard to this the management believes that carrying amount of trade payables is fairly valued.

- 8 Key Numbers of standalone financial results of the Company are as under:

Sr. No.	Particulars	(Rs. in lakhs)					
		Quarter ended			Half Year ended		Year ended
		September 30,2023 (Unaudited)	June 30,2023 (Unaudited)	September 30,2022 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	March 31,2023 (Audited)
1	Revenue from operations	21,883.60	40,483.39	21,453.83	62,366.99	48,470.63	88,917.28
2	Net Profit/(loss) before tax	(56.08)	633.62	(1,144.04)	577.54	(3,380.62)	(34,386.35)
3	Net Profit/(loss) after tax	(321.75)	105.37	(1,181.93)	(216.38)	(3,412.69)	(34,648.38)
4	Total comprehensive income for the Period/Year	(326.46)	105.37	(1,178.30)	(221.09)	(3,409.06)	(34,620.67)

- 9 The segment reporting is in accordance with its internal financial reports derived from SAP system which is reviewed by Chief Operating Decision Maker (CODM)-Chief Financial Officer (CFO). Consequently, the Group has considered business as whole as a single operating segment in accordance with Indian Accounting Standard 108 - "Segment Reporting".



- 10 a. In view of the Harmonious substitution of Sadbhav Jodhpur Ring road Private limited (SJRRPL), a Definitive Agreement was entered into between the Company, Sadbhav Infrastructure Project Limited (The subsidiary company), SJRRPL, one of the step down subsidiary, and Gawar Construction Limited (GCL) as on June 28, 2022 for substitution of the SJRRPL with the new SPV nominated by GCL and also endorsement agreement was executed between the SJRRPL and JRR Highways Private Limited (new concessionaire) dated July 13, 2022 with the approval of NHAI for implementation of the project by new concessionaire in substitution of the SJRRPL. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of the SJRRPL are transferred to the new concessionaire.

Consequently, the net balance of Rs. 8093.32 lakhs is transferred to the Statement of Profit and Loss Account and Provision for impairment of investment in shares of Sadbhav Jodhpur Ringroad Highway Private Limited of Rs. 1165.00 lakhs by SIPL is disclosed as exceptional item and amount of Rs. 5432.32 lakhs is included in other expenses.

- b. Sadbhav Bangalore Highway Private Limited (SBGHPL or concessionaire) one of the step down subsidiaries has entered into Endorsement Agreement as on February 13, 2023 for substitution of the concession. In terms of agreement, the project of the Company has transferred to nominated SPV selected by the lenders.

Consequently, all the balances outstanding, pertaining to SBGHPL in books of the Group Companies have been adjusted and net debit balance of Rs. 22584.56 lakhs and Provision for impairment of investment in shares of Sadbhav Bangalore Highway Private Limited of Rs. 3090.30 lakhs by SIPL has been transferred to statement of profit and loss and included as exceptional item in financial results for the year ended March 31, 2023.

- c. In case of Sadbhav Nainital Highway Limited (SNHL or concessionaire), a step down subsidiary company which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI), the National Highway Authority of India (NHAI) at the request of the Company vide its letter dated April 17, 2023, has approved harmonious substitution of concessionaire.

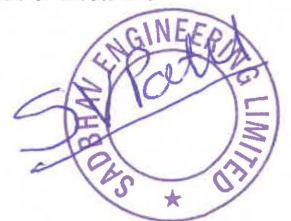
Thereafter SNHL executed Endorsement Agreement dated July 14, 2023 with the approval of NHAI for harmonious substitution of the concession of SNHL in favour of new concessionaire for implementation of the project and also entered into Definitive Agreement as on August 01, 2023 for substitution of concessionaire SNHL with the new SPV nominated as new concessionaire. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of SNHL are transferred to the new concessionaire for substitution of the SNHL. Considering above, financial statement of SNHL is prepared on non Going Concern Basis.

