



Ref: SEL/2025-26/038

Date: 29-05-2025

To,  
The Dy. Gen Manager  
Corporate Relationship Dept.  
**BSE Limited**  
PJ Tower, Dalal Street,  
Mumbai- 400 001  
**Equity Scrip Code:532710**

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

Dear Sir/ Madam,

**Sub: Submission of Outcome of the Meeting of the Board of Directors of Sadbhav Engineering Limited ('the Company') held on Thursday, 29<sup>th</sup> May 2025 and submission of Audited Financial Results of the Company for the quarter and year ended on 31<sup>st</sup> March, 2025.**

With reference to above, meeting of Board of Directors of the Company was held on Thursday, 29<sup>th</sup> May, 2025, Board has approved and adopted the standalone and consolidated Audited Financial Results of the Company for the Quarter and year ended 31<sup>st</sup> March, 2025. Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the following:

- A. Standalone and consolidated Audited Financial Results of the Company for quarter and year ended on 31<sup>st</sup> March, 2025.
- B. 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 31<sup>st</sup> March, 2025. A statement on impact of Audit Qualifications (in respect of modified opinion on Standalone and consolidated Audited Financial Result) is enclosed herewith.

The Meeting commenced at 9:00 p.m. and concluded at 11:00 p.m.

You are requested to take the same on record.

Thanking You,

Yours Faithfully,

**For, Sadbhav Engineering Limited**

**Shashin Patel**  
**Chairman & Managing Director**  
**DIN: 00048328**  
**Encl. As Above**





SADBHAV ENGINEERING LIMITED  
CIN NO.: L45400GJ1988PLC011322

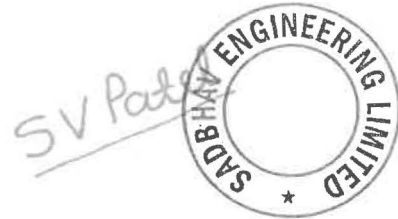
Corp. Office: "Sadbhav", Near Havmor Restaurant, B/H Navrangpura Bus Stand, Navrangpura, Ahmedabad-380 009 Gujarat

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

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2025

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

	Particulars	Quarter ended			Year ended	
		March 31,2025 (Audited)	December 31,2024 (Unaudited)	March 31,2024 (Audited)	March 31,2025 (Audited)	March 31,2024 (Audited)
	<b>Income</b>					
1	Revenue from operations	3,677.60	2,961.12	27,506.36	21,053.10	1,01,343.51
2	Other income	1,810.19	856.26	876.96	4,546.59	6,402.55
3	<b>Total Income (1+2)</b>	<b>5,487.79</b>	<b>3,817.38</b>	<b>28,383.32</b>	<b>25,599.69</b>	<b>1,07,746.06</b>
4	<b>Expenses</b>					
	Cost of Material Consumed	139.60	14.77	1,432.21	382.35	2,432.72
	Construction Expenses	4,089.30	966.54	22,065.87	15,325.10	75,681.21
	Employee benefits expense	359.23	463.52	832.09	1,805.41	2,930.58
	Finance costs	4,236.65	4,081.15	4,139.29	15,659.51	17,070.96
	Depreciation and amortization expense	207.75	222.85	536.38	939.28	2,601.17
	Other expenses	2,279.18	595.62	17,694.53	5,223.76	31,878.02
	<b>Total Expenses</b>	<b>11,311.71</b>	<b>6,344.45</b>	<b>46,700.37</b>	<b>39,335.41</b>	<b>1,32,594.66</b>
5	<b>(Loss) before exceptional Items and tax (3-4)</b>	<b>(5,823.92)</b>	<b>(2,527.07)</b>	<b>(18,317.05)</b>	<b>(13,735.72)</b>	<b>(24,848.60)</b>
6	Exceptional Items (Refer Note no. 3)	(84.89)	37.29	(2,230.51)	2,544.03	(1,311.35)
7	<b>(Loss) before tax (5+6)</b>	<b>(5,908.81)</b>	<b>(2,489.78)</b>	<b>(20,547.56)</b>	<b>(11,191.69)</b>	<b>(26,159.95)</b>
8	Tax Expense (incl. short/excess provision of earlier year(s))	-	-	-	106.67	306.58
	Deferred Tax	3,845.43	183.26	(477.73)	4,056.40	-
9	<b>(Loss) for the period from continuing operations (7-8)</b>	<b>(9,754.24)</b>	<b>(2,673.04)</b>	<b>(20,069.83)</b>	<b>(15,354.76)</b>	<b>(26,466.53)</b>
10	<b>Other Comprehensive Income (OCI)</b>					
	Items that will not be reclassified to profit or loss (Net of tax)	31.06	-	17.75	(11.67)	13.04
11	<b>Total Comprehensive Income for the period / year (9+10)</b>	<b>(9,723.18)</b>	<b>(2,673.04)</b>	<b>(20,052.08)</b>	<b>(15,366.43)</b>	<b>(26,453.49)</b>
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	-	-	-	83054.73	98421.16
14	Basic & Diluted Loss per Share (Rs.) (Face value of Re. 1/- each) (not annualized except for the year ended)	-5.69	(1.56)	(11.70)	-8.95	(15.43)



**Notes :**

- 1 The aforesaid audited financial results for the quarter and year ended March 31, 2025 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their meeting held on May 29, 2025. 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), Chairman and Managing Director (CMD). Consequently, the Company has considered business as whole as a single operating segment in accordance with Indian Accounting Standard ('Ind AS') 108.
- 3 Exceptional items includes
  - a. Net Profit of Rs. 25.55 lakhs and Rs. 1537.98 lakhs on sale of assets for quarter and year ended March 31, 2025 respectively.
  - b. Loss of Rs. 110.44 lakhs and Net Profit of Rs. 1006.05 lakhs on settlement of outstanding dues of the Debenture Holder for quarter and year ended March 31, 2025 respectively.

Exceptional items includes

- a. Net Loss of Rs. 2230.51 lakhs and Rs. 1311.35 lakhs on sale of assets for quarter and year ended March 31, 2024 respectively.

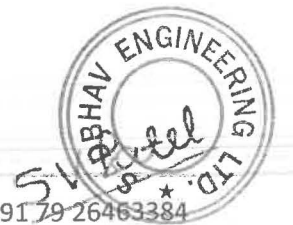
- 4 Some of the vendors have initiated legal proceeding against the Company for recovery of their dues. The Management contends that in these cases the amount payable in respect of goods and service availed from such vendors is adequately provided in the books of accounts. However the vendors have claimed additional amount on account of interest etc. which is contested by the Company and according to the management such claims are not tenable and does not require provision in books of accounts. Having regard to this the management believes that carrying amount of trade payables is fairly valued.
- 5 The Company has outstanding loan, Trade and other receivable aggregating to of Rs. 20776.80 lakhs given to Rohtak Panipat Tollway Private Limited (RPTPL), a step-down subsidiary company which is engaged in construction, operation and maintenance of road projects under concession agreement with National Highways Authorities of India (NHAI). The net worth of RPTPL has fully eroded. RPTPL has issued the termination notice on July 27, 2021, to NHAI by exercising the criteria of "Event of Defaults" under the concession agreement.

In this regard the management of RPTPL has lodged total claims aggregating to Rs. 1,93,792 Lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In respect of such claims, RPTPL has given notice invoking Arbitration vide letter dated March 27, 2023. The Arbitral proceedings for the same are completed and the Arbitral Award is declared on 23.01.2025 unanimously. Counter Claim of NHAI regarding Premium is rejected completely by Ld. Arbitrator. As per the said Majority award, the net awarded amount after deducting all dues of NHAI including Premium works out to Rs. 1,08,054.50 lakhs (principal of Rs. 77,963.10 lakhs and interest of Rs. 30,091.40 lakhs).

In respect of Arbitration Claim for competing road, the award by Majority was passed on May 30, 2023 against the RPTPL. The RPTPL has filed the application under section 34 of the Arbitration and Conciliation Act, 1996 before the Honourable Delhi High Court.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement, which is backed by legal opinion and pendency of the matter before Honourable Delhi high Court, the management has assessed that there is no impairment in the value of loan given to RPTPL and consequently no provision/adjustment to the carrying value of loan and other receivable as at March 31, 2025 is considered necessary.

The statutory auditors have expressed qualified opinion on financial statements for the year ended March 31, 2025 and qualified conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 in respect of above as regards recoverable value of Company's outstanding loan. Trade and other receivable to RPTPL.



- 6 Contract Assets of Rs. 35019.32 lakhs and other non current financial assets of Rs. 14789.09 outstanding as at March 31, 2025 which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering, Procurement & Construction Contracts/Mining Contract in respect of closed / suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which Company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations/ legal opinions, the Management is of the view that these receivables are recoverable.

The statutory auditors have expressed qualified opinion on financial results for the quarter and year ended March 31, 2025 in respect of above Contract Assets of Rs. 35019.32 lakhs.

- 7 The Company is finding difficulties for meeting its payment obligations to suppliers and statutory authorities in the normal course of business. Additionally, there have been delays and defaults in loan repayments. Due to these financial difficulties, the consortium of lenders—except for one—signed an Inter Creditor Agreement on December 26, 2022. As a result, the Company's account has been classified as a Non-Performing Asset (NPA) by most lenders. Furthermore, one lender has filed an application with the National Company Law Tribunal (NCLT) under Section 7 of the Insolvency and Bankruptcy Code, 2016, seeking to initiate insolvency proceedings. These factors raise concerns about the Company's ability to continue as a going concern.

In this regard, the management has submitted a Restructuring Plan to the consortium of lenders. The plan includes monetization of HAM and other assets, infusion of funds by promoters, cash flows from the Gadag Project, receipt of claim amounts from the settlement of the arbitration award, ongoing arbitration and dispute settlements, collection of receivables, and refinancing or stake sale of operational projects as well as restructuring the Company's outstanding lender dues.

As part of its business strategy, the management has successfully monetized HAM projects, leading to a significant reduction in group debt, vendor liabilities, and non-funded exposures of consortium member banks.

In the Ongoing Restructuring Plan, the Company has submitted Techno Economic Viability report to the Consortium of Lenders which states that Company would be technically and financially viable as per the Proposed Restructuring Plan. Moreover, the lenders have appointed credit rating agencies, CRISIL and ICRA, which have assigned an RP 4 rating to the Company's debt restructuring plan which states that Debt facilities/instruments with this symbol are considered to have moderate degree of safety regarding timely servicing of financial obligations. The resolution plan is at advance stage for consideration by lenders.

Considering the anticipated approval of the resolution plan by lenders, expected realization of receivables, proceeds from asset monetization, proposed fund infusion by promoter and growth potential in the infrastructure sector, the management is confident in the Company's ability to resume operations and generate incremental cash flows in foreseeable future

Having regard to above, the management believes there is no threat to the going concern assumption in the preparation of the financial results for the quarter and year ending March 31, 2025.

- 8 The Company has investment in equity shares of Sadbhav Infrastructure Project Limited (SIPL) and loan given to SIPL, the amount of which is Rs. 79407.54 lakhs as on March 31, 2025. As per the consolidated financial statements of the Sadbhav Infrastructure Project Limited (SIPL) and its subsidiaries, there is negative net worth of the Group of SIPL and its subsidiaries.

The management has carried out impairment assesment of these assets as on March 31, 2025 considering the projected cash flow from revenue of operating SPV's, sale of HAM assets and realization of GST claims. Based on the assessment it is concluded receoverable amounts of these assets are more than the carrying value. Hence no impairment is required to the carrying value of investment in equity shares and loan to SIPL as on March 31, 2025.

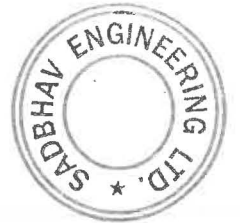
The statutory auditors have expressed qualified opinion on financial statements for the year ended March 31, 2025 and financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 in respect of investment in equity shares of Sadbhav Infrastructure Project Limited (SIPL) and loan given to SIPL.



