



BRNL/CS/2017-18 / 32

16th December, 2017

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
(BSE Scrip Code: 540700)

National Stock Exchange of India Limited

Exchange Plaza,
5th Floor, Plot no. C/1, G Block
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051
(NSE Symbol: BRNL)

Dear Sir,

Ref: Regulation 34 & 44(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: 10th (Tenth) Annual General Meeting (AGM) of the Company

Kindly note that the 10th (Tenth) Annual General Meeting (AGM) of the Company has been duly convened and held on Saturday, December 16, 2017 at India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700091 at 11.00 A.M.

In this regard, please find attached, the following -

1. Voting results in the prescribed format pursuant to Regulation 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. Consolidated Scrutinizer's Report dated December 16, 2017 submitted by Mr. Mohan Ram Goenka, Practising Company Secretary, Kolkata (FCS No. 4515, CP No. 2551), Scrutinizer appointed to conduct the voting process (both Remote e-voting as well as Ballot Paper voting at the AGM Venue);
3. Annual Report of the Company for the Financial Year 2016-17 pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the Members of the Company.

Further, Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of Companies (Management Administration) Rules, 2014 and Clause 8.6.2 of Secretarial Standard - 2 on General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI), the Voting Result alongwith the Scrutinizer's Consolidated Report is available on the Company's website www.brnl.in and on the website of Karvy <https://evoting.karvy.com> for information of all concerned. Further, the results are also placed on the notice board of the Company at its Registered Office.

Bharat Road Network Limited

CIN: U45203WB2006PLC112235

Registered Office: 5th Floor, 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046

Tel.: +91 33 6602 3609 Fax: +91 33 6602 3243 Email: corporate@brnl.in

Website: www.brnl.in



The same is for your information and records.

For **Bharat Road Network Limited**

Sanjay Banka
Chief Financial Officer and Company Secretary
FCS No. 3537

Bharat Road Network Limited

CIN: U45203WB2006PLC112235

Registered Office: 5th Floor, 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046

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Website: www.brnl.in



BHARAT ROAD NETWORK LIMITED

Details regarding voting results as per Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

| | |
|---|---|
| Date of the AGM/EGM | Saturday, December 16, 2017 |
| Total number of shareholders on record date (9th December, 2017) | 16,331 |
| No. of shareholders present in the meeting either in person or through proxy: | |
| Promoters and Promoter Group: | 5 |
| Public: | 119 |
| No. of Shareholders attended the meeting through Video Conferencing | |
| Promoters and Promoter Group: | No Video Conferencing Facility was arranged |
| Public: | |

AGENDA WISE DISCLOSURE

| Resolution No. | 1 | | | | | | | |
|---|---|------------------------|-------------------------|--|------------------------------|----------------------------|---|--|
| Resolution required: (Ordinary/ Special) | ORDINARY - To consider and adopt the Financial Statements (including the Consolidated Financial Statement) of the Company for the Financial Year ended on March 31, 2017, and the report of the Board of Directors and Auditors thereon | | | | | | | |
| Whether promoter/ promoter group are interested in the agenda/resolution? | No | | | | | | | |
| Category | Mode of Voting | No. of shares held (1) | No. of votes polled (2) | % of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100 | No. of Votes – In favour (4) | No. of Votes – against (5) | % of Votes In favour on votes polled (6)=[(4)/(2)]*100 | % of Votes against on votes polled (7)=[(5)/(2)]*100 |
| Promoter and Promoter Group | E-Voting (Remote e-voting) | 54649800 | 54649800 | 100.00 | 54649800 | - | 100.00 | - |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 54649800 | 54649800 | 100 | 54649800 | - | 100 | - |
| Public- Institutions | E-Voting | 2303377 | 554363 | 24.0674 | 554363 | - | 100.000 | - |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 2303377 | 554363 | 24.067 | 554363 | - | 100 | - |
| Public- Non Institutions | E-Voting | 26996823 | 3838685 | 14.2190 | 3838685 | - | 100.0000 | - |
| | Poll | | 272 | 0.0010 | 272 | - | 100.0000 | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 26996823 | 3838957 | 14.2200 | 3838957 | - | 100 | - |
| Total: | | 83950000 | 59043120 | 70.3313 | 59043120 | - | 100.00 | - |
| Resolution No. | 2 | | | | | | | |
| Resolution required: (Ordinary/ Special) | ORDINARY - Appointment of a Director in place of Mr. Bajrang Kumar Choudhary (DIN: 00441872), who retires by rotation and being eligible, offers himself for re-appointment | | | | | | | |
| Whether promoter/ promoter group are interested in the agenda/resolution? | No | | | | | | | |
| Category | Mode of Voting | No. of shares held (1) | No. of votes polled (2) | % of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100 | No. of Votes – In favour (4) | No. of Votes – against (5) | % of Votes In favour on votes polled (6)=[(4)/(2)]*100 | % of Votes against on votes polled (7)=[(5)/(2)]*100 |
| Promoter and Promoter Group | E-Voting | 54649800 | 54649800 | 100.0000 | 54649800 | - | 100.0000 | 0.0000 |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 54649800 | 54649800 | 100.0000 | 54649800 | - | 100 | - |
| Public- Institutions | E-Voting | 2303377 | 554363 | 24.0674 | 554363 | 0 | 100.0000 | 0.0000 |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 2303377 | 554363 | 24.0674 | 554363 | - | 100 | - |
| Public- Non Institutions | E-Voting | 26996823 | 3829096 | 14.1835 | 3829096 | - | 100.0000 | - |
| | Poll | | 419 | 0.0016 | 419 | - | 100.0000 | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 26996823 | 3829515 | 14.1851 | 3829515 | - | 100 | - |
| Total | | 83950000 | 59033678 | 70.3200 | 59033678 | - | 100.0000 | - |
| Resolution No. | 3 | | | | | | | |
| Resolution required: (Ordinary/ Special) | ORDINARY - Appointment of Statutory Auditors, M/s. S.S. Kothari Mehta & Co., Chartered Accountants, Kolkata and fixing their remuneration | | | | | | | |
| Whether promoter/ promoter group are interested in the agenda/resolution? | No | | | | | | | |
| Category | Mode of Voting | No. of shares held (1) | No. of votes polled (2) | % of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100 | No. of Votes – In favour (4) | No. of Votes – against (5) | % of Votes In favour on votes polled (6)=[(4)/(2)]* 100 | % of Votes against on votes polled (7)=[(5)/(2)]*100 |
| Promoter and Promoter Group | E-Voting | 54649800 | 54649800 | 100.0000 | 54649800 | - | 100.0000 | - |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 54649800 | 54649800 | 100.0000 | 54649800 | - | - | - |
| Public- Institutions | E-Voting | 2303377 | 554363 | 24.0674 | 554363 | - | 100.0000 | - |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 2303377 | 554363 | 24.0674 | 554363 | - | 100 | - |
| Public- Non Institutions | E-Voting | 26996823 | 3838685 | 14.2190 | 3838685 | - | 100.0000 | - |
| | Poll | | 419 | 0.0016 | 346 | 73 | 82.5776 | 17.4224 |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 26996823 | 3839104 | 14.2206 | 3839031 | 73 | 99.9981 | 0.0019 |
| Total | | 83950000 | 59043267 | 70.3315 | 59043194 | 73 | 99.9999 | 0.0001 |



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BHARAT ROAD NETWORK LIMITED

Details regarding voting results as per Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

| Resolution No. | 4 | | | | | | | |
|---|---|------------------------|-------------------------|--|------------------------------|----------------------------|--|--|
| Resolution required: (Ordinary/ Special) | SPECIAL - Approval for Maintenance of the Register of Members with the Registrar & Share Transfer Agent (RTA) | | | | | | | |
| Whether promoter/ promoter group are interested in the agenda/resolution? | No | | | | | | | |
| Category | Mode of Voting | No. of shares held (1) | No. of votes polled (2) | % of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100 | No. of Votes – In favour (4) | No. of Votes – against (5) | % of Votes In favour on votes polled (6)=[(4)/(2)]*100 | % of Votes against on votes polled (7)=[(5)/(2)]*100 |
| Promoter and Promoter Group | E-Voting | 54649800 | 54649800 | 100.0000 | 54649800 | - | 100.0000 | - |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 54649800 | 54649800 | 100.0000 | 54649800 | - | 100 | - |
| Public- Institutions | E-Voting | 2303377 | 554363 | 24.0674 | 554363 | - | 100.0000 | - |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 2303377 | 554363 | 24.0674 | 554363 | - | 100 | - |
| Public- Non Institutions | E-Voting | 26996823 | 3838685 | 14.2190 | 3838685 | - | 100.0000 | - |
| | Poll | | 419 | 0.0016 | 346 | 73 | 82.5776 | 17.4224 |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 26996823 | 3839104 | 14.2206 | 3839031 | 73 | 99.9981 | 0.0019 |
| Total | | 83950000 | 59043267 | 70.3315 | 59043194 | 73 | 99.9999 | 0.0001 |
| Resolution No. | 5 | | | | | | | |
| Resolution required: (Ordinary/ Special) | SPECIAL - Alteration of the Object Clause of the Memorandum of Association of the Company | | | | | | | |
| Whether promoter/ promoter group are interested in the agenda/resolution? | No | | | | | | | |
| Category | Mode of Voting | No. of shares held (1) | No. of votes polled (2) | % of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100 | No. of Votes – In favour (4) | No. of Votes – against (5) | % of Votes In favour on votes polled (6)=[(4)/(2)]*100 | % of Votes against on votes polled (7)=[(5)/(2)]*100 |
| Promoter and Promoter Group | E-Voting | 54649800 | 54649800 | 100.0000 | 54649800 | - | 100.0000 | - |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 54649800 | 54649800 | 100.0000 | 54649800 | - | 100 | - |
| Public- Institutions | E-Voting | 2303377 | 554363 | 24.0674 | 554363 | - | 100.0000 | - |
| | Poll | | - | - | - | - | - | - |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 2303377 | 554363 | 24.0674 | 554363 | - | 100 | - |
| Public- Non Institutions | E-Voting | 26996823 | 3838685 | 14.2190 | 3838685 | - | 100.0000 | - |
| | Poll | | 419 | 0.0016 | 346 | 73 | 82.5776 | 17.4224 |
| | Postal Ballot (if applicable) | | NA | NA | NA | NA | NA | NA |
| | Total | 26996823 | 3839104 | 14.2206 | 3839031 | 73 | 99.9981 | 0.0019 |
| Total | | 83950000 | 59043267 | 70.3315 | 59043194 | 73 | 99.9999 | 0.0001 |



SCRUTINIZER'S REPORT

(Voting through Remote e-voting, and voting at the Annual General Meeting venue through ballot paper)

[Pursuant to Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014]

To,

The Chairman of the 10th (Tenth) Annual General Meeting (AGM) of the Members of BHARAT ROAD NETWORK LIMITED (CIN: U45203WB2006PLC112235), held on Saturday, 16th December, 2017 at 11:00 A.M. at India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700091

Dear Sir,

1. I, Mohan Ram Goenka, a Company Secretary in Practice (FCS No. 4515, CP No. 2551), Partner of M R & Associates, was duly appointed as a Scrutinizer by the Board of Directors of BHARAT ROAD NETWORK LIMITED (the Company) for the purpose of Scrutinizing the process of voting through Remote e-voting and voting at the venue of Annual General Meeting through ballot paper under the provisions of Section 108 of the Companies Act, 2013 (the 2013 Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Management of the Company is responsible to ensure the Compliance of the requirements of the Companies Act, 2013 and Rules relating to voting through Remote e-voting and voting at the Annual General Meeting venue through ballot paper for the resolutions proposed in the Notice of 10th Annual General Meeting of the Members of the Company dated November 02, 2017. My responsibility as a Scrutinizer for the process of voting through Remote e-voting and voting at the Annual General Meeting venue through ballot paper is to ensure that the voting process is conducted in a fair and transparent manner and is restricted to making a Scrutinizer's Report for the votes cast in "favour" or "against" on the resolutions proposed in the Notice of the 10th AGM of the Company, based on the report provided by Karvy Computershare Private Limited (Karvy), the agency engaged by the Company to provide e-voting facility for voting through electronic means.

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Our Office :

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R. No.: 6, Kolkata 700012,

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Phone No .2237 9517

3. In terms of the aforesaid Notice and as per the provisions of Section 108 of the Companies Act, 2013 (the 2013 Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the remote e-voting facility was kept open for 3 (three) days from Wednesday, 13th December, 2017 at 9:00 a.m. (IST) and ended on Friday, 15th December, 2017 at 5:00 p.m. (IST) and Members were requested to cast their votes electronically conveying their assent or dissent in respect of the resolution on the e-voting platform provided by Karvy Computershare Private Limited (Karvy).
4. The Members holding equity shares as on the "cut-off date" i.e 9th December, 2017 were entitled to vote on the resolutions proposed in the Notice calling the 10th Annual General Meeting.
5. At the end of the remote e-voting period i.e. Friday, 15th December, 2017 at 5:00 p.m. (IST), the e-voting portal of the service provider was blocked forthwith.
6. After transacting the business at the meeting, the Chairman ordered for voting at the AGM venue through ballot paper (for Members who could not cast their vote through remote e-voting) with the assistance of the Scrutinizer.
7. Immediately after the conclusion of voting at the venue of the AGM on the 16th day of December, 2017, the votes cast at the venue were counted, thereafter the votes cast through remote e-voting were unblocked in the presence of CS Sneha Khaitan and CS Smita Mondal, who acted as witnesses as prescribed under sub-rule 4(xii) of Rule 20 of the Companies (Management and Administration) Rules, 2014.
8. Thereafter, the details containing inter alia, list of the Members, who voted "for" or "against" on each of the resolution that were put to vote, were derived from the report generated from the e-voting website of Karvy Computershare Private Limited (Karvy) i.e. <https://evoting.karvy.com> and based on such reports, we find that :

29 Members have cast their votes through remote e-voting;

64 Members have cast their votes through ballot papers at the AGM venue.

The brief analysis of the results of the voting through Remote e-voting and voting at the Annual General Meeting venue through ballot paper are as under:



Item No. 1 - Ordinary Resolution:

Adoption of –

- a) The Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2017, and the report of the Directors and Auditors thereon.
- b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2017, and the report of the Auditors thereon.

| Particulars | No. of votes contained in | | | | | | Percentage (%) |
|-------------------|---------------------------|------------|--------------|-------|-------|------------|----------------|
| | Remote E-Voting | | Ballot paper | | Total | | |
| | No. | Votes | No. | Votes | No. | Votes | |
| Assent | 29 | 590,42,848 | 61 | 272 | 90 | 590,43,120 | 100 |
| Dissent | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 29 | 590,42,848 | 61 | 272 | 90 | 590,43,120 | 100 |
| Abstain / Invalid | 0 | 0 | 3 | 147 | -- | -- | -- |

Item No. 2 - Ordinary Resolution:

Appointment of a Director in place of Mr. Bajrang Kumar Choudhary (DIN: 00441872), who retires by rotation and being eligible, seeks re-appointment.

| Particulars | No. of votes contained in | | | | | | Percentage (%) |
|-------------------|---------------------------|------------|--------------|-------|-------|------------|----------------|
| | Remote E-Voting | | Ballot paper | | Total | | |
| | No. | Votes | No. | Votes | No. | Votes | |
| Assent | 27 | 590,33,259 | 64 | 419 | 91 | 590,33,678 | 100 |
| Dissent | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 27 | 590,33,259 | 64 | 419 | 91 | 590,33,678 | 100 |
| Abstain / Invalid | 2 | 9,589 | 0 | 0 | -- | -- | -- |

Item No. 3 - Ordinary Resolution:

Appointment of Statutory Auditors, M/s. S.S. Kothari Mehta & Co., Chartered Accountants, Kolkata and fixing their remuneration.

| Particulars | No. of votes contained in | | | | | | Percentage (%) |
|-------------------|---------------------------|------------|--------------|-------|-------|------------|----------------|
| | Remote E-Voting | | Ballot paper | | Total | | |
| | No. | Votes | No. | Votes | No. | Votes | |
| Assent | 29 | 590,42,848 | 63 | 346 | 92 | 590,43,194 | 99.9999 |
| Dissent | 0 | 0 | 1 | 73 | 1 | 73 | 0.0001 |
| Total | 29 | 590,42,848 | 64 | 419 | 93 | 590,43,267 | 100.0000 |
| Abstain / Invalid | 0 | 0 | 0 | 0 | -- | -- | -- |

Page 3 of 4

Our Office :

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Mobile No.9831074332

Phone No .2237 9517

Item No. 4 - Special Resolution:

Approval for Maintenance of the Register of Members with the Registrar & Share Transfer Agent (RTA)

| Particulars | No. of votes contained in | | | | | | Percentage (%) |
|-------------------|---------------------------|------------|--------------|-------|-------|------------|----------------|
| | Remote E-Voting | | Ballot paper | | Total | | |
| | No. | Votes | No. | Votes | No. | Votes | |
| Assent | 29 | 590,42,848 | 63 | 346 | 92 | 590,43,194 | 99.9999 |
| Dissent | 0 | 0 | 1 | 73 | 1 | 73 | 0.0001 |
| Total | 29 | 590,42,848 | 64 | 419 | 93 | 590,43,267 | 100.0000 |
| Abstain / Invalid | 0 | 0 | 0 | 0 | -- | -- | -- |

Item No. 5 - Special Resolution:

Alteration of the Object Clause of the Memorandum of Association of the Company.

| Particulars | No. of votes contained in | | | | | | Percentage (%) |
|-------------------|---------------------------|------------|--------------|-------|-------|------------|----------------|
| | Remote E-Voting | | Ballot paper | | Total | | |
| | No. | Votes | No. | Votes | No. | Votes | |
| Assent | 29 | 590,42,848 | 63 | 346 | 92 | 590,43,194 | 99.9999 |
| Dissent | 0 | 0 | 1 | 73 | 1 | 73 | 0.0001 |
| Total | 29 | 590,42,848 | 64 | 419 | 93 | 590,43,267 | 100.0000 |
| Abstain / Invalid | 0 | 0 | 0 | 0 | -- | -- | -- |

9. Based on the foregoing, the resolution no.(s) 1 to 5 have been passed with the requisite majority.

10. All the relevant records relating to the e-voting are under my safe custody and will be handed over to the Chairman or Company Secretary for preserving safely after the Chairman considers, approves and signs the minutes of the said AGM.

