

Ref: SEL/2022-23/017

May 30, 2022

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

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 the Meeting of the Board of Directors of the Company held on 30th May, 2022 and submission of Audited Financial Results of the Company for the quarter and year ended on 31st March, 2022.

With reference to above, we hereby inform that meeting of Board of Directors of the Company was held today (i.e. 30/05/2022), in which Board has approved and adopted the standalone and consolidated Audited Financial Results of the Company for the quarter and year ended 31st March, 2022.

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

- Standalone and Consolidated Audited Financial Results of the Company for quarter and year ended on 31st March, 2022.
- Auditors' Report on Standalone and Consolidated Audited Financial Results.

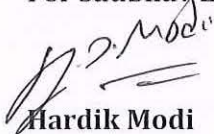
The Report of Auditors is with modified opinion with respect to the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended on 31st March, 2022. A Statement on impact of Audit Qualifications (in respect of modified opinion on Standalone and Consolidated Audited Financial Results) is enclosed herewith.

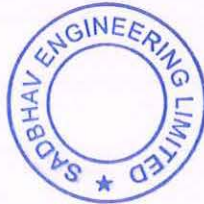
The meeting of Board of Directors commenced at 07:30 p.m. and concluded at 11:55 p.m.

You are requested to take the above on your record.

Thanking You,
Yours Faithfully,

For Sadbhav Engineering Limited


Hardik Modi
Company Secretary



Enclosed: As Above

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.sadbhaveng.com 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

STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

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

	Particulars	Quarter ended			Year ended	
		31/03/2022 (Audited)	31/12/2021 (Unaudited)	31/03/2021 (Audited)	31/03/2022 (Audited)	31/03/2021 (Audited)
	Income					
1	Revenue from operations	35,998.37	34,093.45	42,571.45	122,623.66	162,362.45
2	Other income	2,442.97	1,635.33	3,373.89	9,634.19	9,348.14
3	Total Income (1+2)	38,441.34	35,728.78	45,945.34	132,257.85	171,710.59
4	Expenses					
	Cost of Material Consumed	6,326.94	4,601.24	13,705.92	21,013.35	34,269.89
	Construction Expenses	20,761.14	21,981.85	16,005.02	73,032.25	89,347.60
	Employee benefits expense	1,393.39	2,111.24	3,430.49	8,203.07	12,190.97
	Finance costs	5,361.95	4,583.12	4,988.21	18,788.45	18,951.08
	Depreciation and amortization expense	1,326.61	1,623.28	2,121.33	6,919.73	9,420.67
	Other expenses (Refer note no. 11)	71,251.20	1,134.28	2,584.02	73,908.78	5,416.60
	Total Expenses	106,421.23	36,035.01	42,834.99	201,865.63	169,596.81
5	Profit / (Loss) before exceptional Items and tax (3-4)	(67,979.89)	(306.23)	3,110.35	(69,607.78)	2,113.78
6	Exceptional Items (Refer Note no. 5)	(691.52)	(170.93)	(1,958.72)	(1,365.23)	(1,958.72)
7	Profit / (Loss) before tax (5+6)	(68,671.41)	(477.16)	1,151.63	(70,973.01)	155.06
8	Tax Expense (incl. short/excess provision of earlier year(s))	(2,400.04)	-	(1,936.00)	(2,500.05)	(1,669.91)
	Deferred Tax	3,788.43	(157.66)	(1,633.61)	3,158.75	(2,278.71)
9	Profit / (Loss) for the period from containing operations (7-8)	(70,059.80)	(319.50)	4,721.24	(71,631.71)	4,103.68
10	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to profit or loss (Net of tax)	73.03	31.79	149.60	168.41	35.19
11	Total Comprehensive Income for the period / year (9+10)	(69,986.77)	(287.71)	4,870.84	(71,463.30)	4,138.87
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
13	Other Equity excluding Revaluation Reserves as at 31st March	-	-	-	141136.82	212821.66
14	Basic & Diluted EPS (Rs.) (Face value of Re. 1/- each) (*not annualized)	-40.83*	-0.19*	2.75*	-41.75	2.39

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Sadbhav Engineering Limited

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SADBHAV ENGINEERING LIMITED
CIN NO.: L45400GJ1988PLC011322

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

PARTICULARS	As At March 31, 2022	As At March 31, 2021
Assets		
Non-current Assets		
(a) Property, Plant and Equipment	19,098.70	27,918.39
(b) Capital Work in Progress	376.91	376.91
(c) Right of use Assets	148.07	1,235.98
(d) Intangible Assets	42.88	48.13
(e) Financial Assets		
(i) Investments	55,934.11	56,674.72
(ii) Trade receivable	13,236.35	26,766.09
(iii) Loans	5,328.67	4,800.60
(iv) Other Financial Assets	9,577.88	10,554.18
(f) Deferred Tax Assets (net)	10,220.38	13,379.14
(g) Other Non Current Assets	132.34	53.40
Total Non-current Assets	114,096.29	141,807.54
Current Assets		
(a) Inventories	10,749.85	13,911.08
(b) Financial Assets		
(i) Trade receivables	59,920.56	41,499.81
(ii) Cash and cash equivalents	2,743.99	810.14
(iii) Bank Balance other than (ii) above	975.40	146.59
(iv) Loans	52,066.11	58,933.61
(v) Other financial assets	32,870.75	35,646.95
(c) Current tax assets (net)	6,272.88	13,229.04
(d) Other current assets	89,004.34	152,105.39
Total Current Assets	254,603.88	316,282.61
Total Assets	368,700.17	458,090.15
Equity and Liabilities		
Equity		
(i) Equity share capital	1,715.71	1,715.71
(ii) Other Equity	141,136.82	212,821.66
Total Equity	142,852.53	214,537.37
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	29,450.28	37,943.25
Total Non-current Liabilities	29,450.28	37,943.25
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	84,943.71	93,893.21
(ii) Lease Liability	172.24	1,399.65
(iii) Trade Payable		
Dues to micro and small enterprises	1,574.40	750.94
Dues to creditors other than micro and small enterprises	45,087.56	50,161.38
(iv) Other financial liabilities	26,528.01	25,331.85
(b) Other Current liabilities	38,091.44	34,072.50
Total Current Liabilities	196,397.36	205,609.53
Total Liabilities	225,847.64	243,552.78
Total Equity Liabilities	368,700.17	458,090.15

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Notes :

- 1 The aforesaid audited financial results for the quarter and year ended March 31, 2022 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their meeting held on May 30, 2022. 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 audit of the same.
- 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). 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 taking lower useful life compared to useful life prescribed under schedule II to the Companies Act, 2013. Hence depreciation charged for the year ended on March 31, 2022 is higher by Rs. 620.69 Lakhs (Rs. 932.72 Lakhs). The said Accounting policy is consistently followed by the Company after the introduction of Companies Act, 2013.
- 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 Exceptional items during year ended March 31, 2022 include :
 - (i) Loss of Rs. 1067.23 lakhs on account of the sale of assets.
 - (ii) Loss of Rs. 298.00 lakhs on account of impairment in carrying value of investments.

Exceptional items during quarter and year ended March 31, 2021 amounting to Rs. 1,958.72 Lakhs is on account of net loss on sale of assets

- 6 The Board of Directors at their meeting dated October 19, 2019 have approved scheme of merger and arrangement under Sections 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. In terms of the order of National Company Law Tribunal (NCLT) dated December 01, 2020, the meeting of Equity Shareholders, Secured Creditors and Unsecured Creditors was conveyed and requisite majority of stakeholders have given their consent to the scheme. The Company has made application to NCLT for its approval. The matter is pending before NCLT.
- 7 The Company has outstanding loan, trade and other receivable aggregating to Rs. 19,839.58 lakhs from 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.