- 9 Deferred tax asset of Rs. 6059.27 lakhs is in respect of unused tax credit recognized in earlier years. Based on the projection of future profitability, management believes that the Company will have regular taxable income against which the unused tax credit will be adjusted.
- 10 (a) The Geology and Mining Department, Government of Gujarat has raised demand of Rs. 18615.51 lakhs, including the penalty of Rs. 5413.02 lakhs in respect of royalty on minerals alleging unauthorized use of minerals by the Company in the earlier years on the ground of non submission of required documents to the Authority. Against this demand Company has deposited amount of Rs. 264.05 lakhs and filed appeal objecting the levy of royalty and is as so in the process of submitting the documents to the authority. The management believes that demand is not sustainable and hence no provision is required in respect thereof.
- (b) Company has received notice of demand of Rs. 13908.87 lakhs from the Mamlatdar Alien Recovery Branch, Ahmedabad, Gujarat dated January 19, 2024 in the matter of pending / disputed payment of royalty / penalty on royalty for quarry lease no. 842, 843 and 844 situated at Tumkur in respect of State Highway (SH-3 & SH 33) from Malavalli to Pavagada project of the Company. Company has filed revision applications with the office of Joint Director, Department of Mining and Geology, Mysore pursuant to the Rule 53 of The Karnataka Minor Mineral Concession Rules, 1994 and amendments thereon from time to time. The same is under the consideration with the respective authorities. The management believes that demand is not sustainable and hence no provision is required in respect thereof.
- 11 In connection with the Ahmedabad Dholera Project, which was awarded to the Company by the National Highways Authority of India (NHAI) and divided into two packages, the Company subcontracted a portion of the work to Gawar Constructions Limited (GCL). The Company and GCL have made significant progress, successfully completed approximately 76% of Package-I and 65% of Package-II. For the remaining work, the Company requested NHAI's approval to fully subcontract work to GCL.
- However, on July 12, 2024, NHAI issued termination notice, invoking all of SEL's bank guarantees without providing the contractually required cure period or prior notice. Company contends that the termination notice is unjustified, lacks adherence to basic principles of natural justice. In lieu of this, Both Parties moved this matter to Conciliation Committee of Independent Experts wherein both parties have now signed settlement Agreement to make good of loss amount due to this action.
- 12 During the period ended September 30, 2024, two operational creditors initiated legal proceedings against the Company for the recovery of outstanding dues and filed petitions before the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench. The Hon'ble NCLT issued an order admitting the Company into the Corporate Insolvency Resolution Process (CIRP).
- The Company challenged both orders before the Hon'ble National Company Law Appellate Tribunal (NCLAT). The Hon'ble NCLAT, thereafter, set aside the NCLT's decision. Consequently, the Company is not currently under CIRP. The Company has settled the claims of both operational creditors.
- 13 The Board of Directors at its meeting held on August 14, 2024 approved Employee Stock Option for issuance of equity shares in one or more tranches, to the eligible employees of the Company and/or its Subsidiary Companies under Sadbhav Engineering Limited Employee Stock Option -2024 which has been approved by shareholders of the Company in its Meeting held on September 30, 2024. Company has received In-principle approval from National Stock Exchange of India Limited and BSE Limited on February 7, 2025 and February 10, 2025 respectively.
- 14 Statement of audited Standalone Cash flow for the year ended March 31, 2025 and March 31, 2024 is given in Annexure I.

For SADBHAV ENGINEERING LIMITED

*SV Patel*  
Shashin V. Patel  
Chairman and Managing Director  
DIN: 00048328  
Place : Delhi  
Date : May 29, 2025

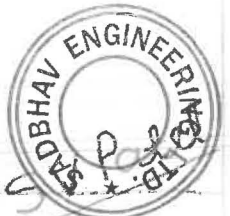


SADBHAV ENGINEERING LIMITED  
CIN NO.: L45400GJ1988PLC011322

**STANDALONE AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2025**

(Rs. in Lakhs)

PARTICULARS	As at March 31, 2025	As at March 31, 2024
<b>Assets</b>		
<b>Non-current Assets</b>		
(a) Property, Plant and Equipment	2201.93	4271.24
(b) Right to use assets	76.36	127.27
(c) Capital Work in Progress	426.56	422.67
(d) Intangible Assets		39.96
(e) Financial Assets		
(i) Investments	61378.37	59071.88
(ii) Trade receivable	3161.10	2995.91
(iii) Loans	7287.66	6565.46
(iv) Other Financial Assets	15303.46	15469.24
(f) Deferred Tax Assets (net)	6059.27	10115.67
(g) Other Non Current Assets	999.31	999.31
<b>Total Non-current Assets</b>	<b>96894.02</b>	<b>100078.61</b>
<b>Current Assets</b>		
(a) Inventories	364.14	625.20
(b) Financial Assets		
(i) Trade receivables	28955.92	38084.80
(ii) Cash and cash equivalents	209.91	218.31
(iii) Bank Balance other than (ii) above	323.29	902.95
(iv) Loans	39773.57	39298.39
(v) Other financial assets	14538.62	11885.98
(c) Current tax assets (net)	2203.83	3619.39
(d) Other current assets	86694.11	89136.86
<b>Total Current Assets</b>	<b>173063.39</b>	<b>183771.88</b>
<b>Total Assets</b>	<b>269957.41</b>	<b>283850.49</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
(i) Equity share capital	1715.71	1715.71
(ii) Other Equity	83054.73	98421.16
<b>Total Equity</b>	<b>84770.44</b>	<b>100136.87</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	23399.91	21071.99
(ii) Lease Liabilities	29.06	82.62
<b>Total Non-current Liabilities</b>	<b>23428.97</b>	<b>21154.61</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	96695.72	84070.35
(ii) Lease Liability	53.56	48.00
(iii) Trade Payable		
Dues of micro and small enterprises	565.93	595.80
Dues of creditors other than micro and small enterprises	27836.34	30321.16
(iv) Other financial liabilities	24147.57	27677.87
(b) Other Current liabilities	12458.88	19845.82
<b>Total Current Liabilities</b>	<b>161758.00</b>	<b>162559.00</b>
<b>Total Liabilities</b>	<b>185186.97</b>	<b>183713.61</b>
<b>Total Equity and Liabilities</b>	<b>269957.41</b>	<b>283850.49</b>



**SADBHAV ENGINEERING LIMITED**  
CIN :: L45400GJ1988PLC011322

**Annexure-1 Standalone Audited Statement of Cash Flow for the year ended March 31, 2025**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net (Loss) before Tax	(11191.69)	(26159.95)
Adjustments For :		
Interest Income	(3503.40)	(3994.03)
Interest Expenses	13341.59	16161.98
Unwinding Of Discount On Interest Free Loan	2317.92	908.98
Depreciation & Amortisation	939.28	2601.17
Impairment of Contract Assets	-	14646.07
Expected Credit Loss	917.06	3362.49
Actuarial Gain/Loss	(11.67)	13.04
Exceptional Items (Net)	(2544.03)	1311.35
Trade Receivables no longer receivables	520.99	10,694.88
Trade Payables written back	(951.30)	(2386.02)
	11026.44	43319.91
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>(165.25)</b>	<b>17159.96</b>
Adjustment For :		
Decrease of Trade Receivables	7525.64	10735.80
(Increase)/Decrease of Other Current Assets	2442.75	(4309.84)
(Increase)/Decrease of Other Current Financial Assets	(2652.64)	8388.16
Decrease of Other Non Current Assets	-	999.30
(Increase)/Decrease of Other Non Current Financial Assets	165.78	(6975.44)
Decrease of Inventories	261.06	2679.23
Decrease of Other Bank Balances	579.66	397.81
(Decrease) of Trade Payables	(1563.39)	(14694.66)
(Decrease) of Other Current Liabilities	(7386.94)	(19569.59)
(Increase)/Decrease of Other Current Financial Liabilities	(3530.30)	3433.45
	<b>(4158.38)</b>	<b>(18915.79)</b>
<b>Cash (used in) Operations</b>	<b>(4323.63)</b>	<b>(1755.84)</b>
Tax (Paid)/Refund	1308.89	(994.06)
<b>Net Cash flow (used in) Operating Activities</b>	<b>(3014.74)</b>	<b>(2749.90)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, Plant & Equipments	(22.63)	(958.14)
Sales of Property, Plant & Equipments	2777.60	5427.28
Investments in Subsidiary Company	(2306.49)	(1436.55)
Loan received back/(given) from/to Subsidiary Company	(1197.38)	3523.99
Interest received	3503.40	3994.03
<b>Net Cash from Investing Activities</b>	<b>2754.50</b>	<b>10550.61</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
(Repayment) of Long Term Borrowings (including current maturity)	(7391.79)	(15320.20)
Proceeds From Long Term Borrowings	10.01	18358.49
(Repayment) of Short Term Borrowings	(4,312.14)	(1,655.48)
Proceeds of Short Term Borrowings	9745.45	6,971.72
Proceeds / (Repayment) in Working Capital Loan	4959.24	688.22
Payment of Lease Liability	(48.00)	130.62
Interest Paid	(2710.93)	(17070.96)
<b>Net Cash Flow (used in) Financing Activities</b>	<b>251.84</b>	<b>(7897.58)</b>
Net Increase In Cash & Cash Equivalents ( A+B+C )	(8.40)	(96.87)
Opening Balance Of Cash & Cash Equivalents	218.31	315.18
<b>Closing Balance Of Cash &amp; Cash Equivalents</b>	<b>209.91</b>	<b>218.31</b>
<b>Components Of Cash &amp; Cash Equivalents</b>		
Cash On Hand	0.03	0.32
Balance In Current Account With Banks	209.88	217.99
	<b>209.91</b>	<b>218.31</b>

**Notes:**

1. The statement of cash flow has been prepared under indirect method as per Indian Accounting Standard -7 "Statement of Cash Flows".

## INDEPENDENT AUDITORS' REPORT ON THE AUDIT OF STANDALONE QUARTERLY AND ANNUAL FINANCIAL RESULTS PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURES 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, 2025 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulations 33 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, except for the possible effect of the matters described in basis for qualified opinion section of our report;

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of Companies Act, 2013 (the "Act") 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 and year ended March 31, 2025.

### Basis for Qualified Opinion:

1. We draw attention to Note 8 to the accompanying Standalone Financial Results regarding impairment assessment of investment of Rs 52,768.91 Lakhs, stated at cost and outstanding loan (including interest accrued) of Rs 26,638.64 lakhs as at March 31, 2025 to one of the subsidiary, Sadbhav Infrastructure Project Limited. It is noted that the subsidiary's consolidated net worth as at March 31, 2025, is substantially eroded. Management asserts that the investment and loan outstanding are fully recoverable, based on factors outlined in the said note.

However, we are unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by management regarding the underlying assumptions adopted by the management for impairment assessment. Consequently, we are unable to provide a conclusive comment on the adjustments, if any, necessary to the carrying value of the said investment and loan and the consequential impact, if any, on the standalone financial position and standalone financial results of the Company as at reporting date and for the quarter and year ended on March 31, 2025.

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878  
Regd. Office : G-4, Capstone, Opp. Chirag Motors, Sheth Mangaldas Road, Ellisbridge, Ahmedabad - 380 006  
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Our Audit Report on financial statements for the year ended on March 31, 2024 and review reports on financial results for the quarter ended on June 30, 2024, September 30, 2024 and December 31, 2024 were also qualified with respect to this matter.

2. We draw attention to Note 5 to the accompanying Standalone Financial Results with respect to termination of concession agreement by Rohtak Panipat Tollway Private Limited step-down subsidiary of the Company. As at March 31, 2025, aggregate amount of Rs 20776.80 lakhs is outstanding towards loan, trade receivable and reimbursement of expenses as receivable from the said step-down subsidiary. The said step-down subsidiary has 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 this step-down subsidiary 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, and other receivables balance is necessary as at March 31, 2025.

However, we have not been able to corroborate the management's contention of realizing the carrying value of loan, and Trade and other receivables aggregating to Rs. 20776.80 Lakhs as on the reporting date, related to the said step-down subsidiary.

Accordingly, we are unable to comment on appropriateness of the carrying value of such loan and other receivable and the consequential impact on the standalone financial position and standalone financial result of the Company as at reporting date and for the quarter and year ended on March 31, 2025.

Our Audit Report on financial statements for the financial year ended on March 31, 2024 and review reports on the financial results for the quarter ended on June 30, 2024, September 30, 2024 and December 31, 2024 were also qualified with respect to this matter.

3. The Company has not complied with the requirements of Section 203 of the Companies Act, 2013 read with the applicable rules framed thereunder due to the non-appointment of Chief Financial Officer (CFO) with effect from April 8, 2024.

The financial impact of this non-compliance is not ascertainable.



4. We draw attention to Note 6 to accompanying Standalone Financial Results regarding expected recoverability of Contract Assets amounting to Rs 35019.32 lakhs outstanding as at March 31, 2025 which represent receivables in respect of closed/ substantially closed/ suspended projects. The Company is at various stages of negotiation/ discussion with the clients or matters under arbitration/litigation in respect of aforementioned receivables.

Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/litigations and as legally advised in certain contentious matters, the Management has represented that these contract assets amounting to Rs 35019.32 are fully recoverable within a period of one year, based on factors detailed in the said note and hence classified under other current assets in the financial statement.

However, we were unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by the management in relation to the expected recoverability of these contract assets within a period of one year. Accordingly, we are unable to determine whether any adjustments are required to the carrying value of the said contract assets and the consequential impact, if any, on the standalone financial position and results of the Company as at and for the quarter and year ended March 31, 2025.

We conducted our audit 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 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.

#### **Emphasis of Matter**

We draw attention to Note 4 to the accompanying Standalone Financial Results, wherein it is stated that some of vendors have initiated legal proceeding including application to National Company Law Tribunal (NCLT). The company has sought confirmations of balance from some of the vendors. As confirmation from the vendors are still awaited and hence these outstanding balance under trade payable are subject to reconciliation and consequential adjustments upon determination / receipt of such confirmation.

