

11th ANNUAL REPORT 2016-2017

*Putting Nation
on the Fast-Track
Growth*



**SADBHAV INFRASTRUCTURE
PROJECT LIMITED**

India is being taken up by a storm with the lightening speed of cumulative infrastructural development.

We believe that the nation's ambition, under the right leadership, for growth aligns with Sadbhav's mission to play a major role by taking up projects, on important corridors of high-growth states.

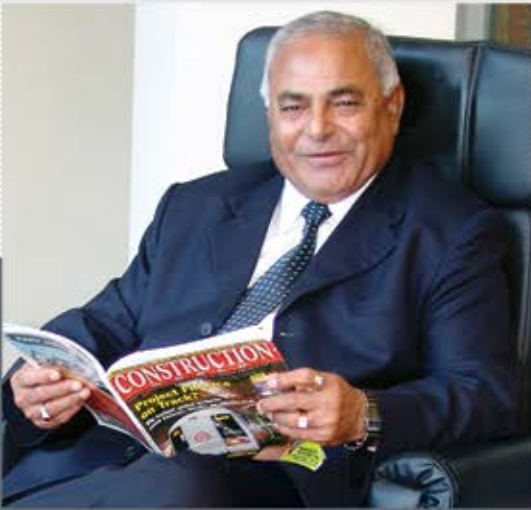
We have a strong presence in those high growth states wherein their Gross Domestic Product (GDP) is greater than average India's GDP by 50-170 bps, thereby, ensuring higher industrial growth while providing sustainable traffic of high willingness to pay & better administration.



Sadbhav Infrastructure Project Limited
Listed Road & Highways BOT Company
in India with a portfolio of 11 BOT projects
and 7 Hybrid Annuity projects

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Shri Vishnubhai M. Patel
Chairman Emeritus

“ The building blocks that form the foundation of a great and successful future, are the actions taken today. ”

– Topsy Gift

Perseverance catalysed Sadbhav's journey from being an idea to a foundation to construct and realise our dreams of connecting the nation. In this process we embraced a belief to keep passing on a successful legacy of building eco-friendly structures today for tomorrow.

Over the years, this legacy grew stronger. The strength was in our actions to create for a lifetime. Today, the new generation team of Sadbhav is full of new ideas and innovations which are backed by experience. This motivates us to strive towards more: more credibility to be diligent, more endeavours to build, and more triumphs to celebrate.



Corporate Information

CHAIRMAN EMERITUS: Mr. Vishnubhai M. Patel

BOARD OF DIRECTORS



1. Mr. Shashin V. Patel
Chairman and
Non-Executive Director



2. Mr. Vasistha C. Patel
Managing Director



3. Mr. Nitin R. Patel
Non-Executive Director



4. Mr. Sandip V. Patel
Independent Director



5. Mr. Mirat N. Bhadlawala
Independent Director



6. Mr. Arun S. Patel
Independent Director



7. Mr. Atul N. Ruparel
Independent Director



8. Mrs. Daksha N. Shah
Independent Director

“Success is not created by
one person but by a team that
comes together as one.”

- Jillian Farrar

COMPANY SECRETARY

Mr. Hardik Modi

CHIEF FINANCIAL OFFICER

Mr. Varun Mehta

STATUTORY AUDITORS

M/s. Manubhai & Shah LLP

M/s. S R B C & CO. LLP



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. Shashin V. 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. Shashin V. 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

M/s. Link Intime India Pvt. Ltd.
C 101, 247 Park, L.B.S.Marg,
Vikhroli (West), Mumbai - 400083.



Chairman's Message

Dear Stakeholders,

Sadbhav Infrastructure Project Limited (SIPL), a subsidiary of Sadbhav Engineering Limited (SEL), has been achieving milestones with its unparalleled performance deliverance, each year. Since its incorporation, as a Company focused on the development, operation and maintenance of highways, roads and other relative aspects, SIPL has observed a flourishing growth and success rate by becoming the listed Road and Highways Built, Operate and Transfer (BOT) organisation in India with a portfolio of a total of 18 projects which consists of 10 BOT (Toll) projects (9 are operational and 1 is partially operational), 1 operational BOT (Annuity) project and 7 Hybrid Annuity Mode ("HAM") under-construction projects. Total Project costs of all 18 projects is ₹ 15,905.9 crore. Seven out of these 11 operational projects have credit rating of A- or above. I am happy to say this that earlier portfolio of 11 projects have been operational even in the tough environment. In last 18 months, your Company has bagged 7 HAM projects (highest since the start of the HAM model by NHAI), of length of 1550 lane kilometers, costing a total of ₹ 5,807 crore, which are under development. With an average residual life of more than 16 years, entire portfolio of current BOT projects exhibits a stability and visibility of revenue.