Further the toll collection by RPTPL was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws from December 25, 2020. Accordingly, RPTPL could not collect toll user fees from December 25, 2020. RPTPL had sent various communications to NHAI for such forceful suspension of toll. RPTPL has issued notice for termination of concession agreement on July 27, 2021 considering the above event as Force Majeure Event in terms of concession agreement. RPTPL has filed claim amounting to Rs. 3,95,784.40 lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. with NHAI in terms of concession agreement. In respect of such claims, NHAI has approached to the RPTPL for settlement of all these claims by way of conciliation proceedings, which has been consented by it.

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 communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of outstanding amount in RPTPL and consequently no provision/adjustment to the carrying value of loan, trade and other receivable as at March 31, 2022 is considered necessary.

- 8 The Company has outstanding outstanding loan, trade and other receivable aggregating to Rs. 2,772.85 lakhs in Rohtak Hissar Tollway Private Limited (RHTPL), 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 RHTPL has fully eroded.

Further the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws from December 25, 2020. Accordingly, RHTPL could not collect toll user fees from December 25, 2020. RHTPL had sent various communications to NHAI for such forceful suspension of toll. RHTPL has issued notice for termination of concession agreement on August 27, 2021 considering the above event as Force Majeure Event in terms of concession agreement. RHTPL has filed claim amounting to Rs. 14,9697.70 lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc with NHAI in terms of concession agreement.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of

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concession agreement and communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of outstanding amount in RHTPL and consequently no provision/adjustment to the carrying value of loan, trade and other receivable as at March 31, 2022 is considered necessary.

9 The Company has outstanding trade and other receivable aggregating to Rs. 1,442.64 lakhs in Sadbhav Jodhpur Ring Road Private Limited (SJRRPL), a step-down subsidiary company which is engaged in construction, operation and maintenance of road project under concession agreement with National Highways Authorities of India (NHAI), there is delay in physical work progress due to delay in handing over the land from Authority (NHAI). In the said subsidiary there is delay in approval of Change of scope of work, non-funding by the lenders and nationwide lockdown due to Covid-19. Further the NHAI in the month of January 2022 at the request of the SJRRPL has given in principal approval for harmonious substitution of the concessionaire i.e. SJRRPL subject to various terms and conditions which also provides for payment of penalty before final approval for substitution. SJRRPL is in the process of compliance of the conditions prescribed by NHAI for substitution. Pending the compliance of condition for obtaining final approval of substitution, no adjustment to the carrying value of trade receivable from SJRRPL have been made in the financial statements.

10 The Company has outstanding loan, trade and other receivables aggregating to Rs. 6,946.49 lakhs in Sadbhav Bangalore Highway Private Limited (SBHPL), a step-down subsidiary company which is engaged in construction, operation and maintenance of road project under concession agreement with National Highways Authorities of India (NHAI). The lenders of the SBHPL have notified to NHAI about exercise of their right of substitution of concessionaire i.e., SBHPL in the month of January, 2022, in response to the notice of intention to terminate the Concession Agreement by NHAI. The lenders have also requested to NHAI to allow 180 days time for the substitution of the concessionaire i.e., SBHPL. As on the date of approval of financial statements of the company, the period of 180 days is not over. In terms of concession agreement, in case of substitution of the concessionaire, the project of SBHPL shall be transferred to nominated company selected by the lender. Considering the pending procedure for substitution, no adjustment to the carrying value of loan, trade and other receivable from SBHPL has been made in the financial statements.

11 Other expenses for the quarter and year ended March 31, 2022 includes Rs. 69,391.73 lakhs in respect of provision for impairment to the carrying value of the contract assets.

In terms of Ind AS – 115 – “Revenue from Contracts with the Customers”, the Company recognises contract assets on the basis of actual cost incurred on contract till reporting date and estimated cost to complete (CTC) to the contract as per percentage of completion method. The CTC is reviewed at the balance sheet date and adjustments are affected to the carrying value of contract assets on the basis of such review. The certification of work completion and acceptance of final bill by the customers usually takes significant period of time and this period varies from contract to contract.

During last few years there has been substantial increase in the cost of construction. Further, there were delays in execution of the work due to resource constraints. To overcome this situation during the year, the Company sub-contracted or took exit from some of the works post final measurement of work done by the company. There is no pass through of higher cost over-run as the contracts are fixed price contracts.

In the light of the above situation, the management has reviewed the carrying value of contract assets as on the March 31, 2022. Based on such review, the provision for impairment to the carrying value of the contract assets is made in the financial statements in terms of Ind AS – 115 – “Revenue from Contracts with the Customers”. The management is taking effective steps for realization of these assets and on realization, the provision for impairment made will be reviewed and if required, revised.

12 Company's operations were impacted due to inflationary pressure and resources constraint during F. Y. 2021 – 22. The Management, on the basis of past experience, focused on speedy execution of the projects, cost control and deleveraging. The liquidity position improved on account of receipt of PCOD for three HAM projects and conclusion of sale of stake in one of the SPVs. The management has prepared projections of cash flows for next 12 months with focus on enhancing resource availability by timely execution of recently procured EPC projects, realisation of claims, monetization of assets and cost control. Basis the said projections, the management believes that it will be able to pay debts as they fall due in coming 12 months period from the date of balance sheet and there is no threat to going concern assumption adopted in preparation of financial statements.

13 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.

14 The listed, rated, secured, non-convertible, debentures of the Company aggregating Rs. 6,750.00 Lakhs outstanding as on March 31, 2022 are secured by way of shares of Company's subsidiary, movable property and personal guarantee of some of the directors. The asset cover thereof exceeds hundred percent of the principal amount of the said debentures.

15 The company has a credit rating of CARE BB+ (CWN) (Double B plus) (under Credit Watch with Negative implications) from Care Ratings Limited. The company has issued non-convertible debentures as per the latest rating dated October 08, 2021.

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- 16 Additional Information pursuant to Regulation 52(4) and Regulation 54(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended for the quarter and year ended 31st March, 2022 are given in Annexure-1.
- 17 Statement of audited Cash Flow for the year ended March 31, 2022 and March 31, 2021 is given in Annexure-2.
- 18 The figure of the quarter ended March 31, 2022 and March 31, 2021 are balancing figures between the audited figures in respect of the full financial year up to March 31, 2022 and March 31, 2021 and the unaudited published year to date figure up to third quarter ended December 31, 2021 and December 31, 2020 respectively being the date of the end of the third quarter of the financial year which were subject to limited review by the auditors.
- 19 Figures relating to the previous periods/year have been regrouped / rearranged, wherever necessary, to make them comparable with those of the current periods/year.




For SADBHAV ENGINEERING LIMITED


Nitin R. Patel
Executive Director & Chief Financial Officer
DIN: 00466330
Place : Ahmedabad
Date : May 30, 2022

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Sadbhav Engineering Limited
CIN : L45400GJ1988PLC011322
Annexure-1

Additional Information pursuant to Regulation 52(4) and Regulation 54(2) of Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015, as amended for the quarter and year ended 31st March, 2022