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



**Material uncertainty related to going concern**

We draw attention to Note 7 to the accompanying Standalone Financial Results, which indicates that, there are defaults in repayment of dues to lenders and the Company finds difficulty in meeting obligations of payment to suppliers and statutory dues. Further consortium of the lenders of the Company have executed Inter-Creditor Agreement on December 26, 2022 and accounts by the respective lenders have been classified as Non-Performing Assets. Further one of the lenders has filed application to NCLT to initiate insolvency proceedings section 7 of the Insolvency and Bankruptcy Code, 2016. These events or conditions along with other matters as set forth in the said note indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in the said note. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and those charged with governance 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, 2025. The Company's Management and 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 the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 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 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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.

**Other Matter**

Attention is drawn to the fact that the Statement includes the results for the quarter ended March 31, 2025 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 respective financial year, which were subject to limited review by us as required under Listing Regulations.

Our opinion on the standalone financial results is not modified in respect of the above matter.

**Place: Ahmedabad**

**Date: May 29, 2025**



**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**Firm Registration No. 106041W/W100136**

*Devansh Gandhi*  
**Devansh Gandhi**  
**Partner**

**Membership No.: 129255**  
**UDIN: 25129255BMHUWD5698**

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

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2025</b>				
<b>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]</b>				
<b>I.</b>	<b>Sl. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications) (Rs. in Lakhs)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in Lakhs)</b>
	1.	Turnover / Total income	25,599.69	Not ascertainable
	2.	Total Expenditure	39,335.41	
	3.	(Loss) after tax	(15,354.76)	
	4.	Earnings Per Share	(8.95)	
	5.	Total Assets	269957.41	
	6.	Total Liabilities (excluding Net Worth)	185186.97	
	7.	Net Worth	84770.44	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
<b>II.</b>	<b><u>Audit Qualification (each audit qualification separately):</u></b>			
	<p>1. We draw attention to Note 5 to the accompanying Standalone Financial Results with respect to termination of concession agreement by Rohtak Panipat Tollway Private Limited step-down subsidiary of the Company. As at March 31, 2025, aggregate amount of Rs 20776.80 lakhs is outstanding towards loan, trade receivable and reimbursement of expenses as receivable from the said step-down subsidiary. The said step-down subsidiary has 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 this step-down subsidiary 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, and other receivables balance is necessary as at March 31, 2025.</p> <p>However, we have not been able to corroborate the management's contention of realizing the carrying value of loan, and Trade and</p>			





**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2025**  
**[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

other receivables aggregating to Rs. 20776.80 Lakhs as on the reporting date, related to the said step-down subsidiary.

Accordingly, we are unable to comment on appropriateness of the carrying value of such loan and other receivable and the consequential impact on the standalone financial position and standalone financial result of the Company as at reporting date and for the quarter and year ended on March 31, 2025.

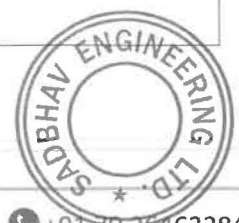
Our Audit Report on financial statements for the financial year ended on March 31, 2024 and review reports on the financial results for the quarter ended on June 30, 2024, September 30, 2024 and December 31, 2024 were also qualified with respect to this matter.

2. We draw attention to Note 8 to the accompanying Standalone Financial Results regarding impairment assessment of investment of Rs 52,768.91 Lakhs, stated at cost and outstanding loan (including interest accrued) of Rs 26,638.64 lakhs as at March 31, 2025 to one of the subsidiary, Sadbhav Infrastructure Project Limited. It is noted that the subsidiary's consolidated net worth as at March 31, 2025, is substantially eroded. Management asserts that the investment and loan outstanding are fully recoverable, based on factors outlined in the said note.

However, we are unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by management regarding the underlying assumptions adopted by the management for impairment assessment. Consequently, we are unable to provide a conclusive comment on the adjustments, if any, necessary to the carrying value of the said investment and loan and the consequential impact, if any, on the standalone financial position and standalone financial results of the Company as at reporting date and for the quarter and year ended on March 31, 2025.

Our Audit Report on financial statements for the year ended on March 31, 2024 and review reports on financial results for the quarter ended on June 30, 2024, September 30, 2024 and December 31, 2024 were also qualified with respect to this matter.

3. The Company has not complied with the requirements of Section 203 of the Companies Act, 2013 read with the applicable rules framed thereunder due to the non-appointment of Chief Financial Officer (CFO) with effect from April 8, 2024.





**Statement on Impact of Audit Qualification on the Financial Year ended March 31, 2025**

**[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

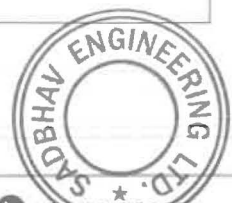
The financial impact of this non-compliance is not ascertainable.

4. We draw attention to Note 6 to accompanying Standalone Financial Results regarding expected recoverability of Contract Assets amounting to Rs 35019.32 lakhs outstanding as at March 31, 2025 which represent receivables in respect of closed/ substantially closed/ suspended projects. The Company is at various stages of negotiation/ discussion with the clients or matters under arbitration/litigation in respect of aforementioned receivables.

Considering the contractual tenability, progress of negotiations/ discussions/ arbitration/litigations and as legally advised in certain contentious matters, the Management has represented that these contract assets amounting to Rs 35019.32 are fully recoverable within a period of one year, based on factors detailed in the said note and hence classified under other current assets in the financial statement.

However, we were unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by the management in relation to the expected recoverability of these contract assets within a period of one year. Accordingly, we are unable to determine whether any adjustments are required to the carrying value of the said contract assets and the consequential impact, if any, on the standalone financial position and results of the Company as at and for the quarter and year ended March 31, 2025.

5. Contract Assets of Rs. 35019.32 lakhs and other non-current financial assets of Rs. 14789.09 outstanding as at March 31, 2025 which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering, Procurement & Construction Contracts/Mining Contract in respect of closed / suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which Company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations/ legal opinions, the Management is of the view that these receivables are recoverable.





**Statement on Impact of Audit Qualifications on the Financial Year ended March 31, 2025**  
**[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

The statutory auditors have expressed qualified opinion on financial results for the quarter and year ended March 31, 2025 in respect of above Contract Assets of Rs. 35019.32 lakhs.

**Details of Audit Qualification:**

The Statutory Auditors have provided following qualification in their audit report – As Above

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

b. **Frequency of qualification:** Appeared second time as at 31.03.2025

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

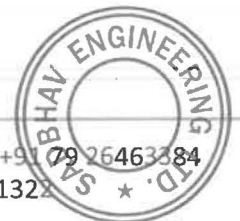
d. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

1. The Company has outstanding loan, Trade and other receivable aggregating to of Rs. 20776.80 lakhs given to Rohtak Panipat Tollway Private Limited (RPTPL), a step-down subsidiary company which is engaged in construction, operation and maintenance of road projects under concession agreement with National Highways Authorities of India (NHAI). The net worth of RPTPL has fully eroded. RPTPL has issued the termination notice on July 27, 2021, to NHAI by exercising the criteria of "Event of Defaults" under the concession agreement.

In this regard the management of RPTPL has lodged total claims aggregating to Rs. 3,95,784.40 Lakhs relating to termination payments, O&M cost due to force majeure, Covid claim & demonetization etc. In respect of such claims, RPTPL has given notice invoking Arbitration vide letter dated March 27, 2023.

In respect of Arbitration Claim of Rs. 222057.40 lakhs for competing road, the award by Majority is passed on May 30, 2023 against the RPTPL. The RPTPL has filed the application under section 34 of the Arbitration and Conciliation Act, 1996 before the Honourable Delhi High Court. Further with respect to the balance claim of Rs. 173727.00 lakhs, the arbitration proceeding is pending before the Arbitration Tribunal.

Considering the management assessment of probability and tenability of receiving above claims from NHAI as per the terms of concession agreement, which is backed by legal opinion and pendency of the matter before Honourable Delhi high Court,





**Statement on Impact of Audit Qualifications on the Financial Year ended March 31, 2025**

**[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

the management has assessed that there is no impairment in the value of loan given to RPTPL and consequently no provision/adjustment to the carrying value of loan and other receivable as at March 31, 2025 is considered necessary.

The statutory auditors have expressed qualified opinion on financial statements for the year ended March 31, 2025 and qualified conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 in respect of above as regards recoverable value of Company's outstanding loan, Trade and other receivable to RPTPL.

2. The Company has investment in equity shares of Sadbhav Infrastructure Project Limited (SIPL) and loan given to SIPL, the amount of which is Rs. 79407.54 lakhs as on March 31, 2025. As per the consolidated financial statements of the Sadbhav Infrastructure Project Limited (SIPL) and its subsidiaries, there is negative net worth of the Group of SIPL and its subsidiaries.

The management has carried out impairment assesment of these assets as on March 31, 2025 considering the projected cash flow from revenue of operating SPV's, sale of HAM assets and realization of GST claims. Based on the assessment it is concluded rececoverable amounts of these assets are more than the carrying value. Hence no impairment is required to the carrying value of investment in equity shares and loan to SIPL as on March 31, 2025.

The statutory auditors have expressed qualified opinion on financial statements for the year ended March 31, 2025 and financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 in respect of investment in equity shares of Sadbhav Infrastructure Project Limited (SIPL) and loan given to SIPL.

**(i) If management is unable to estimate the impact, reasons for the same:** Not Applicable

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



<b>III</b>	<b>Signatories:</b>	
	<ul style="list-style-type: none"> <li><b>Chairman and Managing Director</b> -Shashin Patel</li> </ul> <p>Place: Delhi , Date: 29/05/2025</p>	<p><i>SV Patel</i></p> 
	<ul style="list-style-type: none"> <li><b>CFO</b></li> </ul>	
	<ul style="list-style-type: none"> <li><b>Audit Committee Chairman-</b> -Mrs. Shefali Patel</li> </ul>	<p><i>Shefali</i></p> 
	<ul style="list-style-type: none"> <li><b>Statutory Auditors</b></li> </ul> <p>Mr. Devansh Gandhi Partner Membership Number: 129255 For Manubhai &amp; Shah LLP Chartered Accountants ICAI Firm Registration Number:106041W/W100136</p>	<p><i>DZ Gandhi</i></p> 
	<b>Place: Ahmedabad</b>	
	<b>Date: 29.05.2025</b>	



SADBHAV ENGINEERING LIMITED  
CIN NO.: L45400GJ1988PLC011322

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

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

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2025

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

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31,2025 (Audited)	December 31,2024 (Unaudited)	March 31,2024 (Audited)	March 31,2025 (Audited)	March 31,2024 (Audited)
1	Revenue From operations	28,977.51	24,006.58	47,269.93	1,03,644.53	1,92,295.11
2	Other income	3,057.33	3,974.83	2,545.55	9,605.73	14,419.83
3	<b>Total Income (1+2)</b>	<b>32,034.84</b>	<b>27,981.41</b>	<b>49,815.48</b>	<b>1,13,250.26</b>	<b>2,06,714.94</b>
4	<b>Expenses</b>					
	Cost of Material Consumed	139.61	14.76	1,432.22	382.35	2,432.73
	Construction Expenses	13,168.18	8,313.77	34,584.61	44,087.45	1,23,154.83
	Employee benefits expense	1,112.53	1,180.12	1,729.59	4,748.91	6,030.38
	Finance costs	10,541.12	14,002.25	12,632.46	45,740.43	56,046.02
	Depreciation and amortization expense	3,181.45	3,229.75	3,104.58	12,702.18	12,739.27
	Other expenses	5,418.98	1,938.82	32,964.17	12,723.76	52,575.86
	<b>Total Expenses</b>	<b>33,561.87</b>	<b>28,679.47</b>	<b>86,447.63</b>	<b>1,20,385.08</b>	<b>2,52,979.09</b>
5	<b>(Loss) before exceptional Items and tax (3-4)</b>	<b>(1,527.03)</b>	<b>(698.06)</b>	<b>(36,632.15)</b>	<b>(7,134.82)</b>	<b>(46,264.15)</b>
6	Exceptional Items (Refer Note No. 3)	(9,754.39)	37.29	6,172.59	(2,102.47)	(33,282.01)
7	<b>(Loss) before tax for the period / year (5-6)</b>	<b>(11,281.42)</b>	<b>(660.77)</b>	<b>(30,459.56)</b>	<b>(9,237.29)</b>	<b>(79,546.16)</b>
8	Tax Expense	1,054.30	843.50	108.60	2,982.20	1,723.00
	Deferred Tax	4,193.13	134.56	(1,529.83)	4,242.40	(3,595.60)
	Adjustment for short or excess provision of the previous year	4.50	3.40	(215.40)	107.87	313.28
9	<b>(Loss) for the period / year (7-8)</b>	<b>(16,533.35)</b>	<b>(1,642.23)</b>	<b>(28,822.93)</b>	<b>(16,569.76)</b>	<b>(77,986.84)</b>
10	<b>Other Comprehensive Income (OCI)</b>					
	Items that will not be reclassified to profit or loss (Net of tax)	18.36	-	12.77	(24.37)	(36.76)
11	<b>Total Comprehensive Income for the period / year (9+10)</b>	<b>(16,514.99)</b>	<b>(1,642.23)</b>	<b>(28,810.16)</b>	<b>(16,594.13)</b>	<b>(78,023.60)</b>
12	<b>(Loss) for the period/year attributable to:</b>					
	Owners of the Company	(15,457.05)	(2,668.74)	(26,281.54)	(18,947.80)	(63,008.41)
	Non-controlling Interest	(1,076.30)	1,026.51	(2,541.39)	2,378.04	(14,978.43)
13	<b>Other Comprehensive Income for the period / year attributable to:</b>					
	Owners of the Company	20.48	-	14.28	(22.25)	(38.40)
	Non-controlling Interest	(2.12)	-	(1.51)	(2.12)	1.64
14	<b>Total Comprehensive Income for the period / year attributable to:</b>					
	Owners of the Company	<b>(15,436.58)</b>	<b>(2,668.74)</b>	<b>(26,267.26)</b>	<b>(18,970.05)</b>	<b>(63,046.81)</b>
	Non-controlling Interest	<b>(1,078.41)</b>	<b>1,026.51</b>	<b>(2,542.90)</b>	<b>2,375.92</b>	<b>(14,976.79)</b>
	<b>Total Income (Including other comprehensive Income )</b>	<b>(16,514.99)</b>	<b>(1,642.23)</b>	<b>(28,810.16)</b>	<b>(16,594.13)</b>	<b>(78,023.60)</b>
15	Paid up Equity share Capital (face value of Re. 1 each)	1,715.71	1,715.71	1,715.71	1,715.71	1,715.71
16	Other Equity excluding Revaluation Reserves as at 31st March 2023.	-	-	-	(25,833.83)	(14,254.79)
17	Basic & Diluted Loss per share (Rs.) before extra ordinary items (Face value of Re. 1/- each) (not annualized except for the year ended)	(9.01)	(1.56)	(15.32)	(11.04)	(36.72)