- d. Holding Company has entered in Tripartite settlement agreement with National Highways Authorities of India (NHAI) and Gawar Construction Limited (GCL) on 18th April, 2023 in respect of an EPC project of Construction of NH-24 Extension 4-lane bypass starting from Behta Road and terminating at Sitapur road in the State of Uttar Pradesh for subletting the said project to GCL for balance work. In terms of this settlement, all the balances outstanding, pertaining to this project in books of the Holding Company have been adjusted and net balance of Rs. 3074.84 Lakhs has been transferred to statement of profit and loss and included in other expenses in the results for the quarter ended June 30, 2023.

- e. Other expenses for the quarter ended September 30, 2023 includes amount of Rs. 3064.70 lakhs being impairment provision in respects of contract assets.

- 11 In case of Sadbhav Kim Expressway Private Limited (concessionaire or SKEPL) one of the stepdown subsidiaries there is delay in physical work progress due to delay in handing over the land from NHAI, delay in approval of Change of Scope work, non-funding by the lenders and nationwide lockdown due to COVID-19. Further NHAI at the request of the Lenders, has given in-principal approval for harmonious substitution of the concessionaire subject to various terms and conditions which also provides for payment of penalty before final approval for substitution. The Company is in the process of compliance of the conditions prescribed by NHAI for substitution. Pending the compliance of conditions for obtaining final approval for substitution, no adjustment to the carrying value of assets and liabilities in respect of SKEPL have been made in these financial results. The statutory auditors of step down subsidiary have expressed qualified conclusion on financial results in this regards.

- 12 Lenders of the Sadbhav Udaipur Highway Limited (concessionaire or SUDHL), a step down subsidiary of the Group have notified to NHAI about exercise of their right of substitution of concessionaire in the month of March, 2023. Subsequently, SUDHL has proposed Harmonious Substitution of the concessionaire with the SPV to be nominated by Gawar Construction Limited vide letter dated August 24, 2023 with the consent of Facility Agent on behalf of Senior lender. In terms of concession agreement, in case of substitution of the concessionaire, the project of the Company shall be transferred to nominated Company. Considering the pending approval for substitution no adjustment to the carrying value of assets and liabilities have been made in these financial results.



- 13 **Sadbhav Rudrapur Highway Limited (SRHL or Concessionaire)**, one of the step down subsidiaries of the Company, the work on the Project has been substantially delayed due to reasons not attributable to the Concessionaire such as delay in handing over Right of Way by National Highways Authority of India (NHAI) free from encumbrances as per Concession Agreement, delay in approval of estimates for Shifting of Utilities, delay in approval of the GAD of ROB from Railway Department and non-availability of land for Construction of ROB, delay in approval of Change of Scope Works, delay due to Force Majeure Event of COVID-19, etc. The lenders of SRHL vide letter dt September 8, 2023 have requested to NHAI to give in-principal approval for harmonious substitution subject to the terms specified therein. Pending the approval of NHAI for substitution of concession of SRHL, no adjustment to the carrying value of investments have been made in these financial results.
- 14 **a. Sadbhav Banglore Highway Private Limited (SBGHPL)**, step down subsidiary in which tax credit receivables are carried in the books of accounts of SBGHPL at Rs. 4267.40 lakhs. Presently, the SBGHPL does not carry out any business activity. However management of SBGHPL is evaluating various option for utilising above mentioned credit and is confident about the utilization of the credit. The statutory auditors of subsidiary Company have expressed qualified opinion on financial results in respect of this matter.
- b. Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)**, subsidiary in which tax credit receivables are carried in the books of accounts of SJRRPL at Rs. 1554.50 lakhs. Presently, SJRRPL does not carry out any business activity. However management of SJRRPL is evaluating various option for utilising above mention credit and is confident about the utilization of the credit. The statutory auditors of subsidiary Company have expressed qualified opinion on financial results in respect of this matter.
- 15 The holding Company reviews balances outstanding in the accounts of trade receivable, advance to vendor and loans given and identifies those debts that have been outstanding for an extended period and are unlikely to be received. The Company applies the prudence concept and have written off/provided for the doubtful trade receivable and advance to vendor and loans given as expenses amounting to Rs. 26337.58 lakhs during the year ended March 31, 2023.
- b.** The contract assets as on September 30, 2023 includes amount of Rs. 35021.63 lakhs in respect of which claims before the regulators have been preferred and based on legal opinion obtained, management believes that the amount is realisable.
- 16 Finance cost includes Interest expenses in respect of two step down subsidiary companies namely Rohtak Hissar Tollways Private Limited (RHTPL) and Rohtak Panipat Tollways Private Limited (RPTPL) amounting to Rs. 12280.90 lakhs and Rs. 10269.40 lakhs reversed during the quarter ended March 31, 2023 which were provided in earlier period where Financials of RPTPL & RHTPL are prepared on non going concern basis due to issue of termination notice to NHAI by RPTPL & RHTPL.
- 17 The Management of the group acknowledges that there are difficulties in meeting payment obligations to suppliers and statutory dues in the normal course of business. There are also delays/defaults in repayment of dues to lenders. The consortium of lenders of the Holding Company, except one lender, have signed an Inter Creditor Agreement on December 26, 2022, due to defaults in the repayment of dues, leading to the company's account being classified as Non-Performing Assets by majority of lenders. This factors raise concern about the group's ability to continue as going concern.