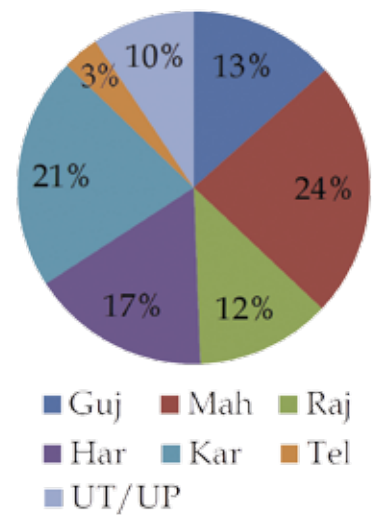
Besides this, your Company is in a continuous process to further improve its financial position and working in that direction, we already have completed refinance of debt in 5 operational SPVs thereby reducing the cost of debt and improving the cashflows. Also, your Company is keen to evaluate churning of stakes in operational mature projects, generating surplus cash and thereby creating war chest for future growth.

SIPL has charted an upward route for itself by expanding under selectively diversified portfolio located in high growth states of India (Rajasthan, Gujarat, Maharashtra, Karnataka, Andhra Pradesh and Haryana) and other important corridors, simultaneously creating a value for its investors. It is currently qualified for NHAI BOT project size worth ₹ 3,233.8 crore and HAM projects worth ₹ 4,935.4 crore. Apart from a credulous track record of timely completion of projects, your Company also enjoys the benefit of being an integrated structured with presence across the entire road sector value chain with strong finance, execution and toll collection and O&M capabilities. During the financial year 2016-17, BRTPL and RHTPL have received completion certificate and have already started generating

Company's total income have grown from ₹ 672 mn in 2011 to ₹ 7,624 mn in 2016 at a CAGR of 62% (~88% of FY16 revenue came from toll collection)



Geographically Diversified Portfolio



*Dreams imbed thoughts.
Thoughts transform to actions.
Actions lead to success.*



Chairman's Message

revenues. Also, Company is in the process of acquiring 100% stake in Mysore Bellary Highway Project Limited (MBHPL) from SEL and joint venture partner (under process). Your Company has invested total equity (including subdebt) of ₹ 2,141.7 crore as on March 31, 2017 in 11 operational projects and ₹ 114.8 crore as on March 31, 2017 in HAM projects.

India has brought a reform in the execution of national level policies. One such key move was digitisation. SIPL, believing in compliance with the future, equipped all the tolling lanes in operational BOT projects with FASTags, PoS devices, mobile wallets, and many more. Amidst a strong change in global economic scenario, the infrastructural parameter saw an undivided attention. With this, a rise in SIPL's total income from ₹ 67.2 crore in 2011 to ₹ 999.93 crore in 2017 (excluding construction revenue from under-construction SPVs due to IND AS), was seen. With a focus on delivering high – quality construction work alongside a provision for advisory and project management services for all its projects, SIPL seeks great advantage from over 25 years' experience of 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 believe, that success ensued is a comprehensive derivation of expertise in managerial abilities by conflation of our Engineering with Management staff. Their continuous endeavour to realise the visions and missions of the organisation with utmost transparency, accountability and equity, in all facets of its operations, is what makes SIPL extant. We maintain that an individual gains ample opportunities for both, personal and professional growth with the organisation. Under adjuration of combining proficiency with experience and dynamic predilection, your Company fulfils its objectives of harbouring exceptional talents with passionate drive and nurture them with skills honed to perfection. We, at SIPL, have established a web like network of communication channels which systemizes and strengthens internal as well as external communication for better understanding between the infrastructural needs of the market and deliverance of extraordinary output.

According to Abraham Lincoln, "Commitment is what transforms a promise into reality." Our commitment lies within our promise to shape the nation of tomorrow transformed by 'tomorrow'. Thereby, I take this opportunity to thank each and every stakeholder of SIPL who plays an important role in spreading our roots deep into a successful reality. We also uphold our

“ 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). ”

**“ 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

appreciation for our customers, shareholders, and lenders for joining us in this continuous effort to diversify and succeed. Hence, on your as well as on behalf of the Board of Directors, I congratulate a congenial support extended by the employees of SIPL to unveil yet another copious display of spectacular performance. I encourage them to keep building trust in the capabilities of one-self and the team. I would like to thank you all for your constant interest and esteemed presence and congregated interest in the Company.

Regards,

S V Patel

Shashin V. Patel





Message from Managing Director

“ Excellence is an outcome of an opportunity created. An opportunity to believe that talent, determination, hard work and success are the four wheels that drive an organisation on the path of achievements. By expanding boundaries, defying limitations and redefining conventions, every time, Sadbhav salutes the spirit of our team to make us reach our potential: excellence. ”