SADBHAV ENGINEERING LIMITED  
CIN NO.: L45400GJ1988PLC011322

**CONSOLIDATED AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2025**

(Rs. In Lakhs)

PARTICULARS	As at March 31, 2025	As at March 31, 2024
<b>Assets</b>		
<b>Non-current Assets</b>		
(a) Property, Plant and Equipments	2,228.03	4,393.84
(b) Right to use Assets	76.36	127.27
(c) Capital Work in Progress	426.56	422.67
(d) Investment Property	94.10	94.10
(e) Goodwill	2,653.00	2,653.00
(f) Other Intangible Assets	8,651.80	12,533.06
(g) Financial Assets		
(i) Investments	120.73	118.91
(ii) Trade receivable	3,161.10	2,995.91
(iii) Loans	20.60	29.25
(iv) Receivable Under Service Concession Arrangement	92,907.10	79,329.40
(v) Other Financial Assets	15,321.66	15,355.34
(h) Deferred Tax Assets (net)	6,059.27	10,115.67
(i) Other Non Current Assets	1,045.51	1,482.11
<b>Total Non-current Assets</b>	<b>1,32,765.82</b>	<b>1,29,650.53</b>
<b>Current Assets</b>		
(a) Inventories	364.14	625.20
(b) Financial Assets		
(i) Trade receivables	19,401.19	27,575.31
(ii) Cash and cash equivalents	4,309.61	4,125.81
(iii) Bank Balance other than (ii) above	2,070.29	1,361.85
(iv) Loans	1,980.75	1,030.40
(v) Receivable Under Service Concession Arrangement	17,912.90	24,852.20
(vi) Other financial assets	2,36,997.89	2,62,084.42
(c) Current tax asset	3,243.13	5,506.19
(d) Other current assets	1,12,428.52	1,09,730.69
<b>Total Current Assets</b>	<b>3,98,708.42</b>	<b>4,36,892.07</b>
<b>Assets Held for Sale</b>	<b>1,36,155.40</b>	<b>1,38,381.40</b>
<b>Total Assets</b>	<b>6,67,629.64</b>	<b>7,04,924.00</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
(i) Equity share capital	1,715.71	1,715.71
(ii) Other Equity	(25,833.83)	(14,254.79)
(iii) Non Controlling Interest	3,422.53	1,050.09
<b>Total Equity</b>	<b>(20,695.59)</b>	<b>(11,488.99)</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	74,414.15	95,601.48
(ii) Other financial liabilities	504.90	13,534.80
(ii) Lease Liability	29.06	82.62
(b) Deferred tax liabilities (Net)	3,108.60	2,922.60
(c) Provisions	77.20	83.60
<b>Total Non-current Liabilities</b>	<b>78,133.91</b>	<b>1,12,225.10</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	3,03,263.92	2,77,758.12
(ii) Lease Liability	53.56	48.00
(iii) Trade Payable		
Dues of micro and small enterprises	707.93	614.30
Dues of creditors other than micro and small	42,860.73	40,360.62
(iv) Other financial liabilities	1,22,453.01	1,22,577.10
(b) Other current liabilities	4,005.11	11,060.20
(c) Provisions	8,502.46	7,828.66
(d) Current Tax Liabilities (Net)	1,154.90	2,663.70
<b>Total Current Liabilities</b>	<b>4,83,001.62</b>	<b>4,62,910.69</b>
<b>Liabilities Held for Sale</b>	<b>1,27,189.70</b>	<b>1,41,277.20</b>
<b>Total Liabilities</b>	<b>6,88,325.23</b>	<b>7,16,412.99</b>
<b>Total Equity and Liabilities</b>	<b>6,67,629.64</b>	<b>7,04,924.00</b>



**Notes :**

- The aforesaid audited consolidated financial results of Sadbhav Engineering Limited ('the Company' or 'holding company') and its subsidiaries (holding company together referred to as 'Group') for the quarter and year ended on March 31, 2025 have been reviewed and recommended by the audit committee and approved by the Board of Directors at their respective meetings held on May 29, 2025. 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.
- The revenue from operations includes revenue from construction contracts of Rs.11,263.14 lakhs, Rs. 5,687.86 lakhs, Rs. 10,884.20 lakhs for quarter ended March 31, 2025, December 31, 2024 and March 31, 2024 respectively and Rs. 25,825.80 lakhs and Rs. 45,929.30 lakhs for the year ended March 31, 2025 and March 31, 2024 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 Exceptional items include:**

(Rs. in Lakhs)

Particulars	Quarter ended March 31, 2025	Quarter ended December 31,2024	Quarter ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
(Loss) on endorsement of concession on substitution of the Sadbhav Banglore Highway Private Limited (SBGHPL).	-	-	260.00	-	(339.60)
(Loss)/Profit on account of sale of assets.	25.55	37.29	(2,230.65)	1,537.98	(1,311.35)
(Loss) on Sale of Stake in Sadbhav Bhavnagar Highway Limited (Refer Note 3.1)	-	-	-	-	(1,773.40)
(Loss) on Sale of Stake in Sadbhav Una Highway Limited (Refer Note 3.1)	-	-	-	-	(1,410.00)
(Loss) on substitution of concession of Sadbhav Vidarbha Highway Limited (Including provision of Impairment of Rs. 2579.90 lakhs) (Refer Note 3.2)	-	-	5,160.16	-	(4,560.84)
(Loss) on Settlement of dues from Indinravit Trust (Refer Note 3.3)	-	-	-	-	(8,394.00)
(Loss) on account of Substitution of concession agreement of Sadbhav Nainital Highway Limited (Refer Note No 3.4)	-	-	3,639.24	-	(1,844.76)
Provision for Impairment of Contract Assets	-	-	-	-	(4,322.00)
Provision for impairment in carrying value of shares of Sadbhav Hybrid Annuity Projects Limited	-	-	75.50	-	70.50
(Loss) on substitution of concession of Sadbhav Kim Expressway Private Limited (incl Provision of Impairment of Rs. 8538.10 lakhs) (Refer Note 3.5)	-	-	(731.66)	-	(9,396.56)
Amount written back on account of Amended Supplementary Debenture Trust Deed of the Sadbhav Infrastructure Project Limited (Refer Note 3.6)	-	-	-	5,023.00	-



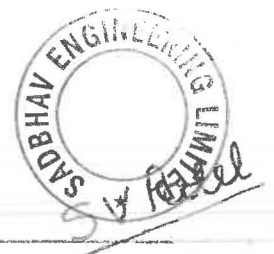
**SE**  
**SADBHAV**  
Engineering Limited

Particulars	Quarter ended March 31, 2025	Quarter ended December 31, 2024	Quarter ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Amount written back on account of settlement of outstanding dues of the debenture holder of the Company	(110.44)	-	-	1,006.05	-
Impairment in carrying value of sub-debt of the company by Sadbhav Maintenance Infrastructure Private Limited (Refer Note 3.7)	330.50	-	-	330.50	-
Provision for impairment in carrying value of subordinate debt of Sadbhav Udaipur Highway Limited (Refer Note 3.8)	(10,000.00)	-	-	(10,000.00)	-
	<b>(9,754.39)</b>	<b>37.29</b>	<b>6,172.59</b>	<b>(2,102.47)</b>	<b>(33,282.01)</b>

- 3.1 Pursuant to sell of entire share holding in Sadbhav Bhavnagar Highway Limited (SBHL) and Sadbhav Una Highway Limited (SUHL) to Kalthia Engineering and Construction Limited at aggregate consideration of Rs. 17500 lakhs in terms of Memorandum of Understanding (MOU) and Share Purchase Agreement (SPA), the SIPL had made provision for impairment amounting to Rs. 978.80 lakhs in carrying value of investment during previous year ended March 31, 2023. Further all the balances outstanding relating to SBHL and SUHL in the books of the Company, have been written off / written back and net amount of Rs. 3183.40 lakhs is disclosed as exceptional item in the financial statements for the year ended March 31, 2024.
- 3.2 Pursuant to the definitive agreement, dated August 16, 2023 entered into between the Company, one of the step down subsidiaries of the Group namely Sadbhav Vidarbha Highway Limited (SVHL or concessionaire), Sadbhav Infrastructure Project Limited (SIPL), Gawar Construction Limited (GCL) and Gawar Waranga Highways Private Limited (Nominated SPV or new concessionaire), for substitution of concession of SVHL with the nominated SPV by GCL and execution of Endorsement Agreement between SVHL, Nominated SPV and senior lenders dated October 6, 2023 with the approval of National Highways Authority of India (NHAI) for implementation of the project by new concessionaire in substitution of SVHL. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of SVHL are transferred to the new concessionaire. Consequently, provision for impairment in carrying value of investment in shares of the SVHL amounting to Rs. 2579.90 lakhs has been made and the balances outstanding/ receivable amounting to Rs. 1980.94 lakhs for the quarter and year ended March 31, 2024 has been written off and shown as exceptional items in the financial statements for the year ended March 31, 2024.
- 3.3 During the year ended on March 31, 2024 the Sadbhav Infrastructure Project Limited (SIPL), a subsidiary had signed Memorandum of Understanding (MOU) with IndInfravit Trust for settlement of pending obligation under routine road and major maintenance agreements in respect of SPVs sold to it. In terms of this MOU all the balances and part of the investment in units of the Trust have been adjusted and the net differences of Rs. 8394.00 lakhs is disclosed as an exceptional item in the financial statements for the year ended March 31, 2024.
- 3.4 SIPL has investments of Rs. 100.00 lakhs and other receivables of Rs. 5.00 lakhs in one of its subsidiary namely Sadbhav Nainital Highway Limited (SNHL or concessionaire), which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). NHAI at the request of the SNHL vide its letter dated April 17, 2023, has approved harmonious substitution of concessionaire. Thereafter the SNHL executed Endorsement Agreement dated July 14, 2023 with the approval of NHAI for harmonious substitution of the SNHL as concessionaire in favour of new concessionaire for implementation of the project and also entered into Definitive Agreement on August 01, 2023. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of SNHL are transferred to the new concessionaire for substitution of the SNHL in consideration of Rs. 9000.0 lakhs. Accordingly SNHL has written off / written back the balances in its books of accounts in respect of its project and shown as an exceptional item. Considering above, financial statements of SNHL are prepared on non Going Concern Basis. Consequently, provision for impairment in carrying value of investment in shares of the SNHL amounting to Rs. 100.00 lakhs has been made in the financial statements for the year ended March 31, 2024.