In this regard, due to delays in the completion of EPC works under execution essentially on account of shortage of working capital, the Company has taken proactive steps to rearrange the EPC contracts. The management has also submitted Restructuring Plan to the consortium of lender and management is in discussion with the Consortium of lenders to finalize the Resolution / Restructuring Plan. The ingredients of Resolution Plan include monetization of HAM and other Assets, infusion of funds from the promoters, cash flows from Gadag Project, receipt of claim amounts from projects under arbitration and dispute settlement, receivables, and refinance / stake sale of operational projects as well as of restructuring of lender dues.

Considering the expected approval from lenders of the proposed Resolution Plan, realization of receivables and proceeds from monetization and infusion of funds from promoters, the management believes that Group will be able to ramp up its operations and generate incremental cash-flows.

In view of the this in the opinion of the Management to the going concern assumption adopted in the preparation of consolidated financial results for the quarter and half year ended September 30, 2023 is appropriate.



18 Maharashtra Border Check Post Network Limited ('MBCPNL') one of the step down subsidiary, has accepted and accounted certain project related cost variation towards increased cost of construction due to delay in execution of the Modernization and Computerisation of 22 Border Check Post Project including 2 additional check post ('BCP Project'). Such cost variations incurred due to various reasons not attributable to MBCPNL, in terms of service concession agreement, up to March 31, 2023 is Rs. 22288.40 lakhs (March 31, 2022 Rs. 22288.40 lakhs). The costs has been accounted as intangible asset/ intangible assets under development. Further, such cost variation 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 have 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 variation claim of the MBCPNL although MBCPNL is confident that the additional costs accounted in the books will be fully accepted by the GoM.

19 During the half year ended September 30, 2023 revenue from operations includes sale of material of Rs. 1212.50 lakhs (September 30,2022 : Rs 1180.12 lakhs) and Rs. 17960.59 lakhs (September 30,2022 : Rs Nil) being amount of compensation on forgoing an EPC contract and Cost of material sold of Rs. 596.85 lakhs (September 30,2022 : Rs 995.24 lakhs) is included in cost of material consumed.

During the year ended March 31, 2023 revenue from operations include sale of material of Rs. 3057.36 lakhs and cost of material sold of Rs. 2617.13 lakhs is included in cost of material consumed.

20 Deferred tax asset include Rs. 6537.25 lakhs being amount of unused tax credit recognized in earlier years. Based on the projection of future profitability, management believes that the Holding Company will have regular taxable income against which the unused tax credit will be adjusted.

21 During the quarter and half year ended September 30, 2023 the Geology and Mining Department, Government of Gujarat has raised demand of Rs. 18615.51 lakhs, including the penalty of Rs. 5413.02 lakhs in respect of royalty on minerals alleging unauthorized use of minerals by the holding Company in the earlier years on the ground of non submission of required documents to the authority. Against this demand the holding Company has deposited Rs. 264.05 lakhs and filed appeal objecting the levy of royalty and is in the process of submitting the documents to the authority. The management believes that demand is not sustainable hence no provision is required.

