

Consolidating for Tomorrow



16th Annual Report 2021-22

Sadbhav Infrastructure Project Limited

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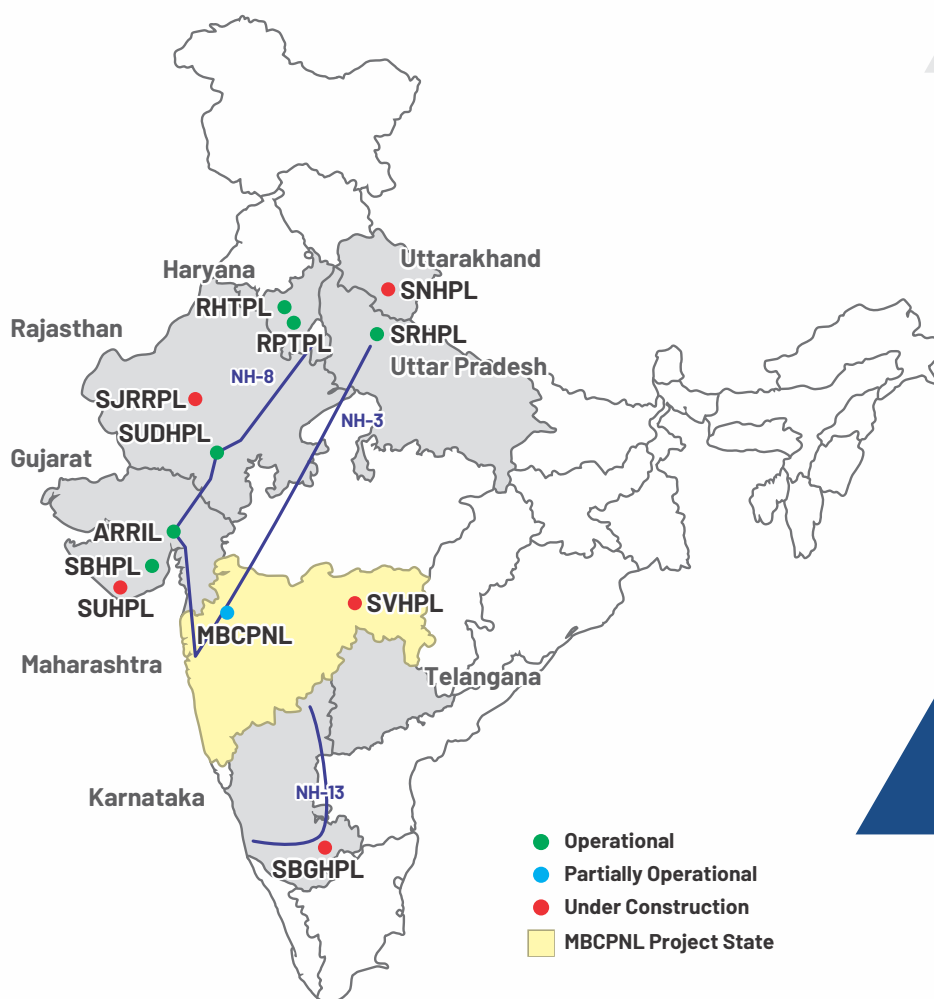
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India





Late Shri Vishnubhai M. Patel
27 January, 1942 – 25 December, 2018
Founder and Former Chairman
Sadbhav Infrastructure Project Ltd.

Farthest destinations can be reached,
You have to construct a road to reach there.

Widest rifts can be crossed,
You have to bridge the ends.

Precious Mineral can be mined,
You have to go deep down to dig it.

Passion and determination are virtues of Sadbhav,
You have to cherish them.





Consolidating for Tomorrow

Business excellence without continuity planning is incomplete. At Sadbhav Infrastructure Project Limited, business continuity planning and sustainable thinking is ingrained in our corporate strategy planning to achieve excellence. We have precisely managed the business through various stages of Conception, Creation, Consolidation & Curation. We do a long-term analysis of industry peers and how they progress predictably through a clear consolidation life cycle and precisely plan our course of action to emulate the best strategies and practice executed so far. SIPL has aligned its resources, strategies and processes to successfully veer the Company's progress throughout the stages of Scaling and Focussing during the process of business consolidation. For us, the pace with which we move ahead these stages is not important, but putting the best foot forward and achieve excellence in everything that

we do is of prime importance. Because we believe that small steps taken in right direction are more important than taking giant leaps by focussing on short term goals