Thanking You,

For MR & Associates

Mohan Ram Goenka
Mohan Ram Goenka
 Practicing Company Secretary
 Partner
 C.P. No: 2551
 December 16, 2017, Kolkata



Subank

Countersigned by:

For Bharat Road Network Limited
 Sanjay Banka, Company Secretary
 FCS 3537

Our Office :

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 goenkamohan@gmail.com

Mobile No.9831074332
 Phone No .2237 9517



BHARAT ROAD NETWORK LIMITED

CIN: U45203WB2006PLC112235

Registered Office: 5B, North-East Block, Vishwakarma Building,
86C, Topsia Road (South), Kolkata – 700 046

Tel No. 033 – 6602 3609, Fax No. 033 – 6602 3243

Website: www.brnl.in Email: cs@brnl.in

NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting (AGM) of the Members of BHARAT ROAD NETWORK LIMITED (the Company) will be held on Saturday, 16th December, 2017 at 11:00 A.M. at India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700091, to transact the following businesses :

ORDINARY BUSINESS:

- To receive, consider and adopt -
 - The audited Standalone Financial Statements of the Company for the year ended March 31, 2017, and the Report of the Directors and Auditors thereon.
 - The audited Consolidated Financial Statements of the Company for the year ended March 31, 2017, and the report of the Auditors thereon.
- To elect a Director in place of Mr. Bajrang Kumar Choudhary (DIN: 00441872), who retires by rotation and being eligible, offers himself for re-appointment;
- To appoint the Statutory Auditors of the Company, and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and on the recommendation of the Audit Committee as well as the Board of Directors of the Company, **M/s. S.S. KOTHARI MEHTA & Co., Chartered Accountants, Kolkata** having Firm Registration No. 000756N allotted by The Institute of Chartered Accountants of India (ICAI), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Auditors, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of Fifteen Annual General Meeting of the Company, for a period of 5 (five) consecutive years commencing from Financial Year 2017-18 on such remuneration as shall be fixed by the Board of Directors based on the recommendation of the Audit Committee in addition to reimbursement of all reasonable out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

SPECIAL BUSINESS:

- To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 88, 94 and all other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the members of the Company be and is hereby accorded to maintain and keep the Company’s Register of Members/Register of Debenture holders/Register of other security holders along with the index of members, or any one or more of them, at the office of Company’s Registrar and Share Transfer Agent (RTA) or at such other place as the Board may decide from time to time instead of maintaining at the Registered Office of the Company;

RESOLVED FURTHER THAT Mr. Bajrang Kumar Choudhary, Managing Director or Mr. Sanjay Banka, Company Secretary of the Company be and are hereby authorized severally to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to the aforesaid resolution.”
- To consider and, if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Sections 4 and 13 and all other applicable provisions of the Companies Act, 2013 read with relevant Rules made thereunder (including any statutory enactment for the time being in force), the consent of the members of the Company be and is hereby accorded to alter/amend the object clauses of the Memorandum of Association of the Company, in the following manner:

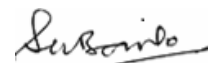
 - In Clause III(B) of the Memorandum of Association of the Company, the words “THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS STATED IN CLAUSE (A) ABOVE”, shall be substituted with the following:

“MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS AS SPECIFIED IN PART A”.
 - After the existing Clause III(B)(25), the following new Clauses shall be inserted;
 - To set up training facilities in Project evaluation, Project appraisal, Management studies and Capital Markets.
 - To set a technical and managerial skill bank to facilitate pooling of resources and skills of technicians, technologists, scientists, managers, consultants and other experts and make their service's available to users.
 - To provide or assist in obtaining directly or indirectly, advice or services in various fields such as management, finance, investment, technology, administration, marketing, commerce, law, economics, labour, human resource development, industry, public relations, statistics, science, computers, accountancy, taxation, fund management (other than that of mutual funds), foreign exchange dealings, quality control, Processing, strategic Planning and Valuation.

29. To carry on the business of granting of loans or advances or providing financial assistance in any other form whatsoever to industrial and other enterprises.
 30. To study and advice the Union and other Governments in formulating schemes to attract industries, investments in infrastructure development and such other areas as the Government may decide.
 31. To provide information and guidance on Governmental policies and regulations and to assist in obtaining various consents, approvals from Government or other authorities or agencies which may be required for establishing infrastructure facilities.
 32. To arrange or syndicate loan, lease facility, guarantee, letter of credit, fund based and non-fund based facility of any type including foreign currency loans, aid and assistance to any entrepreneur, company, corporation, society, firm, trust, person, Government for the purpose of creation, expansion or modernization of infrastructure and related facilities.
 33. To give guarantees and carry on and transact every kind of guarantee and counter guarantee business and in particular to guarantee the obligations of any of its subsidiary/ associate/ group companies and/or other companies in which the company has equity interest under any agreements/ contracts, payment of any principal monies, interest or other moneys secured by or payable under any debentures, bonds, debenture stock, mortgages, charges, contracts, obligations and securities and the payment of dividends on and the repayment of the capital of stocks and shares of all kinds and descriptions or the performance of any other obligations.
 34. To perform and undertake activities pertaining to leasing, giving on hire or hire purchase, asset credit, installment sale and/or deferred sale.
 35. To buy, underwrite, invest in and acquire and hold shares, stocks, debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any company or body corporate or by person or association.
 36. To apply for and become member of any Company, association, body corporate or societies, professional bodies, mercantile and public bodies in India and abroad, having any objects similar to or identical with those of the Company or likely to directly promote the interest of the Company.
 37. To sell, mortgage, exchange, grant licenses and other rights improve, manage, develop and dispose of undertakings, properties, assets and effects of the company or any part thereof for such consideration as may be expedient and in particular for any shares, stocks, debentures or other securities of any other such company having main objects altogether or in part similar to those of the Company.
3. The existing Clause III(C) and its Sub-clauses (1) to (11) of the Memorandum of Association of the Company shall be omitted;

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) be and are hereby authorized to take all such actions as may be necessary, desirable or expedient and to do all such necessary acts, deeds and things, including the power to sub delegate the aforementioned powers to Mr. Bajrang Kumar Choudhary, Managing Director or Mr. Sanjay Banka, CFO & CS that may be incidental or pertinent to give effect to the aforesaid resolution."

**By Order of the Board
For Bharat Road Network Limited**



**Sanjay Banka
Chief Financial Officer and Company Secretary
FCS - 3537**

**Date: 02.11.2017
Place: Kolkata**

NOTES:

1. **PROXIES: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013 and the Rules framed thereunder, a person can act as Proxy on behalf of Members not exceeding 50 (fifty) in number and holding in the aggregate not more than 10 (ten) per cent of the total share capital of the Company carrying voting rights. However, a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other member. The Instrument appointing the Proxy, in order to be valid and effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 (forty-eight) hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies etc. must be supported by an appropriate resolution/authority, as applicable. Every Member entitled to vote at the Meeting can inspect the proxies lodged at the Company, at any time during the business hours of the Company, during the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the Meeting and ending on the conclusion of the Meeting. However, a prior notice of not less than 3 (three) days in writing of the intention to inspect the proxies lodged shall be required to be provided to the Company. In case of joint holders attending the meeting, only such joint holder whose name appears first in the Register of Members will be entitled to vote.

2. **Statement pursuant to Section 102:** The Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting is annexed hereto and forms part of the Notice.
3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorising their representative to attend and vote on their behalf at the Meeting.
4. Members / Proxies / Authorized Representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.

5. **Communication:** Electronic copy of the Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of Electronic Voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agents/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email IDs, physical copies of the Notice of the AGM of the Company inter alia indicating the process and manner of Electronic Voting along with Attendance Slip and Proxy Form is being sent through permitted mode.
6. **Registrar & Share Transfer Agents and Depository Participants:** Members holding Shares in physical mode are requested to intimate changes in their address to Karvy Computershare Private Limited, Registrar and Share Transfer Agents (RTA) of the Company located at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. Members holding Shares in electronic mode are requested to send the intimation for change of address and updation of bank account details to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.
7. **Nomination Facility:** Members holding shares in the physical form and desirous of making/changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose to the Company's Registrar and Share Transfer Agents (RTA), Karvy Computershare Private Limited, who will provide the form on request. Members holding shares in the demat form and desirous of making/changing Nomination in respect of their shareholdings in the Company may please contact their respective Depository Participant.
8. **Go Green Initiative:** The Company is sending Notices for General Meetings, Financial Statements, etc. through email to Members whose email IDs are registered with the RTA/Depository Participants. However, it is noticed that there are Members who have not registered their email IDs with the Company. Consequently, the Company is unable to send communications to them electronically. In compliance with provisions of Rule 18 of the Companies (Management and Administration) Rules, 2014 and applicable provisions of the Companies Act, 2013, Members holding Shares in physical form are requested to register their email IDs with the Company's Registrar and Share Transfer Agents (RTA) i.e. Karvy Computershare Private Limited and Members holding Shares in demat mode who have still not registered their email IDs are requested to register their email IDs with their respective Depository Participants (DPs). Members whose email IDs have undergone any change or whose IDs require any correction, may kindly update the same with the RTA or the DPs, as stated above.
9. **Mandatory PAN Submission:** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited.
10. **Inspection of documents by Members:** All Statutory Registers and relevant documents referred to in the Notice and the Statement pursuant to Section 102 of the Companies Act, shall be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready.

11. **Subsidiary Accounts:** In accordance with the provisions of Section 136 of the Companies Act, 2013, the Company will provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the Company on making requisition to the Company Secretary at the registered office of the Company or email at cs@brnl.in.

A Statement containing the salient features of the financial statement of subsidiaries forms part of the Annual Report of the Company. The audited financial statements will also be available for inspection at the Registered Office of the Company and the concerned subsidiary companies during business hours on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting. Further, the documents shall also be available on the website of the Company www.brnl.in.

12. Members may also note that the Notice of the meeting and the Annual Report for the Financial Year 2016-2017 will be available on the website of the company www.brnl.in and also on the website of the Karvy Computershare Private Limited (Karvy), the agency providing the E Voting facility.

13. **Voting through electronic means (E- Voting)**

I. **Remote e-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

- (A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s):
 - i). Use the following URL for e-voting: <https://evoting.karvy.com>
 - ii). Enter the login credentials i.e., user id and password mentioned in your email. Your Folio No. /DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing USER ID and password for casting your vote.
 - iii). After entering the details appropriately click on "LOGIN".
 - iv). You will reach the 'password change' menu wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc..). The system will prompt you to change your password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- v). You need to login again with the new credentials.
- vi). On successful login, the system will prompt you to select the EVENT i.e., BHARAT ROAD NETWORK LIMITED.
- vii). On the voting page, the number of shares (which represents the number of votes) as held by the member will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click "FOR"/"AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST", but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- viii). Members holding multiple folio/demat accounts shall choose the voting process separately for each folio/demat account.
- ix). Cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- x). Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at email goenkamohan@gmail.com with a copy marked to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Bharat Road Network Limited 10th AGM."
- xi). In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of <https://evoting.karvy.com> or call Karvy Computershare Private Limited on 1800 345 4001 (toll free).

(B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:

- i). E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
- ii). Please follow all steps from Sl. No. (i) to (xi) above to cast your vote by electronic means.

II. **Voting at AGM:** The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the venue of the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through ballot paper shall be made available at the venue of 10th AGM and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

Other Instructions:

- a) The remote e-voting period commences on Wednesday, 13th December, 2017 at 9.00 a.m. (IST) and ends on Friday, 15th December, 2017 at 5.00 p.m. (IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 9th December, 2017, may cast their vote by remote e-voting. Remote e-voting shall not be allowed beyond the said date and time and the remote e-voting facility shall be blocked thereafter. Once the vote on a resolution is cast by the member through remote e-voting, the member shall not be allowed to change it subsequently or cast the vote again.
- b) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 9th December, 2017, only shall be entitled to avail the facility of remote e-voting as well as voting at the 10th AGM through ballot paper. A person who is not a member as on cut-off date should treat this Notice for information purposes only.
- c) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. Mohd Mohsin Uddin – Senior Manager (Unit: Bharat Road Network Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- d) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date i.e., 9th December, 2017, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i). If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number + DP ID Client ID to 9212993399
 - Example for NSDL:
MYEPWD <SPACE> IN12345612345678
 - Example for CDSL:
MYEPWD <SPACE> 1402345612345678
 - Example for Physical:
MYEPWD <SPACE> xxxx1234567890
 - ii). If e-mail address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click "Forgot Password" and enter Folio No. / DP ID Client ID and PAN to generate a password.
 - iii). Member may call Karvy's toll free number 1800-3454-001.
 - iv). Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

14. **Attendance Registration:** Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.
15. **Scrutinizer:** The Company has appointed Mr. Mohan Ram Goenka, Practicing Company Secretary, (FCS No.: 4515 and CP No.: 2551) of M/s M. R. & Associates, Practicing Company Secretaries Firm, as Scrutinizer for conducting the voting process (both remote e-voting and voting at the AGM) in a fair and transparent manner.
16. **Declaration of Results:** The Scrutinizer shall immediately after the conclusion of voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Company and within a period not exceeding 48 hours from the conclusion of the meeting, make a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or person authorized by the Chairman for counter signature.
- The Results shall be declared either by the Chairman or by any Director authorized by the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s). Further, in accordance with Regulation 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall submit to the Stock Exchanges, details of the Voting results in the prescribed format within 48 (forty eight) hours of conclusion of the Annual General Meeting (AGM). The results shall be uploaded on the NSE NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre. Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website www.brnl.in and on the website of Karvy <https://evoting.karvy.com> and communicated to the BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed, for placing the same on their website. The results shall also be placed on the notice board of the Company at its Registered Office.
17. **Distribution of Gifts:** In conformity with regulatory requirements, the Company will NOT be distributing any gift, gift coupons or cash in lieu of gifts at the AGM or in connection therewith.
18. **Route Map:** A Route Map showing directions to reach to the venue of the 10th AGM of the Company is given at the end of this Notice as per the requirement of the Secretarial Standard - 2 on "General Meeting" issued by The Institute of Company Secretaries of India (ICSI). The prominent landmark near the Venue is Infinity Building.
19. **Information of Directors pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meeting:** At the ensuing Meeting of the Company, Mr. Bajrang Kumar Choudhary (DIN: 00441872), Managing Director retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 ("Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible, seeks re-appointment.

Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard – 2 on General Meeting, the particulars of the aforesaid Director seeking re-appointment at the AGM are given below:

| | | | |
|---|--|------------|--------------|
| Name of Director | Mr. Bajrang Kumar Choudhary (DIN: 00441872) | | |
| Date of Birth | 22/06/1968 | | |
| Date of Appointment | 23/03/2011 (Designated as Managing Director of the Company, for a period of 3 years w.e.f 1st November, 2016) | | |
| Expertise in specific functional areas | He is a former Chief Executive Officer - Infrastructure Project Development of SREI, managing portfolio investments across Roads, Ports, Water and Economic Zones. He has previously served as the "Chairman- Expert Committee on Infrastructure" of Indian Chamber of Commerce. He has an experience of over two decades in infrastructure asset management, project development, project implementation, private equity and M&A. | | |
| Qualification | He has completed his Bachelor of Commerce from Shriram College of Commerce, New Delhi and he is an Associate Member of The Institute of Chartered Accountant of India (ICAI). | | |
| List of outside directorship held | 1. Kolkata Mass Rapid Transit Private Limited 2. I Log Ports Private Limited 3. I Log Port (Dahej) Private Limited | | |
| Membership / Chairmanship of Committees of other Boards (Audit Committee and Stakeholders Relationship Committee) | Name of Committee | Membership | Chairmanship |
| | Audit Committee | Nil | Nil |
| | Stakeholders Relationship Committee | Nil | Nil |
| Names of listed entities in which the person also holds the directorship | Bharat Road Network Limited | | |
| Names of the Membership of Committees of the Board | Audit Committee | Members | |
| | Stakeholders Relationship Committee | | |
| | Committee of Directors | | |
| | Corporate Social Responsibility | | |
| Shareholding in the Company | 9,589 shares | | |
| Relationship with other Directors, Managers and KMPs | Non- Related with any of the Directors and KMPs of the company. | | |
| No. of Board Meetings attended during the Financial Year 2016-17 [out of 9 (Nine) held] | 9 (Nine) | | |
| Terms and conditions of Appointment or Re-appointment | Liable to retirement by rotation | | |

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:

Item No. 4:

Pursuant to the provisions of Section 88 and 94 of the Companies Act, 2013 (“the Act”) read with the Companies (Management and Administration) Rules, 2014, the company is required to keep its Register of Members, Index of Members, Register and Index of Debenture Holders and Register of other Security holders at its Registered Office. However, the Act provides that a company can by passing a special resolution keep the aforesaid registers at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one tenth of the members entered in the Register of Members reside. For the purpose of administrative and servicing convenience, it is proposed to maintain and keep the Company’s Register of Members/Register of Debenture holders/Register of other security holders along with the index of members or any one or more of them, at the office of Company’s Registrar and Share Transfer Agent (RTA), or at such other place as the Board may decide from time to time decide, instead of maintaining the same at Registered Office of the Company.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent their shareholding, if any.

Item No. 5:

As required in the erstwhile Companies Act, 1956, the existing Object Clause III of the Memorandum of Association (MOA) of the Company has following 3 (Three) sub clauses–

- Main objects,
- Objects incidental or ancillary to the attainment of the Main Objects.
- Other objects

With a view to align the Object Clause of the Memorandum of Association (MOA) of the Company as per the requirement of the provisions of the Companies Act, 2013 it has been proposed to segregate the Objects Clause of MOA into two parts –

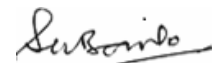
- The Objects to be pursued by the Company on its incorporation’ (Main Objects) and
- Matters which are necessary for furtherance of the Main Objects.

In view of the said requirements, the Objects Clause III (B) i.e. incidental or ancillary to the attainment of the Main Objects Clause are proposed to be altered/amended as described in the aforesaid resolution itself.

In terms of the provisions of Section 13 of the Companies Act, 2013, any amendment in the Object clause will required approved of the Members of the Company by means of Special Resolution. The Directors, therefore, recommend the Resolution under item no. 5 to be passed as Special Resolution by the Members.

None of the Directors or Key Managerial Personnel (KMPs) of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the proposed Resolution, except to the extent of their shareholding, if any.