Sr. No.	Particulars	Quarter ended			Year Ended	
		31-03-2022 (Audited)	31-12-2021 (Unaudited)	31-03-2021 (Audited)	31-03-2022 (Audited)	31-03-2021 (Audited)
1	Debt Equity Ratio (in times) (Total Borrowings / Total Equity)	0.81	0.60	0.62	0.81	0.62
2	Debt Service Ratio (in times) (Earnings Before Interest, Depreciation and Tax (EBIDTA) and Non Cash Item / (Interest + Scheduled Principal Repayments of Long Term Borrowings)	0.68	0.56	0.87	0.57	0.79
3	Interest Service Coverage Ratio (in times) (EBIDTA and Non Cash Items/ Interest Expense)	1.51	1.29	2.05	1.36	1.61
4	Capital Redemption Reserve (Rs. in lakhs)	345.00	345.00	345.00	345.00	345.00
5	Debenture Redemption Reserve (Rs. in lakhs)	1728.46	1728.46	1950	1728.46	1950
6	Net Worth (Rs. in lakhs)	142852.53	212839.31	214537.37	142852.53	214537.37
7	Net Profit/(Loss) after Tax (Rs. in lakhs)	(70,059.80)	(319.50)	4,721.24	(71,631.71)	4,103.68
8	Earning Per Share (basic and diluted) (not annualised except year ended March 31, 2021) (in Rs.)	-40.83*	-0.19*	2.75*	-41.75	2.39
9	Current Ratio (in times) (Current Assets/Current Liabilities)	1.30	1.50	1.54	1.30	1.54
10	Long Term Debt to Working Capital Ratio (in times) (Long Term Borrowings + Current Maturity of Long Term Borrowings) / (Current Assets - Current Liabilities excluding Current Maturities of Long Term Borrowings)	0.60	0.39	0.47	0.60	0.47
11	Current Liability Ratio (in times) (Current Liabilities/Total Liabilities)	0.87	0.88	0.84	0.87	0.84
12	Total Debts to Total Assets Ratio (in times) (Total Borrowings / Total Assets)	0.31	0.28	0.36	0.31	0.29
13	Debtors Turnover Ratio (in times) (Revenue from Operations / Average Trade Receivables)	0.24	0.19	0.24	0.80	0.93
14	Inventory Turnover Ratio (in times) (Material Consumed / Average Inventory)	0.51	0.36	0.96	1.70	2.39
15	Operating Margin (%) (EBIDTA and non cash items excluding Other Income / Revenue from Operations)	15.72%	12.51%	16.08%	12.93%	13.02%
16	Net Profit Margin (%) (Net Profit / Total Income)	-182.25%	-0.89%	10.28%	-54.16%	2.39%

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Annexure-2 Statement of audited standalone Cash Flow for the year ended on March 31, 2022

(Rs. In Lakhs)

Particulars	For the Year ended March 31,		For the Year ended March 31,	
	2022		2021	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/Loss before Tax		(70,973.01)		155.06
Adjustments For :				
Interest Income	(8,614.79)		(7,232.98)	
Interest Expenses	18,788.45		18,951.08	
Depreciation & Amortisation	6,919.73		9,420.67	
Profit on sale of Property, Plant & Equipments	(2.17)		-	
Provision for impairment of Contract Assets	69,391.76			
Assets Written off/Expected Credit Loss	843.84		267.73	
Actuarial Gain/Loss	168.41		35.19	
Exceptional Items (Net)	1,365.23		1,958.72	
		88,860.46		23,400.41
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		17,887.45		23,555.47
Adjustment For :				
(Increase)/Decrease of Long Term Trade Receivables	13,529.74		(7,798.84)	
(Increase)/Decrease of Trade Receivables	(19,264.59)		(16,497.83)	
(Increase)/Decrease of Other Current Assets	(6,290.71)		8,684.61	
(Increase)/Decrease of Other Current Financial Assets	1,418.56		22,011.92	
(Increase)/Decrease of Other Non Current Assets	0.95		2,664.33	
(Increase)/Decrease of Other Non Current Financial Assets	976.30		(8,696.52)	
(Increase)/Decrease of Inventories	3,161.23		813.67	
(Increase)/Decrease of Other Bank Balances	(1,846.96)		10,888.52	
Increase/(Decrease) of Other Long Term Financial Liabilities	-		(1,597.21)	
Increase/(Decrease) of Trade Payables	(4,250.36)		(4,380.02)	
Increase/(Decrease) of Other Current Liabilities	4,018.94		(13,379.64)	
Increase/(Decrease) of Other Current Financial Liabilities	1,196.16		3,816.21	
Increase/(Decrease) of Short Term Provision	-		(31.39)	
		(7,350.74)		(3,502.19)
Cash generated from Operations		10,536.71		20,053.28
Tax Paid	7,786.30	7,786.30		(311.80)
Net Cash flow From Operating Activities		18,323.01		19,741.48
B. CASH FLOW FROM INVESTMENT ACTIVITIES :				
Purchase of Property, Plant & Equipments and Intangible Assets	(588.87)		105.76	
Sales of Property, Plant & Equipments	4,945.06		2,248.35	
Investments in Subsidiary Companies (Net)	-		(98.49)	
Proceeds from sale of Non Current Investments	3,138.76		(775.43)	
Other Non Current Investment	(2,398.15)		(98.49)	
Loan to/recd back from Subsidiary Companies	6,339.43		(15,986.62)	
Interest Received	8,614.79	20,051.01	7,232.98	(7,371.94)
Net Cash flow from/(used) Investing Activities		20,051.01		(7,371.94)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds From Long Term Borrowings (Net)	(20,781.10)		8,193.91	
Proceeds/(Repayment) of Short Term Borrowings (Net)	10,491.35		(2,440.70)	
Net Increase in Working Capital Loan	(7,152.72)		2,249.08	
Payment of Lease Liability	(1,227.41)		(1,889.81)	
Interest Paid	(18,788.45)		(18,951.08)	
		(37,458.33)		(12,838.60)
Net Cash flow from/(used) Financing Activities		(37,458.33)		(12,838.60)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)		915.69		(469.06)
Opening Balance Of Cash & Cash Equivalents		519.14		988.20
Closing Balance Of Cash & Cash Equivalents		1,434.83		519.14
Components Of Cash & Cash Equivalents				
Cash On Hand		8.56		18.90
Balance In Current Account With Banks		1,426.28		500.24
Balance In Fixed Deposits (Refer Note 2 Below)				

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". The accompanying notes are an integral part of the financial statements.

SIGNED FOR IDENTIFICATION BY

MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS

SIGNED FOR IDENTIFICATION BY

SK

DHIRUBHAI SHAH & CO LLP
CHARTERED ACCOUNTANTS



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 Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company pursuant to the Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Sadbhav Engineering Limited

Report on the audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying Statement of Standalone Financial Results of Sadbhav Engineering Limited (the "Company") for the quarter and year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. except for the possible effect of the matters described in basis for qualified opinion paragraph below, give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the standalone net loss, Standalone other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and year ended March 31, 2022.

Basis for Qualified Opinion

1. We draw attention to Note 7 and Note 8 to the accompanying Standalone Financial Results with respect to termination of concession agreement by Rohtak Panipat Tollway Private Limited and Rohtak Hisar Tollway Private Limited, step-down subsidiaries of the company. Both step-down subsidiaries have issued notice of termination of concession agreement to National Highway Authority of India (NHAI) on account of Force Majeure Event as per concession agreement. As explained in the said note, the company has

Independent Auditor's Report on Standalone Financial Results of
Sadbhav Engineering Limited for the quarter and year ended on March 31, 2022



carried out impairment assessment of outstanding balance in these step-down subsidiaries duly considering the expected payment arising out of aforesaid termination and other claims filed with NHAI and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of the loan, trade and other receivable balances are necessary as at March 31, 2022.

However, we have not been able to corroborate the management's contention of realizing the carrying value of loan, trade and other receivables aggregating to Rs. 22,612.43 Lakhs as on the reporting date, related to both the step-down subsidiaries.

Accordingly, we are unable to comment on appropriateness of the carrying value of such loan, trade and other receivables and their consequential impact on the financial results and financial position of the company as at reporting date and for the quarter and year ended on March 31, 2022.

2. We draw attention to Note 10 of the accompanying Standalone Financial Results with respect to Sadbhav Bangalore Highway Private Limited (Concessionaire or SBGHPL), step-down subsidiary of the company, where lender of SBGHPL have notified in the month of January, 2022, to NHAI about exercise of their right of substitution of concessionaire. As explained in the said note, management has carried out impairment assessment of loan, trade and other receivable in this step-down subsidiary duly considering the expected payment arising out of aforesaid substitution and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of loan, trade and other receivables is necessary as at March 31, 2022.

However, we have not been able to corroborate the management's contention of realizing the carrying value of loan, trade and other receivable amounting to Rs. 6,946.49 Lakhs as the reporting date related to SBGHPL.

