

REF:SEL:BSE:13-14/1578
March 06, 2014

To,
The Dy. Gen. Manager,
Corporate Relationship Dept.,
Bombay Stock Exchange Limited
PJ Tower, Dalal Street,
Mumbai – 400 001
Fax : 022-22722037-39
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

Sub: Press Release in respect of clarification on NEWS items.

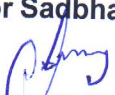
Dear Sir,

Please find attached herewith copy of Press Release in respect of clarification on NEWS items.

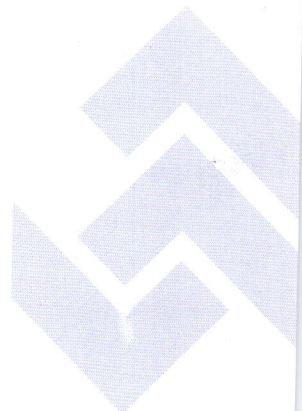
You are requested to take the above on record.

Thanking you,

For Sadbhav Engineering Limited


(Vijay Kalyani)
Company Secretary

Encl: As above



PRESS RELEASE



CLARIFICATION ON NEWS ITEM

There has been news item on CNBC alleging that Company Law Board has passed an interim order for conducting forensic audit of the accounts of Bijapur Hungud Tollway Private Limited, a subsidiary of Sadbhav Engineering Limited and it has also been alleged that not only toll revenue has been shown less by the Company but Sadbhav Engineering Limited has siphoned off Rs. 200 crore from Bijapur Hungud Tollway Private Limited.

We at Sadbhav Engineering Limited would like to clarify that the above allegations are incorrect, baseless and defamatory.

While a minority shareholder of Bijapur Hungund Tollway Private Ltd has made allegations of diversion of funds before the Company Law Board ['CLB'], the Honourable High Court of Gujarat has by its order of 21st February 2014 directed the CLB not to proceed further in the matter. The CLB's orders have thus been stayed.

Further and in any event, the CLB has not confirmed any of the above allegations. The CLB had merely permitted the minority shareholder to take inspection of statutory records of Bijapur Hungud Tollway Private Limited only to the extent permissible under the provisions of the Companies Act, 1956 and install a system so to have online viewing facility of the toll booths and nothing beyond.

