

10th Annual Report 2015-2016



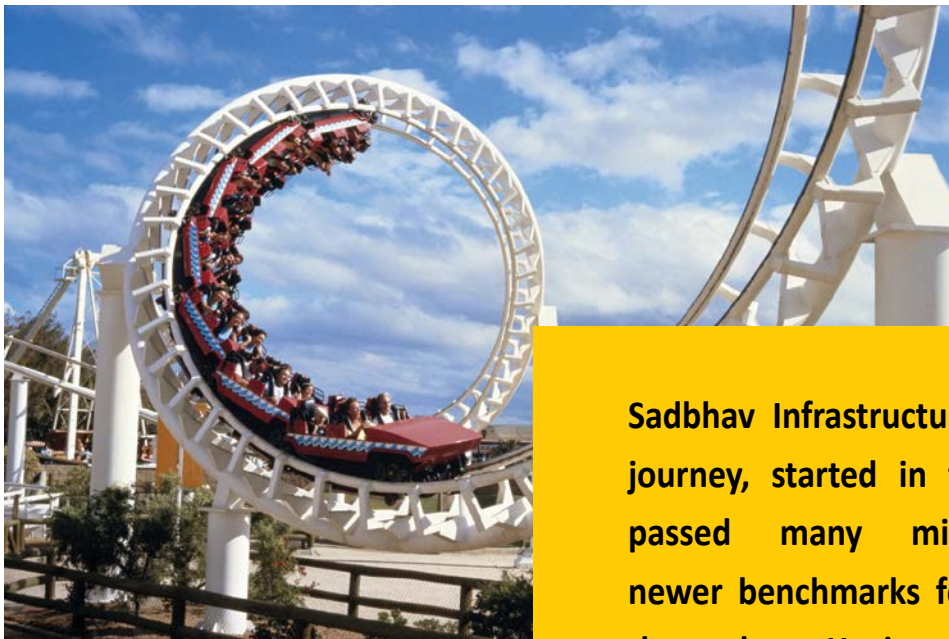
*Connecting Nation
with Global Technology*

**SADBHAV INFRASTRUCTURE
PROJECT LIMITED**



***“Growth is a spiral process,
doubling back on itself,
reassessing and regrouping.”***

- Julia Margaret Cameron



Sadbhav Infrastructure Project Limited's journey, started in the year 2007 has passed many milestones, creating newer benchmarks for none other than themselves. Having enough experience, excellent expertise and exceptional engineering capabilities in their quiver, the company is poised to achieve greater success.

With perseverance, innovative operations and outstanding maintenance services, SIPL has become synonymous with quality and trust in the infrastructure sector.

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“Excellence is not a skill. It’s an attitude.”

- Ralph Marston

It is this attitude that has fuelled the growth of Sadbhav Infrastructure Project Limited (SIPL). Keeping abreast with the advancements in the industry has always been our core strategy and thus SIPL is backed by world class processes and practices. The strength of SIPL’s astounding success lies with its penchant for technology. Today, the company is providing international standards and global technological breakthroughs to the Indian infrastructure industry. In a bid to become global leader, SIPL has put maximum thrust on evolving through innovation.

The company’s adherence to quality and capabilities for global competency is clearly reflected in its projects. Blending quality and innovation, SIPL is committed to strengthen the economic growth of India by developing the desired infrastructure for transport, trade and travel.

We work cohesively with all our associates, collaborators, customers as well as stakeholders building firm relationships based on understanding and mutual cooperation to assure them that we will keep our flame of innovation and excellence burning and will endeavour to make it shine more brightly.