Accordingly, we are unable to comment on appropriateness of the carrying value of loan, trade and other receivable and their consequential impact on the financial results and financial position of the company as at reporting date and for the quarter and year ended on March 31, 2022.

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and

Independent Auditor's Report on Standalone Financial Results of
Sadbhav Engineering Limited for the quarter and year ended on March 31, 2022



by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Management's Responsibilities for the Standalone Financial Results

The Standalone Financial Results have been prepared on the basis of the Standalone Annual Financial Statements for the year ended March 31, 2022. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Standalone Financial Results.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor's Report on Standalone Financial Results of
Sadbhav Engineering Limited for the quarter and year ended on March 31, 2022



Other Matters

Attention is drawn to the fact that the Statement includes the results for the quarter ended March 31, 2022 and the corresponding quarter ended in the previous year, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the end of the third quarter of the financial year, which were subject to limited review by us as required under listing regulation.

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

Samip K. Shah

Samip K Shah
Partner
Membership No: 128531
ICAI UDIN: 22128531AJYCAF1206
Place: Ahmedabad
Date: May 30, 2022



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

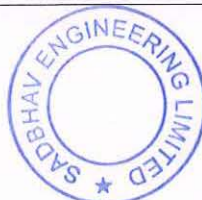
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K. C. Patel
Partner
Membership No: 030083
ICAI UDIN: 22030083AJYBYR8129
Place: Ahmedabad
Date: May 30, 2022

ANNEXURE I

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in Lakhs)
	1.	Turnover / Total income	1,32,257.85	Not determinable
	2.	Total Expenditure	2,01,865.63	
	3.	(Loss) after tax	(71,631.71)	
	4.	Earnings Per Share	(41.75)	
	5.	Total Assets	3,68,700.17	
	6.	Total Liabilities (excluding Net Worth)	2,25,847.64	
	7.	Net Worth	1,42,852.53	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
II.	Audit Qualification (each audit qualification separately):			
	Details of Audit Qualification:			
	The Statutory Auditors have provided following qualification in their audit report –			
	1. We draw attention to Note 7 and Note 8 to the accompanying Standalone Financial Results with respect to termination of concession agreement by Rohtak Panipat Tollway Private Limited and Rohtak Hisar Tollway Private Limited, step-down subsidiaries of the company. Both step-down subsidiaries have issued notice of termination of concession agreement to National Highway Authority of India (NHAI) on account of Force Majeure Event as per concession agreement. As explained in the said note, the company has carried out impairment assessment of outstanding balance in these step-down subsidiaries duly considering the expected payment arising out of aforesaid termination and other claims filed with NHAI and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of the loan, trade and other receivable balances are necessary as at March 31, 2022.			
	However, we have not been able to corroborate the management's contention of realizing the carrying value of loan, trade and other receivables aggregating to Rs. 22,612.43 Lakhs as on the reporting date, related to both the step-down subsidiaries.			
	Accordingly, we are unable to comment on appropriateness of the carrying value of such loan, trade and other receivable and their consequential impact on the financial			



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

results and financial position of the company as at reporting date and for the quarter and year ended on March 31, 2022.

2. We draw attention to Note 10 of the accompanying Standalone Financial Results with respect to Sadbhav Bangalore Highway Private Limited (Concessionaire or SBGHPL), step-down subsidiary of the company, where lender of SBGHPL have notified in the month of January, 2022, to NHA about exercise of their right of substitution of concessionaire. As explained in the said note, management has carried out impairment assessment of loan and trade receivables in this step-down subsidiary duly considering the expected payment arising out of aforesaid substitution and based on the above assessment, management has concluded that no impairment / adjustment to the carrying value of loan, trade and other receivable is necessary as at March 31, 2022.

However, we have not been able to corroborate the management's contention of realizing the carrying value of loan, trade and other receivable balance amounting to Rs. 6,946.49 Lakhs as the reporting date related to SBGHPL.

Accordingly, we are unable to comment on appropriateness of the carrying value of loan, trade and other receivable and their consequential impact on the financial results and financial position of the company as at reporting date and for the quarter and year ended on March 31, 2022.

a. **Type of Audit Qualification :** Qualified Opinion

b. **Frequency of qualification:** Appeared first time as at 31.03.2022

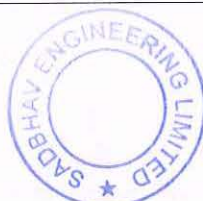
c. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Impact is not quantified by the Auditors.

d. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) **Management's estimation on the impact of audit qualification:**

1. The Company has outstanding loan, trade and other receivable aggregating to Rs. 19,839.58 lakhs from 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 (NHA). The net worth of RPTPL has fully eroded.

Further the toll collection by RPTPL was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws from December 25, 2020. Accordingly, RPTPL could not collect toll user fees from December 25, 2020. RPTPL had sent various communications to NHA for such forceful suspension of toll. RPTPL has issued notice for termination of concession agreement on July 27, 2021 considering the above event as Force Majeure Event in terms of concession agreement. RPTPL has filed claim amounting to Rs. 3,95,784.40 lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. with NHA in terms of concession agreement. In respect of such claims, NHA has approached to the RPTPL for settlement of all these claims by way of conciliation proceedings, which has been consented by it.



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

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 communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of outstanding amount in RPTPL and consequently no provision/adjustment to the carrying value of loan, trade and other receivable as at March 31, 2022 is considered necessary.

2. The Company has outstanding loan, trade and other receivable aggregating to Rs. 2,772.85 lakhs in Rohtak Hissar Tollway Private Limited (RHTPL), 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 RHTPL has fully eroded.

Further the toll collection was forcefully suspended due to agitation and protest held by farmers and other unions against agri-marketing laws from December 25, 2020. Accordingly, RHTPL could not collect toll user fees from December 25, 2020. RHTPL had sent various communications to NHAI for such forceful suspension of toll. RHTPL has issued notice for termination of concession agreement on August 27, 2021 considering the above event as Force Majeure Event in terms of concession agreement. RHTPL has filed claim amounting to Rs. 14,9697.70 lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. with NHAI in terms of concession agreement.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement and communications from NHAI for conciliation, the management has assessed that there is no impairment in the value of outstanding amount in RHTPL and consequently no provision/adjustment to the carrying value of loan, trade and other receivable as at March 31, 2022 is considered necessary.

3. The Company has outstanding loan, trade and other receivables aggregating to Rs. 6,946.49 lakhs in Sadbhav Bangalore Highway Private Limited (SBHPL), a step-down subsidiary company which is engaged in construction, operation and maintenance of road project under concession agreement with National Highways Authorities of India (NHAI). The lenders of the SBHPL have notified to NHAI about exercise of their right of substitution of concessionaire i.e., SBHPL in the month of January, 2022, in response to the notice of intention to terminate the Concession Agreement by NHAI. The lenders have also requested to NHAI to allow 180 days time for the substitution of the concessionaire i.e., SBHPL. As on the date of approval of financial statements of the company, the period of 180 days is not over. In terms of concession agreement, in case of substitution of the concessionaire, the project of SBHPL shall be transferred to nominated company selected by the lender. Considering the pending procedure for substitution, no adjustment to the carrying value of loan, trade and other receivable from SBHPL has been made in the financial statements.