India is progressing vertically to become world's third largest construction market. In November 2021, India, US, Israel and the UAE established a new quadrilateral economic forum to focus on infrastructure development projects in the region and strengthen bilateral co-operation. Furthermore, the initiative 'Infrastructure for Resilient Island States' (launched in November 2021) will give India a huge opportunity to contribute to the betterment of other vulnerable countries in the world. The Government of India allocated Rs. 13,750 crore (US\$ 1.89 billion) to AMRUT and Smart Cities Mission in Union Budget 2021, to support initiatives such as 'Housing for All'

and 'Smart Cities Mission'. Parliament also passed a bill to set up the national bank for financing the Infrastructure and Development (NaBFID) to fund the infrastructure projects in India.

Huge investments in infrastructure have provided momentum to overall PE/VC investments in India. The government is giving utmost priority to infrastructure development and has set a target of road construction of worth Rs.15 lakh crore (US\$ 206 billion) in the next two years. Government of India also announced a Rs. 100 lakh crore master plan for multi-modal connectivity in October 2021, with the goal of developing infrastructure to lower logistic costs and improve the economy. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. Indian logistics market is estimated to touch US\$ 320 billion by 2025.

During FY'21-22, Sadbhav Infrastructure Private Limited managed to overcome challenges that the ever-changing macro-economic universe posed and the Company generated Rs. 2,042.10 million revenue from operations, higher than Rs.1927.55 million during last year. SIPL is the stalwart in the infrastructure operations and maintenance sector and having portfolio of 11 projects that consists of 2 operational BOT (Toll) projects, 9 Hybrid Annuity Mode ("HAM") projects.

SIPL is consciously working to operate and maintain the infrastructure and augmenting the driving & travel experience of the commuters across all assets. Our commitment towards our stakeholders and the nation has transformed us into an organization that is unwavering in its effort to deliver the best value to its stakeholders in the times to come and one that conducts business in a conscientious manner.



Corporate Information



Mr. Shashin V. Patel
Chairman & Non-Executive Director



Mr. Vasistha C. Patel
Managing Director



Mr. Nitin R. Patel
Non-Executive Director



Mr. Sandip V. Patel
Independent Director



Mr. Arun S. Patel
Independent Director



Mrs. Daksha N. Shah
Independent Director



BOARD OF DIRECTORS

BOARD COMMITTEES

Audit Committee

Mr. Sandip V. Patel

Chairman

Mr. Arun S. Patel

Member

Mr. Nitin R. Patel

Member

Nomination and

Remuneration Committee

Mr. Arun S. Patel

Chairman

Mr. Sandip V. Patel

Member

Mr. Shashin V. Patel

Member

Shareholder /

Investor Grievance /

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. Vasistha C. Patel

Member

Mr. Shashin Patel

Member

Mr. Nitin Patel

Member

Mr. Arun Patel

Member

Corporate Social

Responsibility Committee

Mr. Vasistha C. Patel

Chairman

Mr. Nitin R. Patel

Member

Mr. Sandip V. Patel

Member

Risk Management

Committee

Mr. Vasistha C. Patel

Chairman

Mr. Nitin R. Patel

Member

Mr. Sandip V. Patel

Member

BANKERS

IDBI Bank

Union Bank of India

COMPANY SECRETARY

Mr. Hardik Modi

CHIEF FINANCIAL OFFICER

Mr. Pradip Agarwal

STATUTORY AUDITORS

M/s. S G D G & Associates LLP

REGISTERED OFFICE

"Sadbhav House",

Opp. Law Garden Police Chowki,

Ellisbridge,

Ahmedabad - 380006.

Web: 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.



Message From Chairman

Dear Stakeholders,

My warm greetings to all of you. I hope you and your loved ones are safe and in good health. The financial year 2021-22 has gone through the second consecutive year under the Covid-19 pandemic. The past two years have been difficult, unpredictable and challenging for the world to say the least. We are confronting repeated waves of pandemic-led disruptions with uncertainty still looming over the spectrum of the world economies. There is longer-term uncertainty about the post-Covid world due to rapid changes and shifts in technology, consumer behaviour, supply chains, geopolitics, climate change and a host of other factors dampening the optimism over the pace of recovery.