22 In case of Ahmedabad Ring Road Infrastructure Ltd (ARRIL), a step down subsidiary of the Group, one operational creditor had initiated legal proceeding against ARRIL for recovery of its dues and filed petition before Hon'ble National Company Law Tribunal (NCLT), Ahmedabad bench. The Hon'ble Adjudicating Authority, NCLT, Ahmedabad Bench passed the order dated 27.9.2023 to admit the ARRIL into Corporate Insolvency Resolution Process. ARRIL challenged the said order dated 27.9.2023 passed by NCLT before the Hon'ble National Company Law Appellate Tribunal . The Hon'ble National Company Law Appellate Tribunal (NCLAT) vide its order dated 06.10.2023 has stayed the order dated 06.10.2023 passed by Hon'ble Adjudicating Authority. As per the order of NCLAT, ARRIL has deposited Rs. 232 lakhs towards the claim amount.

23 Statement of Unaudited Consolidated Cash flow for the half year ended September 30, 2023 and September 30, 2022 is given in Annexure I.

SIGNED FOR IDENTIFICATION BY

Kunkel
MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS

For SADBHAV ENGINEERING LIMITED

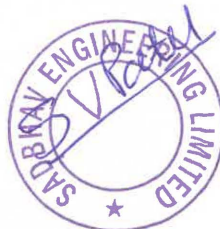
S.V. Patel
Shashin V. Patel
Chairman and Managing Director
DIN: 00048328
Place : Ahmedabad
Date : November 09, 2023



CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

PARTICULARS	As at September 30, 2023	As at March 31, 2023
Assets		
Non-current Assets		
(a) Property, Plant and Equipments	8,329.85	12,999.45
(b) Capital Work in Progress	406.11	376.91
(c) Investment Property	94.10	94.10
(d) Goodwill	2,653.00	2,653.00
(e) Other Intangible Assets	14,365.98	16,058.32
(f) Financial Assets		
(i) Investments	120.91	12,223.64
(ii) Trade receivable	1,632.66	2,830.04
(iii) Loans	21.84	54.10
(iv) Receivable Under Service Concession Arrangement	93,313.30	1,75,759.90
(v) Other Financial Assets	8,030.11	9,007.67
(g) Deferred Tax Assets (net)	9,799.95	10,115.67
(h) Other Non Current Assets	2,314.08	1,883.70
Total Non-current Assets	1,41,081.89	2,44,056.50
Current Assets		
(a) Inventories	2,765.58	3,304.43
(b) Financial Assets		
(i) Trade receivables	32,088.60	38,577.14
(ii) Cash and cash equivalents	6,063.58	10,669.77
(iii) Bank Balance other than (iii) above	2,117.17	1,071.87
(iv) Loans	1,032.08	1,031.72
(v) Receivable Under Service Concession Arrangement	45,062.30	46,150.60
(vi) Other financial assets	3,27,659.00	2,41,857.43
(c) Current tax asset	4,663.25	5,144.41
(d) Other current assets	1,32,319.38	1,63,444.25
Total Current Assets	5,53,770.94	5,11,251.62
Assets Held for Sale	1,52,634.30	2,21,612.20
Total Assets	8,47,487.13	9,76,920.32
Equity and Liabilities		
Equity		
(i) Equity share capital	1,715.71	1,715.71
(ii) Other Equity	10,871.43	15,807.24
(iii) Non Controlling Interest	7,149.88	16,028.46
Total Equity	19,737.02	33,551.41
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,04,935.07	1,78,253.49
(ii) Other financial liabilities	10,624.40	8,000.30
(b) Deferred tax liabilities (Net)	5,143.40	6,518.20
(c) Provisions	42.80	121.50
Total Non-current Liabilities	1,20,745.67	1,92,893.49
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	3,45,739.73	2,97,057.82
(ii) Trade Payable		
Dues of micro and small enterprises	580.96	881.64
Dues of creditors other than micro and small	53,592.11	67,101.34
(iii) Other financial liabilities	1,26,241.11	1,37,177.93
(b) Other current liabilities	18,767.47	32,661.73
(c) Provisions	7,604.65	6,520.36
(d) Current Tax Liabilities (Net)	866.60	1,527.60
Total Current Liabilities	5,53,392.64	5,42,928.42
Liabilities Held for Sale	1,53,611.80	2,07,547.00
Total Liabilities	8,27,750.11	9,43,368.91
Total Equity and Liabilities	8,47,487.13	9,76,920.32