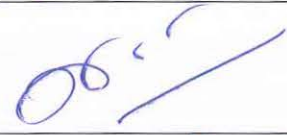
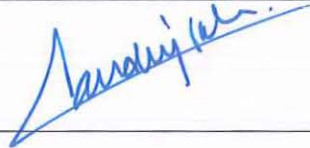

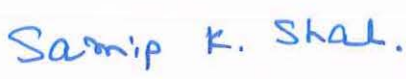


4. If management is unable to estimate the impact, reasons for the same: Not Applicable

5. Auditors' Comments on (i) or (ii) above: Refer details of audit qualification vide [para II (a) above]



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

III.	Signatories:	
	<ul style="list-style-type: none">Director – Mr. Shashin V. Patel	
	<ul style="list-style-type: none">CFO – Mr. Nitin R. Patel	
	<ul style="list-style-type: none">Audit Committee Chairman	
	<ul style="list-style-type: none">Joint Statutory Auditors Mr. Samip K Shah Partner Membership Number: 128531 For, Dhirubhai Shah & Co LLP Chartered Accountants ICAI Firm Registration Number: 102511W/W100298	 
<ul style="list-style-type: none">Joint Statutory Auditors Mr. K. C. Patel Partner Membership Number: 030083 For, Manubhai & Shah LLP Chartered Accountants ICAI Firm Registration Number: 106041W/W100136	 	
	Place: Ahmedabad Date: May 30, 2022	

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

CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

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

Sr. No.	Particulars	CONSOLIDATED				
		Quarter ended			Year ended	
		31/03/2022 (Audited)	31/12/2021 (Unaudited)	31/03/2021 (Audited)	31/03/2022 (Audited)	31/03/2021 (Audited)
1	Revenue From operations	65,670.59	51,665.91	62,314.93	190,770.10	224,327.80
2	Other income	61,560.81	8,823.64	10,770.54	92,003.88	35,400.23
3	Total Income (1+2)	127,231.40	60,489.55	73,085.47	282,773.98	259,728.03
4	Expenses					
	Cost of Material Consumed	259.74	10,668.45	13,705.93	21,013.36	34,269.90
	Construction Expenses	51,047.42	21,194.51	25,746.93	105,403.59	105,099.18
	Employee benefits expense	2,268.09	2,804.94	4,258.89	11,308.37	15,263.67
	Finance costs	29,955.08	16,458.73	26,569.23	97,542.59	100,345.04
	Depreciation and amortization expense	4,940.61	3,716.38	4,267.03	16,687.33	21,101.47
	Other expenses	81,655.65	2,143.98	4,049.42	87,796.03	9,882.20
	Total Expenses	170,126.59	56,986.99	78,597.43	339,751.27	285,961.46
5	Profit / (Loss) before exceptional Items and tax (3-4)	(42,895.19)	3,502.56	(5,511.96)	(56,977.29)	(26,233.43)
6	Exceptional Items (Refer Note No. 4)	(8,303.52)	(169.03)	2,346.38	(16,517.43)	2,346.38
7	Profit / (Loss) before tax (5+6)	(51,198.71)	3,333.53	(3,165.58)	(73,494.72)	(23,887.05)
8	Tax Expense	(342.80)	(195.79)	(1,937.20)	992.40	(928.41)
	Deferred Tax	3,723.53	(208.66)	(6.41)	925.15	786.19
	Adjustment for short or excess Provision of the previous year	(2,399.84)	(173.11)		(2,572.95)	
9	Profit / (Loss) for the period from containing operations (7-8)	(52,179.60)	3,911.09	(1,221.97)	(72,839.32)	(23,744.83)
10	Net Profit / (Loss) for the period after taxes, Non-controlling Interest and share of profit/ (loss) of associates (9-10)	(52,179.60)	3,911.09	(1,221.97)	(72,839.32)	(23,744.83)
11	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to profit or loss (Net of tax)	124.13	31.79	152.40	219.51	37.99
12	Total Income (Including other comprehensive Income (13+14))	(52,055.47)	3,942.88	(1,069.57)	(72,619.81)	(23,706.84)
13	Profit/ (Loss) for the period/year attributable to:					
	Owners of the Company	(57,688.92)	2,640.65	404.27	(72,370.18)	(15,490.76)
	Non-controlling Interest	6,352.21	1,270.44	(1,626.23)	(469.14)	(8,254.07)
14	Other Comprehensive Income for the period/year attributable to:					
	Owners of the Company	124.13	31.79	152.40	219.51	37.99
	Non-controlling Interest	-	-	-	-	-
15	Total Comprehensive Income for the period/year attributable to:					
	Owners of the Company	(57,564.79)	2,672.44	556.67	(72,150.67)	(15,452.77)
	Non-controlling Interest	6,352.21	1,270.44	(1,626.23)	(469.14)	(8,254.07)
	Total Income (Including other comprehensive Income)	(51,212.58)	3,942.88	(1,069.56)	(72,619.81)	(23,706.84)
16	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
17	Other Equity excluding Revaluation Reserves as at 31st March	-	-	-	78,437.76	142,813.22
18	Basic & Diluted EPS (Rs.) before extra ordinary items (Face value of Re. 1/- each) (*not annualized)	-33.62*	1.54*	0.24*	-42.18	-9.03

SIGNED FOR IDENTIFICATION BY

MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS



SIGNED FOR IDENTIFICATION BY

SK

DHIRUBHAI SHAH & CO LLP
CHARTERED ACCOUNTANTS

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

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

PARTICULARS	As At March 31, 2022	As At March 31, 2021
Assets		
Non-current Assets		
(a) Property, Plant and Equipments	19,296.70	28,567.99
(b) Right to use Assets	148.07	1,235.98
(c) Capital Work in Progress	376.91	376.91
(d) Investment Property	94.10	94.10
(e) Goodwill	2,653.00	2,653.00
(f) Intangible Assets under Development	-	9,645.30
(g) Other Intangible Assets	18,948.98	390,825.13
(h) Financial Assets		
(i) Investments	17,664.12	72,257.42
(iii) Trade receivable	13,236.35	19,767.98
(ii) Loans	77.60	40.07
(iii) Receivable Under Service Concession Arrangement	332,488.40	308,307.60
(iv) Other Financial Assets	10,108.38	12,197.98
(e) Deferred Tax Assets (net)	10,220.38	13,379.14
(f) Other Non Current Assets	900.54	5,926.56
Total Non-current Assets	426,213.53	865,275.16
Current Assets		
(a) Inventories	10,749.85	13,911.08
(b) Financial Assets		
(i) Investments	-	706.40
(ii) Trade receivables	32,310.11	16,417.48
(iii) Cash and cash equivalents	15,676.19	10,746.54
(iv) Bank Balance other than (iii) above	5,564.60	499.79
(v) Loans	3,218.95	5,629.29
(vi) Receivable Under Service Concession Arrangement	36,813.00	33,916.90
(vii) Other financial assets	301,170.98	171,968.84
(c) Current tax asset	7,541.78	14,222.94
(d) Other current assets	108,068.98	83,352.01
Total Current Assets	521,114.44	351,371.27
Assets Held for Sale	141,363.70	31,783.60
Total Assets	1,088,691.67	1,248,430.03
Equity and Liabilities		
Equity		
(i) Equity share capital	1,715.71	1,715.71
(ii) Other Equity	78,437.76	142,813.22
(iii) Non Controlling Interest	26,031.60	33,913.19
Total Equity	106,185.07	178,442.12
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	298,496.78	536,749.45
(ii) Other financial liabilities	3,513.90	109,916.90
(b) Deferred tax liabilities (Net)	8,948.70	9,393.20
(c) Provisions	72.30	17,423.60
Total Non-current Liabilities	311,031.68	673,483.15
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	277,391.91	172,190.41
(ii) Lease Liability	172.24	1,399.65
(iii) Trade Payable		
Dues of micro and small enterprises	1,604.50	830.04
Dues of creditors other than micro and small	60,781.39	88,031.41
(iv) Other financial liabilities	136,464.07	68,059.27
(b) Other current liabilities	43,208.22	47,806.98
(c) Provisions	3,508.70	336.90
(d) Current Tax Liabilities (Net)	1,199.29	1,028.80
Total Current Liabilities	524,330.32	379,683.46
Liabilities Held for Sale	147,144.60	16,821.30
Total Liabilities	982,506.60	1,069,987.91
Total Equity Liabilities	1,088,691.67	1,248,430.03

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Notes :