Corporate Information

*“ If you want **SUCCESS** then you must first have a **DREAM** because a dream transforms into a **THOUGHT** and the thought results in **ACTION**. ”*



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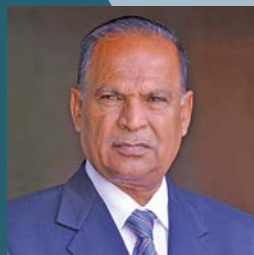
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BOARD OF DIRECTORS

1. **Mr. Vishnubhai M. Patel**
Chairman and
Non-Executive Director
2. **Mr. Shashin V. Patel**
Non-Executive Director
3. **Mr. Vasistha C. Patel**
Managing Director
4. **Mr. Nitin R. Patel**
Non-Executive Director
5. **Mr. Sandip V. Patel**
Independent Director
6. **Mr. Mirat N. Bhadlawala**
Independent Director
7. **Mr. Arun S. Patel**
Independent Director
8. **Mr. Atul N. Ruparel**
Independent Director
9. **Mrs. Daksha N. Shah**
Independent Director
10. **Dr. Jagdish Joshapura**
Independent Director
(w.e.f. 13-04-2015)

COMPANY SECRETARY

Mr. Hardik Modi
(w.e.f. 08-07-2016)

CHIEF FINANCIAL OFFICER

Mr. Varun Mehta

STATUTORY AUDITORS

Manubhai & Shah LLP
S R B C & CO LLP

People are the ‘Backbone’ of our success !

SIPL's definition of growth is correlated with its people. When it comes to plotting strategic thrusts and directions, anticipating trends and threats, blueprinting future roadmaps and milestones and synergizing required capacities and capabilities, our experts stay strong on the front of making decisions and taking actions. The company also endeavours constantly for the welfare and safety of its people employing rigorous safety policies in practice which are maintained, updated and strictly followed. The enthusiasm, commitment and perseverance of our people, propel the company to challenge the limits and conquer new summits of success.



BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Sandip V. Patel
Chairman

Mr. Arun S. Patel
Member

Mr. Nitin R. Patel
Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Atul N. Ruparel
Chairman

Mr. Mirat N. Bhadlawala
Member

Mr. Vishnubhai M. Patel
Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Nitin R. Patel
Chairman

Mr. Vasistha C. Patel
Member

Mr. Arun S. Patel
Member

Mr. Sandip V. Patel
Member

FINANCE AND INVESTMENT COMMITTEE

Mr. Vishnubhai M. Patel
Chairman

Mr. Vasistha C. Patel
Member

Mr. Nitin R. Patel
Member

Mr. Arun S. Patel
Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Vasistha C. Patel
Chairman

Mr. Nitin R. Patel
Member

Mr. Sandip V. Patel
Member

Mr. Atul N. Ruparel
Member

RISK MANAGEMENT COMMITTEE

Mr. Vasistha C. Patel
Chairman

Mr. Nitin R. Patel
Member

Mr. Sandip V. Patel
Member

BANKERS

ICICI Bank
Indian Overseas Bank
Oriental Bank of Commerce
Punjab National Bank
Bank of India
HDFC Bank
Canara Bank
Dena Bank
Union Bank of India
Corporation Bank
Vijaya Bank

REGISTERED OFFICE

Sadbhav House,
Opp. Law Garden Police Chowki,
Ellisbridge, Ahmedabad - 380006.
Website : www.sadbhavinfra.co.in
CIN: L45202GJ2007PLC049808


CORPORATE OFFICE

"Sadbhav", Nr. Havmor Restaurant,
B/H. Navrangpura Bus Stand,
Navrangpura, Ahmedabad - 380009.

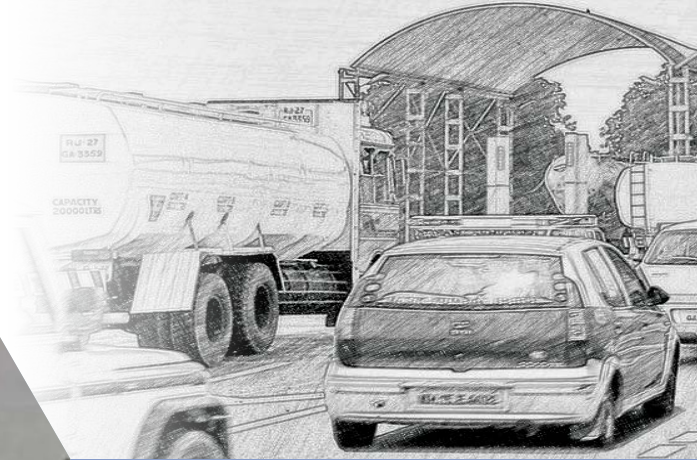
REGISTRAR & TRANSFER AGENTS

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400078.