SADBHAV ENGINEERING LIMITED
CIN NO.: L45400GJ1988PLC011322

Annexure-1 Statement of unaudited consolidated Cash Flow for the half year ended on September 30, 2023

(Rs. In Lakhs)

PARTICULARS	For the half year ended September 30, 2023		For the half year ended September 30, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net (Loss) before Tax		(30533.83)		(60617.02)
Adjustments For :				
Interest Income	(1327.19)		(422.30)	
Interest Expenses	29405.69		50955.83	
Depreciation & Amortisation	6459.76		7184.59	
Provision for impairment of Contract Assets	10467.64		0.00	
Exceptional Item	30996.45		(34606.06)	
Profit on Sale of assets	(5.70)		0.00	
		75996.65		23113.95
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		45462.81		(37503.07)
Adjustment For :				
(Increase)/Decrease of Long Term Trade Receivables	75385.45		61814.05	
(Increase)/Decrease of Trade Receivables	4206.40		7894.18	
(Increase)/Decrease of Other Current Assets	20764.93		(19411.15)	
(Increase)/Decrease of Other Current Financial Assets	(81054.53)		28195.89	
(Increase)/Decrease of Other Non Current Assets	(430.38)		(815.56)	
(Increase)/Decrease of Other Non Current Financial Assets	977.56		(400.22)	
(Increase)/Decrease of Inventories	538.85		3172.53	
(Increase)/Decrease of Loan given	(32.10)		2198.63	
(Increase)/Decrease of Other Bank Balances	(1045.30)		1289.69	
Increase/(Decrease) of Other Long Term Financial Liabilities	2624.10		2132.60	
Increase/(Decrease) of Investment	0.00		0.00	
Increase/(Decrease) of Trade Payables	(12379.47)		2315.05	
Increase/(Decrease) of Other Current Liabilities	(13894.26)		(27365.85)	
Increase/(Decrease) of Other Current Financial Liabilities	(10936.82)		24658.73	
Increase/(Decrease) of Provision	1005.59		1234.30	
Increase/(Decrease) in Deferred Tax (net)	0.00		(350.63)	
		(14269.96)		86562.23
Cash Generated From Operations		31192.86		49059.16
Income Tax Refund		(1617.14)		(118.26)
Net Cash Flow Generated From Operating Activities		29575.72		48940.90
B. CASH FLOW FROM INVESTMENT ACTIVITIES :				
Purchase of Property, Plant & Equipments and Intangible Assets	(609.60)		(3552.24)	
Sales of Property, Plant & Equipments	4380.92		1343.14	
Proceeds from Other Non Current Investments	135.13		5328.39	
Interest Received	1327.19	5233.65	422.30	3539.70
Net Cash Flow Generated From Investing Activities		5233.65		3539.70
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds/(Repayment) of Long Term Borrowings (Net)	(73318.42)		(24836.03)	
Proceeds/(Repayment) of Short Term Borrowings (Net)	48681.91		22081.39	
Lease Liability	0.00		(147.68)	
Repayment of Sub debt	(1438.55)			
Interest Paid	(29405.69)		(50955.83)	
Assets held for sale	16065.20		(359.60)	
		(39415.55)		(54217.76)
Net Cash Flow (Used in) Financing Activities		(39415.55)		(54217.76)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)		(4606.19)		(1737.15)
Opening Balance Of Cash & Cash Equivalents		10669.77		15676.29
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		6063.58		13939.14
COMPONENTS OF CASH & CASH EQUIVALENTS (refer note 18)				
Cash On Hand		42.28		77.59
Balance In Current Account With Banks		5216.05		6203.30
Balance In Fixed Deposits		805.25		7658.25
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		6063.58		13939.14