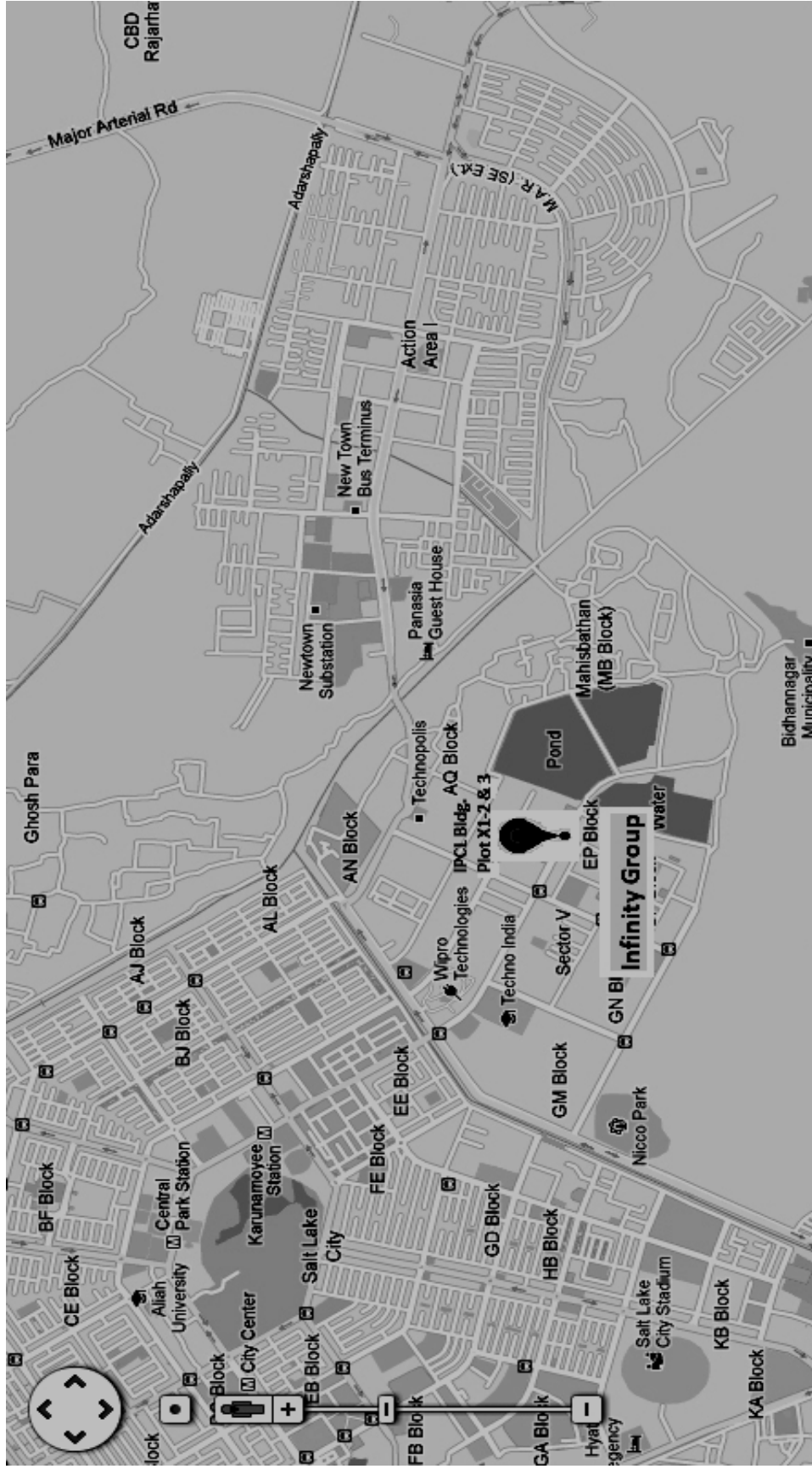
**By Order of the Board
For Bharat Road Network Limited**



**Sanjay Banka
Chief Financial Officer and Company Secretary
FCS - 3537**

**Date: 02.11.2017
Place: Kolkata**

ROUTE MAP FOR AGM





BHARAT ROAD NETWORK LIMITED

CIN: U45203WB2006PLC112235

Registered Office: 5B, North-East Block, Vishwakarma Building,
86C, Topsia Road (South), Kolkata – 700 046

Tel No. 033 – 6602 3609, **Fax No.** 033 – 6602 3243

Website: www.brnl.in **Email:** cs@brnl.in

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | |
|-------------------------|---|
| Name of the company: | Bharat Road Network Limited |
| CIN: | U45203WB2006PLC112235 |
| Registered office: | 5B, North-East Block, Vishwakarma Building, 86C, Topsia Road (South), Kolkata – 700 046 |
| Name of the member (s): | |
| Registered address: | |
| E-mail Id: | |
| DP ID / Client Id: | |

I/We, being the member (s) of shares of the above named company, hereby appoint:

- Name: Address:
E-mail Id: Signature:....., or failing him
- Name: Address:
E-mail Id: Signature:....., or failing him
- Name: Address:
E-mail Id: Signature:.....,

as my/our proxy to attend and vote for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Saturday, 16th December, 2017 at 11:00 A.M at India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700091 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolutions |
|--------------------------|---|
| ORDINARY BUSINESS | |
| 1. | Adoption of - a. The audited Standalone Financial Statements of the Company for the year ended March 31, 2017, and the report of the Directors and Auditors thereon; b. The audited Consolidated Financial Statements of the Company for the year ended March 31, 2017, and the report of the Auditors thereon. |
| 2. | Appointment of a Director in place of Mr. Bajrang Kumar Choudhary (DIN: 00441872), who retires by rotation and being eligible, seeks re-appointment. |
| 3. | Appointment of Statutory Auditors, M/s. S.S. Kothari Mehta & Co., Chartered Accountants, Kolkata and fixing their remuneration |
| SPECIAL BUSINESS | |
| 4. | Approval for Maintenance of the Register of Members with the Registrar & Share Transfer Agent (RTA), Karvy Computershare Private Limited |
| 5 | Alteration of the Object Clause of the Memorandum of Association of the Company |

Signed this..... day of..... 2017

Signature of ShareholderSignature of 1st Proxy holder

Signature of 2nd Proxy holder Signature of 3rd Proxy holder

| |
|---|
| AFFIX REVENUE STAMP OF NOT LESS THAN RE.1 |
|---|

Note:

- This form of Proxy in order to be effective should be duly completed, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- If appointed for more than 50 (fifty) Members, the Proxy shall choose any 50 (fifty) Members and confirm the same to the Company before the commencement of specified period for inspection. In case, the Proxy fails to do so, the Company shall consider only the first 50 (fifty) proxies received as valid.
- Any alteration or correction made to this Proxy form must be initialled by the signatory/signatories.
- Please affix appropriate Revenue Stamp before putting signature.
- If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked “For”. If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked “Against”. If no direction is given, your Proxy may vote or abstain as he/she thinks fit.
- A proxy need not be a shareholder of the Company.



BHARAT ROAD NETWORK LIMITED

CIN: U45203WB2006PLC112235

Registered Office: 5B, North-East Block, Vishwakarma Building,
86C, Topsia Road (South), Kolkata – 700 046

Tel No. 033 – 6602 3609, **Fax No.** 033 – 6602 3243

Website: www.brnl.in **Email:** cs@brnl.in

ATTENDANCE SLIP

(to be handed over at the Registration Counter)

| | |
|---------------------|----------------|
| DP ID / Client ID : | Sl. No. |
| Name : | |
| Address : | |
| Joint Holder : | |

I/We hereby record my/our presence at the **Tenth Annual General Meeting** of the Company on Saturday, December 16, 2017 at 11.00 A.M. at India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700091

Full name of Member/Proxy.....
(IN BLOCK LETTERS)

.....
Signature of the Member/Proxy

Note:

Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.

ELECTRONIC VOTING PARTICULARS

| EVEN (Electronic Voting Event (Number)) | USER ID | PASSWORD |
|--|----------------|-----------------|
| | | |

The remote e-voting facility will be available during the following period:

| Commencement of remote e-voting | End of remote e-voting |
|---|---|
| From 9.00 a.m. (IST) on December 13, 2017 | Upto 5.00 p.m. (IST) on December 15, 2017 |

The cut-off date for the purpose of remote e-voting & voting at the AGM is Saturday, December 09, 2017.



BOARD OF DIRECTORS

| | |
|-------------------------------|--|
| Mr. Brahm Dutt | Chairman, Non-Executive and Independent Director |
| Mr. Bajrang Kumar Choudhary | Managing Director (Executive Director) |
| Mr. Pradeep Singh | Non-Executive and Independent Director |
| Mr. Atanu Sen | Non-Executive and Independent Director |
| Dr. (Ms.) Tuk Tuk Ghosh Kumar | Non-Executive and Independent Director |

BOARD COMMITTEES

Audit Committee

| | |
|-----------------------------|-----------|
| Mr. Brahm Dutt | Chairman |
| Mr. Bajrang Kumar Choudhary | Member |
| Mr. Atanu Sen | Member |
| Mr. Sanjay Banka | Secretary |

Nomination and Remuneration Committee

| | |
|-------------------|-----------|
| Mr. Brahm Dutt | Chairman |
| Mr. Pradeep Singh | Member |
| Mr. Atanu Sen | Member |
| Mr. Sanjay Banka | Secretary |

Stakeholders Relationship Committee

| | |
|-----------------------------|-----------|
| Mr. Pradeep Singh | Chairman |
| Mr. Atanu Sen | Member |
| Mr. Bajrang Kumar Choudhary | Member |
| Mr. Sanjay Banka | Secretary |

Corporate Social Responsibility Committee

| | |
|-------------------------------|-------------|
| Dr. (Ms.) Tuk Tuk Ghosh Kumar | Chairperson |
| Mr. Atanu Sen | Member |
| Mr. Bajrang Kumar Choudhary | Member |
| Mr. Sanjay Banka | Secretary |

Committee of Directors (COD)

| | |
|-------------------------------|-----------|
| Mr. Atanu Sen | Chairman |
| Dr. (Ms.) Tuk Tuk Ghosh Kumar | Member |
| Mr. Bajrang Kumar Choudhary | Member |
| Mr. Sanjay Banka | Secretary |

Chief Financial Officer & Company Secretary

Mr. Sanjay Banka

CORPORATE INFORMATION

Corporate Identification Number (CIN)

U45203WB2006PLC112235

Registered Office

5B, North East Block, Vishwakarma Building
86C, Topsia Road (South), Kolkata- 700046
Tel: +91 33 6602 3609, Fax: +91 33 6602 3243
Email: cs@brnl.in, Website: www.brnl.in

Stock Exchanges

BSE Limited (Scrip Code - 540700)
National Stock Exchange of India Limited (Symbol BRNL)

Depositories

National Securities Depository Limited
Central Depository Services (India) Limited

Registrar and Share Transfer Agents

Karvy Computershare Private Limited (Karvy)
Karvy Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda, Hyderabad - 500 032
Tel: +91 40 6716 2222; Fax: +91 40 2342 0814
Email: einward.ris@karvy.com

Statutory Auditors

G.P. Agarwal & Co, Chartered Accountants.

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AT A GLANCE



Incorporated in 2006, **Bharat Road Network Limited (BRNL)** is a road BOT company focused on development, implementation, operation and maintenance of national and state highways across India. The company successfully operated projects in Haryana, Kerala, Madhya Pradesh, Maharashtra, Odisha and Uttar Pradesh through partnership with experienced EPC players.

1 As at 31st March, 2017

2 Includes total Toll Revenue collection across all operating projects

3 As at 30th September, 2017

Directors' Profile

Mr. Brahm Dutt
DIN: 05308908

He is the Chairman of the Board and Independent Director of our Company since January 2014. He holds a Master of Science degree in Physics from University of Meerut, Master of Arts degree in Economics from Karnataka University and a Bachelor's degree in Law from Bangalore University. He was a member of the Indian Administrative Services and during his service, he inter alia served as, the Secretary of the Ministry of Road Transport and Highways and the Principal Home Secretary of State of Karnataka.

Mr. Bajrang Kumar Choudhary
DIN: 00441872

He has been a Director on our Board since March 2011 and has been elevated as the Managing Director of our Company in November, 2016. He has completed his Bachelor of Commerce from Shriram College of Commerce, New Delhi and he is an Associate Member of the Institute of Chartered Accountants of India. He is a former Chief Executive Officer - Infrastructure Project Development of SREI, managing portfolio across Roads, Ports, Water and Economic Zones. He has previously served as the "Chairman- Expert Committee on Infrastructure" of Indian Chamber of Commerce. He has an experience of over two decades in Infrastructure Asset Management, Project Development, Project Implementation, Private Equity and M&A.

Mr. Pradeep Singh
DIN: 00304825

He is an Independent Director of our Company since September 2015. He holds a Master of Science degree in Physics from Punjabi University and has also completed his MBA from Panjab University. He has also completed his Master of Public Administration from the John Fitzgerald Kennedy School of Government, Harvard University, where he received the Littauer Award for "Academic Excellence and Promise of Leadership" and he is also a Graduate from Stanford University. He was a member of the Indian Administrative Services and during his service, he, inter alia, served as the Director, Ministry of Defence and as the Deputy Secretary of the Ministry of Home Affairs. He has served as Vice Chairman and Managing Director of IDFC Projects Limited. He is currently the Advisor (Infrastructure Development) to the State of Jammu and Kashmir.

Mr. Atanu Sen
DIN: 05339535

He is an Independent Director of our Company since September 2016. He holds a Master of Arts degree in Economics from University of Calcutta and is a Certified Associate of The Indian Institute of Bankers. He was the Managing Director and CEO of SBI Life Insurance Company. He has also served, amongst others, as the Deputy Managing Director (Chief Credit and Risk Officer) of the State Bank of India. He is also the trustee to the National Pension Scheme of Government of India.

Dr. (Ms.) Tuk Tuk Ghosh Kumar
(DIN: 06547361)

She is an Independent Director of our Company since October, 2016. She holds Master of Philosophy degree and degree of Doctor of Philosophy in History from the University of Delhi and has been a Lecturer there from 1979-1981. She was a member of the Indian Administrative Service of West Bengal Cadre between 1981-2015. She retired in the rank of Secretary, Government of India.

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the Tenth Annual Report together with the Audited Accounts of your Company for the Financial Year ended on 31st March, 2017. The summarized financial performance of your Company is as under:

FINANCIAL RESULTS AND OPERATIONS

Standalone Financial Statements

(Rs. in Crore)

| Particulars | For the year ended | |
|--|--------------------|------------------|
| | 31st March, 2017 | 31st March, 2016 |
| Total Income | 17.42 | 7.34 |
| Total Expenditure | 16.02 | 7.07 |
| Profit/(Loss) Before Tax | 1.40 | 0.27 |
| Tax Expenses | 0.54 | — |
| Profit/(Loss) After Tax | 0.86 | 0.27 |
| Balance brought forward from previous year | (0.27) | (0.54) |
| Balance carried to Balance Sheet | 0.59 | (0.27) |
| Paid up Equity Share Capital | 54.65 | 10.00 |

Consolidated Financial Statements

(Rs. in Crore)

| Particulars | For the year ended | |
|--|--------------------|------------------|
| | 31st March, 2017 | 31st March, 2016 |
| Total Income | 12.19 | 4.25 |
| Total Expenditure | 16.79 | 7.15 |
| Profit/(Loss) Before Tax | (4.59) | (2.89) |
| Tax Expenses | 0.54 | — |
| Profit/(Loss) After Tax | (5.18) | (2.89) |
| Share of Loss of Associates | (39.11) | (41.48) |
| Profit for the year | (44.28) | (44.37) |
| Balance brought forward from previous year | (75.29) | (30.92) |
| Adjustment on consolidation | (1.31) | — |
| Balance carried to Balance Sheet | (120.88) | (75.29) |
| Paid up Equity Share Capital | 54.65 | 10.00 |

Note: The above figures have been extracted from the standalone and consolidated financial statements of the Company for the financial year ended on March 31, 2017.

During the year under review, your Company has earned an Income of Rs. 17.42 Crore as against Rs. 7.34 Crore earned in

the previous Financial Year and Net Profit of Rs. 0.86 Crore against a Profit of Rs. 0.27 Crore earned in the previous Financial Year.

DIVIDEND

In view of inadequate profit earned during the year under review, the Board of Directors of your Company does not recommend any dividend for the Financial Year 2016-17.

TRANSFER TO RESERVES

No amount has been transferred to any Reserves in view of the inadequate profit earned by the Company this year.

NATURE OF BUSINESS

There has been no change in the nature of business of the Company.

PUBLIC DEPOSITS

Your Company has not invited or accepted deposits from the public covered under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

APPLICABILITY OF ACCOUNTING STANDARD

The Indian Accounting Standard (Ind-AS) became applicable to the Company from April 1, 2017.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economy & Industry

The Financial Year 2016-17 has been momentous as the economic ecosystem of India underwent major transition at various levels. The year started on a positive note with India outshining China to emerge as the fastest growing major economies in the world. Although Indian economy's high growth trajectory tapered down midway in the Financial Year 2016-17 (ending March 2017), affected by lower consumption, weaker manufacturing and cash crisis, the future outlook for India remained bright as according to the IMF, Indian economy is the "bright spot" in the global landscape. According to the first advanced estimates released by the government, the GDP growth for Financial Year 2016-17 is estimated at 7.1 per cent.

FDI inflows in India have also grown at a rapid pace of around 20% CAGR to reach above \$43 billion in 2016-17 from \$2.5 billion in 2000-01. The pace of growth was even faster from 2000-01 to 2008-09 (CAGR of ~38%) but the global slowdown affected investments in 2009-10 and 2010-11. However, since then, the growth in FDI has picked up again. The government has introduced significant policy reforms to augment FDI inflows, to further boost investments and enhance physical infrastructure to supplement with the country's economic growth.

Infrastructure is considered to be the most critical factor for propelling country's overall development. Hence, it enjoys intense focus from Government of India for initiating policies that would ensure time-bound creation of world class infrastructure in the country.

Among the core infrastructure segments, the Roads and Highways sector has been the key contributor to overall investments in the infrastructure sector. Although road network in India transports more than 60 per cent of all goods in the country and 85 per cent of India's total passenger traffic, the existing Highway network of about 5.2 million km is still far behind the world's leading economies in terms of qualitative density and average vehicle speed. To speed up the Highway development, Government has undertaken several policy initiatives over the past few years which have so far given a major push to highway development and the growth momentum is likely to continue for the coming years.

Economic growth, increasing government thrust, preference of road in freight traffic, spurt in private participation and surge in passenger traffic and vehicle density continues to be the key growth drivers for increased investments in the Roads and Highways sector.

Transportation is most crucial function of the logistics industry accounting for 50-60% of the total market. Out of which 36% of the total market in logistic infrastructure is dominated by Roads and Highways. Road's traffic share of the total traffic in India has grown from 13.8 per cent to 65 per cent in freight traffic & from 32 per cent to 80 per cent in passenger traffic over 1951-2015. Simultaneously, there has been also a constant surge in sale of Passenger as well as Commercial vehicle. During 2016-17, the sale of passenger vehicles increased by 9% to 30,46,727 units whereas commercial vehicle sales increased by 4% to 7,14,232 units. The strong macro-economic fundamentals coupled with favorable policy initiatives during the last couple of years propelled the growth in Roads and Highways sector.

Some of the initiatives and market trends that continue to drive the sector are mentioned below:

- **Improvement in awarding momentum:** Government is focusing to improve awarding and with the introduction of Hybrid Annuity Model (HAM), a significant share of awarding has been under HAM and it is expected to improve further in coming years.
- **Increasing participation of Private Equity Funds:** Private Equity has contributed to road projects in the past. Going ahead, private equity investment can further pick up, following the recent announcements of exit policy for debt-stressed operators for toll roads.
- **Re-emergence of EPC contracts:** Given the current financial crunch being faced by Build-Operate-Transfer

(BOT) players, over the next five years, we expect the share of Engineering, Procurement, Construction (EPC)/ cash contract projects to widen, especially in low-traffic-volume projects under NHDP-Phase IV.

- **Other sector-favorable policies:** 100% exit policy for stressed BOT players, providing for 'secured' status for PPP projects while lending, proposal to scrap slow moving highway projects (under consideration) etc.
- **Hybrid Annuity Model (HAM):** The Hybrid Annuity Model has now gathered momentum and hence is likely to further improve private participation in the sector. The model has been successful in bringing a new set of players to the private space by mitigating risks related to traffic, interest rate and inflation, and by requiring a smaller equity commitment (only 12-15% of project cost).
- **Toll - Operate - Transfer (TOT):** This is a new PPP model under consideration by NHAI to spurt private participation in the roads sector.
- **Operate Maintain Transfer (OMT):** Apart from NHAI, OMT models have also been adopted by a few large Indian States, where road development authorities' State have invited bids / awarded highway stretches to be operated and maintained on OMT basis.
- **ETC Lane:** The decision of the Ministry of Roads Transport and Highways to roll out ETC programme in the country under the brand name 'FASTag' has resulted in greater user convenience through automation. Electronic Toll Collection enables road users to pay highway tolls electronically without stopping at the toll plazas. Dedicated ETC lane helps in reducing congestion at the toll plazas and enable seamless movement of vehicles on the national highways.