"The fastest growing Indian economy has increased the demand for road infrastructure. Up-gradation of the National Highways from public funds alone are not sufficient. This has led the Government to take a policy decision to involve private sector for the development of National Highway on Build-operate-transfer (BOT)."



Chairman's Message



Dear Shareholders,

I am very much delighted to present the first financial report of your company, post the listing of your company on BSE and NSE w.e.f. 16th September, 2015. At the onset, I would like to thank each and every shareholder of our Company who has shown utmost trust and confidence on the business model, its management and its business strategy. In a very challenging global environment, the IPO was over-subscribed by 2.327 times. Your company raised ₹ 4,250.0 million by way of primary issuance of shares and ₹ 666.6 million by way of offer for sale (OFS) by Selling Shareholders. Your company is the first roads and highways BOT Company in India to be listed on Indian stock exchanges.

“ Our vision is to continually deliver maximum value to all stakeholders and achieve and maintain a leadership position in the infrastructure development space through profitable, ethical and sustainable means only.”



Sadbhav Infrastructure Project Limited (SIPL), a subsidiary of Sadbhav Engineering Limited, endeavors' at all times, to achieve the highest performance standards in the industry and an unchallenged leadership position across all segments in which we operate. We have been entrusted with a considerable number of projects focusing on the development, operation and maintenance of highways, roads and other relative aspects. We have observed a flourishing growth and success rate since SIPL's incorporation. Your company contributes actively towards the society and environment in various measures. With an optimistic view to continue for many years, it gives me immense pleasure to present the financial report of your company for the year 2015-2016.

It is known that due to unrest in the global economic scenario, the organizations goals are not being realized in a complete manner. Though, the strengthened position of markets in India has brought a reform in the execution of national level policies. This has given the Indian infrastructural parameter a boom. It has led your company to hold some of the most important

contracts and projects simultaneously creating a value for its investors.

As a company with a focus on providing high – quality construction work, we are pre-qualified on an annual basis to bid either directly or through joint ventures for DBFOT projects of values up to ₹ 26,500 million by the NHAI. Structured with presence across the entire road sector value chain, we are involved in the development, operation and maintenance of national and state highways and roads in several states in India namely Maharashtra, Rajasthan, Gujarat, Karnataka, Telangana, Haryana, Madhya Pradesh and border check posts in the state of Maharashtra. All of our projects are implemented and held through special purpose vehicles (SPVs), including joint venture entities.

With our expanded and selectively diversified portfolio of BOT projects located in high growth states and important corridors, we currently have a portfolio of 11 BOT projects out of which 8 are fully operational, 1 is partially operational and remaining projects are under advanced stages of construction. We have 8 NHAI projects,



and the other 3 are from state authorities. Our operational projects cover approximately 2,207 lane kms with total project costs of ₹ 82,132.0 million and the projects under construction cover of 744 lane kms with the total project costs of ₹ 19,476.0 million. Your company has been declared L1 for 2 new HAM projects as on 31st March, 2016. As on 31st March 2016, our market capitalization stood at ₹ 35,926.9 million.

In addition to above, your Company has already signed SPA for acquisition of 74% stake in Mysore Bellary Highway Private Limited (MBHPL) from its parent company (Sadbhav Engineering Limited). During 2015-16, your company had completed the following activities to improve its financial position –

- Completion of acquisition of 47% stake in Dhule Palesner Tollway Limited thereby increasing its stake to 49% and SPA signed for balance 51% stake.
- Completion of acquisition of 20% stake in Ahmedabad Ring Road Infrastructure Limited thereby increasing its stake to 100% from 80%
- Sale of economic interest of 20% in Mumbai Nasik Expressway Limited to BIF India Holdings

Pte. Ltd. for ₹ 720 million and repayment of loans amounting to ₹ 174.72 million.