- 1 The aforesaid audited consolidated financial results of Sadbhav Engineering Limited ('the Company' or 'holding company') and its subsidiaries and step down subsidiaries (holding company and subsidiaries together referred to as 'Group') for the quarter and year ended March 31, 2022 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their respective meetings on May 30, 2022. 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 audit of the same.
- 2 The revenue from operations includes revenue from construction contracts of Rs. 2,3716.50 lakhs, Rs. 5962.10 lakhs, Rs. 25,295.80 lakhs for quarter ended March 31, 2022, December 31, 2021 and March 31, 2021 respectively and Rs. 45,702.70 lakhs and Rs. 1,07,084.40 lakhs for the year ended March 31, 2022 and March 31, 2021 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 a. Exceptional items during quarter and year ended March 31, 2022 include :
 - (i) Loss of Rs. 6,590.20 Lakhs on account of amount received from subsidiaries transferred to Indinfravit towards the claim from the concerned authority.
 - (ii) Loss of Rs. 1067.23 Lakhs on account of the sale of assets.
 - (iii) Loss of Rs. 298 lakhs on account of impairment in carrying value of investment.
 - (iv) 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, in its board meeting has passed resolution to assess claims and make payments as per actual traffic. Company has raised the claims as per the directions of the Board of AUDA. As a result during the quarter ended March 31, 2022 AUDA has confirmed the final claim calculation based on the actual traffic and approved the claim of Rs. 10,000.00 lakhs and same is recognised as income by ARRIL. In addition to this the said step down subsidiary has recognised the settlement of claim of Rs. 9780.00 lakhs alongwith Interest @8% per annum from 01.01.2014.
 - (v) Sadbhav Infrastructure Projects Limited (SIPL), a Subsidiary Company 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 step down subsidiary of the Company, out of which 49% shares have been acquired by ARTL, during the year ended on March 31, 2022, for which SIPL has received consideration of Rs. 35,750.00 lakhs and it has recognised loss of Rs. 7,851.90 lakhs in relation of transfer of 49% stake. Subsequent to March 31, 2022, 51% shares held by the company in MBCPNL will be transferred to ARTL in terms of SPA subject to inter alia the satisfaction of the relevant conditions precedent and receipt of requisite regulatory approvals/consents ("the Transaction"). Consequent to this agreement, the amount of 51% shares of MBCPNL has been classified as Assets Held for Sale in accordance with IND AS-105 - Non Current Assets Held for Sale and Discontinuing Operations.
- b. Exceptional items during quarter and year ended March 31, 2021 is net of -
 - (i) gain of Rs. 4,305.10 Lakhs on account of amount received from subsidiaries transferred to Indinfravit towards the claim from the concerned authority.
 - (ii) loss of Rs. 1,958.72 Lakhs on account of the sale of assets.

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5 Key Numbers of standalone financial results of the company for the quarter and year ended on March 31,2022 are as under:

S. No.	Particulars	Quarter months ended			Year ended	
		31/03/2022	31/12/2021	31/03/2021	31/03/2022	31/03/2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations	35998.37	34093.45	42571.45	122623.66	162362.45
2	Net Profit / (loss) before tax	(68,671.41)	(477.16)	1,151.63	(70,973.01)	155.06
3	Net Profit / (loss) after tax	(70,059.80)	(319.50)	4,721.24	(71,631.71)	4,103.68
4	Total other comprehensive income for the period / year	(69,986.77)	(287.71)	4,870.84	(71,463.30)	4,138.87

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

7 The listed, non-convertible, debentures of the Company aggregating Rs. 6,750.00 Lakhs outstanding as on March 31, 2022 are secured by way of shares of Company's subsidiary, movable property and personal guarantee of directors. The asset cover thereof exceeds hundred percent of the principal amount of the said debentures.

As on March 31, 2022, the outstanding amount of unlisted non-convertible debentures of the SIPL and step down subsidiaries are aggregating to Rs. 44,139.00 lakhs. Said debentures are not listed, hence the disclosure required in terms of clause no 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is not required.

8 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.

In this regard the management of RPTPL lodged total claims amounting to Rs. 3,95,784.40 lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In view of the above, RPTPL has given following accounting treatments in its financial statements:

- Impaired intangible assets related to Toll Collection Rights, amounting to Rs. 9,097.80 lakhs and transferred balance amount from Intangible Assets to "Receivable from the NHAI" under the head Other Current Financial Assets. The management of RPTPL is of the view that amount recoverable from NHAI are fully recoverable.
- Written back the liability of premium obligation amounting to Rs. 36,959.20 lakhs

9 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 the RHRPL 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. 1,49,697.70 lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In view of this RHTPL has given following accounting treatments in its financial statements:

- Transferred amount of Toll Collection Rights from Intangible Assets to Receivable from the NHAI under the head Other Current Financial Assets. Further, the management of RHTPL is of the view that amounts recoverable from NHAI are fully recoverable and hence no impairment loss is envisaged.
- Written back major maintenance provision amounting to Rs. 7,861.80 lakhs.

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- 10 Sadbhav Jodhpur Ring Road Private Limited (SJRRPL), one of the down subsidiary which is engaged in construction, operation and maintenance of road project under concession agreement with NHAI, there is delay in physical work progress due to delay in handing over the land from Authority (NHAI), delay in approval of change of scope of work, non-funding by the lenders and nationwide lockdown due to Covid-19. Further the NHAI in the month of January 2022 at the request of the SJRRPL has given in principal approval for harmonious substitution of the concessionaire i.e. SJRRPL subject to various terms and conditions. The SJRRPL is in the process of compliance of the conditions prescribed by NHAI for substitution. Pending the compliance of conditions for obtaining final approval of substitution, no adjustment to the carrying value of investments/assets of SJRRPL have been made in the financial statements.
- 11 Sadbhav Bangalore Highway Private Limited (SBHPL), one of the step down subsidiary company which is engaged in construction, operation and maintenance of road project under concession agreement with NHAI, the lenders of the SBHPL have notified to NHAI about exercise of their right of substitution of concessionaire i.e. SBHPL in the month of January, 2022, in response to the notice of intention to terminate the Concession Agreement by NHAI. The lenders have also requested to NHAI to allow 180 days time for the substitution of the concessionaire. As on the date of approval of these financial statements, the period of 180 days is not over. In terms of concession agreement, in case of substitution of the concessionaire, the project of the SBHPL shall be transferred to nominated company selected by the lender. The management of SBHPL has carried out impairment assessment of investments of the SBHPL as at balance sheet date. Considering the pending procedure for substitution and based on the impairment assessment, no adjustment to the carrying value of assets of SBHPL have been made in the financial statements.
- 12 The Board of Directors at their meeting dated October 19, 2019 have approved a scheme of merger and arrangement under Sections 230 to 232 of Companies Act 2013, subject to the regulatory approvals required whereby, the Sadbhav Infrastructure Project Limited (SIPL), a step down subsidiary will merge into the Company. The appointed date of merger is 1st April, 2019. Approval of SEBI and BSE/NSE have been received. In terms of the order of National Company Law Tribunal (NCLT) dated December 01, 2020, the meeting of Equity Shareholders, Secured Creditors and Unsecured Creditors was conveyed and requisite majority of stakeholders have given their consent to the scheme. The Company has made application to NCLT for its approval. The matter is pending before NCLT.
- 13 Other expenses for the quarter and year ended March 31, 2022 includes Rs. 69,391.73 lakhs in respect of provision for impairment to the carrying value of the contract assets.

In terms of Ind AS – 115 – “Revenue from Contracts with the Customers”, the Holding Company recognises contract assets on the basis of actual cost incurred on contract till reporting date and estimated cost to complete (CTC) to the contract as per percentage of completion method. The CTC is reviewed at the balance sheet date and adjustments are affected to the carrying value of contract assets on the basis of such review. The certification of work completion and acceptance of final bill by the customers usually takes significant period of time and this period varies from contract to contract.

During last few years there has been substantial increase in the cost of construction. Further, there were delays in execution of the work due to resource constraints. To overcome this situation during the year, the Holding Company sub-contracted or took exit from some of the works post final measurement of work done by the Holding Company. There is no pass through of higher cost over-run as the contracts are fixed price contracts.