The year 2021-22 can well be called a period of revival from the challenges and distressing situations encountered in the last couple of years. Global industrial activity continued to be affected by the disruptions caused by the pandemic. While the Indian industry was no exception to these interferences, its performance showed strong signs of improvement in 2021-22. Gradual unlocking of the economy, record vaccinations, improvement in consumer demand, continued policy support towards industries by the Government in the form of Atma Nirbhar Bharat Abhiyan and further reinforcements during the fiscal together led to an upturn in the performance of the industrial sector.

Sadbhav Infrastructure Project Limited (SIPL) has been one of the key contributors in infrastructure sector, dedicated for the nation building and playing an important role in the development, operation and maintenance of highways, roads and other service



infrastructure. SIPL is having portfolio of 11 projects that consists of 2 operational BOT (Toll) projects, 9 Hybrid Annuity Mode ("HAM") projects. During the financial year, 2 BOT projects named Rohtak-Panipat Tollway Private Limited (RPTPL) and Rohtak-Hissar Tollway Private Limited (RHPL) were terminated pursuant to the Concession with National Highways Authority of India (NHAI) due to forceful suspension of toll collection/ User Fee because of the farmers' agitation / protest with effect from December 25, 2020 in the state of Haryana and nearby state. Company has filed requisite claim papers with NHAI towards recovery of termination claim pursuant to Concession Agreement. Further, during the financial year, SIPL has executed Share Purchase Agreement (SPA) with Adani Road Transport Limited (ARTL), for sale of its equity shares of Maharashtra Border Check Post Network Limited (MBCPNL) a wholly owned step down subsidiary of the Company. Further, SIPL is also in process of churning of its assets.



In the past two years, of which we are hopeful we have seen the peak of Covid-19, we have ensured that our staff was cared for and supported. We extended the flexibility to work from home to our team while respecting and following all the Government recommended and mandated guidelines and protocols. Your Company has been focusing on training and development of its employees. We have created a cohesive internal culture, provide equal opportunity of growth to all the employees and provide the perks and remunerations matching the industry standards and statute. Our internal SOPs have been aligned keeping in view safety, health and environment norms. Your Company keeps on enhancing efficiency by utilizing advanced technologies. We are committed to take continuous steps for improvement in the bottom line of the Company.

During the year, your company has consolidated its operations and has coursed strategic manoeuvring. At standalone level, your Company has reported the Revenue from Operations amounting to Rs. 2,042.10 million as against Rs. 1,927.55 million in the previous year. The Net Loss for the year was Rs. 1916.46million as against net profit of Rs. 218.93 million reported in the previous year.

The Consolidated Revenue from Operations was Rs. 9,623.25 million as against Rs. 12,807.88 during the previous year. The Consolidated Net Loss was Rs. 212.78 million as loss of Rs. 2,783.00 million in previous year.

I am thankful to all the shareholders, customers, government authorities, financiers, suppliers, vendors, employees and community at a large for supporting us in serving the nation. On behalf of the board of directors, I assure you that your company will continue to strive and remain focused on creating more value for all. I would like to thank the entire team at SIPL for their untiring efforts and persistent commitment to achieve the high goals we have set.

Regards,

Shashin V. Patel
Chairman





Financial Highlights

(INR in Million)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Turnover	2042.1	1,927.55	1,817.67	2,950.27	3,377.92
Total Income	2344.45	2,040.04	2,584.20	3,680.16	3,847.50
Depreciation	0.54	0.24	0.59	0.96	4.12
Interest (Finance Cost)	1427.87	1,276.44	2,132.91	1,748.51	1,634.20
Exceptional Items	-1444.21	430.51	6,198.05	-152.95	-
Profit After Tax	-1916.46	218.93	3,766.18	565.44	677.40
Equity Dividend %	0.00	0.00	0.00	0.5%	0.5%
Dividend Payout	0.00	0.00	0.00	176.11	176.11
Equity Share Capital	3,522.25	3,522.25	3,522.25	3,522.25	3,522.25
Other equity	12,794.64	14,708.52	14,490.85	10,851.50	10,497.23
Net worth	16,316.89	18,230.77	18,013.10	14,373.75	14,019.48
Total Assets	26,902.27	30,941.32	30,314.29	34,176.46	31,122.17
Total Debt (Loan Fund)	8217.11	5,289.47	7,945.03	14732.61	12,376.50
Earning Per Share (in Rs.)	-5.43	0.62	10.69	1.61	1.92
Book Value Per Share (in Rs.)	36.33	51.76	51.14	40.81	39.80