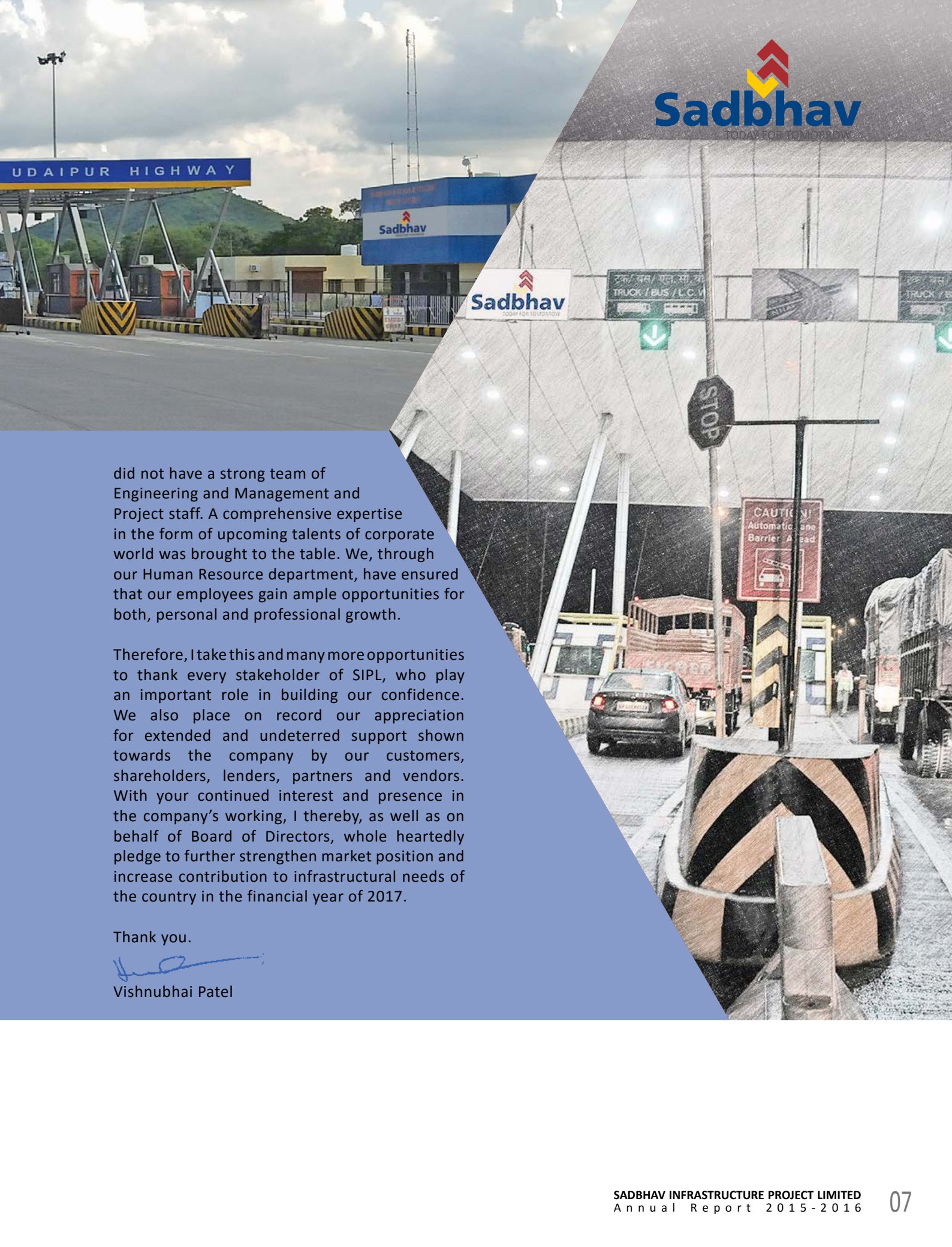
- Completion of refinancing of debt in Dhule Palesner Tollway Limited and Nagpur - Seoni Express Way Limited with a view to improve the position of the cash flow. Your company is currently in the process of refinancing its debt in other operational SPVs.

We generate revenues primarily from toll collection, user fee and annuity receipts. SIPL has a provision for advisory and project management services for all its projects. Hence, our consolidated total income from operations and standalone income from operations for financial year ended 31st March, 2016 stood at ₹ 7421.96 million and ₹ 857.97 million respectively. We possess a significant benefit from more than 25 years of experience of and relationships established by SEL (our corporate promoter) with its record execution of projects in the construction activities in the transport, mining and irrigation sectors.