In the light of the above situation, the Holding Company management has reviewed the carrying value of contract assets as on the March 31, 2022. Based on such review, the provision for impairment to the carrying value of the contract assets is made in the financial statements in terms of Ind AS – 115 – “Revenue from Contracts with the Customers”. The Holding company management is taking effective steps for realization of these assets and on realization, the provision for impairment made will be reviewed and if required. revised.

- 14 The Group's operations were impacted due to inflationary pressure and resources constraint during F. Y. 2021 – 22. The Management of the Group, on the basis of past experience, focused on speedy execution of the projects, cost control and deleveraging. The liquidity position improved on account of receipt of PCOD for three HAM projects and conclusion of sale of one

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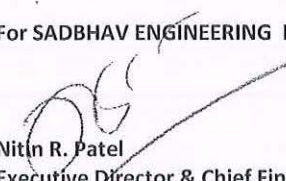


of the SPVs. The management of the Group has prepared projections of cash flows for next 12 months with focused on enhancing resource availability by timely execution of recently procured EPC projects, realisation of claims, monetization of assets and cost control. Basis the said projections, the management of the Group believes that it will be able to pay each debts as they fall due in coming 12 months period from the date of balance sheet and there is no threat to going concern assumption adopted in preparation of consolidated financial statements.

- 15 The Indian Parliament has approved the code on Social Security, 2020. This has also received consent of the Hon'ble President of India. 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.
- 16 Statement of audited Cash flow for the year ended March 31, 2022 and March 31, 2021 is given in Annexure 1.
- 17 The figures of the quarter ended March 31, 2022 and March 31, 2021 are balancing figures between the audited figures in respect of the full financial year upto March 31, 2022 and March 31, 2021 and the unaudited published year to date figure up to third quarter ended December 31, 2021 and December 31, 2020 respectively, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 18 Figures relating to the previous periods/year have been regrouped / rearranged, wherever necessary, to make them comparable with those of the current periods/year.



For SADBHAV ENGINEERING LIMITED


Nitin R. Patel
Executive Director & Chief Financial Officer
DIN: 00466330
Place : Ahmedabad
Date : May 30, 2022

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PARTICULARS	For the year ended March 31, 2022		For the year ended March 31, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit / (Loss) before Tax as per Profit and loss account		(73494.72)		(23887.05)
Adjustments For :				
Interest Income	(94782.84)		(7858.87)	
Interest Expenses	97542.59		100345.04	
Depreciation & Amortisation	16687.33		21101.47	
Provision for impairment of Contract Assets	69391.76		0.00	
Exceptional Item	0.00		(2346.38)	
Other comprehensive income	219.51		0.00	
Deferred Tax Liabilities/(Assets)	0.00	89058.35	0.00	111241.26
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		15563.62		87354.21
Adjustment For :				
(Increase)/Decrease of Long Term Trade Receivables	(17649.17)		(43499.09)	
(Increase)/Decrease of Trade Receivables	(18788.73)		(10112.14)	
(Increase)/Decrease of Other Current Assets	(94108.73)		(8821.91)	
(Increase)/Decrease of Other Current Financial Assets	(129202.14)		13048.47	
(Increase)/Decrease of Other Non Current Assets	5026.02		5634.68	
(Increase)/Decrease of Other Non Current Financial Assets	2089.60		(10448.60)	
(Increase)/Decrease of Inventories	3161.23		813.67	
(Increase)/Decrease of Loan given	2372.81		3880.55	
(Increase)/Decrease of Other Bank Balances	(5064.81)		10614.19	
Increase/(Decrease) of Other Long Term Financial Liabilities	(106403.00)		(3950.51)	
Increase/(Decrease) of Other Long Term Liabilities	0.00		(2902.50)	
Increase/(Decrease) of Trade Payables	(26475.56)		15936.15	
Increase/(Decrease) of Other Current Liabilities	(4598.76)		(21254.72)	
Increase/(Decrease) of Other Current Financial Liabilities	68404.80		80392.39	
Increase/(Decrease) of Provision	(14179.50)		3727.51	
Increase/(Decrease) in Deferred Tax (net)	2714.26		(346.71)	
		(332701.69)		32711.43
Cash generated from Operations		(317138.07)		120065.64
Income Tax Paid		7494.74		(2025.34)
Net Cash Flow From Operating Activities		(309643.33)		118040.30
B. CASH FLOW FROM INVESTMENT ACTIVITIES :				
Purchase of Property, Plant & Equipments and Intangible Assets	370248		(703.76)	
Sales of Property, Plant & Equipments	4945.06		2248.35	
Other Current Investments	706.40		(706.40)	
(Increase)/Decrease of Loans given	0.00		773.47	
Proceeds from Other Non Current Investments (Net)	54593.30		2346.38	
Proceed Repayment towards compound financial	0.00		7858.87	
Interest Received	94782.84	525275.86		11816.91
Net Cash Flow From Investing Activities		525275.86		11816.91
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Share issue expenses			82.60	
Proceeds/(Repayment) of Long Term Borrowings (Net)	(238252.67)		(26529.51)	
Proceeds/(Repayment) of Short Term Borrowings (Net)	105201.50		6091.68	
Lease Liability	(1227.41)		(2062.17)	
Debenture Redemption Reserve	0.00		(100345.04)	
Interest Paid	(97542.59)		0.00	
Assets held for sale	20743.20		(5955.20)	
Loss transfer to Non controlling Interest	375.09		(99.19)	
Loss/(profit) of subsidiary of Previous year (Net)		(210702.88)	6.90	(128809.93)
Net Cash Flow (Used in) Financing Activities		(210702.88)		(128809.93)
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		4929.66		1412.41
OPENING BALANCE OF CASH & CASH EQUIVALENTS		10746.54		9334.13
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		15676.20		10746.54
COMPONENTS OF CASH & CASH EQUIVALENTS (refer note 18)				
CASH ON HAND				204.70
BALANCE IN CURRENT ACCOUNT WITH BANK		15676.19		9348.14
BALANCE IN FIXED DEPOSITS				1193.70
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		15676.19		10746.54

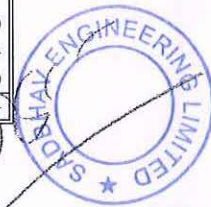
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ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (INR in Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (INR in Lakhs)
	1.	Turnover / Total income	2,82,773.98	Not determinable
	2.	Total Expenditure	3,39,751.27	
	3.	(Loss) After Tax	(72,839.32)	
	4.	Earnings Per Share	(42.18)	
	5.	Total Assets	10,88,691.67	
	6.	Total Liabilities (excluding Net Worth)	9,82,506.60	
	7.	Net Worth	80,153.47	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
II.	Audit Qualification (each audit qualification separately):			
	<p>a. Details of Audit Qualification:</p> <p>The Statutory Auditors have provided following qualification in their audit report –</p> <p>As detailed in Note 11 of the accompanying consolidated Financial Results with respect to Sadbhav Bangalore Highway Private Limited (Concessionaire or SBGHPL), subsidiary of the group where lender of SBGHPL have notified to NHAI about exercise of their right of substitution of concessionaire in the month of January, 2022. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial statements of SBGHPL and the financial statements of SBGHPL are prepared on going concern basis. 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 position of the Group as on March 31, 2022.</p> <p>One of the joint auditors have also expressed qualified opinion on the financial statement of SBGHPL for the year ended 31 March 2022 vide their report dated May 26 2022.</p> <p>We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013, as amended (“the Act”). Our responsibilities under those Standards are further described in the “Auditors’ Responsibilities for the Audit of the Consolidated Financial Results” section of our report. We are independent of the Group, in accordance with the ‘Code of Ethics’ issued by the</p>			