Opportunities

Over the past few years, the Roads and Highways sector has opened up a plethora of opportunities for the companies engaged in Highway construction and development. As per the recent announcements, the government plans to build 83,677 km of road over the next 5 years (till 2021-22) as against the construction of ~28,662 km in previous five years (FY13-17). The plan includes the Bharatmala project along with other road projects.

The total investment is estimated at INR 6.92 tn. The project will be implemented jointly by NHAI, MoRTH, NHIDCL and state PWD for faster execution of the project.

- **Bharatmala Scheme:** The total investment envisaged under Bharatmala Phase I is ~INR 5.35 tn. This also includes
 - o Coastal road and Port connectivity – ~2100 km coastal roads and ~2000 km port connectivity project to be built for industrial development. ~2000 km to be built in Phase I

- o Border connectivity project – 3300 km to be developed along eastern and western borders. ~1000 km to be developed in Phase I
- o In addition to the above, the government has also included the pending 10,000 km of the NHDP program under the Bharatmala scheme.

The funding for the scheme is expected to be garnered through market borrowings (~INR 2.09 tn) from, private investments (~INR 1.06 tn) and balance (~INR 2.19 tn) from Central Road Fund (CRF)/ Toll Operate and Transfer (ToT).

Apart from the above opportunities, there are also plans for developing ~48,877 km under different schemes. This would entail cumulative project cost of ~INR 1.57 tn which is expected to be funded from CRF (INR 0.97 tn) and budgetary support (INR 0.59 tn).

ToT model is expected to be used to fund these projects. Monetisation of 82 operational highways is expected to fetch INR 340 bn with 1st bundle and 9 NH of 680.64 km to fetch INR 62.58 bn.

The additional target to connect rural hinterland under PMGSY project (to connect rural road), predominantly in EPC mode, is expected to complete 1,09,302 km over next three years with investment of INR 881.85 bn. In addition, up gradation of 5,411 km of roads in 44 Left Wing Extremism district worth INR 117.25 bn is expected to be completed by 2019-20.

Business & Operations

Your Company is a road BOT company in India, focused on development, implementation, operation and maintenance of Roads/Highways projects. Your Company is involved in the development, operation and maintenance of National and State highways in several states in India with projects in states of Uttar Pradesh, Kerala, Haryana, Madhya Pradesh, Maharashtra and Odisha through partnerships with experienced EPC players in the local space where the projects are located. At present, all of your Company's projects are implemented through Special Purpose Vehicles, either through Subsidiary or in Partnership with other infrastructure players.

The main business operations of your Company can be divided into three categories, i.e.

- (i) Project development and implementation;
- (ii) Operation and maintenance of tolling operations and
- (iii) Advisory and project management services to our projects.

During the year under review, your Company has focused on all these areas to augment resources.

Your Company has a project portfolio consisting of six (6) BOT Projects, of which two (2) Projects are operational under Final COD, three (3) Projects are operational under Provisional COD and one (1) Project is under Construction. The Operational projects under Final COD and the Operational projects under

Provisional COD are located in the states of Kerala, Madhya Pradesh, Haryana, Uttar Pradesh and Odisha, respectively. The under construction Project is located in the state of Maharashtra.

The Operational Projects under Final COD and the Operational Projects under Provisional COD cover approximately 1,622.44 lane kms, including major and minor bridges and the under construction project involves development of 400.24 lane kms, including major and minor bridges.

• **Operational Projects under Final COD:**

1. **Guruvayoor Infrastructure Private Limited:** Four laning of the existing two lane portion of the Thrissur-Angamali section of NH-47 from km 270.00 to km 316.70 and improvement, operation and maintenance of the Angamali-Edapalli section from km 316.70 to km 342.0 of NH-47 in the state of Kerala on BOT Toll basis.
2. **Mahakaleshwar Tollways Private Limited:** Four laning of the Indore-Ujjain portion from Ch. 5/2 to Ch. 53 on State Highway 27 on BOT Toll basis in the state of Madhya Pradesh.

• **Operational Projects under Provisional COD:**

1. **Ghaziabad Aligarh Expressway Private Limited:** Four laning of the Ghaziabad-Aligarh section of NH-91 connecting km 23.60 to km 140.20 of NH-91 and subsequent Six Laning of the project highway (excluding Aligarh bypass from km 129.60 to km 149.90) before the 12th anniversary of the appointed date on BOT (Toll) basis.
2. **Kurukshetra Expressway Private Limited:** Four Laning of the Rohtak-Bawal section of NH-71 from km 363.30 to km 450.80 in the state of Haryana on DBFOT Toll basis.
3. **Shree Jagannath Expressways Private Limited:** Six Laning of the existing road from km 413.00 to km 418.00 and km 0.00 to km 62.00 on Chandikhole-Jagatpur-Bhubaneswar section of NH-5 in the state of Odisha on DBFOT Toll basis.

• **Under Construction Projects:**

1. **Solapur Tollways Private Limited:** Four Laning of the Solapur-Maharashtra/ Karnataka Border section of NH-9 from km 249.00 to km 348.80 in the state of Maharashtra on DBFOT Toll basis.

• **Project under Foreclosure**

1. Orissa Steel Expressway Private Limited ("OSEPL"): The OSEPL Project for augmenting the existing road on the Rimuli-Roxy-Rajamunda section of NH-215 from km 163.00 to km 269.00 on DBFOT basis was signed on July 6, 2010 with the NHAI. Due to Land unavailability and Forest issues, NHAI has agreed to Foreclosure of

said Agreement. Based on same, a joint inspection of the Project site was carried on and thereafter the project has been handed over to NHAI on 02-03-2017 on 'as is where is' basis with a claim of Rs 830.48 cr on NHAI under the settlement-cum ISAC procedure for cost incurred, finance costs, overheads and loss of profit-up to March 31, 2017.

Business Performance

During the year under review, your Company continued its focus on improving operational efficiency through increased automation of services and adopted prudent project delivery mechanism to expedite execution of the existing under construction asset.

• **Revenue Assurance**

Despite revenue loss due to suspension of tolling for 23 days on account of demonetization across all projects and 61 days of tolling suspension of MTPL, the Average Daily Revenue (ADR) across all the operational projects increased by 11% to Rs. 128.94 lakhs in Financial Year 2016-17 from Rs. 116.59 lakhs in Financial Year 2015-16. The toll revenue is expected to improve further and stabilize with increased economic activities across the high growth industrial corridors along the project stretch managed and operated by the respective Concessionaires owned by the Company. Suitable claims have been lodged with the Concession Authority and claims have been received partially.

- o **Ghaziabad Aligarh Expressway Private Limited:** The project continues to register a modest toll revenue growth as the Average Daily Revenue increased from Rs. 35.92 lakhs in Financial Year 2015-16 to Rs. 40.76 lakhs in Financial Year 2016-17. During the year under review, GAEPL received 2nd Provisional Commercial Operation Date on 25th November, 2016 for tolling 116.6 km of Highway stretch. The tolling on 104 km of Ghaziabad Aligarh Expressway commenced in June 2015 and has been since reporting steady toll revenue growth. The toll revenue is expected to improve further by next financial year upon commencement of tolling for the full stretch.
- o **Mahakaleshwar Tollways Private Limited:** The project stretch from Indore to Ujjain in Madhya Pradesh went through toll suspension twice during the year. In addition to suspension of tolling for 23 days during Demonetization, the Project Authority, Madhya Pradesh Road Development Corporation (MPRDC) had also suspended the toll collection from April 01, 2016 to May 31, 2016 due to expected large movement of goods & passenger vehicles on the occasion of Kumbh Mela (Simhastha Parv) at Ujjain. MPRDC had specified while suspending the toll that the concessionaire would be suitably compensated for their loss. In this regard, a Claim for Rs. 10.14 cr has been submitted to MPRDC

for payment and the same is under consideration with MPRDC.

- o **Shree Jagannath Expressways Private Limited:** During the year under review, the Provisional COD for the project was received on January 6, 2017 resulting in healthy increase in ADR from Rs. 25.96 lakhs from Apr'16 to Feb'17 to Rs. 40.31 lakhs in Mar'17.
- o **Kurukshetra Expressway Private Limited:** The project has undergone a transformation following temporary interruptions in services due to external forces. During the year under review, the project displayed remarkable improvement in exemption control after installation of state-of-the-art Toll Management Services (TMS). The exemption control resulted in considerable improvement Average Daily Revenue which increased by almost Rs.3 lakhs per day.
- o **Guruvayoor Infrastructure Private Limited:** During the year under review, the Company received the Completion Certificate from National Highways Authority of India (NHAI) on 18th April 2016. Subsequently, there has been marginal increase of 5% in Average Daily Revenue due to greater economic activity along the project corridor, strengthening of TMS technology for exemption reduction and revenue enhancement.
- o **Solapur Tollways Private Limited:** During the year under review, the overall progress of the STPL Project did not meet its targets due to, among other reasons, a delay in acquisition of land and delay in approval of estimates in shifting of utilities from the Concessioneing Authority. As STPL Project continues to face delays due to reasons which are not attributable to STPL, the Project Authority has been requested for extension of time for scheduled four-laning of the STPL Project by 548 days from the Scheduled COD, i.e. upto May 31, 2018. Upon request by STPL and based on recommendation of the IE, the project has been already recommended for extension for time for 213 days by NHAI Regional office, Mumbai. It is expected that the proposed extension of time would be duly considered and the project would be able to achieve Commercial Operation by 31st May 2018.
- **Technology Up-Gradation:** Your Company maintained its focus on strengthening IT system and capabilities to create digital, scalable and sustainable business eco system. The Company is committed towards driving efficiency through more advanced and fully proven technologies to minimize human error resulting from manual intervention and also moving towards more environment friendly transportation solutions that are sustainable both from energy consumption and an environment perspective. During the year under review, the Company enabled all

the toll plazas with POS machines and other platforms of digital transactions to provide a hassle free experience to the toll payers. Furthermore, we have equipped few lanes of the plazas with state of the art ETC system whereby the commuter need not stop at the plaza for paying toll and the toll is charged to the commuter's account through a ETC tag fitted in the vehicle read by the ETC readers at the toll plazas while passing.

- **Effective Project Management and Delivery:** Your Company intends to focus on improving project monitoring and management capabilities to faster execution of project. Although deterred by lack of ROW, your Company has been successful in streamlining project execution for faster completion of Ghaziabad Aligarh Expressway Private Limited, Shree Jagannath Expressways Private Limited enabling us to receive the PCODs for the projects in November 2016 and February 2017 respectively.

Future Business Plans

• Increased focus on mid to large BOT Projects:

Leveraging on the domain knowledge and a decade long experience in the infrastructure space, your Company intends to strengthen the presence by bidding for mid to large BOT Projects. The focus on larger projects gives an opportunity to rationalize fixed costs associated with large projects, such as employee expenses, system automation expenses and administration expenses, which typically represent a lower proportion of the total costs of the project than those incurred in smaller projects. Over the next few years, your Company intends to remain focused on the operations, maintenance and development of existing projects while seeking opportunities to expand current portfolio of projects by bidding for new projects either individually or with partners.

• Leverage core competencies through increased activities in the secondary market:

Buoyed by the ability to effectively finance BOT Projects, your Company believes that it is well positioned to take a rational approach towards secondary market acquisitions of existing BOT Projects, developed or under development by other companies, assuming such acquisitions are supported by sound strategic and financial objectives. The Company thus intends to draw on its experience, effectively use current assets, market position and the ability to execute and manage multiple projects across geographies, to grow current portfolio of road projects by secondary acquisition of road assets.

• Increasing financial and leveraging efficiencies:

Your Company intends to continue the practices of strict financial discipline through –

- careful selection of projects;
- selective expansion into new geographical areas; and
- careful selection of EPC contractors with adequate equipment and experience.

Though your Company sources funding for existing projects primarily through long term loans from banks and other financial institutions, the Company intends to continue to evaluate various funding mechanisms which will enable it to enhance credit rating and in turn reduce borrowing cost and improve liquidity.

• Continue to focus on technology and operational efficiency:

With gaining prominence of IT system and other internal processes in every aspect of business and operations, your Company is constantly strengthening the IT system and capabilities to create an environment friendly sustainable business eco system. Your Company is committed towards driving efficiency through more advanced and fully proven technologies to minimize human error resulting from manual intervention and also moving towards more environment friendly transportation solutions that are sustainable both from energy consumption and an environment perspective.

Your Company is in the process of upgrading the existing IT systems and implementing a fully automated "hands-off" operation management system integrating technology primarily to monitor the flow of vehicular traffic and improve safety.

• Enhancing in-house integration with an aim to improve performance and enhance returns:

Your Company seeks to focus on further enhancing in-house competencies by expanding into various functional aspects of projects thereby reducing dependence on third parties. The Company intends to focus on improving project designing and engineering capabilities, project monitoring and management capabilities. It is believed that developing specialized in-house capabilities would reduce dependence on third parties, thereby avoiding risks and minimizing costs associated with outsourcing.

Future Outlook

Economic growth, increasing government thrust, preference of road in freight traffic, spurt in private participation and surge in passenger traffic and vehicle density are key growth drivers for infrastructure investments. The rise in investments, reforms and higher budgetary support is expected to drive growth in roads and highways sector in India. According to Crisil Research, the investment in road projects is expected to double to 9.8 trillion over the next five years. The investment in State Roads is also expected to grow steadily, and rise at a faster pace in rural roads owing to higher budgetary allocation to the PMGSY since 2015-16.

With the economy expected to grow at a healthy pace, per capita income is also set to improve pushing the number of two-wheeler and passenger vehicles in the country. Initiatives like 'Make in India' and GST is also expected to boost the road freight traffic in the country. The rise in sale of passenger vehicles, increasing freight traffic, strong trade and tourist

flows between states are all set to augment road development in the country. All segments of roads i.e. National Highways, state roads and rural roads are expected to benefit from the growing economy of the country.

The changes done by the government to put in place appropriate policy, institutional and regulatory mechanisms including a set of fiscal and financial incentives are expected to encourage further private participation in future, which will boost all segments of roads in the country, be it, National Highways, state roads or rural roads.

Risk and Concern

• **Market Risk :**

As part of growth strategy, your Company intends to bid for projects on an individual basis or with SPV partners. The business of the company depends on portfolio expansion through bidding or acquisition of projects. Hence, the inability to successfully bid for or acquire projects could have an adverse effect on the business growth.

• **Regulatory Risk :**

- o The business of your Company is significantly dependent on various Government entities and could be adversely affected if there are adverse changes in the policies adopted by such Government entities.
- o Delays in the acquisition of private land or eviction of encroachments from Government owned land by the Government may adversely affect the timely performance of our contracts leading to disputes with the Government.

Human Resource Development

Your Company has shown commitment in embracing an integrated approach towards the overall development in Human Resource and adopted best Human Resource Practices over the past few years. In terms of its manpower strength till 31st March 2017, the overall headcount of Group including the project entities increased to 1233 which includes 20 employees of Bharat Road Network Limited & 1213 at project SPV's, which consists on-roll & off-roll employees of 376 & 837 respectively.

Your Company is committed to optimization of Human Resources and achieve operational efficiency by constantly focusing on technology innovation and manpower rationalization. Moving forward your Company is committed to nurturing the existing talent through Training and Development and implementation of the best Talent Management Practices like Succession planning by identifying the critical roles of the Organization. There has been also adequate focus on Employee Engagement activities and employee welfare programs.

Internal Control and Audit

Your Company's vision, mission and core values have laid down the foundation for a robust internal control mechanism. On the administrative control side, your Company has a proper reporting structure, several oversight committees, defined roles and responsibilities at all levels and rigorous performance appraisal system to ensure appropriate checks and balances. On the financial controls side, management with the knowledge and understanding of the business, its organization, operations, and processes has put in place appropriate controls including segregation of duties and reporting mechanism to deter and detect misstatements in financial reporting.

The Company has an Internal Financial Control System, which commensurate with the nature of its business and the size and complexity of its operations. The Company's system of internal control has been designed to provide a reasonable assurance with regard to policies and procedures for ensuring the orderly and efficient conduct of business, maintaining of proper accounting controls, protecting assets from unauthorized use or losses, prevention and detection of frauds and errors, compliance with regulations and for ensuring timeliness and reliability of financial reporting.

Furthermore, the Audit Committee of your Company evaluates and reviews the adequacy and effectiveness of the Internal Control Systems and suggests improvements to strengthen them. Significant deviations are brought to the notice of the Audit Committee periodically and corrective measures are recommended for implementation. Based on the report of Internal Audit, process owners undertake corrective action in their respective areas and thereby strengthen the controls. All these steps facilitate timely detection of any irregularities and early remedial measures.

SUBSIDIARY & ASSOCIATE COMPANIES

During the year under review, your Company has increased its shareholding in Solapur Tollways Private Limited, which is a subsidiary of your Company (since 3rd August, 2013) from 98.04% to 99.02%. Further, the Company has 5 Associate Companies as on 31st March, 2017.

The names of companies which became or ceased to be subsidiaries or associate companies during the year are given below:

| NAME | STATUS |
|---|---|
| Orissa Steel Expressway Private Limited | Ceased to be an associate and became a subsidiary of the Company w.e.f. 12.11.2016. |
| Mahakaleshwar Tollways Private Limited | Became an Associate of the Company w.e.f. 28.10.2016. |
| Potin Pangin Highways Private Limited | Ceased to be an associate of the Company w.e.f. 12.11.2016. |

Your Company does not have any Joint Venture as on date.

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES & ASSOCIATE COMPANIES

The Statement in Form AOC-1 containing the salient features of the financial statement of your Company's subsidiaries and associates companies pursuant to first proviso to Section 129(3) of the Companies Act, 2013 (Act) read with Rule 5 of the Companies (Accounts) Rules, 2014, forms part of the Annual Report. Further, in line with Section 129(3) of the Act read with the aforesaid Rules, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations, 2015) and in accordance with the Accounting Standard 21 (AS-21), Consolidated Financial Statements prepared by your Company includes financial information of its subsidiary companies.

A Report on the performance and financial position of each of the Subsidiaries and Associate Companies included in the Consolidated Financial Statements prepared by your Company as per Rule 8(1) of the Companies (Accounts) Rules, 2014, forms part of the annual accounts of each of the Subsidiary and Associate Companies and the same has also been placed on the website of your Company at www.brnl.in.

Members interested in obtaining a copy of the annual accounts of the Subsidiaries and Associate Companies may write to the Company Secretary at your Company's Registered Office. The said report is not repeated here for the sake of brevity.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There is no such material change and commitment affecting the financial position of your Company which have occurred between the end of the financial year of your Company to which the financial statements relate and the date of the report.

However, your Company came out with the Initial Public Offer (IPO) of its Equity Shares in September, 2017. The Equity Shares of the Company have been listed at BSE limited (Scrip Code: 540700) and National Stock Exchange of India Limited (Symbol: BRNL) on 18th September, 2017.