I feel extremely privileged to announce that all of this would not have been possible if we, at SIPL,

***“ Roads remain the essential network of the non-virtual world.
They are the infrastructure upon which almost all other infrastructure depends.
They are the paths of human endeavor.”***

- Ted Conover



did not have a strong team of Engineering and Management and Project staff. A comprehensive expertise in the form of upcoming talents of corporate world was brought to the table. We, through our Human Resource department, have ensured that our employees gain ample opportunities for both, personal and professional growth.

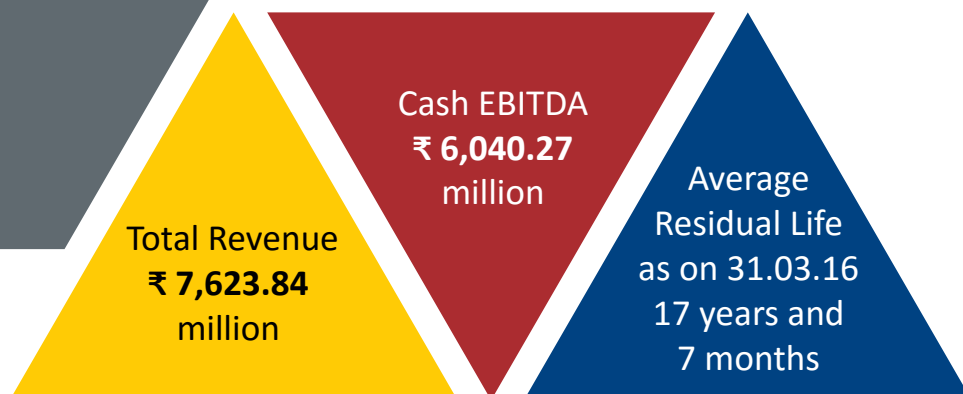
Therefore, I take this and many more opportunities to thank every stakeholder of SIPL, who play an important role in building our confidence. We also place on record our appreciation for extended and undeterred support shown towards the company by our customers, shareholders, lenders, partners and vendors. With your continued interest and presence in the company's working, I thereby, as well as on behalf of Board of Directors, whole heartedly pledge to further strengthen market position and increase contribution to infrastructural needs of the country in the financial year of 2017.

Thank you.



Vishnubhai Patel

2015-2016 Key Figures



Financial Highlights

(₹ in Million)

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Turnover	857.97	701.07	911.75	899.22	739.11
Total Income	1263.53	1073.05	1158.32	1166.84	954.61
Earnings Before Depreciation, Interest and Tax (EBDIT)	796.94	427.67	561.21	382.14	430.25
Exceptional Item	616.00	-	-	-	-
Depreciation	0.66	1.29	1.14	1.29	0.55
Interest (Finance Cost)	1400.02	1037.52	526.77	214.22	42.45
Profit After Tax	10.38	-632.68	29.39	116.32	259.45
Equity Dividend %	-	-	-	-	-
Dividend Payout	-	-	-	-	-
Equity Share Capital	3522.25	3109.63	260.07	260.07	241.72
Reserves & Surplus	8935.98	5326.29	8036.00	8006.61	6659.71
Net worth	12458.23	8435.92	8318.58	8289.19	6923.94
Gross Fixed Assets	0.78	17.11	17.04	17.04	17.04
Net Fixed Assets	0.50	12.84	14.07	15.21	16.50
Total Assets	25019.01	22041.46	15924.83	12293.72	8855.20
Total Debt (Loan Fund)	11721.23	12763.55	6697.46	6740.05	1600.86
Earning Per Share (In ₹)	0.03	-2.04	1.13	4.66	10.73
Book Value Per Share (In ₹)	35.37	27.13	319.86	318.73	286.44
Weighted No. of Shares	333.91	309.70	26.01	24.96	24.17

Note:

1. Total Assets excluding Misc. Expenses.
2. EPS has been calculated on Weighted Average Shares & Book Value on Actual No. of Shares.
3. Total income means credit side of P&L after adjusting the Change in WIP.
4. EBDIT means PBT + Depreciation + Interest.
5. Total Debt includes interest.