- 3.5** Sadbhav Kim Expressway Private Limited, (SKEPL) one of the step down subsidiary of the group is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI). SKEPL requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S Gawar Construction Limited (Nominated Company) and the Lenders' Representative gave its consent for allowing harmonious substitution of the SKEPL. NHAI vide its letter dt November 03, 2022, conveyed its "InPrinciple" approval for substitution of SKEPL with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions and final approval from the NHAI (" InPrinciple Approval"). The SKEPL has entered into definitive agreement on October 17, 2023 for substitution of the concessionaire with the new SPV nominated by new concessionaire and also executed Endorsement Agreement dated January 23, 2024 for harmonious substitution of SKEL in favour of new concessionaire for implementation of the project. In terms of these agreements the project and project assets as defined in the Concession Agreement along with the relevant rights and obligations of the SKEPL are transferred to the new concessionaire. Consequently, provision for impairment in carrying value of investment in shares of the SKEPL amounting to Rs. 8538.10 lakhs has been made and the balances related to project outstanding in the books of SKEPL are adjusted towards the consideration receivable from the new concessionaire. The net difference of Rs. 858.40 lakhs disclosed as an Exceptional item as loss on endorsement for Harmonious substitution of the Concessionaire in in the financial statements for the year ended March 31, 2024.
- 3.6** As per the amended and restated Supplementary Debenture Trust Deed dated August 28, 2024 the Sadbhav Infrastructure Project Limited (SIPL), a subsidiary has written back the finance cost to the extent amounting to Rs 5023.00 lakhs during the year ended March 31, 2025 and shown under exceptional items in these consolidated financial results.
- 3.7** In case of Sadbhav Maintenance Infrastructure Private Limited (SMIPL) , one of the step down subsidiary of the Group which is a non-operational entity and has not been generating any revenue. In view of the subsidiary's continued non-operational status and lack of revenue-generating capacity, the Company has already written off the said sub-debt in earlier financial years. During the year ended March 31, 2025, SMIPL has also write back for the outstanding subordinated debt of Rs. 330.50 lakhs in its financial statements, reflecting the uncertainty over its ability to repay the obligation.
- 3.8** In case of Sadbhav Udaipur Highway Limited (SUDHL or concessionaire), a step down subsidiary of the group which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI, the project work has been completed and the subsidiary has received the Commercial Operation Date (COD) from NHAI dated July 19, 2024. However SUDHL has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S Gawar Construction Limited (Nominated Company) and the Lenders' Representative to give its consent for allowing harmonious substitution of the SUDHL. The NHAI vide its letter dt December 27, 2023, conveyed its "InPrinciple" approval for substitution of Original Concessionaire with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions and final approval from the NHAI. Since the conditions precedent to the harmonious substitution are under compliance, no adjustment to the carrying value of assets and liabilities related to this project have been made in these consolidated financial results, for which the statutory auditors of SUDHL have expressed qualified opinion of the financial statements for the year ended March 31, 2025 and March 31, 2024. The SIPL has entered into Definitive agreement dated March 12, 2025 with Gawar Construction Limited during the quarter ended March 31, 2025 for harmonious substitution of the project. The Final approval of the NHAI is still pending. However the Company has provided for Rs. 10000 lakhs in the books of accounts and disclosed as an exceptional item in the audited consolidated financial results for the quarter and year ended March 31, 2025.



- 4 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 Company has been terminated, the management of RPTPL is of the view that going concern assumption for preparation of accounts is not appropriate and accounts have been drawn accordingly on non-going concern basis.

The management of RPTPL has lodged a total claim amounting to Rs. 193792 lakhs relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid 19. The NHAI had lodged its counter Claims amounting to Rs. 62270 lakhs. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are completed and the Arbitral Award is declared on 23.01.2025 unanimously, except for Counter Claim of NHAI regarding Premium that one Ld. Arbitrator has rejected it completely. As on the date of the said Majority award, the net awarded amount after deducting all dues of NHAI including Premium works out to Rs. 108054.50 lakhs (principal of Rs. 77963.10 lakhs and interest of Rs. 30091.40 lakhs).

The Arbitration matter of Competing Road was referred to Arbitration. In the said matter, the majority award was passed on May 30, 2023 in favour of NHAI setting aside claims of Company and Minority Award dated 05.06.2023 in favour of Company amounting to Rs. 85098 lakhs. The Company has challenged the Majority Award dated 30.05.2023 and filed a petition under Section 34 of Arbitration & Conciliation Act 1996 before the Hon'ble Delhi High Court to set aside the Majority Award dated 30.05.2023. The same is sub-judice before Hon'ble Delhi High Court.

The dispute of Claim for Additional Cost on account of ban of quarrying of stone and loss of Toll collection due to delayed issuance of Provisional Certificate was referred to Arbitration. A unanimous Award dated 06.10.2017 by Arbitral Tribunal was awarded in favour of Company amounting to Rs. 89020 lakhs (amount inclusive of costs & interest pendente lite). This Award was challenged by NHAI under Section 34 before the Delhi High Court. The Delhi High Court in its Judgment dated 16.02.2023, the value of award payable by NHAI to RPTPL as on 15.10.2023 works out to Rs. 12119 lakhs. NHAI had challenged the said award under Section 37 before Division Bench of Delhi High Court. The said matter is now withdrawn by NHAI on account of ongoing Vivad se Vishwas II settlement proposal.

NHAI had claimed on RPTPL a claim on account of negative FRL which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to Rs. 2034 lakhs. The interest on delayed payment is awarded at 7.4% simple interest, as on 15.10.2023 works out to Rs. 2479 lakhs. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice. The Company had challenged the said Majority Award under Section 34 before the Delhi High Court.

The Arbitration Award dated 06.10.2017 and Arbitration Award dated 31.10.2020 has been settled through Settlement Agreement dated 20.03.2025 under Vivad se Vishwas II Scheme of Govt. of India for the net settlement amount of about Rs. 6500 lakhs.

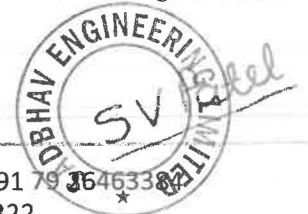
Also, RPTPL has received intimation letter dated April 08, 2024 from National Asset Reconstruction Company Limited (NARCL) intimating that the deed of assignment dated March 22, 2024 under the provisions of Section 5 of the SARFASI Act, the consortium of lenders except one lender have assigned/ transferred the outstanding debt /financial assets alongwith underline securities interest, pledged of shares, guarantees, receivables etc charge for such financial assistance granted to RPTPL in favour of NARCL and NARCL acting in its capacity as trustee of NARCL Trust.

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

During the year ended March 31, 2025 and March 31, 2024, RPTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions as well as loan from group Company since the lenders of RPTPL has classified borrowing as NPA and financial statements are prepared on non going concern basis, for which the statutory auditors of RPTPL have expressed qualified opinion on financial statements in this regards.

- 5 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 Company 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 has lodged total claim amounting to Rs. 192871 lakhs relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid19. The NHAI had lodged its Counter Claims amounting to Rs. 3,6658 lakhs. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are currently ongoing. The current stage of arbitral proceeding is of Arguments which are ongoing.



Also, RHTPL has received intimation letter dated April 08, 2024 from National Asset Reconstruction Company Limited (NARCL) intimating that the deed of assignment dated March 22, 2024 under the provisions of Section 5 of the SARFASI Act, the consortium of lenders have assigned/ transferred the outstanding debt /financial assets alongwith underline securities interest, pledged of shares, guarantees, receivables etc charge for such financial assistance granted to RHTPL in favour of NARCL and NARCL acting in its capacity as trustee of NARCL Trust.

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

During the year ended March 31, 2025 and March 31, 2024 , RHTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions as well as loan from group Company since the lenders of RHTPL has classified borrowing as NPA and financial statements are prepared on non going concern basis, for which the statutory auditors of RHTPL have expressed qualified opinion on the financial statements in this regards.

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

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

(Rs. in lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31,2025 (Audited)	December 31,2024 (Unaudited)	March 31,2024 (Audited)	March 31,2025 (Audited)	March 31,2024 (Audited)
1	Revenue from operations	3,677.60	2,961.12	27,506.36	21,053.10	1,01,343.51
2	Net (loss) before tax	(5,908.81)	(2,489.78)	(20,547.56)	(11,191.69)	(26,159.95)
3	Net (loss) after tax	(9,754.24)	(2,673.04)	(20,069.83)	(15,354.76)	(26,466.53)
4	Total comprehensive income for the Period/Year	(9,723.18)	(2,673.04)	(20,052.08)	(15,366.43)	(26,453.49)

The standalone financial results are available at the Company's website [www.sadbhaveng.com](http://www.sadbhaveng.com) and on the web site of the stock exchanges [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

- 8 The segment reporting is in accordance with its internal financial reports derived from SAP system which is reviewed by Chief Operating Decision Maker (CODM), Chairman and Managing Director (CMD). Consequently, the Group has considered business as whole as a single operating segment in accordance with Indian Accounting Standard 108 - "Segment Reporting".
- 9 Sadbhav Rudrapur Highway Limited (SRHL or concessionaire), one of step down subsidiary of the group which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authority of India (NHAI). There is delay in approval of Estimates for Shifting of Utilities, delay in approval of the GAD of ROB from Railway Department and non-availability of land for Construction of ROB, delay in approval of Change of Scope Works, delay due to Force Majeure Event of COVID-19, etc. SRHL has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S RKCIP-ARCPL (JV) (Nominated Company) and the Lenders' Representative gave its consent for allowing harmonious substitution of the company.

In this regards subsequent to discussions and deliberation with Authority, the Company has also invoked through Conciliation Committees of Independent Experts (CCIEs) to resolve the said issues. After the recommendation of CCIE committed and deliberate discussion with the SRHL, the NHAI has descope the balance EPC work and consider the completion of project with descoping. In view of the pending final approval from NHAI and the uncertainty surrounding the successful execution of the proposed harmonious substitution, including





fulfillment of the stipulated conditions precedent, no adjustments to the carrying value of investments (including subordinate debts and receivables) in audited standalone financial results for the year ended March 31, 2025.

In order to resolve the Project related issue, the Concessionaire proposed to harmoniously substitute the Concessionaire with a new SPV to be incorporated by M/s RKCIP-ARCPL (JV) in the interest of Project. During the quarter and year ended March 31, 2024, the NHAI vide its letter dated January 16, 2024; conveyed its "InPrinciple" approval for substitution of SRHL with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions through harmonious substitution and subject to final approval from the Authority ("Authority InPrinciple Approval"). The Authority has issued an in-principle approval for such Harmonious Substitution with the terms and conditions stated therein. The Company has received advance of Rs. 200 Lakhs from the prospective buyer against the said project. However the final approval of NHAI is pending, hence the said amount received of Rs. 200 Lakhs is shown as "Other current liabilities" in audited consolidated financial results for the year ended March 31, 2025.

- 10 Contract Assets of Rs. 35019.32 lakhs and other non current financial assets of Rs. 14789.09 outstanding as at March 31, 2025 which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering, Procurement & Construction Contracts/Mining Contract in respect of closed / suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which Company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations/ legal opinions, the Management is of the view that these receivables are recoverable.

The statutory auditors have expressed qualified opinion on financial results for the quarter and year ended March 31, 2025 in respect of above Contract Assets of Rs. 35019.32 lakhs.

- 11 In case of one of the step down subsidiary of the group namely Sadbhav Bangalore Highway Private Limited (SBGHPL), the lenders of the step down subsidiary Company; State Bank of India (SBI) and Bank of India (BOI) have filed a Case No.: OA/422/2023 before the Hon'ble Debts Recovery Tribunal, Ahmedabad (DRT) against SBGHPL and others for recovery of Rs. 11125.50 lakhs being balance outstanding amount as defined in the Definitive Agreement dated 13.02.2023 under the provisions of the Debt Recovery Tribunal (Procedure) Rules, 1993. SBGHPL and others have filed its written submission for challenging the petition filed before Hon'ble DRT. The said matter is sub-judice before the Hon'ble DRT.

The management believes that the claim is not tenable and consequently no provision is required in respect of this.

- 12 Maharashtra Border Check Post Network Limited ('MBCPNL') one of the step down subsidiary, has accepted and accounted certain project related cost variation towards increased cost of construction due to delay in execution of the Modernization and Computerisation of 22 Border Check Post Project including 2 additional check post ('BCP Project'). Such cost variations incurred due to various reasons not attributable to MBCPNL, in terms of service concession agreement, up to March 31, 2025 is Rs. 22288.40 lakhs (March 31, 2024 Rs. 22288.40 lakhs). The costs has been accounted as intangible asset/ intangible assets under development. Further, such cost variation is required to be approved by Government of Maharashtra (GoM) although the Independent Engineer of the Project, Technical Evaluation Committee duly appointed by Project Steering Committee of Maharashtra State Road Development Corporation Limited ('the Project Authority') which is monitoring the project progress and the lender's Independent engineer have in-principle accepted and recommended MBCPNL's cost variation claim. Based on the recommendations at the project steering committee, GoM.(Granter) will conclude in regard to cost variation claim of the MBCPNL although MBCPNL is confident that the additional costs accounted in the books will be fully accepted by the GoM.

During the FY 2024-25, there has been no further progress on the approval of the cost variation claims.

- 13 GST tax credit receivables amounting to Rs. 16050.10 lakhs are included in the consolidated books of accounts as at March 31, 2025 in respect of following subsidiaries . The management of the Group is evaluating various option for utilising above mention tax credits and is confident about the utilization of the credit. The statutory auditors of respective step down subsidiary Companies have expressed qualified opinion on the financial results for the quarter and year ended March 31, 2025 vide their independent audit report dated as mentioned below:



Name of step down Subsidiary Company	GST TAX Credit Receivables (Rs. In lakhs)	Date of Audit Report
Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.20	23.05.2025
Sadbhav Bangalore Highway Private Limited (SBGHPL)	4,206.50	23.05.2025
Sadbhav Vidarbha Highway Limited (SVHL)	5,047.10	23.05.2025
Sadbhav Nainital Highway Limited (SNHL)	1,185.70	23.05.2025
Sadbhav Kim Expressway Private Limited (SKEPL)	4,089.60	23.05.2025
<b>Total</b>	<b>16,050.10</b>	

- 14 The Company is finding difficulties for meeting its payment obligations to suppliers and statutory authorities in the normal course of business. Additionally, there have been delays and defaults in loan repayments. Due to these financial difficulties, the consortium of lenders—except for one—signed an Inter Creditor Agreement on December 26, 2022. As a result, the Company's account has been classified as a Non-Performing Asset (NPA) by most lenders. Furthermore, one lender has filed an application with the National Company Law Tribunal (NCLT) under Section 7 of the Insolvency and Bankruptcy Code, 2016, seeking to initiate insolvency proceedings. These factors raise concerns about the Company's ability to continue as a going concern.