INITIAL PUBLIC OFFER (IPO)

The public issue of Equity Shares of the Company opened on September 06, 2017 and closed on September 08, 2017 under book building process. The subscriptions was received from - QIB (1.32X), NIB (1.63X) and Retail Investors (5.69X) with an overall Oversubscription of (1.8X). Based on the Subscription received in various categories and consideration of various other important factors, the Issue Price of Equity Shares of Face Value of Rs.10 per share was fixed at Rs. 205 per Equity Share (inclusive of premium of Rs. 195 per share). The Company allotted 2,93,00,000 Equity Shares at an issue price of Rs. 205 per equity share (inclusive of premium of Rs. 195 per equity share) to all the successful applicants on 14th September, 2017 and trading in shares of your company started on 18th September, 2017. The summary of Allotment is as under:

| Category | No. of successful applicants | No. of equity shares | Total amount (Rs.) |
|------------------------------|------------------------------|----------------------|----------------------|
| QIBs - Mutual Funds | 8 | 10,98,750 | 22,52,43,750 |
| QIBs - Mutual Funds & others | 23 | 2,08,76,250 | 427,96,31,250 |
| Non Institutional Investors | 147 | 43,95,000 | 90,09,75,000 |
| Retail Investors | 40,136 | 29,30,000 | 60,06,50,000 |
| Total | 40,314 | 2,93,00,000 | 600,65,00,000 |

The proceeds from the issue of Equity Shares of the Company have been utilized / are in process of utilization for the purposes for which they were raised and there is no deviation in the utilization of the said proceeds.

ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION (AOA)

During the year under review, your Company has adopted a new set of Articles of Association (AoA) in line with the Companies Act, 2013 pursuant to shareholders' approval granted by way of a Special Resolution passed at the Extraordinary General Meeting of the Company held on November 14, 2016.

CAPITAL STRUCTURE

At present, the Authorized Capital of the Company is Rs. 1,000,000,000 (Rupees One Hundred Crores) divided into 100,000,000 (Ten Crores) Equity Shares of Rs. 10 each and the paid-up share capital of the Company is Rs. 839,500,000 (Rupees Eighty Three Crores Ninety Five Lakhs) divided into 83,950,000 (Eight Crores Thirty Nine Lakhs Fifty Thousand) shares of Rs. 10 each.

During the year under review, the authorized share capital of your Company increased from Rs. 100,000,000 (Rupees Ten Crores) divided into 10,000,000 (One Crore) Equity Shares of Rs. 10 each to Rs. 1000,000,000 (Rupees One Hundred Crore)

divided into 100,000,000 (Ten Crores) Equity Shares of Rs.10 each.

Your Company also came out with Right Issue of 18,000,000 (One Crore Eighty Lakhs) Equity Shares wherein Nine (9) Equity Shares were offered for every Five (5) Equity Shares held by the existing Shareholders of your Company as on October 17, 2016. The right issue was priced at Rs. 10/- share. The issue of Rs. 180,000,000 (Rupees Eighteen Crores) was fully subscribed and shares were allotted on October 28, 2016.

Your Company has also made preferential allotment of 2,66,50,000 (Two Crores Sixty Six Lakhs Fifty Thousand) Equity Shares of face value Rs. 10 each at a premium of Rs. 195 per share to selected group of investors, pursuant to shareholders approval granted by way of a special resolution passed at the Extraordinary General Meeting of the Company held on November 11, 2016.

Further on 14th September, 2017, your Company has, through an Initial Public Offer (IPO) of equity shares allotted 29,300,000 (Two Crores Ninety Three Lakhs) fresh equity shares of face value Rs. 10 each at a premium of Rs. 195 per share to applicants under various categories viz. Qualified Institutional Buyers, Non-Institutional Investors and Retail Individual Investors.

Pursuant to the above issue/allotments, the paid up share capital of the Company increased by Rs.73,95,00,000 (Rupees Seventy Three Crores Ninety Five Lakhs) and stands at Rs. 83,95,00,000 (Rupees Eighty Three Crores Ninety Five Lakhs). Post issue, the shareholding pattern of your Company stands at Promoters holding 65.10% and Public holding 34.90% of equity shares in the Company.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Directors

During the year under review, Mr. Bajrang Kumar Choudhary (DIN: 00441872) who was a Non-Executive Director on the Board of Directors of your Company, was appointed as the Managing Director (Category: Executive) of your Company for a term of 3 (three) years w.e.f. November 01, 2016 under the relevant provisions of Sections 152, 196, 197, 198, 203, Schedule V of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Articles of Association and all other applicable provisions of the Companies Act, 2013 read together with the 'BRNL Nomination and Remuneration Policy' formulated pursuant to Section 178(3) of the Companies Act, 2013 and the same was also approved by the Members of the Company at the Extra - Ordinary General Meeting of the Company held on November 14, 2016.

Mr. Atanu Sen (DIN: 05339535) was appointed as an Additional Director on September 7, 2016 and has been appointed as a

regular Director on the Board at the Annual General Meeting of the Company held on September 27, 2016.

Further, Mr. Sanjay Kumar Chaurasia (DIN: 00907513) Independent Director of your Company tendered his resignation from the Directorship of the Company as well as from the membership of all the Committees of the Board w.e.f. November 10, 2016 due to pre-occupation.

Based on the recommendation of Nomination and Remuneration Committee of your Company, the Board of Directors had appointed Dr. (Ms.) Tuk Tuk Ghosh Kumar (DIN: 06547361) as an Independent Director of the Company in terms of Sections 149(1) and 149(6) of the Companies Act, 2013 for a term of 5 (five) consecutive years w.e.f. 6th October, 2016. Your Company has issued a formal letter of appointment to the Independent Director stating inter alia the terms and conditions of their appointment and the same has also been hosted on the website of your Company www.brnl.in.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and rules made thereunder and as per the Articles of Association of your Company, Mr. Bajrang Kumar Choudhary (DIN: 00441872), Managing Director of your Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The brief resume/details relating to Director who is proposed to be re-appointed has been furnished in the Notice of the ensuing AGM. The Board, therefore, recommends the re-appointment of Mr. Bajrang Kumar Choudhary as a Director (Managing Director) of your Company.

Your Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013.

Key Managerial Personnel

Mr. Anurag Kuba, Chief Executive Officer (CEO) of the Company resigned as CEO with effect from June 16, 2016 and Mr. Asim Tewari, Chief Technical Officer of the Company, was designated as Manager of the Company w.e.f. June 17, 2016.

Mr. Asim Tewari resigned from the Office of Manager of the Company with effect from closure of business hours on 31st October, 2016 and was re-designated as the Chief Operating Officer of the Company w.e.f. November 01, 2016.

As per the provisions of Section 203 of the Companies Act, 2013 read together with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following executives of your Company are the Key Managerial Personnel as on March 31, 2017 -

| Name of Key Managerial Personnel (KMP) | Designation |
|--|---|
| Mr. Bajrang Kumar Choudhary | Managing Director |
| Mr. Sanjay Banka | Chief Financial Officer and Company Secretary |

MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on policy and strategy apart from other Business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted at the subsequent Board meeting.

9 (Nine) Meetings of the Board of Directors of the Company were held during the year 2016-2017 on 16th May, 2016, 7th September, 2016, 19th September, 2016, 17th October, 2016, 10th November, 2016, 25th November, 2016, 22nd December, 2016, 8th February, 2017 and 16th February, 2017.

The maximum time gap between any two consecutive meetings did not exceeded 120 (One Hundred Twenty) days.

AUDIT COMMITTEE

The Audit Committee of the Company has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI Listing Regulations, 2015. The Company Secretary acts as a Secretary to the Committee.

The Audit Committee of your Company comprises of Mr. Brahm Dutt (Independent & Non-Executive Director) to act as the Chairman of the Committee, Mr. Bajrang Kumar Choudhary (Managing Director) and Mr. Atanu Sen (Independent & Non-Executive Director) to act as the Members of the Committee. Mr. Sanjay Banka, Company Secretary acts as the Secretary to the Committee.

The Audit Committee was re-constituted at the meeting of the Board of Directors of the Company held on November 10, 2016. The scope and functions of the Audit Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The Terms of Reference of the Audit Committee has been provided in the Corporate Governance Section forming part of this Report.

4 (four) Meetings of the Audit Committee were held during the year 2016-2017 on 7th September, 2016, 19th September, 2016, 25th November, 2016 and 22nd December, 2016.

During the year under review, there were no such instances wherein the Board had not accepted the recommendation of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of your Company has constituted a Nomination and Remuneration Committee (NRC) in

accordance with the provisions of Section 178 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014. The scope and function of NRC is in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee comprises of Mr. Brahm Dutt (Independent & Non-Executive Director) to act as the Chairman of the Committee, Mr. Pradeep Singh (Independent & Non-Executive Director) and Mr. Atanu Sen (Independent & Non-Executive Director) as members of the Committee. Mr. Sanjay Banka, Company Secretary acts as the Secretary to the Committee. The Terms of Reference of the Committee has been provided in the Corporate Governance Section forming part of this Report.

The Nomination and Remuneration Committee was re-constituted at the meetings of Board of Directors held on September 07, 2016 and November 10, 2016.

3 (three) Meetings of Nomination and Remuneration Committee were held during the year 2016-2017 on 16th May, 2016, 7th September, 2016 and 10th November, 2016.

The Committee has formulated the Nomination and Remuneration Policy ('BRNL Nomination and Remuneration Policy') which broadly lays down the various principles of remuneration being support for strategic objectives, transparency, internal & external equity, flexibility, performance-driven remuneration, affordability and sustainability and covers the procedure for selection, appointment and compensation structure of Board Members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company.

The Nomination and Remuneration Policy has been hosted on the website of the Company www.brnl.in and the link thereof, has been given in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, the provisions of Section 135 of the Companies Act, 2013 with regard to Corporate Social Responsibility have become applicable to your Company on account of increase in the net worth of the Company from Rs. 9.72 crore as at 31st March, 2016 to Rs. 573.6189 crore as at March 31, 2017. Accordingly, your Company would be required to spend at least two percent of the average net profits of the company made during the three immediately preceding financial years (i.e. FY 2014-15, 2015-16 & 2016-17) during the Financial Year 2017-18. Your Company has constituted a Corporate Social Responsibility (CSR) Committee required in terms of Section 135 of the Companies Act, 2013 and the rules thereon.

The CSR Committee comprises of Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent & Non-Executive Director) to act as the Chairperson of the Committee, Mr. Atanu Sen (Independent & Non-Executive Director) and Mr. Bajrang Kumar Choudhary

(Executive Director) as the Members of the Committee. The Company Secretary acts as the Secretary to the CSR Committee. The Terms of Reference of the Committee has been provided in the Corporate Governance Section forming part of this Report.

The Company has also framed a Corporate Social Responsibility Policy in line with the provisions of Section 135 of the Companies Act, 2013 and the same has been hosted on the website of the Company www.brnl.in and the link thereof, has been given in the Corporate Governance Report.

Your Company will chalk out a list of CSR projects and programmes which your company plans to undertake falling within the purview of Schedule VII of the Companies Act, 2013 and hence, necessary disclosures as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable as on 31st March, 2017.

During the year under review, no CSR Committee meeting was held.

PERFORMANCE EVALUATION

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors) pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 covering inter-alia the following parameters namely:

- i) Board Evaluation - degree of fulfillment of key responsibilities; Board culture and dynamics.
- ii) Board Committee Evaluation - effectiveness of meetings; Committee dynamics.
- iii) Individual Director Evaluation (including IDs) - contribution at Board Meetings.

Based on these criteria, the performance of the Board, various Board Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and Individual Directors (including Independent Directors) was evaluated and found to be satisfactory.

During the year under review, the Independent Directors of your Company reviewed the performance of Non-Independent Directors and Chairperson of your Company, taking into account the views of Executive Director and Non-Executive Directors. They hold an unanimous opinion that the Non-Independent Directors, including the Chairman and Managing Director bring to the Board, abundant knowledge in their respective field and are experts in their areas. Besides, they are insightful, convincing, astute, with a keen sense of observation, mature and have a deep knowledge of your Company.

The Board as a whole is an integrated, balanced and cohesive unit where diverse views are expressed and dialogued when required, with each Director bringing professional domain knowledge to the table. All Directors are participative, interactive and communicative.

The Chairman has abundant knowledge, experience, skills and understanding of the Board's functioning, possesses a mind for detail, is meticulous to the core and conducts the Meetings with poise and maturity.

The information flow between your Company's Management and the Board is complete, timely with good quality and sufficient quantity.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company is engaged in the business of infrastructure sector, as stated in the Schedule VI of the Companies Act, 2013. By virtue of the provisions of Section 186(11), the provisions of Section 186 read with the Companies (Meeting of the Board and its Powers) Rules, 2014, as amended from time to time, relating to loan made, guarantee given or security provided, does not apply to your Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Related Party Transactions were entered into during the Financial Year ended 31st March, 2017, on an arm's length basis and in ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Thus, disclosure in Form AOC-2 is not required. Further, there are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons during the year under review which may have a potential conflict with the interest of the Company at large.

Members may refer to the notes to the Financial Statements for details of related party transactions as required under disclosure norms of applicable Accounting Standards. A Related Party Policy has been devised by your Company for determining the materiality of transactions with related parties and dealings with them. The said Policy is available on your Company's website www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

RISK MANAGEMENT PLAN

Risk management has been an important and integral part of the operations of your Company. Your Company's risk management strategy strives to balance the tradeoff between risk and return and ensure optimal risk-adjusted return on capital, and entails independent identification, measurement and management of risks across the various businesses of your Company. The Company has proper strategies and framework for identification, assessment and mitigation of risk management.

The Company has in place, a Risk Management Policy which is regularly reviewed by Audit Committee. The Policy on risk management has been hosted on the website of the Company www.brnl.in and the link thereof, has been given in the Corporate Governance Report. In the opinion of the Board, there is no risk which may threaten the existence of the Company.

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

As on March 31, 2017, Orissa Steel Expressway Private Limited (OSEPL) is a material subsidiary of your Company. Your Company has formulated a Policy for determining Material Subsidiaries in accordance with the applicable laws. The said Policy is available on your Company's website www.brnl.in and the link thereof, has been given in the Corporate Governance Report.

Mr. Atanu Sen, Independent Director of your Company has been appointed as an Independent Director on the Board of Orissa Steel Expressway Private Limited as per the relevant provisions of Regulation 24(1) of SEBI Listing Regulations, 2015.

POLICY AGAINST SEXUAL HARASSMENT AT WORKPLACE

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your Company in its endeavour to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his / her maximum potential.

Your Company has put in place a 'Policy on Prevention of Sexual Harassment' as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder.

During the year under review, no cases of Sexual Harassment of Women were reported.

WHISTLE BLOWER POLICY (VIGIL MECHANISM)

Your Company has formulated a Whistle Blower Policy incorporating the provisions relating to Vigil Mechanism in terms of Section 177 of the Companies Act, 2013, and Regulation 22 of SEBI Listing Regulations, 2015 in order to encourage Directors and employees of your Company to escalate to the level of the Audit Committee, any issue of concerns impacting and compromising with the interest of your Company and its stakeholders in any way. Your Company is committed to adhere to highest standards of ethical, moral and legal business conduct and to open communication, and

to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith.

As a matter of good corporate governance, the Company has designated whistleblower@brnl.in email id for providing access to the employees of the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting. The said Policy is available on your Company's website www.brnl.in.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year 2016-17, no significant and material orders has been passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

AUDITORS

Messers G. P. Agrawal & Co., Chartered Accountants, having Registration No. 302082E allotted by the Institute of Chartered Accountants of India (ICAI), have completed two terms of 5 consecutive years pursuant to the relevant provisions of Section 139(2) of the Companies Act, 2013 read together with rules thereof. In this regard, it is necessary to appoint a new Audit Firm as the Statutory Auditors of the Company for a period of 5 years, who shall hold office from the Conclusion of the ensuing AGM till the conclusion of 15th Annual General Meeting of the Company, subject to ratification of such appointment by Members at the Annual General Meeting of the Company every year.

In view of the above, Your Company has received confirmation/certifications from Messers S.S. Kothari Mehta & Co., Chartered Accountants, Kolkata, in terms of the provisions of Section 139, 141 & 142 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014. They have also confirmed that they hold a valid peer review certificate as prescribed under Regulation 33(d) of the SEBI Listing Regulations, 2015. The Audit Committee and the Board of Directors of your Company recommends the appointment of Messers S.S. Kothari Mehta & Co., Chartered Accountants, as the statutory Auditors of the Company for a period of 5 (Five) Years, subject to ratification of such appointment by Members at the Annual General Meeting of the Company every year.

AUDIT QUALIFICATIONS

There are no qualifications, reservations or adverse remarks made by Messrs G. P. Agrawal & Co., Chartered Accountants, the retiring Statutory Auditors of the Company except Para titled "Emphasis Matter" in the Auditors' Report which are self-explanatory and the same is detailed in Note 24.8 to the Financial Statements.

Further, the Statutory Auditors have not reported any incident of fraud during the year under review to the Audit Committee of your Company.

SECRETARIAL AUDIT

During the year under review, the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with respect to Secretarial Audit have become applicable on your Company from the Financial Year 2016-17 onwards. In this regard, your Company has appointed M/s. Jayshri Tulsyan & Associates having Membership Number 7725 and Certificate of Practice Number 8096 as the Secretarial Auditor of the Company for the Financial Year 2016-17.

The Secretarial Audit Report for the Financial Year ended March 31, 2017 is an unqualified Report and is attached as annexure to the Directors Report.

EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the Financial Year ended March 31, 2017 in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out as an Annexure to this Report.

INTERNAL AUDITOR

Your Company's Internal Control System is commensurate with the nature of its business and the size and complexity of its operations and ensures compliance with policies and procedures. The Internal Control Systems are being constantly updated with new / revised Standard Operating Procedures.

Further, your Company's Internal Financial Controls (IFC) have been reviewed and actions have been taken to strengthen financial reporting and overall risk management procedures.

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, the Company had appointed M/s. Vimal & Seksaria, Chartered Accountant having Registration No. 319194E allotted by the Institute of Chartered Accountants of India (ICAI), to undertake the Internal Audit of the Company for the Financial Year 2016-17.

BRNL WEBSITE

The website of your Company www.brnl.in was revamped recently. This website has been developed on the new responsive technology based platform known as 'Drupal', ensuring uniform display across all devices like mobile, tab, desktop etc. and all the operating systems. The website has an inbuilt sophisticated and customized content management system for easy change in content. A simple, improved navigation system needs a lesser number of clicks to reach

the information available in the different sections of the website. The contemporary and smart look of the new website conforms to your Company's new Brand guideline while taking a customer centric approach catering to the requirements of prospective customers, investors, employees and other stakeholders.

PARTICULARS OF EMPLOYEES

The prescribed particulars of remuneration of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out as Annexures to this Directors' Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has no activity relating to Conservation of Energy and Technology Absorption as stipulated in Rule 8(3) of Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavour to improve energy conservation and utilization, safety and environment in operation of its Associate Companies.

Your Company operations are local and it has not earned and spent any foreign exchange during the year under review (Previous Year – Nil).