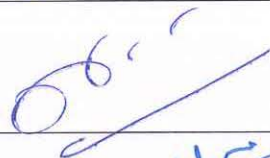
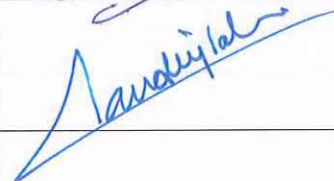




Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

	<p>Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification: Appeared first time as at 31.03.2022</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact is not quantified by the Auditors.</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification:</p> <p>Sadbhav Bangalore Highway Private Limited (SBHPL), one of the step-down subsidiary company which is engaged in construction, operation and maintenance of road project under concession agreement with NHAI, the lenders of the SBHPL have notified to NHAI about exercise of their right of substitution of concessionaire i.e, SBHPL in the month of January, 2022, in response to the notice of intention to terminate the Concession Agreement by NHAI. The lenders have also requested to NHAI to allow 180 days time for the substitution of the concessionaire. As on the date of approval of these financial statements, the period of 180 days is not over. In terms of concession agreement, in case of substitution of the concessionaire, the project of the SBHPL shall be transferred to nominated company selected by the lender. The management of SBHPL has carried out impairment assessment of investments of the SBHPL as at balance sheet date. Considering the pending procedure for substitution and based on the impairment assessment, no adjustment to the carrying value of assets of SBHPL have been made in the financial statements.</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>Not Applicable</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above:</p> <p>Refer details of audit qualification vide [para II (a) above]</p>



Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

III.	Signatories:	
	<ul style="list-style-type: none"> • Director – Mr. Shashin V. Patel 	
	<ul style="list-style-type: none"> • CFO – Mr. Nitin R. Patel 	
	<ul style="list-style-type: none"> • Audit Committee Chairman 	
	<ul style="list-style-type: none"> • Joint Statutory Auditors Mr. Samip K Shah Partner Membership Number: 128531 For, Dhirubhai Shah & Co LLP Chartered Accountants ICAI Firm Registration Number: 102511W/W100298 	 Samip K. Shah.
	<ul style="list-style-type: none"> • Joint Statutory Auditors Mr. K. C. Patel Partner Membership Number: 030083 For, Manubhai & Shah LLP Chartered Accountants ICAI Firm Registration Number: 106041W/W100136 	 Kumbel.
	Place: Ahmedabad Date: May 30, 2022	

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Chartered Accountants,
401/408 'Aditya' Opp. Sardar Patel Seva
Samaj Hall, Nr. Mithakali Six roads,
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Gujarat, 380006.

Manubhai & Shah LLP
Chartered Accountants,
G-4 Capstone, Opp. Chirag
Motors, Near gymkhana,
Ellisbridge, Ahmedabad,
Gujarat, 380006.

Independent Auditors' Report on the Quarterly and Year to Date Audited Consolidated Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Sadbhav Engineering Limited

Report on the audit of Consolidated Financial Results

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date Consolidated Financial Results of Sadbhav Engineering Limited ("Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries, the Statement:

(i) includes the results of the following entities:

a) Subsidiaries:

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

b) 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 Limited (earlier known as Sadbhav Rudrapur Highway Private Limited)
6. Sadbhav Una Highway Limited (earlier known as Sadbhav Una Highway Private Limited)
7. Sadbhav Bhavnagar Highway Limited (earlier known as Sadbhav Bhavnagar Highway Private Limited)
8. Sadbhav Nainital Private Limited (earlier known as Sadbhav Nainital Highway Private Limited)
9. Sadbhav Bangalore Highway Private Limited
10. Sadbhav Vidarbha Highway Limited (earlier known as Sadbhav Vidarbha Highway Private Limited)
11. Sadbhav Udaipur Highway Limited (earlier known as Sadbhav Udaipur Highway Private Limited)
12. Sadbhav Jodhpur Ring Road Private Limited
13. Sadbhav PIMA Private Limited (earlier known as Sadbhav Tumkur Highway Private Limited)
14. Sadbhav Maintenance Infrastructure Private Limited (earlier known as Sadbhav Vizag Port Road Private Limited)
15. Sadbhav Kim Expressway Private Limited
16. Sadbhav Infra Solutions Private Limited (earlier known as Sadbhav Bhimasar Bhuj Highway Private Limited)
17. Sadbhav Hybrid Annuity Project Limited

(ii) is presented in accordance with the requirements of the Listing Regulations in this regard; and except for the possible effect of the matters described in basis for qualified opinion paragraph below; and

(iii) gives true and fair view in conformity with the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net loss, other comprehensive income and other financial information of the Group for the quarter ended March 31, 2022 and for the year ended March 31, 2022 except for the possible effect of the matters described in basis for qualified opinion paragraph below.

Basis for Qualified Opinion

As detailed in Note 11 of the accompanying consolidated financial results with respect to Sadbhav Bangalore Highway Private Limited (Concessionaire or SBGHPL), a step-down subsidiary of the group where lender of SBGHPL have notified to NHAI about exercise of their right of substitution of



concessionaire in the month of January, 2022. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial statements of SBGHPL and the financial statements of SBGHPL are prepared on going concern basis. 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 position of the Group as on March 31, 2022.

One of the joint auditors have expressed qualified opinion on the financial statements of SBGHPL for the year ended 31 March 2022 vide their report dated May 26 2022.

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to:

- a) Note 8 & 9 of the accompanying consolidated financial results with respect to preparation of financial statement of Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hissar Tollway Private Limited (RHTPL) step-down subsidiaries on non-going concern basis on account of issue of termination notice by RPTPL and RHTPL to Nation Highway Authority of India (NHAI) and consequently making necessary adjustments to carrying value of assets and liabilities considering non going concern basis.

Our opinion is not modified in in respect of the above matter.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and



presentation of the Statement that gives a true and fair view of the net loss, other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and is free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our



opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.'
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entity included in the Statement, which have been audited by other auditor, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the Statement of which we are the independent auditors regarding,



among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

The consolidated financial results include the audited financial results and other financial information, in respect of 1 subsidiary and 6 step-down subsidiary companies, whose financial results reflect total assets (before consolidation adjustments) of INR 6,07,601.30 Lakhs as at March 31, 2022, total revenues (before consolidation adjustments) of INR 69,378.70, Lakhs and INR 1,06,385.47 Lakhs, total net (loss) / profit after tax (before consolidation adjustments) of INR 21,562.06 Lakhs and INR (2,834.44) Lakhs, total comprehensive income of (before consolidation adjustments) INR 21,613.16 Lakhs and INR (2,783.34) Lakhs, for quarter and the year ended on that date respectively and net cash inflows (before consolidation adjustments) for year ended March 31, 2022 of INR 4,032.40 Lakhs, as considered in the Statement which have been audited by its respective independent auditors.

In respect of 1 subsidiary and 11 step down subsidiary companies, whose financial results reflect total assets (before consolidation adjustments) of INR 5,36,244.23 Lakhs as at March 31, 2022, total revenues (before consolidation adjustments) of INR 30,604.3 Lakhs and INR 1,03,060.53 Lakhs, total net (loss) / profit after tax (before consolidation adjustments) of INR (1,313.91) Lakhs and INR 2,366.39 Lakhs, total comprehensive income (before consolidation adjustments) of INR (1,267.61) Lakhs and INR 2,412.69 Lakhs, for quarter and the year ended on that date respectively and net cash inflows (before consolidation adjustments) for the year ended March 31, 2022 of INR 29.90 Lakhs, as considered in the consolidated financial results which have been audited by one of the joint auditors.

The independent auditor's report on the consolidated financial results of these entities have been furnished to us by the management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and step-down subsidiary companies, is based solely on the reports of such auditors and the



procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

The consolidated financial results include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the relevant financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

Samip K. Shah

Samip K Shah
Partner
Membership No: 128531
ICAI UDIN: 22128531AJYCRD2061
Place: Ahmedabad
Date: May 30, 2022



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

K. C. Patel

K. C. Patel
Partner
Membership No: 030083
ICAI UDIN: 22030083AJYCIJ6418
Place: Ahmedabad
Date: May 30, 2022