Manubhai & Shah LLP

Chartered Accountants

Independent Auditors' Review Report on the Quarterly and Year to date 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 half year ended on September 30, 2023 (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. The Statement includes the financial results of following entities:

Holding Company:
Sadbhav Engineering Limited

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 (ARRIL)
2. Maharashtra Border Check Post Network Ltd (MBCPNL)
3. Rohtak Panipat Tollway Private Ltd (RPTPL)
4. Rohtak Hissar Tollway Private Ltd (RHTPL)
5. Sadbhav Rudrapur Highway Limited (SRHPL)
6. Sadbhav Nainital Highway Limited (SNHL)
7. Sadbhav Bangalore Highway Private Limited (SBGHPL)
8. Sadbhav Vidarbha Highway Limited (SVHL)
9. Sadbhav Udaipur Highway Limited (SUDHL)
10. Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)
11. Sadbhav Maintenance Infrastructure Private Limited (earlier known as Sadbhav Vizag Port Road Private Limited) (SMIPL)
12. Sadbhav Kim Expressway Private Limited (SKEPL)
13. Sadbhav Infra Solutions Private Limited (earlier known as Sadbhav Bhimasar Bhuj Highway Private Limited) (SISPL)
14. Sadbhav Hybrid Annuity Project Limited (SHAPL)

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

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

Basis for Disclaimer of Conclusion

5. Accompanying consolidated financial results includes unaudited interim consolidated financial results and other unaudited consolidated financial information of Sadbhav Infrastructure Project Limited, a subsidiary Company, whose unaudited consolidated interim financial results / information reflect, total assets of Rs. 6,74,502.90 lakhs as at September 30, 2023, total revenue of Rs. 19524.00 lakhs and Rs. 47155.90 lakhs, total net (Loss) after tax of Rs. (29583.50) lakhs and Rs. (31693.00) lakhs and total comprehensive income of Rs. (29583.50) lakhs and Rs. (31693.50) lakhs for the quarter and half year ended on September 30, 2023 respectively.

Auditors of the said subsidiary Company have issued disclaimer of opinion on its consolidated financial results for the following reasons:

- (i) As detailed in Note No 3 to the accompanying consolidated financial results that includes unaudited interim financial results and other unaudited financial information of the Maharashtra Boarder Check Post Network Limited, a step-down subsidiary Company which have not been reviewed, whose unaudited interim financial results / information reflect, total revenue of Rs. 8014.60 lakhs and Rs. 16298.30 lakhs, total net profit after tax of Rs. 860.00 lakhs and 1306.80 lakhs and total comprehensive income of Rs. 860.00 lakhs and 1306.8 lakhs for the quarter and half year ended on September 30, 2023 respectively.

These unaudited interim financial results and other unaudited financial information have been certified and furnished to us by the Management. According to the information and explanations given to us by the management, these financial results are material to the Group.



- (ii) As detailed in Note No 5 & Note No 6 of the accompanying consolidated financial results, with respect to Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hisar Tollway Private Limited (RHTPL), step-down subsidiaries of the Group in which interest on rupee term loan from banks and financial institutions as well as unsecured loans from Group companies have not been accounted considering the fact that both subsidiaries have issued termination notices and lenders of both subsidiaries have classified all the secured borrowings as non-performing assets. This has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained.

The auditors of RPTPL and RHTPL have expressed qualified opinion on the financial statements for the year ended on March 31, 2023 and qualified conclusion on the financial results for the quarters ended June 30, 2023 and September 30, 2023.

- (iii) As detailed in Note 11 of the accompanying Consolidated Financial Result, with respect to Sadbhav Kim Expressway Private Limited (SKEPL), a step-down subsidiary Company of the Group in which case, NHAI in the month of November 2022, at the request of the SKEPL has given in principal approval for harmonious substitution of the concessionaire. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in these financial results of SKEPL. Owing to the uncertainty of outcome of substitution proceedings and lack of other alternate audit evidence, we are unable to comment about adjustment that may be required to the carrying value of assets and liabilities and their consequential impact on the financial result of the Group as on September 30, 2023

We have expressed qualified conclusion on the financial results for the quarter ended June 30, 2023 and September 30, 2023.