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act) read with relevant Rules made thereunder, the Directors hereby confirm that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (iv) the Annual Accounts for the financial year ended 31st March, 2017 had been prepared on a going concern basis;

- (v) the Director have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, your Directors confirm that your Company has adequate internal systems and controls in place to ensure compliance of laws applicable to your Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on the Board Meetings and Annual General Meetings.

INSIDER TRADING CODE

The Company has adopted a code of conduct to regulate monitor and report trading by insiders (the Code) under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code is applicable to all designated employees and insiders who are expected to have access to Unpublished Prices Sensitive Information. The Company Secretary is the Compliance Officer for monitoring adherence to the applicable regulations.

CORPORATE GOVERNANCE

Your Company strives to achieve highest standards of Corporate Governance and to take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance. With that belief, though not applicable before listing, the Company voluntarily complied with the requirements of SEBI Listing Regulations, 2015.

Accordingly, the Company has disclosed information as on March 31, 2017 and as on the date of the Board's Report, i.e., November 2, 2017. As required under Regulation 34(3) read with Schedule V of SEBI Listing Regulations, 2015, a separate section on Corporate Governance and a Certificate from M/s. K. Arun & Co, Practicing Company Secretary, Kolkata, confirming compliance with the requirements of Corporate Governance, forms part of Annual Report.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the excellent support and co-operation received from Financial Institutions, Bankers, National Highway Authority of India (NHAI), MCA, Registrar of Companies, EPC Partners and SPV Partners during the year under review. Your Directors also place on record their deep appreciation for the valuable contribution made by employees and look forward to their continued cooperation in realization of motto of the company "Behtar Raste, Badhta Bharat" in years to come as a Key partner of "MAKE IN INDIA" plans.

On behalf of the Board of Directors

For **Bharat Road Network Limited**

Bajrang Kumar Choudhary

Managing Director

DIN - 00441872

Brahm Dutt

Chairman

DIN - 05308908

Place : Kolkata

Date : 02.11.2017

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s BHARAT ROAD NETWORK LIMITED
Mirania Gardens
10B/1, Topsia Road (East)
Kolkata – 700 046
CIN U45203WB2006PLC112235

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s BHARAT ROAD NETWORK LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of M/s. BHARAT ROAD NETWORK LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s BHARAT ROAD NETWORK LIMITED for the financial year ended on 31st March, 2017 to the extent applicable:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under- **Not Applicable during the year under review.**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable during the year under review.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Not Applicable during the year under review.**

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - **Not Applicable during the year under review.**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable during the year under review.**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- **Not Applicable during the year under review.**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable during the year under review.**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable during the year under review.**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;-**Not Applicable during the year under review.**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable during the year under review.**

We further report that after considering the Compliance system prevailing in the Company and after verification of relevant records and documents maintained by the Company and as confirmed by the management vide its management representation letter, it has complied with following laws that are applicable specifically to the Company:

- Employees Provident funds & Miscellaneous Provisions Act, 1952 and Schemes made there under.
- Employees State Insurance Act, 1948 and the rules and regulations made there under.
- The Payment of Gratuity Act, 1972 and the rules and regulations made there under.
- The Income Tax Act, 1961 and Indirect Tax Laws
- Payment of Bonus Act, 1965
- Shops And Commercial Establishments Act, 1958
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Maternity Benefit Act, 1961

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India (ICSI) and made effective from 1st July, 2015.
- (j) The Listing Agreements entered into by the Company with any Stock Exchange(s). - **Not applicable as the Company is not listed on any of the Stock Exchanges(s).**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision at the Board and Committee meetings are carried through, while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the Company has during the audit period ending on March 31st, 2017-

- Issued and allotted 18,000,000 (One crore eighty lacs) equity shares at Rs. 10/ each at face value of Rs. 10 /share to the existing shareholders of the Company on right basis;
- Issued 2,66,50,000 (Two crore sixty six lacs fifty thousand) equity shares at Rs. 205/ share on Preferential Allotment basis to new shareholders on November 12, 2016;
- Increased the Authorized Share Capital of the Company from Rs. 10,00,00,000 (Ten Crore) divided into 10,000,000 (One crore) Equity Shares of Rs. 10 each to Rs. 100,00,00,000 (One Hundred crore) divided into 100,000,000 (Ten crore) Equity Shares of Rs.10 each;
- Adopted new set of Articles of Association of the Company at the Board Meeting held on November 10, 2016 and at the Extraordinary General Meeting of the Company held on November 14, 2016.
- Approved aggregate holding of the FIIs/FPIs (permitted foreign investors) to not exceed 49% (Forty Nine per cent) of the paid up equity share capital of the Company,
- The Company has appointed Mr. Bajrang Kumar Choudhary as the Managing Director of the Company for a term of 3 (three) years w.e.f. 01.11.2016.
- The Company has filed its DRHP on 17.02.2017, in compliance to SEBI ICDR Regulations, 2009.
- The Company has received in principle approval for public issue from the BSE Limited and National Stock Exchange of India Limited vide letters dated March 08, 2017 and April 07, 2017 respectively.

Place : Kolkata
Date : 02.11.2017

For **Jayshri Tulsyan & Associates**
Pr. Company Secretaries
Membership No. – 7725
C.P. No. – 8096

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the Financial Year Ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

| | | |
|------|---|---|
| i) | CIN: | U45203WB2006PLC112235 |
| ii) | Registration Date | 22/12/2006 |
| iii) | Name of the Company | BHARAT ROAD NETWORK LIMITED |
| iv) | Category / Sub-Category of the Company | Limited by shares |
| v) | Address of the Registered office and contact details | *Mirania Gardens, 10B/1, Topsia Road (East) Kolkata - 700 046 Tel: 033 6602 3609, Fax: 033 6602 3243 |
| vi) | Whether listed company (Yes / No) | **No |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032 E-mail : einward.ris@karvy.com Telephone : 040-67161500, 1800-345-4001 Fax : 040-23420814 |

*Registered office of the Company has been shifted to Vishwakarma, 86C, Topsia Road (South), Kolkata – 700046 with effect from November 2, 2017.

**The Company has listed its Equity Shares on BSE and NSE with effect from September 18, 2017.

II. Principal business activities of the Company

Business activities contributing 10% more of the Total Turnover of the Company are

| Sl. No. | Name and Description of main products / services | NIC Code of the product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1. | Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways | 42101 | 81.99% |

III. Particulars of holding, Subsidiary and Associate Companies -

| Sl. No. | Name and Address of the company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|--|-----------------------|--------------------------------|------------------|-------------------------------------|
| 1. | Solapur Tollways Private Limited Mirania Gardens, 10B/1, Topsia Road (East) Kolkata - 700 046 | U45400WB2012PTC174135 | Subsidiary | 99.02 | 2(87) of the Companies Act, 2013 |
| 2. | Orissa Steel Expressway Private Limited 330, Ground Floor & 1st Floor, Jaydev Vihar, Bhubaneswar – 751013 | U45400OR2010PTC014681 | Subsidiary | 59.38 | 2(87) of Companies Act, 2013 |
| 3. | Guruvayoor Infrastructure Pvt. Ltd Door No. 1-80/40/SP/58-65, Shilpa Homes Layout Gachibowli, Hyderabad – 500032 | U45200TG2005PTC048180 | Associate | 49.00 | 2(6) of the Companies Act, 2013 |
| 4. | *Kurukshehra Expressway Private Limited Toll Plaza Gangaicha Jaat, NH-71 village Gangaicha Jaat, Mastapur post office Rewari - 123401 | U45400HR2010PTC040303 | Associate | 35.89 | 2(6) of the Companies Act, 2013 |
| 5. | Ghaziabad Aligarh Expressway Private Limited A1-157 & 158, 2nd Floor, New Kondli, Mayur Vihar Phase-III, New Delhi - 110096 | U70101DL2009PTC197148 | Associate | 39.00 | 2(6) of the Companies Act, 2013 |
| 6. | Shree Jagannath Expressways Private Limited Simplex Infrastructures Limited, Simplex House 27 Shakespeare Sarani, Kolkata - 700017 | U45203WB2010PTC150429 | Associate | 40.00 | 2(6) of the Companies Act, 2013 |
| 7. | Mahakaleshwar Tollways Private Limited Ninora Toll Plaza, Ninora, Ujjain - 456006 | U45203MP2008PTC021157 | Associate | 48.00 | 2(6) of the Companies Act, 2013 |

*The Company has acquired 13.11% in the paid-up Equity Share Capital of Kurukshehra Expressway Private Limited vide SPA dated October 27, 2016, which is pending for transfer.

IV. Share holding pattern (Equity Share Capital Breakup as Percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|--------------------|--------------------|-------------------|---|------------|--------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | - | - | - | - | - | - | - | - | - |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt (s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | - | - | - | - | 95,20,000 | - | 95,20,000 | 17.42 | 17.42 |
| e) Banks / FI | - | - | - | - | 1,66,30,000 | - | 1,66,30,000 | 30.43 | 30.43 |
| f) Any Other - Venture Fund | - | 99,99,400 | 99,99,400 | 99.99 | 2,84,99,800 | - | 2,84,99,800 | 52.15 | (47.84) |
| Sub-total (A)(1): | - | 99,99,400 | 99,99,400 | 99.99 | 5,46,49,800 | - | 5,46,49,800 | 100.00 | 0.01 |
| (2) Foreign | | | | | | | | | |
| a) NRIs -Individuals | - | - | - | - | - | - | - | - | - |
| b) Other Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (2) | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | - | 99,99,400 | 99,99,400 | 99.99 | 5,46,49,800 | - | 5,46,49,800 | 100.00 | 0.01 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1) | - | - | - | - | - | - | - | - | - |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | - | - | - | - | - | - | - | - | - |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | - | 600 | 600 | 0.01 | - | 200 | 200 | 0.00 | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh | - | - | - | - | - | - | - | - | - |
| c) Others(specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2): | - | 600 | 600 | 0.01 | - | 200 | 200 | 0.00 | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | - | 600 | 600 | 0.01 | - | 200 | 200 | 0.00 | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total(A+B+C) | - | 1,00,00,000 | 1,00,00,000 | 100.00 | 5,46,49,800 | 200 | 5,46,50,000 | 100.00 | - |

ii) Shareholding of Promoters and Promoter Group

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | |
|--------------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of Total Shares of the company | % of Shares Pledged/encumbered to total shares | % change in shareholding during the year |
| 1. | *Srei Infrastructure Finance Limited | Nil | Nil | Nil | 16630000 | 30.43 | Nil | 30.43 |
| 2. | *Manufacturing Value Addition Fund A/c Make in India Fund | Nil | Nil | Nil | 500000 | 0.91 | Nil | 0.91 |
| 3. | *OSPL Infradeal Private Limited | Nil | Nil | Nil | 9520000 | 17.42 | Nil | 17.42 |
| 4. | Srei Venture Capital Trust A/c Infrastructure Project Development Fund | 49400 | 0.494 | Nil | 7049800 | 12.90 | 0.494 | 12.41 |
| 5. | Srei Venture Capital Trust A/c Infrastructure Project Development Capital | 9950000 | 99.50 | Nil | 20950000 | 38.33 | 99.50 | (61.17) |
| Total | | 9999400 | 99.99 | - | 54649800 | 99.99 | 100.00 | 0.01 |

*Srei Infrastructure Finance Limited and Manufacturing Value Addition Fund A/c Make In India Fund were designated as the Corporate Promoter and Promoter of the Company respectively w.e.f 16.02.2017 for the purpose of Initial Public Offer of equity shares of the Company whereas OSPL Infradeal Private Limited was part of Promoter Group.

iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. *Srei Infrastructure Finance Limited | | | | |
| At the beginning of the year | Nil | Nil | Nil | Nil |
| Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease] | | | | |
| Date | Reason | | | |
| 12.11.2016 | Preferential Allotment | 1,66,30,000 | 30.43 | |
| At the end of the year | | | 1,66,30,000 | 30.43 |
| 2. *Manufacturing Value Addition Fund A/c Make In India Fund | | | | |
| At the beginning of the year | Nil | Nil | Nil | Nil |
| Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease | | | | |
| Date | Reason | | | |
| 12.11.2016 | Preferential Allotment | 5,00,000 | 0.91 | |
| At the end of the year | | | 5,00,000 | 0.91 |
| 3. Infrastructure Project Development Fund (IPDF) | | | | |
| At the beginning of the year | 49,400 | 0.494 | | |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | | | | |
| Date | Reason | | | |
| 28.10.2016 | Right issue of equity shares | 70,00,000 | 12.41 | |
| 25.11.2016 | Shares received due to transfer | 400 | 0.00 | |
| At the End of the year | | | 70,49,800 | 12.90 |

iii) Change in Promoters' Shareholding (please specify, if there is no change) Contd...

| Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 4 Infrastructure Project Development Capital (IPDC) | | | | |
| At the beginning of the year | 99,50,000 | 99.500 | | |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | | | | |
| Date | Reason | | | |
| 28.10.2016 | Right issue of equity shares | 1,10,00,000 | 20.12 | |
| At the End of the year (or on the date of separation, if separated during the year) | - | - | 2,09,50,000 | 38.33 |
| 5. OSPL Infradeal Private Limited | | | | |
| At the beginning of the year | Nil | Nil | Nil | Nil |
| Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease | | | | |
| Date | Reason | | | |
| 12.11.2016 | Preferential Allotment | 95,20,000 | 17.42 | |
| At the end of the year | - | - | 95,20,000 | 17.42 |

*Srei Infrastructure Finance Limited and Manufacturing Value Addition Fund A/c Make In India Fund were designated as the Corporate Promoter and Promoter of the Company respectively w.e.f 16.02.2017 for the purpose of Initial Public Offer of equity shares of the Company.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| Name of Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. Manoj Agarwal | | | | |
| At the beginning of the year | 100 | 0.001 | | |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | | | | |
| Date | Reason | | | |
| 25.11.2016 | sold due to share transfer | (100) | (0.001) | |
| At the End of the year (or on the date of separation, if separated during the year) | - | - | - | - |
| 2. Sandeep Lakhota | | | | |
| At the beginning of the year | 100 | 0.001 | | |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | | | | |
| Date | Reason | | | |
| 25.11.2016 | sold due to share transfer | (100) | (0.001) | |
| At the End of the year (or on the date of separation, if separated during the year) | - | - | - | - |

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) (Contd..)

| Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 3. Manoj Beriwal | | | | |
| At the beginning of the year | 100 | 0.001 | | |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | | | | |
| Date | Reason | | | |
| 25.11.2016 | sold due to share transfer | (100) | (0.001) | |
| At the End of the year (or on the date of separation, if separated during the year) | - | - | - | - |
| 4. Rajesh Sirohia | | | | |
| At the beginning of the year | 100 | 0.001 | | |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | | | | |
| Date | Reason | | | |
| 25.11.2016 | Shareholding in joint name | (100) | (0.001) | |
| 20.01.2017 | Shareholding transferred from joint name | 100 | 0.001 | |
| At the End of the year (or on the date of separation, if separated during the year) | - | - | 100 | 0.001 |

v) Shareholding of Directors & KMPs:

| Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. Sanjay Kumar Chaurasia | | | | |
| At the beginning of the year | 100 | 0.001 | | |
| Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer /bonus/ sweat equity etc.): | | | | |
| Date | Reason | | | |
| 25.11.2016 | sold due to share transfer | (100) | (0.001) | |
| At the End of the year | - | - | - | - |
| 2. Bajrang Kumar Choudhary | | | | |
| At the beginning of the year | - | - | - | - |
| Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer /bonus/ sweat equity etc.): | | | | |
| Date | Reason | | | |
| 25.11.2016 | Shareholding in joint name | (100) | (0.001) | |
| 20.01.2017 | Shareholding transferred from joint name | 100 | 0.001 | |
| At the End of the year | - | - | 100 | 0.001 |

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payments -

| | Secured Loans Excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|----------|------------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 5,024,610,254 | 102,500,000 | - | 5,127,110,254 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 34,398,741 | 117,295 | - | 34,516,036 |
| Total (i+ii+iii) | 5,059,008,995 | 102,617,295 | - | 5,161,626,290 |
| Change in Indebtedness during the financial year | | | | |
| • Addition – Principal | 1,591,004,000 | 781,500,000 | - | 2,372,504,000 |
| Interest | 515,601,631 | 30,812,892 | - | 546,414,523 |
| • Reduction – Principal | 5,646,085,960 | 354,000,000 | - | 6,000,085,960 |
| Interest | 540,405,158 | 28,102,952 | - | 568,508,110 |
| Net Change | (4,079,885,488) | 430,209,940 | - | (3,649,675,547) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 969,528,294 | 530,000,000 | - | 1,499,528,294 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 9,595,213 | 2,827,235 | - | 12,422,449 |
| Total (i+ii+iii) | 979,123,507 | 532,827,235 | - | 1,511,950,743 |

VI. Remuneration of Directors**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | Total amount |
|---------|---|------------------------------|------------------------|--------------|
| | | *Bajrang Kumar Choudhary, MD | **Asim Tewari, Manager | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1,40,57,254 | 64,10,881 | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 16,500 | - | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | |
| 2. | Stock Option | - | - | |
| 3. | Sweat Equity | - | - | |
| 4. | Commission - as % of profit - others, specify | - | - | |
| 5. | Others, please specify | - | - | |
| | Total (A) | 1,40,73,754 | 64,10,881 | |
| | Ceiling as per the Act | 1,68,00,000 | - | |

*Mr. Bajrang Kumar Choudhary was appointed as a Managing Director of the Company w.e.f. 01.11.2016 whereas remuneration pertains to the period 01.04.2016-31.03.2017.

**Mr. Asim Tewari served as the Manager of the Company for the period 17.06.2016 – 01.11.2016 whereas the above remuneration pertains to the period 01.04.2016-31.03.2017.

B. Remuneration to Other Directors

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|--|-------------------|-----------------|-----------------|-------------------------------|------------------|
| | | Mr. Pradeep Singh | Mr. Brahm Dutt | Mr. Atanu Sen | Dr. (Ms.) Tuk Tuk Ghosh Kumar | |
| 1. | Independent Directors | | | | | |
| | • Fee for attending board / committee meetings | 2,15,000 | 3,45,000 | 3,15,000 | 2,30,000 | 11,05,000 |
| | • Commission | NIL | NIL | NIL | NIL | NIL |
| | • Others, please specify | NIL | NIL | NIL | NIL | NIL |
| | Total (1) | 2,15,000 | 3,45,000 | 3,15,000 | 2,30,000 | 11,05,000 |
| 2. | Other Non-Executive Directors | NIL | NIL | NIL | NIL | NIL |
| | • Fee for attending board / committee meetings | | | | | |
| | • Commission | | | | | |
| | • Others, please specify | | | | | |
| | Total (2) | NIL | NIL | NIL | NIL | NIL |
| | Total (B)=(1+2) | 2,15,000 | 3,45,000 | 3,15,000 | 2,30,000 | 11,05,000 |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | Total amount |
|---------|---|---------------------------|---|------------------|
| | | *CEO (Mr. Anurag Kuba) | CFO & Company Secretary (Mr. Sanjay Banka) | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 34,40,392 | 54,96,530 | 89,36,922 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | 32,400 | 32,400 |
| | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | - | - | - |
| 2. | Stock Option | - | - | - |
| 3. | Sweat Equity | - | - | - |
| 4. | Commission | - | - | - |
| | - as % of profit | | | |
| | - others, specify | | | |
| 5. | Others, please specify | - | - | - |
| | Total: | 34,40,392 | 55,28,930 | 89,69,322 |

*Mr. Anurag Kuba served as the Chief Executive Officer (CEO) of the Company for the period 01.04.2016 – 16.06.2016 whereas remuneration pertains to the period 01.04.2016-31.03.2017.