In this regard, the management has submitted a Restructuring Plan to the consortium of lenders. The plan includes monetization of HAM and other assets, infusion of funds by promoters, cash flows from the Gadag Project, receipt of claim amounts from the settlement of the arbitration award, ongoing arbitration and dispute settlements, collection of receivables, and refinancing or stake sale of operational projects as well as restructuring the Company's outstanding lender dues.

As part of its business strategy, the management has successfully monetized HAM projects, leading to a significant reduction in group debt, vendor liabilities, and non-funded exposures of consortium member banks.

In the Ongoing Restructuring Plan, the Company has submitted Techno Economic Viability report to the Consortium of Lenders which states that Company would be technically and financially viable as per the Proposed Restructuring Plan. Moreover, the lenders have appointed credit rating agencies, CRISIL and ICRA, which have assigned an RP 4 rating to the Company's debt restructuring plan which states that Debt facilities/instruments with this symbol are considered to have moderate degree of safety regarding timely servicing of financial obligations. The resolution plan is at advance stage for consideration by lenders.

Considering the anticipated approval of the resolution plan by lenders, expected realization of receivables, proceeds from asset monetization, proposed fund infusion by promoter and growth potential in the infrastructure sector, the management is confident in the Company's ability to resume operations and generate incremental cash flows in foreseeable future

- 15 Deferred tax asset of Rs. 6059.27 lakhs is in respect of unused tax credit recognized in earlier years. Based on the projection of future profitability, management believes that the Company will have regular taxable income against which the unused tax credit will be adjusted.
- 16 (a) The Geology and Mining Department, Government of Gujarat has raised demand of Rs. 18615.51 lakhs, including the penalty of Rs. 5413.02 lakhs in respect of royalty on minerals alleging unauthorized use of minerals by the Company in the earlier years on the ground of non submission of required documents to the Authority. Against this demand Company has deposited amount of Rs. 264.05 lakhs and filed appeal objecting the levy of royalty and is as so in the process of submitting the documents to the authority. The management believes that demand is not sustainable and hence no provision is required in respect thereof.
- (b) Company has received notice of demand of Rs. 13908.87 lakhs from the Mamlatdar Alien Recovery Branch, Ahmedabad, Gujarat dated January 19, 2024 in the matter of pending / disputed payment of royalty / penalty on royalty for quarry lease no. 842, 843 and 844 situated at Tumkur in respect of State Highway (SH-3 & SH 33) from Malavalli to Pavagada project of the Company. Company has filed revision applications with the office of Joint Director, Department of Mining and Geology, Mysore pursuant to the Rule 53 of The Karnataka Minor Mineral Concession Rules, 1994 and amendments thereon from time to time. The same is under the consideration with the respective authorities. The management believes that demand is not sustainable and hence no provision is required in respect thereof.



- 17 In connection with the Ahmedabad Dholera Project, which was awarded to the Company by the National Highways Authority of India (NHAI) and divided into two packages, the Company subcontracted a portion of the work to Gawar Constructions Limited (GCL). The Company and GCL have made significant progress, successfully completed approximately 76% of Package-I and 65% of Package-II. For the remaining work, the Company requested NHAI's approval to fully subcontract work to GCL.

However, on July 12, 2024, NHAI issued termination notice, invoking all of SEL's bank guarantees without providing the contractually required cure period or prior notice. Company contends that the termination notice is unjustified, lacks adherence to basic principles of natural justice. In lieu of this, Both Parties moved this matter to Conciliation Committee of Independent Experts wherein both parties have now signed settlement Agreement to make good of loss amount due to this action.

- 18 a. The Board of Directors of the Company at its meeting held on August 14, 2024 approved Employee Stock Option for issuance of equity shares of the Company in one or more tranches, to the eligible employees of the Company and/or its Subsidiary Companies under Sadbhav Engineering Limited Employee Stock Option -2024. Further shareholders of the Company in its Meeting held on September 30, 2024 has approved the scheme. Company has received In-principle approval from National Stock Exchange of India Limited and BSE Limited on February 7, 2025 and February 10, 2025 respectively.

b. The Nomination and Remuneration Committee of the Board of Directors of the Sadbhav Infrastructure Project Limited, a subsidiary at its meeting held on 12th August, 2024 approved Employee Stock Options to the eligible employees of the Company and its Subsidiary Companies and Holding Company under Sadbhav Infrastructure Project Limited Employee Stock Option Plan-2024. The said scheme was subsequently approved by the shareholders at the Annual General Meeting held on September 30, 2024. However, as of March 31, 2025, no stock options have been granted under the said Plan.

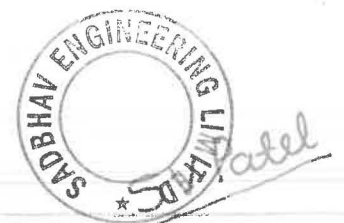
- 19 a. One of the subsidiary Company namely Sadbhav Gadag Highway Private Limited has issued the NCD during the quarter ended December 31, 2024 amounting to Rs. 9000.00 lakhs, the listed Non-Convertible debentures are secured by first ranking pari passu charge by way of deed of hypothecation, pledge of shares and mortgage of properties in favour of the Debenture Trustee.

b. One of the stepdown subsidiary Company namely Ahmedabad Ring Road Infrastructure Limited has issued the NCD during the quarter ended September 30, 2024 amounting to Rs. 33,400 lakhs, the listed Non-Convertible debentures are secured by first ranking pari passu charge by way of deed of hypothecation, pledge of shares and mortgage of properties in favour of the Debenture Trustee.

- 20 (a) During the period ended September 30, 2024, two operational creditors initiated legal proceedings against the Company for the recovery of outstanding dues and filed petitions before the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench. The Hon'ble NCLT issued an order admitting the Company into the Corporate Insolvency Resolution Process (CIRP). The Company challenged both orders before the Hon'ble National Company Law Appellate Tribunal (NCLAT). The Hon'ble NCLAT, thereafter, set aside the NCLT's decision. Consequently, the Company is not currently under CIRP. The Company has settled the claims of both operational creditors.

(b) In case of Ahmedabad Ring Road Infrastructure Ltd (ARRIL), a stepdown subsidiary of the group, one operational creditor had initiated legal proceeding against ARRIL for recovery of their dues and filed petition before Hon'ble National Company Law Tribunal (NCLT), Ahmedabad bench. The Hon'ble Adjudicating Authority, NCLT, Ahmedabad Bench passed the order dated 27.9.2023 to admit the ARRIL into Corporate Insolvency Resolution Process. ARRIL challenged the said order dated 27.9.2023 passed by NCLT before the Hon'ble National Company Law Appellate Tribunal .

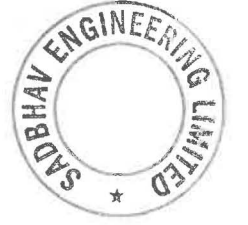
The Hon'ble National Company Law Appellate Tribunal (NCLAT) vide its order dated 06.10.2023 has stayed the order dated 06.10.2023 passed by Hon'ble Adjudicating Authority. As per the order of NCLAT, ARRIL has deposited INR 23.2 Millions towards the claim amount. Thereafter the company has entered into Settlement Agreement dated August 14, 2024 with the operational creditor according to which the payment is made and case is withdrawn from the NCLAT.



- 21 The figures for the quarter ended March 31, 2025 are balancing figures between the audited figures in respect of the full financial year up to March 31, 2025 and the unaudited published year to date figures up to third quarter ended December 31, 2024, being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 22 Figures for the previous periods have been regrouped/ rearranged, wherever necessary, to make them comparable with those of the current period/year.
- 23 Statement of consolidated audited Cash flow for the year ended March 31, 2025 and March 31, 2024 is given in Annexure I.

For SADBHAV ENGINEERING LIMITED

*SV Patel*  
Shashin V. Patel  
Chairman and Managing Director  
DIN: 00048328  
Place : Delhi  
Date : May 29, 2025



**SADHAV ENGINEERING LIMITED**

CIN :: L45400GJ1988PLC011322

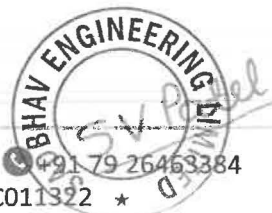
**Annexure-1 Consolidate Audited Statement of Cash Flow for the year ended March 31, 2025**

(Rs. in Lakhs)

PARTICULARS	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net (Loss) before Tax as per Profit and Loss account</b>	(9237.29)	(79546.16)
<b>Adjustments For :</b>		
Interest Income	(2043.02)	(2533.65)
Interest Expenses	45740.43	56046.02
Depreciation & Amortisation	12702.18	12739.27
Expected Credit Loss	917.06	-
Exceptional Item	2102.47	33,282.00
Actuarial Gain/Loss	(24.37)	8.06
Written off the Receivables	520.99	10,694.88
Written back of the payables	(951.30)	(2,386.02)
Unrealized Gain from Investment	(1.72)	-
	<b>58962.72</b>	<b>107850.56</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(A)</b> 49725.43	28304.40
<b>Adjustment For :</b>		
(Increase)/Decrease of Non Current Trade Receivables	(14659.95)	83367.07
Decrease of Trade Receivables	14592.43	13887.41
(Increase)/Decrease of Other Current Assets	(2,701.01)	79004.33
(Increase)/Decrease of Other Current Financial Assets	25086.54	(22212.68)
Decrease of Other Non Current Assets	436.60	2400.20
(Increase)/Decrease of Other Non Current Financial Assets	33.68	(6347.67)
Decrease of Inventories	261.06	2679.23
Decrease of Loan given	-	26.17
Decrease of Other Bank Balances	-	1323.60
Increase/(Decrease) of Other Non Current Financial Liabilities	(17744.40)	5534.50
(Increase)/Decrease of Trade Payables	3545.04	(14203.78)
(Decrease) of Other Current Liabilities	(7055.08)	(21601.53)
(Decrease) of Other Current Financial Liabilities	(124.09)	(14525.37)
Increase of Provision	673.10	1270.40
Increase/(Decrease) of Assets Held for Sale	(19760.60)	15259.62
	<b>(12264.73)</b>	<b>125861.49</b>
<b>Cash Generated From Operations</b>	37460.71	154165.89
Income Tax (Paid)	(2335.81)	(23537.76)
<b>Net Cash Flow Generated From Operating Activities</b>	<b>29972.94</b>	<b>130628.13</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
Purchase of Property, Plant & Equipments and Intangible Assets	51.39	(922.61)
Sales of Property, Plant & Equipments	2777.60	5427.28
Loan (given)	(941.70)	-
(Investments in) Fixed deposit	(708.44)	-
Proceeds from Other Non Current Investments (Net)	(0.10)	137.13
Interest Received	2043.02	2533.65
<b>Net Cash Flow (used in) Investing Activities</b>	<b>(B)</b> 3221.77	7175.45
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
(Repayment) of Long Term Borrowings (Net)	(20191.28)	(82652.01)
Proceeds/(Repayment) of Short Term Borrowings (Net)	14875.15	(4973.34)
Lease Liability	(48.00)	130.62
Repayment of Sub debt	(2274.50)	-
Interest Paid	(25372.27)	(56046.02)
<b>Net Cash Flow (Used in) Financing Activities</b>	<b>(C)</b> (33010.90)	<b>(143540.74)</b>
Net (Decrease) In Cash & Cash Equivalents ( A+B+C )	183.80	(5737.17)
Opening Balance Of Cash & Cash Equivalents	4125.81	9862.98
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>4309.61</b>	<b>4125.81</b>
<b>COMPONENTS OF CASH &amp; CASH EQUIVALENTS</b>		
Cash On Hand	39.13	45.12
Balance In Current Account With Banks	4270.48	4080.09
Balance In Fixed Deposits	0.00	0.60
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>4309.61</b>	<b>4125.81</b>

Note:

1. The cash flow statement has been prepared under indirect method as per Indian Accounting Standard -7 "Statement of Cash Flows".  
The accompanying notes are an integral part of the consolidated financial statements.



## INDEPENDENT AUDITORS' REPORT ON THE AUDIT OF CONSOLIDATED QUARTERLY AND ANNUAL FINANCIAL RESULTS PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURES 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 Consolidated Financial Results of Sadbhav Engineering Limited ("Holding Company" or the "Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and for the year ended March 31, 2025 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 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 consolidated financial results:

- (i) include the results of the following entities:

#### **Holding Company:**

Sadbhav Engineering Limited

#### **Subsidiaries:**

1. Sadbhav Infrastructure Project Limited (SIPL)
2. Sadbhav Gadag Highway Private Limited (SGHPL)

#### **Step-down subsidiaries:**

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

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- (ii) except for the possible effect of the matters described in basis for qualified opinion of section of our report is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) except for the possible effect of the matters described in basis for qualified opinion of section of our report gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India of the consolidated net loss, consolidated other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2025.