6. In view of the nature of the matters described in paragraph 5, Basis for Disclaimer of Conclusion above, in respect of which absence of sufficient evidence has resulted in limitation on work and the consequent adjustments not being determined and based on the consideration of the review reports of the other auditors referred to in paragraph 9 below, we are unable to state whether the accompanying statement has been prepared in accordance with the recognition and measurement principles laid down in the relevant Indian Accounting Standards and other accounting principles generally accepted in India, or that the Statement discloses the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement. Thus, we do not express a conclusion on the accompanying consolidated financial results.

7. Material Uncertainty related to Going concern:

As stated in note no. 17 to the Consolidated Financial Results, there are defaults in repayment of due to lenders and the Holding Company finds difficulty in meeting obligations of payment to suppliers and statutory dues. Further, a consortium of the lenders of the Holding Company have executed Inter-Creditor Agreement on December 26, 2022 and accounts by majority lenders have been classified as Non-Performing Assets.



These events or conditions along with other matters as set forth in the said note indicate that material uncertainty exists regarding the Group's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the said note.

8. Emphasis of Matter in respect of step-down subsidiary Company:

The auditors of Sadbhav Infrastructure Project Limited (SIPL), a subsidiary Company, in their report dated November 7, 2023 on consolidated financial results of the said subsidiary have given the Emphasis of Matter paragraph as under:

We draw attention to:

- a. Note No 12 to consolidated financial results regarding proposed harmonious substitution of the concession of Sadbhav Udaipur Highway Limited (SUHL), one of the step down subsidiary of the Group. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities has been made in these financial results.
- b. As detailed in Note 10(c) to the accompanying consolidated financial results, regarding preparation of financial statements Sadbhav Nainital Highway Limited, one of the step down subsidiary of the Group on non-going concern basis for the reasons stated in the said note.

9. Other Matters:

- a. The consolidated financial results include unaudited financial results of 1 step- down subsidiary whose financial information reflects (before eliminating intercompany transactions) total assets of 4329.90 Lakhs as at September 30, 2023 , total revenue of Rs. Nil and Rs Nil, total net (loss) after tax of Rs. (0.05) Lakhs and Rs (632.40) Lakhs, total comprehensive income of Rs. (0.05) Lakhs and Rs (632.40) Lakhs for the quarter and half year ended on September 30, 2023 respectively and cash flows (net outflows) of INR (645.30) Lakhs for the half year ended September 30, 2023. These financial results are not reviewed and have been furnished to us by the Management of the Holding Company and our opinion on the statement, in so far it relates to the amount and disclosures included in respect of this step - down subsidiary, is based on solely on such financial results. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter with respect to our reliance on the financial results certified by the Management of the Holding Company.



- b. We did not review the interim financial results and other financial information in respect of 1 subsidiary and 8 step-down subsidiaries, whose financial results / information reflects (before eliminating intercompany transactions) total assets Rs. 5,16,975.20 Lakhs as at September 30, 2023, total revenue of Rs. 7699.40 Lakhs and Rs. 16638.80 Lakhs, total net (loss) after tax of Rs. (30,282.60) Lakhs and Rs. (34,440.10) Lakhs, total comprehensive income of Rs. (27,078.76) Lakhs and Rs. (45,529.90) Lakhs for the quarter and half year ended on September 30, 2023 respectively and cash flows (net outflows) of Rs. (1154.80) Lakhs for the half year ended on September 30, 2023 as considered in the Consolidated Financial Results. These interim financial results have been reviewed by other auditors, whose reports have been furnished to us by the Management of the Holding Company. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of such subsidiary and step-down subsidiary companies is based solely on the reports of other auditors and procedures performed by us as stated in paragraph 3 above.

For, Manubhai & Shah LLP
Chartered Accountants

ICAI Firm Registration Number: 106041W/W100136

K. C. Patel

K. C. Patel
Partner

Membership No: 030083
UDIN: 23030083BGWVAP9004



Place: Ahmedabad

Date: November 09, 2023