VII. Penalties / punishment/ compounding of offences

| Type | Section of the Companies Act, 2013 | Brief Description | Details of Penalty /Punishment/Compounding fees imposed | Authority [RD /NCLT/COURT] | Appeal made, if any(give Details) |
|-------------------------------------|------------------------------------|-------------------|---|----------------------------|-----------------------------------|
| A. Company | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. Director | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. Other officers in default | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

On behalf of the Board of Directors

For **Bharat Road Network Limited**

Place : Kolkata
Date : 02.11.2017

Bajrang Kumar Choudhary
Managing Director
DIN- 00441872

Brahm Dutt
Chairman
DIN -05308908

STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

| Sl. No. | Name of the Director | Remuneration (Rs.) | Median Remuneration of employees (Rs.) | Ratio (In times) |
|---------|------------------------------|--------------------|--|------------------|
| 1. | *Mr. Bajrang Kumar Choudhary | **55,11,454 | 11,01,314 | 5.00x |
| 2. | Mr. Brahm Dutt | - | | NA |
| 3. | Mr. Pradeep Singh | - | | NA |
| 4. | Mr. Atanu Sen | - | | NA |
| 5. | Dr. (Ms.) TukTuk Ghosh Kumar | - | | NA |
| 6. | #Mr. Sanjay Kumar Chourasia | - | | NA |

*Mr. Bajrang Kumar Choudhary was appointed as a Managing Director of the Company w.e.f. 01.11.2016.

**Remuneration excludes sitting fees

#Resigned w.e.f. 10.11.2017

ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

| Sl. No. | Name | Designation | Remuneration of Previous Year (Rs.) | Remuneration of Current Year (Rs.) | % Increase |
|---------|------------------------------|--|-------------------------------------|------------------------------------|------------|
| 1. | Mr. Bajrang Kumar Choudhary | Managing Director | NA | 55,11,454 | NA |
| 2. | Mr. Brahm Dutt | Chairman of the Board and Non-Executive Independent Director | - | - | NA |
| 3. | Mr. Pradeep Singh | Independent Director | - | - | NA |
| 4. | Mr. Atanu Sen | Independent Director | - | - | NA |
| 5. | Dr. (Ms.) TukTuk Ghosh Kumar | Independent Director | - | - | NA |
| 6. | *Mr. Sanjay Chaurasia | Independent Director | - | - | NA |
| 7. | **Mr. Anurag Kuba | Chief Executive Officer | 1,06,15,431 | 32,80,769 | (69.09) |
| 8. | ***Mr. Asim Tewari | Chief Operating Officer | 65,66,763 | 65,28,707 | (0.58) |
| 9. | ****Mr. Sanjay Banka | CFO & CS | 25,81,363 | 59,96,989 | 132.32 |

*Ceased to be Director w.e.f. 10.11.2016

**Ceased to be CEO w.e.f. 16.06.2016

*** Ceased to be Manager w.e.f. 01.11.2016

****Employed for the part of year in 2015-16

iii. The percentage increase in the median remuneration of employees in the financial year:

| Median remuneration of previous year (Rs.) | Median remuneration of current year (Rs.) | % increase |
|--|---|------------|
| 6,19,649 | 11,01,314 | 77.73 |

iv. The number of permanent employees on the rolls of Company:

There were 20 employees as on 31st March, 2017.

v. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

| Sl. No. | Particulars | Average % increase |
|---------|--|--------------------|
| 1. | Increase in salary of Managerial Personnel | - |
| 2. | Increase in salary of employee (other than Managerial Personnel) | - |

vi. Affirmation that the remuneration is as per the remuneration policy of the Company:

Yes, it is confirmed.

On behalf of the Board of Directors

For **Bharat Road Network Limited**

Place : Kolkata
Date : 02.11.2017

Bajrang Kumar Choudhary
Managing Director
DIN- 00441872

Brahm Dutt
Chairman
DIN -05308908

PARTICULARS OF EMPLOYEES

Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2017

| Sl. No. | Name | Age | Designation | Qualification | Remuneration (Rs.) | Date of commencement of employment | Working Experience (years) | Previous Employment | % of equity shares held by the employee in the Company |
|---------|--------------------------|-----|---|---|--------------------|------------------------------------|----------------------------|-------------------------------------|--|
| 1. | Asim Tewari | 49 | Chief Operating Officer | M. Tech (Project Management) | 65,28,707 | 12.08.2013 | 26 | Soma Isolux JV | - |
| 2. | Sanjay Banka | 48 | CFO & CS | FCA, FCS | 59,96,989 | 14.10.2015 | 24 | Landmark Group, S.A. | - |
| 3. | *Bajrang Kumar Choudhary | 48 | Managing Director | CA | 55,11,454 | 01.11.2016 | 22 | Srei Infrastructure Finance Limited | **0.00 |
| 4. | *Anurag Kuba | 56 | CEO | Bachelor of Mechanical Engineering (Hons) | 32,80,769 | 29.06.2015 | 32 | Consultant | - |
| 5. | Kuldeep Singh | 36 | Associate Vice President | B.E. | 30,74,976 | 30.11.2015 | 15 | Orion Group Dhaka | - |
| 6. | *Rajesh Sirohia | 43 | Head - Corporate Strategy and Investments | MBA | 24,76,346 | 01.11.2016 | 20 | Srei Infrastructure Finance Limited | **0.00 |
| 7. | *Partha Pratim Chaudhury | 48 | Head - Technical | B.E. (Civil) | 22,60,082 | 01.11.2016 | 20 | Srei Infrastructure Finance Limited | - |
| 8. | Nikhil Jain | 36 | Associate Vice President | CA, PGDBM, LLB | 21,00,900 | 01.04.2014 | 13 | Era Infrastructure India Limited | - |
| 9. | *Shailendra Singh | 51 | General Manager - Administration | B.A. | 18,56,480 | 01.06.2016 | 29 | Tollygunge Club | - |
| 10. | Pankaj Kumar Pujari | 36 | Senior Manager - HR | MBA(HR) | 11,82,664 | 25.02.2016 | 10 | Puri Oil Mill Private Limited | - |

*Employed for a part of the year

Note:

- The aforesaid appointment is contractual and in accordance with the terms and conditions as per Company's rules and policies.
- Remuneration includes Basic Salary, HRA, Special Allowance, Super Annuation Allowance, Conveyance allowance, Ex-gratia, LTA, Medical, Leave Encashment, Employer's contribution to Provident Fund, Employer's contribution to NPS, Incentive and other Perquisites.
- **Mr. Bajrang Kumar Choudhary and Mr. Rajesh Sirohia holds 9,589 and 100 shares respectively in the paid up share capital of the Company as on the date of this report. (They both held 100 shares each as on 31st March, 2017).
- No Employee is a relative of any Director of the Company.

CEO & CFO CERTIFICATION

Pursuant to Regulation 17(8) read with Regulation 33(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

April 26, 2017

The Board of Directors
Bharat Road Network Limited
5B, North East Block,
Vishwakarma Building,
86C, Topsia Road (South),
Kolkata – 700 046

We, Bajrang Kumar Choudhary, Managing Director (MD) and Sanjay Banka, Chief Financial Officer (CFO) of Bharat Road Network Limited, certify to the Board that we have reviewed the financial statements and the cash flow statement of the Company for the Financial Year ended on 31st March, 2017 and to the best of our knowledge and belief, we certify that–

1. The Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; that the Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are no fraudulent or illegal transactions and transactions violative of the Company's Code of Conduct.
3. For the purposes of financial reporting, we accept the responsibility for establishing and maintaining the internal controls which are monitored by the Company's Internal Audit Team and have evaluated based on feedbacks received from the Company's Internal Audit Team, the effectiveness of the internal control systems of the Company pertaining to financial reporting and have reported to the Auditors and the Audit Committee, the deficiencies, if any, in the operation and design of such internal controls and the steps taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any in the internal controls over financial reporting during the year;
 - (ii) significant changes, if any in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) that there have been no instances of significant fraud, of which we have become aware and consequently no involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Bajrang Kumar Choudhary
Managing Director
DIN - 00441872

Sanjay Banka
Chief Financial Officer (CFO)
Membership No. 056399



AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Bharat Road Network Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Road Network Limited ('the Company') for the year ended 31 March 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the year ended on 31 March, 2017.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place : Kolkata
Date : 02.11.2017

For **K. Arun & Co**
Company Secretaries
Arun Kumar Khandelua
Partner
C.P. No.: 2270

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S GOVERNANCE PHILOSOPHY

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the Organization. Good Corporate Governance leads to long term shareholder value and enhances interest of other stakeholders.

Bharat Road Network Limited ('BRNL') believes that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and societal expectations. The Company is committed to achieve the good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at a true Corporate Governance.

BRNL understands and respects its fiduciary and trusteeship role and responsibility to its stakeholders and strives hard to meet their expectations. BRNL believes that Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

The Company's Equity shares are presently listed on two Stock Exchanges in India namely BSE Limited and National Stock Exchange of India Limited w.e.f. 18th September, 2017. Your Company strives to achieve highest standards of Corporate Governance and to take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance. With that belief, though not applicable before listing, the Company voluntarily complied with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015). Accordingly, the Company has disclosed information as on March 31, 2017 and as on the date of the Board's Report, i.e., November 2, 2017 as under:

Company's philosophy on Code of Governance

The philosophy of Your Company in relation to Corporate Governance is to achieve and to maintain the highest standard of Corporate Governance through implementation of the following objectives:

- (1) To protect and facilitate the shareholders to exercise their rights;
- (2) To provide adequate and timely information to all the shareholders;

- (3) To ensure equitable treatment to all shareholders;
- (4) To recognize the rights of its shareholders and encourage co-operation between the Company and the stakeholders; and
- (5) To ensure timely and accurate disclosure on all matters including financial situation, performance, ownership and governance of the Company.

There is a clear demarcation of duties and responsibilities among the Chairman, Managing Director (MD) & Chief Financial Officer (CFO) to ensure best corporate performance and socio-economic value creation.

Board of Directors

Composition:

The Board has a strength of 5 (Five) Directors as on 31st March, 2017 and as on the date of signing of this report. The Board comprises of optimum combination of Executive, Non-Executive and Independent Directors. Our Board has an Independent Chairperson and so in compliance with the requirements of the SEBI Listing Regulations, 2015, more than 1/3rd of our board comprises of Independent Directors. We have 1 (one) Executive Director and 4 (four) Independent Directors on our Board, of which 1 (one) is a Woman Director.

The Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company. The Company sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. The Company has framed a Policy on Board Diversity which sets out the approach to diversity on the Board of Directors of the Company. During the year, a majority of the Board comprised of Independent Directors. Independent Directors play a crucial role in imparting balance to the Board processes by bringing independent judgment on issues of strategy, performance, resources, technology, finance, standards of the Company, conduct, etc.

As mandated in LODR Regulations:

- (a) *None of the Directors is member of more than (10) ten Board Level Committees nor are they Chairperson of more than (5) five Committees in which they are members across all the listed entities where they are directors;

(b) None of the Independent Directors serve as an Independent Director in more than 7 listed companies and

(c) The Whole time Director is not serving as an Independent Director in more than three listed companies.

* For assessment of these criteria, the membership/ chairmanship of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered and the limit of the committees on which a director may serve in all public limited companies, whether listed or not has been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 has been excluded.

Further, in compliance with Section 165 of the Companies Act, 2013, none of the Directors on the Board hold directorship

in more than 20 (Twenty) companies at the same time with the directorship in public companies not exceeding 10 (Ten). All the Directors have made necessary disclosures regarding directorship/ committee positions occupied by them in other listed entities / public limited companies (whether listed or not) in accordance with Regulations 25 and 26 of SEBI Listing Regulations, 2015 and the Companies Act, 2013.

The Composition of the Board of Directors as on March 31, 2017 and as on the date of this report is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, 2015. The details of the Board of Directors as on March 31, 2017 are as under:

| Sl. No. | Directors | DIN | Category |
|---------|-------------------------------|----------|---|
| 1. | Mr. Brahm Dutt | 05308908 | Non- Executive & Independent Director |
| 2. | Mr Bajrang Kumar Choudhary | 00441872 | Managing Director (Executive Director) |
| 3. | Mr Pradeep Singh | 00304825 | Non- Executive & Independent Director |
| 4. | Mr Atanu Sen | 05339535 | Non- Executive & Independent Director |
| 5. | Dr. (Ms.) Tuk Tuk Ghosh Kumar | 06547361 | Non- Executive, Independent Director and Woman Director |

None of the Directors of the Company are related to any other Director on the Board.

None of the Non- Executive Directors of the Company holds any shares or other convertible instruments in the Company.

The Company has taken an Annual Directors' and Officers' Liability Insurance Policy for an amount of Rs. 15,00,00,000/- (Rupees Fifteen Crores only) in order to safeguard and protect the interests of the Directors from any contingent liabilities.

Shareholding of Directors & Key Managerial Personnel (KMPs)

Mr. Bajrang Kumar Choudhary Managing Director (MD) and Mr. Sanjay Banka, Chief Financial Officer (CFO) and Company Secretary (CS) are the Whole-time Key Managerial Personnel (KMPs) of the Company in accordance with Section 203 of the Companies Act, 2013 as on March 31, 2017 and on the date of this report.

Mr. Bajrang Kumar Choudhary holds 9,589 shares as on the date of this report. None of the other Directors hold any Equity shares in the Company. Mr. Sanjay Banka, Chief Financial Officer and Company Secretary of the Company holds 73 shares in the Company as Sanjay Banka HUF.

Appointment of Directors

The Board has formulated the Nomination and Remuneration Policy of Directors, Key Managerial Personnel (KMPs) and other employees in terms of the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The said Policy outlines the appointment criteria and qualifications, the term / tenure of the Directors on the Board of the Company and

the matters related to their remuneration. The link to the said Policy has been provided elsewhere in this Annual Report.

Succession Plan

The Company recognizes the importance of effective executive leadership to its success and has initiated requisite steps to put in place a Succession Plan for appointments to the Board and to the Senior Management. The Nomination and Remuneration Committee of the Company is entrusted with the responsibility to oversee succession planning for the Board and the Senior Management.

Independent Directors (IDs)

As on 31st March, 2017 and as on the date of this report, the Company has 4 (Four) Independent Directors on its Board out of the total strength of 5 (Five) Directors.

All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually that they qualify the tests of their being independent as laid down under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015. All requisite declarations as received from Independent Directors were duly placed before the Board.

Meeting of Independent Directors (IDs)

The Independent Directors (IDs) met on 26th April, 2017 without the presence of the other members on the Board of Directors and the Management Team. The meeting was attended by all the Independent Directors and enabled them to discuss various matters pertaining to the Company's affairs

and thereafter put forth their combined views to the Board. The IDs reviewed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programmes for IDs

The familiarization programmes for the Independent Directors are in line with the Policy adopted by the Board of Directors in connection thereof. Members of the Board have complete access to the information within the Company and Independent Directors get an opportunity to interact with officials of the Management. The Management provides information as detailed in the Familiarization Policy for the Independent Directors either at the Board meeting(s) or Committee meeting(s) or otherwise. Independent Directors have the freedom to interact with the Company's Management. They are given all documents sought by them for enabling a good understanding of the Company, its various operations and industry segments of which it is a part.

In terms of Regulation 25(7) of SEBI Listing Regulations, 2015, the Company is required to conduct Familiarisation Programme for Independent Directors (IDs) to familiarise them about the Company including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant to Regulation 46 of SEBI Listing Regulations, 2015, the Company is required to disseminate on its website, details of familiarization programme imparted to IDs including the details of i) number of programmes attended by IDs (during the year and on a cumulative basis till date), ii) number of hours spent by IDs in such programmes (during the year and on a cumulative basis till date), and iii) other relevant details.

The Company Secretary also regularly apprises the Board about their roles, rights and responsibilities in the Company from time to time as per the requirements of SEBI Listing Regulations, 2015, Companies Act, 2013 read together with the Rules and Schedules thereunder.

Meetings

9 (Nine) Board meetings were held during the year 2016-17 on May 16, 2016, September 07, 2016, September 19, 2016,

October 17, 2016, November 10, 2016, November 25, 2016, December 22, 2016, February 08, 2017 and February 16, 2017. Whenever necessary and in case of business exigencies or urgency of matters, resolutions are passed by circulation. The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days.

The Board meets at least once in a quarter to review the business performance and other items of the agenda. Whenever necessary, additional meetings are held. Meetings are governed by structured agenda and all major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The Agenda papers along with the explanatory notes for Board meetings are circulated well in advance to the Directors. In some instances, documents are tabled at the meetings and presentations are also made by the respective executives on the matters related to them at the Board meetings. Every Board Member is free to suggest items for inclusion in the Agenda.

Further, in compliance with the Secretarial Standard – 1 on 'Meetings of the Board of Directors' (SS-1) issued by The Institute of Company Secretaries of India (ICSI), any item not included in the Agenda is taken up for consideration before the Board with the permission of the Chairman and with the consent of majority of Directors present in the meeting, which includes at least one Independent Director.

Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings. The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to the Board/Committee members within 15 (Fifteen) days from the date of conclusion of the meeting for their comments and the minutes are entered in the Minutes Book within 30 (Thirty) days from the date of conclusion of the meeting in compliance with Secretarial Standard – 1 on 'Meetings of Board of Directors' (SS-1) issued by The Institute of Company Secretaries of India (ICSI). Action Taken Report on the decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee(s) for information and review by the Board/Committee(s).

Attendance of each Director at Board meetings held during the year 2016-17 and at the last Annual General Meeting (AGM):

| Directors | No of Board Meetings Attended | Attendance at last AGM |
|----------------------------------|-------------------------------|------------------------|
| Mr. Bajrang Kumar Choudhary | 9 | Yes |
| Mr. Brahm Dutt | 9 | No |
| Mr. Pradeep Singh | 8 | No |
| Mr. Sanjay Kumar Chaurasia* | 1 | Yes |
| Mr. Atanu Sen** | 8 | No |
| Dr. (Ms.) Tuk Tuk Ghosh Kumar*** | 6 | - |

* Resigned w.e.f 10.11.2016.

** Appointed w.e.f 07.09.2016.

*** Appointed w.e.f 06.10.2016.

Number of other Companies or Committees in which the Director is a Member/ Chairman

The following table gives the number of outside directorships and the Committee positions held by each of the Directors as on the date of this report -

| Directors | No. of Directorship in other Companies (other than Bharat Road Network Limited) | | No. of Committee positions held in Indian Public Limited Companies (other than Bharat Road Network Limited)**** | |
|-------------------------------|---|-----------|---|--------|
| | Indian Public Limited Companies** | Others*** | Chairman | Member |
| Mr. Pradeep Singh | - | 3 | - | - |
| Mr. Bajrang Kumar Choudhary | - | 3 | - | - |
| Mr. Brahm Dutt | 1 | - | - | 1 |
| Mr. Atanu Sen | 6 | 1 | - | 4 |
| Dr. (Ms.) Tuk Tuk Ghosh Kumar | 1 | 1 | - | 1 |

**Includes Directorships in private companies that are subsidiaries of a public company

***Includes Directorships in private limited companies (other than private companies that are either holding or subsidiary company of a public company), foreign entities, companies under Section 8 of the Companies Act, 2013, alternate Directorships, Directorship/Memberships of Managing Committees of various Chambers/Institutions/Universities and proprietorship of firms.