### **Basis for Qualified Opinion**

1. As detailed in the Note No 10 of the accompanying Consolidated Financial Results, with respect to the Company regarding expected recoverability of Contract Assets amounting to Rs 35,019.32 lakhs outstanding as at March 31, 2025, relating to closed, substantially closed, or suspended projects, are considered fully recoverable by the Company within one year, based on ongoing negotiations, arbitration/litigation proceedings, and legal advice. These have been classified under "Other Current Assets."

We have expressed qualified opinion on the standalone financial results for the year ended on March 31, 2025 as we were unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by the management in relation to the expected recoverability of these contract assets within a period of one year.

Accordingly, we are unable to determine whether any adjustments are required to the carrying value of the said contract assets and the consequential impact, if any, on the standalone financial position and results of the Company as at and for the quarter and year ended March 31, 2025

2. As detailed in Note Nos. 4 & 5 to the accompanying Consolidated Financial Results, with respect to Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hisar Tollway Private Limited (RHTPL), step down subsidiaries of the Group in which interest on rupee term loan from banks and financial institutions have not been accounted considering the fact that both subsidiaries have issued termination notices and lenders of both step down subsidiaries have classified all the secured borrowings as non-performing assets. This has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained. Further financial statement of RPTPL and RHTPL are prepared on non-going concern basis.

The auditors of RPTPL and RHTPL have expressed qualified opinion on the financial statements for the year ended March 31, 2025 and March 31, 2024, as well as qualified review conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 in respect of this matter.

3. The Holding Company has not complied with the requirements of Section 203 of the Companies Act, 2013 read with the applicable rules framed thereunder due to the non-appointment of Chief Financial Officer (CFO) with effect from April 8, 2024.

We have expressed qualified opinion on the standalone financial results of the Holding Company for the quarter and year ended on March 31, 2025. The financial impact of this non-compliance is not ascertainable.

4. As detailed in Note No 3.8 to the accompanying consolidated financial results, with reference to request of the Sadbhav Udaipur Highway Limited (SUDHL), a step-down subsidiary company of the Group in which case National Highway Authority of India (NHAI) vide its letter dated December 27, 2023 has given In-Principal approval for harmonious substitution of concessionaire. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial statements of SUDHL. Owing to the uncertainty of the outcome of substitution proceeding and lack of other alternate audit evidence, we are unable to comment about adjustments that may be required to the carrying value of assets and liabilities and their consequential impact on the financial position of the Company as at March 31, 2025.

We have expressed qualified opinion on the financial statement of SUDHL for the year ended March 31, 2025 and March 31, 2024, as well as qualified review conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 mentioning about the uncertainty of outcome of harmonious substitution proceedings and lack of other alternate audit evidence.

5. As detailed in Note No 13 to the accompanying statement, tax credits amounting to Rs 16,050.10 lakhs are included in the consolidated Balance sheet under the Other Current Assets in respect of following step down subsidiaries.

<b>Sr No</b>	<b>Name of Step Down Subsidiary</b>	<b>Amount of Tax Credit in Lakhs</b>
1	Sadbhav Vidarbh Highway Limited (SVHL)	5,047.10
2	Sadbhav Kim Expressway Private Limited (SKEL)	4,089.60
3	Sadbhav Bangalore Highway Private Limited (SBGHPL)	4,206.50
4	Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.20
5	Sadbhav Nainital Highway Limited (SNHL)	1,185.70
	<b>Total</b>	<b>16,050.10</b>

The management is confident about the utilization of the credit as mentioned in Note no 13 to the accompanying statement.

However, at present the Company does not have any business activity nor are we informed about the management plan for taking up other activity. In view of this, we are unable to comment about the utilization of tax credits in foreseeable future.

In respect of SVHL and SBGHPL we have qualified our audit opinion on financial statements for the year ended March 31, 2025 and March 31, 2024 as well as qualified review conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024.

The auditors of SJRRPL and SKEPL have qualified their audit opinion on financial statements for the year ended March 31, 2025 and March 31, 2024 as well as qualified review conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024.

The auditors of SNHL have qualified our audit opinion on financial statements for the year ended March 31, 2025 and March 31, 2024.

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.

#### **Material uncertainty related to going concern**

We draw attention to Note No 14 to the accompanying Consolidated Financial Results, which indicates that, there are defaults in repayment of due to lenders and the Holding Company finds difficulty in meeting obligations of payment to suppliers and statutory dues. Further consortium of the lenders of the Holding Company have executed Inter-Creditor Agreement on December 26, 2022 and accounts by the respective lenders have been classified as Non-Performing Assets. Further one of the lenders has filed application to NCLT to initiate insolvency proceedings section 7 of the Insolvency and Bankruptcy Code, 2016. Further, as per the Consolidated Financial Results of the Company, as of that date the current liabilities of the Group exceeded the current assets by Rs 84,293.20 Lakhs.



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

Our opinion is not modified in respect of this matter.

### **Emphasis of Matter**

We draw attention to:

- a. Note Nos 4 & 5 to 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 of the Group, 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 following adjustments to carrying value of assets and liabilities considering non going concern basis.
  - Transfer of carrying value of intangible assets to claims receivable from NHAI
  - De recognition of major maintenance obligation and/or premium obligation under concession agreement.
  
- b. Note No 12 to the accompanying Consolidated Financial Results in respect of accounting of Intangible Asset/ Intangible Assets under Development of Rs. 22,288.40 Lakhs under the Service Concession Arrangement of one of the step-down subsidiaries of the group namely Maharashtra Border Check Post Network Limited (MBCPNL) based upon recommendation made by the project lenders' engineer and technical experts appointed by project authorities. During the year, there has been no further progress on the approval of the cost variation claims. Pending final approval by the Government of Maharashtra, no adjustments are considered necessary in these consolidated Financial Results.
  
- c. Note no 11 to the accompanying Consolidated Financial Results regarding Original Application filed by State Bank of India & Bank of India against the Sdbhav Bangalore Highway Private Limited, one of the step down subsidiaries of the group, for recovery of balance outstanding loan amounting to Rs 11,125.50 lakhs which has been challenged by the Company on various grounds.



- d. Note No 9 to the accompanying Consolidated Financial Results, in respect of Sadbhav Rudrapur Highway Limited (Concessionaire or SRHL), a step-down subsidiary of the Group in which case National Highways Authority of India (NHAI) has accepted the bids and appointed M/s KCC Buildcon (P) Ltd. – HRY Kundu Buildtech (P) Ltd. (JV) as an EPC Contractor for balance Engineering, Procurement, and Construction (EPC) works in December 2022.

Although, there was no provision in the Concession Agreement to award such balance construction works to any other agency by NHAI directly.

In order to resolve the Project related issue, the Concessionaire proposed to harmoniously substitute the Concessionaire with a new SPV to be incorporated by M/s RKC IPL-ARCPL (JV) in the interest of Project. The Authority has issued an in-principal approval for such Harmonious Substitution with the terms and conditions stated therein.

Subsequent to discussions and deliberation with Authority, the subsidiary Company has also invoked through Conciliation Committee of Independent Experts (CCIE) to resolve the said issues.

During the year, Sadbhav infrastructure Project Limited (SIPL), a subsidiary of the Group, has received an advance amount in connection with this transfer which has been disclosed under "Other Current Liabilities" in the Statement of Assets and Liabilities.

- e. Note No. 6 to the accompanying Consolidated Financial Results states that certain vendors have initiated legal proceedings, including applications to the National Company Law Tribunal (NCLT). The Company has requested balance confirmations from some of these vendors; however, the confirmations are still awaited. Consequently, the outstanding trade payable balances are subject to reconciliation and potential adjustments upon receipt and verification of such confirmations

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

#### **Responsibilities of Management and those charged with governance for the Consolidated Financial Results**

The Consolidated Financial Results have been prepared on the basis of the consolidated annual financial statements of the Company for the year ended March 31, 2025. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that gives a true and fair view of the consolidated net loss, consolidated other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2025 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 Management and 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Management and 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 Consolidated 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 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 Consolidated Financial Results, 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 but not for the purpose of expressing an opinion on the effectiveness of the company's internal control



- 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 and board of directors' 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 Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results 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 Consolidated Financial Results, 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 Consolidated Financial Results 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 issued by the Securities Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

**Other Matters**

- a. The Consolidated Financial Results include the audited financial results and other financial information, in respect of 1 subsidiary and 10 step-down subsidiary companies, whose financial results reflect total assets (before consolidation adjustments) of Rs.4,81,021.00 Lakhs as at March 31, 2025, total revenues (before consolidation adjustments) of Rs.7,074.96 Lakhs and 29,263.00 Lakhs, total net profit/(loss) after tax (before consolidation adjustments) of Rs. (10,103.45) Lakhs and (8,710.82) Lakhs, total comprehensive income of (before consolidation adjustments) Rs. (10,104.49) Lakhs and (8,711.86) Lakhs for the quarter ended March 31, 2025 and year ended March 31, 2025 respectively and net cash inflows/(outflows) (before consolidation adjustments) for year ended March 31, 2025 of Rs. (993.86) Lakhs, as considered in the Statement which have been audited by its respective independent 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.

- b. Attention is drawn to the fact that the Statement includes the results Figures for the quarter ended March 31, 2025 as reported in these consolidated financial results 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 respective financial year, which were subject to limited review by us as required under Listing Regulations.

Our opinion on the consolidated financial results is not modified in respect of the above matter.

**Place: Ahmedabad**

**Date: May 29, 2025**



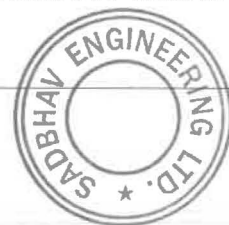
**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**Firm Regn No.:106041W/W100136**

*Devansh Gandhi*  
**Devansh Gandhi**  
**Partner**  
**Membership No.: 129255**  
**UDIN: 25129255BMHUWE4245**

**ANNEXURE I**

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

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2025</b>				
<b>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2015]</b>				
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	113250.26	Not ascertainable
	2.	Total Expenditure	120385.08	
	3.	(Loss) After Tax	(16569.76)	
	4.	Earnings Per Share	(11.04)	
	5.	Total Assets	667629.64	
	6.	Total Liabilities (excluding Net Worth)	688325.23	
	7.	Net Worth	(20695.59)	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
<b>II.</b>	<b>Audit Qualification (each audit qualification separately):</b>			
	<p>1. As detailed in the Note No 10 of the accompanying Consolidated Financial Results, with respect to the Company regarding expected recoverability of Contract Assets amounting to Rs 35,019.32 lakhs outstanding as at March 31, 2025, relating to closed, substantially closed, or suspended projects, are considered fully recoverable by the Company within one year, based on ongoing negotiations, arbitration/litigation proceedings, and legal advice. These have been classified under "Other Current Assets."</p> <p>We have expressed qualified opinion on the standalone financial results for the year ended on March 31, 2025 as we were unable to obtain sufficient appropriate audit evidence to substantiate the significant judgments and estimates made by the management in relation to the expected recoverability of these contract assets within a period of one year.</p>			



Accordingly, we are unable to determine whether any adjustments are required to the carrying value of the said contract assets and the consequential impact, if any, on the standalone financial position and results of the Company as at and for the quarter and year ended March 31, 2025

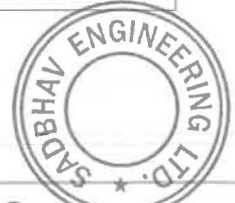
2. As detailed in Note Nos. 4 & 5 to the accompanying Consolidated Financial Results, with respect to Rohtak Panipat Tollway Private Limited (RPTPL) and Rohtak Hisar Tollway Private Limited (RHTPL), step down subsidiaries of the Group in which interest on rupee term loan from banks and financial institutions have not been accounted considering the fact that both subsidiaries have issued termination notices and lenders of both step down subsidiaries have classified all the secured borrowings as non-performing assets. This has resulted in the understatement of finance cost and the related interest liability and corresponding understatement of losses, amount of which is unascertained. Further financial statement of RPTPL and RHTPL are prepared on non-going concern basis.

The auditors of RPTPL and RHTPL have expressed qualified opinion on the financial statements for the year ended March 31, 2025 and March 31, 2024, as well as qualified review conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 in respect of this matter.

3. The Holding Company has not complied with the requirements of Section 203 of the Companies Act, 2013 read with the applicable rules framed thereunder due to the non-appointment of Chief Financial Officer (CFO) with effect from April 8, 2024.

We have expressed qualified opinion on the standalone financial results of the Holding Company for the quarter and year ended on March 31, 2025. The financial impact of this non-compliance is not ascertainable.

4. As detailed in Note No 3.8 to the accompanying consolidated financial results, with reference to request of the Sadbhav Udaipur Highway Limited (SUDHL), a step-down subsidiary company of the Group in which case National Highway Authority of India (NHAI) vide its letter dated December 27, 2023 has given In-Principal approval for harmonious substitution of



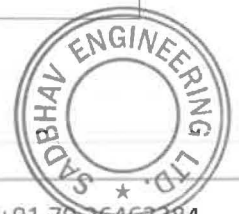
concessionaire. As mentioned in the said note, no adjustment to the carrying value of assets and liabilities have been made in the financial statements of SUDHL. Owing to the uncertainty of the outcome of substitution proceeding and lack of other alternate audit evidence, we are unable to comment about adjustments that may be required to the carrying value of assets and liabilities and their consequential impact on the financial position of the Company as at March 31, 2025

We have expressed qualified opinion on the financial statement of SUDHL for the year ended March 31, 2025 and March 31, 2024, as well as qualified review conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 mentioning about the uncertainty of outcome of harmonious substitution proceedings and lack of other alternate audit evidence.

5. As detailed in Note No 13 to the accompanying statement, tax credits amounting to Rs 16,050.10 lakhs are included in the consolidated Balance sheet under the Other Current Assets in respect of following step-down subsidiaries.

Sr No	Name of Step Down Subsidiary	Amount of Tax Credit in Lakhs
1	Sadbhav Vidarbh Highway Limited (SVHL)	5,047.10
2	Sadbhav Kim Expressway Private Limited (SKEL)	4,089.60
3	Sadbhav Banglore Highway Private Limited (SBGHPL)	4,206.50
4	Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.20
5	Sadbhav Nainital Highway Limited (SNHL)	1,185.70
	<b>Total</b>	<b>16,050.10</b>

The management is confident about the utilization of the credit as mentioned in Note no 13 to the accompanying statement. However, at present the Company does not have any business activity nor are we informed about the management plan for taking up other activity. In view of this, we are unable to comment about the utilization of tax credits in foreseeable future.



	<p>In respect of SVHL and SBGHPL we have qualified our audit opinion on financial statements for the year ended March 31, 2025 and March 31, 2024 as well as qualified review conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024.</p> <p>The auditors of SJRRPL and SKEPL have qualified their audit opinion on financial statements for the year ended March 31, 2025 and March 31, 2024 as well as qualified review conclusion on financial results for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024.</p>
a.	<b>Type of Audit Qualification :</b> Qualified Opinion
b.	<b>Frequency of qualification:</b> Appeared second time as at 31.03.2025.
c.	<b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Impact is not quantified by the Auditors.
d.	<p><b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <ol style="list-style-type: none"> <li>Contract Assets of Rs. 35019.32 lakhs and other non-current financial assets of Rs. 14789.09 outstanding as at March 31, 2025 which represents various claims raised on the Clients based on the terms and conditions implicit in the Engineering, Procurement &amp; Construction Contracts/Mining Contract in respect of closed / suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of works, client caused delays, changes in the scope of work, deviation in design and other factors for which Company is at various stages of negotiation/ discussion with the clients or under Arbitration/ litigation. On the basis of the contractual tenability, progress of negotiations/ discussions/ arbitration/ litigations/ legal opinions, the Management is of the view that these receivables are recoverable.</li> </ol> <p>The statutory auditors have expressed qualified opinion on financial results for the quarter and year ended March 31, 2025 in respect of above Contract Assets of Rs. 35019.32 lakhs.</p> <ol style="list-style-type: none"> <li>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 Company has been terminated, the management of RPTPL is of the view that going concern assumption for preparation of accounts is not appropriate and</li> </ol>



accounts have been drawn accordingly on non-going concern basis.

The management of RPTPL has lodged a total claim amounting to Rs. 193792 lakhs relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid 19. The NHAI had lodged its counter Claims amounting to Rs. 62270 lakhs. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are completed and the Arbitral Award is declared on 23.01.2025 unanimously, except for Counter Claim of NHAI regarding Premium that one Ld. Arbitrator has rejected it completely. As on the date of the said Majority award, the net awarded amount after deducting all dues of NHAI including Premium works out to Rs. 108054.50 lakhs (principal of Rs. 77963.10 lakhs and interest of Rs. 30091.40 lakhs).

The Arbitration matter of Competing Road was referred to Arbitration. In the said matter, the majority award was passed on May 30, 2023 in favour of NHAI setting aside claims of Company and Minority Award dated 05.06.2023 in favour of Company amounting to Rs. 85098 lakhs. The Company has challenged the Majority Award dated 30.05.2023 and filed a petition under Section 34 of Arbitration & Conciliation Act 1996 before the Hon'ble Delhi High Court to set aside the Majority Award dated 30.05.2023. The same is sub-judice before Hon'ble Delhi High Court.

The dispute of Claim for Additional Cost on account of ban of quarrying of stone and loss of Toll collection due to delayed issuance of Provisional Certificate was referred to Arbitration. A unanimous Award dated 06.10.2017 by Arbitral Tribunal was awarded in favour of Company amounting to Rs. 89020 lakhs (amount inclusive of costs & interest pendente lite). This Award was challenged by NHAI under Section 34 before the Delhi High Court. The Delhi High Court in its Judgment dated 16.02.2023, the value of award payable by NHAI to RPTPL as on 15.10.2023 works out to Rs. 12119 lakhs. NHAI had challenged the said award under Section 37 before Division Bench of Delhi High Court. The said matter is now withdrawn by NHAI on account of ongoing Vivad se Vishwas II settlement proposal.

NHAI had claimed on RPTPL a claim on account of negative FRL which was referred to Arbitration. The Majority Award on 31.10.2020 by Tribunal was in favour of NHAI amounting to Rs. 2034 lakhs. The interest on delayed payment is awarded at 7.4% simple interest, as on 15.10.2023 works out to Rs. 2479 lakhs. The dissenting note by the Minority of the Tribunal had stated to reject the claim of NHAI. The Company has challenged the said Majority Award under Section 34 before the Delhi High Court, which is sub-judice. The Company had



challenged the said Majority Award under Section 34 before the Delhi High Court.

The Arbitration Award dated 06.10.2017 and Arbitration Award dated 31.10.2020 has been settled through Settlement Agreement dated 20.03.2025 under Vivad se Vishwas II Scheme of Govt. of India for the net settlement amount of about Rs. 6500 lakhs. Also, RPTPL has received intimation letter dated April 08, 2024 from National Asset Reconstruction Company Limited (NARCL) intimating that the deed of assignment dated March 22, 2024 under the provisions of Section 5 of the SARFASI Act, the consortium of lenders except one lender have assigned/ transferred the outstanding debt /financial assets alongwith underline securities interest, pledged of shares, guarantees, receivables etc charge for such financial assistance granted to RPTPL in favour of NARCL and NARCL acting in its capacity as trustee of NARCL Trust.

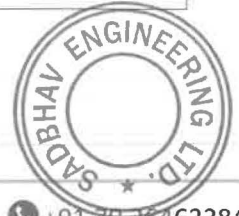
During the quarter ended March 31, 2023, RPTPL has reversed interest of Rs. 10269.40 lakhs provided during the earlier period considering the fact that the project of RPTPL has been terminated and lenders have classified loans as Non Performing Assets.

During the year ended March 31, 2025 and March 31, 2024 , RPTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions as well as loan from group Company since the lenders of RPTPL has classified borrowing as NPA and financial statements are prepared on non going concern basis, for which the statutory auditors of RPTPL have expressed qualified opinion on financial statements in this regards.

Notice on August 27, 2021, to NHAI by exercising the criteria of "Event of Defaults" under the concession agreement. Since the project of the Company 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 has lodged total claim amounting to Rs. 192871 lakhs relating to termination payment, Force Majeure Costs due to Force Majeure event of Farmer's Agitation, COVID-19, & Demonetization, and NPV of extension entitled due to Force Majeure event of Farmers agitation and Covid19. The NHAI had lodged its Counter Claims amounting to Rs. 3,6658 lakhs. The Company had submitted its reply on such counter claims. The Arbitral proceedings for the same are currently ongoing. The current stage of arbitral proceeding is of Arguments which are ongoing.

Also, RHTPL has received intimation letter dated April 08, 2024 from National



Asset Reconstruction Company Limited (NARCL) intimating that the deed of assignment dated March 22, 2024 under the provisions of Section 5 of the SARFASI Act, the consortium of lenders have assigned/ transferred the outstanding debt /financial assets alongwith underline securities interest, pledged of shares, guarantees, receivables etc charge for such financial assistance granted to RHTPL in favour of NARCL and NARCL acting in its capacity as trustee of NARCL Trust.

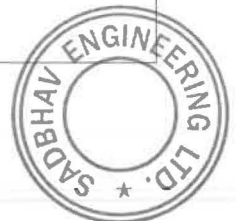
During the quarter ended on March 31, 2023, RHTPL has reversed interest of Rs. 12280.90 lakhs provided during the earlier period considering the fact that the project of RHTPL has been terminated and lenders have classified loans as Non Performing Assets (NPA).

During the year ended March 31, 2025 and March 31, 2024, RHTPL has not accounted for interest on Rupee Term Loan from banks and financial institutions as well as loan from group Company since the lenders of RHTPL has classified borrowing as NPA and financial statements are prepared on non-going concern basis, for which the statutory auditors of RHTPL have expressed qualified opinion on the financial statements in this regards.

3. In case of Sadbhav Udaipur Highway Limited (SUDHL or concessionaire), a step down subsidiary of the group which is engaged in construction, operation and maintenance of infrastructure project under concession agreement with National Highways Authorities of India (NHAI, the project work has been completed and the subsidiary has received the Commercial Operation Date (COD) from NHAI dated July 19, 2024.

However, SUDHL has requested the NHAI & Lenders to allow harmonious substitution in terms of the NHAI Policy circular through a nominated company namely — M/S Gawar Construction Limited (Nominated Company) and the Lenders' Representative to give its consent for allowing harmonious substitution of the SUDHL.

The NHAI vide its letter dt December 27, 2023, conveyed its "InPrinciple" approval for substitution of Original Concessionaire with a new special purpose vehicle to be incorporated by the Nominated Company subject to certain conditions and final approval from the NHAI. Since the conditions precedent to the harmonious substition are under compliance, no adjustment to the carrying value of assets and liabilities related to this project have been made in these consolidated financial results, for which the statutory auditors of SUDHL have expressed qualified opinion of the financial statements for the year ended March 31, 2025 and March 31, 2024.



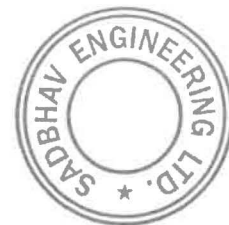
The SIPL has entered into Definitive agreement dated March 12, 2025 with Gawar Construction Limited during the quarter ended March 31, 2025 for harmonious substitution of the project. The Final approval of the NHAI is still pending. However the Company has provided for Rs. 10000 lakhs in the books of accounts and disclosed as an exceptional item in the audited consolidated financial results for the quarter and year ended March 31, 2025.

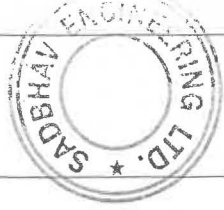
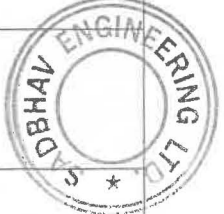
4. GST tax credit receivables amounting to Rs. 16050.10 lakhs are included in the consolidated books of accounts as at March 31, 2025 in respect of following subsidiaries . The management of the Group is evaluating various option for utilising above mention tax credits and is confident about the utilization of the credit. The statutory auditors of respective step down subsidiary Companies have expressed qualified opinion on the financial results for the quarter and year ended March 31, 2025 vide their independent audit report dated as mentioned below:

Name of step down Subsidiary Company	GST TAX Credit Receivables (Rs. In lakhs)	Date of Audit Report
Sadbhav Jodhpur Ring Road Private Limited (SJRRPL)	1,521.20	23.05.2025
Sadbhav Bangalore Highway Private Limited (SBGHPL)	4,206.50	23.05.2025
Sadbhav Vidarbha Highway Limited (SVHL)	5,047.10	23.05.2025
Sadbhav Nainital Highway Limited (SNHL)	1,185.70	23.05.2025
Sadbhav Kim Expressway Private Limited (SKEPL)	4,089.60	23.05.2025
<b>Total</b>	<b>16,050.10</b>	

(i) **If management is unable to estimate the impact, reasons for the same: Not Applicable**

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



<b>III</b>	<b>Signatories:</b>	
	<ul style="list-style-type: none"> <li><b>Chairman and Managing Director</b> -Shashin Patel</li> </ul> <p>Place: Delhi , Date: 29/05/2025</p>	<p><i>SV Patel</i></p> 
	<ul style="list-style-type: none"> <li><b>CFO</b></li> </ul>	
	<ul style="list-style-type: none"> <li><b>Audit Committee Chairman</b> -Mrs. Shefali Patel</li> </ul>	<p><i>Shefali</i></p> 
	<ul style="list-style-type: none"> <li><b>Statutory Auditors</b></li> </ul> <p>Mr. Devansh Gandhi Partner Membership Number: 129255 For Manubhai &amp; Shah LLP Chartered Accountants ICAI Firm Registration Number:106041W/W100136</p>	<p><i>D. Gandhi</i></p> 
	<b>Place: Ahmedabad</b>	
	<b>Date: 29.05.2025</b>	