****Includes only Audit Committee and Stakeholders Relationship Committee of public limited companies (includes private companies which are subsidiaries of public companies) whether listed or not.

Board Committees

The Company has 5 (five) Board level Committees as of the date of this report:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Committee of Directors

The Board is authorized to constitute additional functional committees, from time to time, depending on business needs.

The Board has constituted various Committees consisting of Executive and Non-Executive Directors to focus on the critical functions of the Company. The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas/activities which concern the Company and need a closer review. They are set

up under the formal approval of the Board, to carry out the clearly defined role which is considered to be performed by Members of the Board, as a part of good Corporate Governance practice.

The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval, as the case may be. Further, minutes of proceedings of the Committees are circulated to the Members and are placed before the Board for noting thereat.

The Terms of Reference for the various Committees including their roles and powers is in accordance with the relevant provisions of Companies Act, 2013, SEBI Listing Regulations, 2015 and other applicable rules and regulations issued by the concerned Regulators from time to time. Each of the Committees has the authority to engage outside experts,

advisors and counsels to the extent it considers appropriate to assist in its function.

Audit Committee

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI Listing Regulations, 2015. The Audit Committee was re-constituted at the meeting of the Board of Directors of the Company held on November 10, 2016.

The Audit Committee of your Company comprises of the following Members:

| Name | Status |
|--------------------------------|--|
| Mr. Brahm Dutt (Chairman) | Independent & Non-Executive Director |
| Mr. Bajrang Kumar Choudhary | Managing Director (Executive Director) |
| Mr. Atanu Sen | Independent & Non-Executive Director |

Mr. Sanjay Banka, Company Secretary acts as the Secretary to the Committee.

All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise. The Committee also invites Senior Executives, as it considers appropriate, to be present at the meetings of the Committee.

The scope and function of the Audit Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015 and its terms of reference include the following:

Powers

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice from external sources including forensic or other investigations, if necessary;
- To secure attendance of outsiders with relevant expertise, if it considers necessary;
- To have full access to the information contained in the records of the Company.

Role

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(d) Reviewing / examining, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Qualifications / modified opinion(s) in the draft audit report.

(e) Reviewing / examining, with the management, the quarterly financial statements before submission to the Board for approval;

(f) Reviewing / examining / monitoring, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(h) Approval or any subsequent modification of transactions of the Company with related parties;

(i) Scrutiny of inter-corporate loans and investments, unless otherwise defined, for the purposes of definition of auditor above, shall include statutory auditors, secretarial auditors, cost auditors and internal auditors;

(j) Valuation of undertakings or assets of the Company, wherever it is necessary;

(k) Evaluation of internal financial controls and risk management systems;

(l) Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;

- (m) Reviewing the adequacy of internal audit function, defining the scope and frequency of Internal Audit including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (n) Discussion with internal auditors of any significant findings and follow up there on;
- (o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (r) To review the functioning of the Whistle Blower mechanism;
- (s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- Review of Information
 - (a) To mandatorily review the following information –
 - Management discussion and analysis of financial condition and results of operations.
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
 - Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - Internal audit reports relating to internal control weaknesses.
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
 - Statement of deviations:
 - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing and Disclosure Requirements Regulations, 2015 (“SEBI Listing Regulations”); and

- ii. Annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of the SEBI Listing Regulations.
- (b) To deal with such matters as may be delegated / referred to by the Board of Directors from time to time;
- (c) To delegate any of the above matters to any executive of the Company / sub-committee except those not allowed to be delegated under law;
- (d) Monitoring the end use of funds raised through public offers and related matters; and
- (e) Carrying out any other function as deemed appropriate or determined by the Board from time to time in the best interest of the Company and other stakeholders of the Company.

During the Financial Year 2016-17, 4 (four) Meetings of the Audit Committee were held.

• **Details of Audit Committee Meetings during the financial year:**

| Sl. No. | Date | Committee Strength | No. of Members Present |
|---------|------------|--------------------|------------------------|
| 1 | 07.09.2016 | 3 | 3 |
| 2 | 19.09.2016 | 4 | 3 |
| 3 | 25.11.2016 | 3 | 3 |
| 4 | 22.12.2016 | 3 | 3 |

• **Attendance at Audit Committee Meetings during the financial year:**

| Member | No. of Meeting Attended |
|-----------------------------|-------------------------|
| Mr. Brahm Dutt | 4 |
| Mr. Bajrang Kumar Choudhary | 4 |
| Mr. Sanjay Kumar Chaurasia* | 1 |
| Mr. Atanu Sen** | 3 |

* Resigned w.e.f 10.11.2016.

** Appointed w.e.f 07.09.2016.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations, 2015.

The Members of the Nomination and Remuneration Committee are:

| Name | Status |
|---------------------------|--------------------------------------|
| Mr. Brahm Dutt (Chairman) | Independent & Non-Executive Director |
| Mr. Pradeep Singh | Independent & Non-Executive Director |
| Mr. Atanu Sen | Independent & Non-Executive Director |

Mr. Sanjay Banka, Company Secretary acts as the Secretary to the Committee.

The Nomination and Remuneration Committee was re-constituted in meetings of the Board of Directors held on September 07, 2016 and November 10, 2016 respectively.

The scope and function of the Nomination and Remuneration Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015 and its terms of reference include the following:

- a. Evaluate the current composition and organization of the Board and its Committees in light of requirements established by any Regulatory Body or any other applicable statute, rule or regulation which the Committee deems relevant and to make recommendations to the Board in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company;
- b. To periodically review the terms of reference and make recommendations to the Board for changes;
- c. Review the composition and size of the Board in order to ensure that the Board is comprised of members reflecting the proper expertise, skills, attributes and personal and professional backgrounds for service as a Director of the Company, as determined by the Committee;
- d. Review and recommend to the Board an appropriate course of action upon the resignation of current Board members, or any planned expansion of the Board, and review the qualifications, experience and fitness for service on the Board of any potential new members of the Board;
- e. Review all stockholder proposals submitted to the Company (including any proposal relating to the nomination of a member of the Board) and the timeliness of the submission thereof and recommend to the Board appropriate action on each such proposal;
- f. Formulate, administer and supervise the Company's Stock Option schemes, if any, in accordance with relevant laws;
- g. Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- h. Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- i. Ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long

term performance objectives appropriate to the working of the Company and its goals;

- j. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees of the Company;
- k. Formulate the criteria for evaluation of Independent Directors and the Board;
 - l. Identify the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- m. Deal with such matters as may be referred to by the Board of Directors from time to time; and
- n. Devising a policy on diversity of Board.

During the Financial Year 2016-17, 3 (three) meetings of Nomination and Remuneration Committee were held. However, in case of a special and urgent business need, the Committee's approval is taken by passing resolutions through circulation, as permitted by law, which are noted at the subsequent Committee meeting.

Details of Nomination and Remuneration Committee Meetings during the financial year:

| Sl. No. | Date | Committee Strength | No. of Members Present |
|---------|------------|--------------------|------------------------|
| 1. | 16.05.2016 | 3 | 2 |
| 2. | 07.09.2016 | 3 | 3 |
| 3. | 10.11.2016 | 2 | 2 |

Attendance at Nomination and Remuneration Committee Meetings during the Financial Year:

| Member | No. of Meeting Attended |
|-----------------------------|-------------------------|
| Mr. Brahm Dutt | 3 |
| Mr. Bajrang Kumar Choudhary | 3 |
| *Mr. Sanjay Chaurasia | 1 |

*Resigned w.e.f. 10.11.2016

The Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable statutes, rules and regulations which the Committee deems relevant, makes recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company, identifies the persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommends to the Board their appointment and removal

and other matters specified for Nomination and Remuneration Committee in Section 178 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and under SEBI Listing Regulations, 2015.

Performance Evaluation

The Nomination and Remuneration Committee (NRC) has adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and Individual Directors, including the Chairman of the Board pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV), Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of SEBI Listing Regulations, 2015.

For Board and its Committees, the exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues, etc. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

Further, the Managing Director (MD) is evaluated on key aspects of his role which includes inter alia effective leadership to the Board. During the year under review, the Board carried out annual evaluation of its own performance as well as evaluation of the working of various Board Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. This exercise was carried out through a structured questionnaire prepared separately for Individual Board Members (including the Chairman) and Board Committees based on the criteria as formulated by the NRC. Based on these criteria, the performance of the Board, various Board Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, and Individual Directors (including Independent Directors) was evaluated and found to be satisfactory. All Directors are participative, interactive and communicative. The Chairman has abundant knowledge, experience, skills and understanding of the Board's functioning, possesses a mind for detail, is meticulous to the core and conducts the Meetings with poise and maturity. The information flow between the Company's Management and the Board is complete, timely with good quality and sufficient quantity.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI Listing Regulations, 2015.

The members of the Stakeholders' Relationship Committee are:

| Name | Status |
|------------------------------|--|
| Mr. Pradeep Singh (Chairman) | Independent & Non-Executive Director |
| Mr. Atanu Sen | Independent & Non-Executive Director |
| Mr. Bajrang Kumar Choudhary | Managing Director (Executive Director) |

Mr. Sanjay Banka, Company Secretary acts as the Secretary to the Committee.

The Stakeholders' Relationship Committee was constituted in a meeting of the Board of Directors held on October 17, 2016.

During the Financial Year 2016-17, the Committee met once on 25th November, 2016.

The scope and function of the Stakeholders Relationship Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations 2015. The terms of reference of the Stakeholders' Relationship Committee include:

- To approve, authorise, authenticate and register transfer and / or transmission of all classes of shares and / or securities;
- To approve and / or authorise sub - division, consolidation, issuance, re - issuance and rematerialisation etc. of share certificates and / or other security certificates;
- To authorise issue of duplicate share / security certificates;
- To review the status of unpaid / unclaimed dividend accounts and take necessary actions thereof;
- To authorise affixation of common seal on share certificates and / or other security certificates or documents;
- To deal with matters relating to shares and / or securities as may be prescribed by applicable laws including inter alia the SEBI Listing Regulations, Depositories Act, Companies Act etc. or any amendments thereto;
- To consider and resolve the grievances of security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends;
- To deal with matters relating to Company's Code of Conduct for Prohibition of Insider Trading (BRNL Insider Code) as well as SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Any other share and / or securities related matters as may be delegated to the Committee from time to time; and
- To delegate powers of any of the above to any executive of the Company or to the Registrar and Share Transfer

Agents (RTA) of the Company except those not allowed to be delegated under law.

Attendance at Stakeholders Relationship Committee Meeting during the Financial Year:

| Member | No. of Meeting Attended |
|-----------------------------|-------------------------|
| Mr. Pradeep Singh | 1 |
| Mr. Atanu Sen | 1 |
| Mr. Bajrang Kumar Choudhary | 1 |

Status of Investors' Grievances for Equity Shares:

During the period from 17.09.2017 to 30.09.2017, the Company received 82 (Eighty Two) complaints from the equity shareholders. All the aforesaid complaints were resolved to the satisfaction of the shareholders and none of the complaints received were pending as on September 30, 2017. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) have furnished separate confirmations that there are no investor complaints pending against the Company as on September 30, 2017.

Further, Pursuant to Regulation 13(3) read with Regulation 13(4) of SEBI Listing Regulations, 2015, Statements of investor complaints as received from the Registrar & Share Transfer Agents, Karvy Computershare Private Limited, for Equity shares, were filed with the Stock Exchanges on a quarterly basis and the said Statements were also placed before the Board of Directors for information and noting.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted in line with the provisions of Section 135 of the Companies Act, 2013.

The members of the CSR Committee are –

| Name | Status |
|---|--|
| Dr. (Ms.) Tuk Tuk Ghosh Kumar (Chairperson) | Independent & Non-Executive Director |
| Mr. Atanu Sen | Independent & Non-Executive Director |
| Mr. Bajrang Kumar Choudhary | Managing Director (Executive Director) |

Mr. Sanjay Banka, Company Secretary acts as the Secretary to the Committee.

The CSR Committee was constituted in a meeting of our Board of Directors held on October 17, 2016. The scope and function of the CSR Committee is in accordance with the provisions of the Companies Act, 2013.

The terms of reference of the CSR Committee include:

- Formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy in accordance with the Companies (Corporate Social Responsibility Policy) Rules,

2014 including inter alia list of activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, modalities of execution of such activities and implementation schedule for the same;

- Recommending the amount of expenditure to be incurred on the activities referred to in clause (a) above;
- Monitoring the CSR Policy of the Company from time to time; and
- Instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

No meeting of CSR Committee was held during the Financial Year 2016-17.

Committee of Directors

The Committee of Directors comprises of Mr. Bajrang Kumar Choudhary, Mr. Atanu Sen and Dr. (Ms.) Tuk Tuk Ghosh Kumar as the members of the Committee. Mr. Atanu Sen acts as the Chairman of the Committee of Directors. Mr. Sanjay Banka, Company Secretary of the Company acts as the Secretary to the Committee.

The terms of reference of the COD include:

Banking and Borrowing Related Matters:

- to authorize to open, control, operate, manage and close Bank accounts of the Company as the Committee may deem fit and proper from time to time;
- to approve change in signatories as per the requirements of the business from time to time and / or signing documents relating to bank accounts of the Company as may be determined by the Committee from time to time;
- (i) to avail various credit facilities by way of Cash Credit (CC), Term Loan (TL), Corporate Loan, Working Capital Demand Loan (WC DL), Foreign Currency Loan, Foreign Currency Non Resident (FCNR) Loan, External Commercial Borrowing (ECB), Letter of Credit (LC) (Inland / Foreign), Bank Guarantee, buyers credit, sellers credit or such other facilities as may be sanctioned by the Individual Bank or Consortium of Banks whether Indian or Foreign, Indian and Foreign Financial Institutions, Corporate bodies or other authorities etc. from time to time under the normal course of business and to undertake all incidental and ancillary activities relating to the aforesaid borrowing;
- (ii) to issue, offer and / or allot commercial papers on private placement basis and other short term or long term instrument / securities (other than non-convertible debentures including bonds);

The Committee of Directors is authorized to borrow by way of aforesaid facilities / instruments within the

borrowing limits of the Company u/s 180(1)(c) of the Companies Act, 2013.

- (d) to authorise for entering into derivatives, hedging transactions including but not limited to Foreign Exchange Forwards & Options and Interest rate Swaps on behalf of the Company;
- (e) to acknowledge debts / outstanding balances of the Company for the limits availed by the Company from various banks / financial institutions;
- (f) to authorise the powers of banking operations and signing and execution of documents, deeds, papers related to the above credit facilities including creation of securities in favour of the lenders related to aforesaid credit facilities in favour of any Director or Executives of the Company in such manner as may be deemed fit and proper by the Committee of Directors of the Company;
- (g) any other connected matters and / or such other matters as may be referred to the Committee from time to time in this regard.
- (h) To invest the funds of the Company within the limits approved u/s 186 of the Companies Act, 2013.

Other Matters:

- (a) to open demat / custody / constituent subsidiary ledger / or such other account of this nature for the Company and to authorise or approve change in signatories or operations of these accounts;
- (b) to issue fresh General / Specific / Irrevocable or any other kind of Power of Attorney in favour of the Executives / Authorised Representative of the Company for day to day operations of the Company or in favour of any Banks / Financial Institutions or other entities for the purpose of giving effect of any resolutions and to revoke Power of Attorney(ies);
- (c) to authorise the Company officials for signing various Lease / Hypothecation / Loan / Hire Purchase or any other kind of agreements, deeds, documents etc. on behalf of the Company and to change such authorization from time to time for smooth operation of the day to day business of the Company;
- (d) to authorise purchase, sell and / or to deal with any immovable property, movable property, fixed assets or any other property on behalf of the Company and to authorise the officials of the Company by way of Power of Attorney (POA) or otherwise to sign, seal, deliver various agreements, deeds, documents and papers as may be required for the purpose;
- (e) to authorise representative(s) of the Company to attend and vote at general meeting(s) in respect of the companies in which the Company holds any equity / preference share(s) and to take consequential actions thereto;

- (f) to authorise affixation of Common Seal of the Company on various documents, agreements, deeds etc. related to the business of the Company;
- (g) to approve and adopt various policies for the Company as may be referred to by the Board of Directors or as may be stipulated by any regulatory authority from time to time and to make any modifications thereto;
- (h) to consider, approve and submit various Bid documents, Expression of Interests (EOI), Request for Qualifications (RFQ), Request for Proposals (RFP), Consortium agreements and / or other Agreements etc. for promotion, investment, joint venture and / or expression etc. of business of the Company in the Infrastructure sector, including bidding for any acquisition, merger etc. of any existing body corporate and / or formation of special purpose vehicle etc. and to authorise any Director and / or officials of the Company to execute necessary agreements, documents, power of attorneys and / or other deeds in relation to the aforesaid matter;
- (i) to consider and approve miscellaneous matters arising during the intervals between meetings of the Board and which does not require specific approval of the Board of Directors or any other Committee of the Company; and

To deal with such matters as may be referred to by the Board of Directors from time to time.

IPO Committee

An IPO committee was constituted at the meeting of Board of Directors held on November 10, 2016 in order to facilitate and assist the Board w.r.t. timely decision making on important matters required to be taken for IPO Purposes and to conduct various Pre and Post IPO related activities smoothly and effectively.

The members of the IPO committee are Mr. Brahm Dutt, Mr. Bajrang Kumar Choudhary, Mr. Atanu Sen and Mr. Pradeep Singh.

During the Financial Year 2016-17, 2 meetings of the IPO Committee were held on 08.02.2017 and 16.02.2017.

Pursuant to the completion of IPO process, the IPO Committee of the Board stands dissolved w.e.f. 02.11.2017.

Remuneration of Directors

The appointment of Managing Director is governed by resolution passed by the Nomination and Remuneration Committee, Board of Directors and the Shareholders of the Company, which covers the terms and conditions of such appointment including remuneration, and approval of Central Government, wherever applicable. Further, payment of remuneration to Managing Director is also governed by the agreement executed between him and the Company, and approval of Central Government, wherever applicable.

The tenure of office of the Managing Director is for 3 (Three) years effective from 1st November, 2016 and can be terminated by giving 3 (Three) months' notice in writing. There is no separate provision for payment of severance fees. The Managing Director is presently liable to retirement by rotation.

The remuneration of Executive Directors is divided into two components viz. fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive. The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance Vis-a-Vis the annual budget achievement, individual's performance Vis-a-Vis key result areas, industry benchmark and current compensation trends in the market.

The Non-Executive Directors are paid remuneration by way of sitting fees for each meeting of the Board or any Committee thereof attended by them and reimbursement of out-of-pocket expenses incurred, wherever applicable, for attending such meetings. The sitting fees as determined by the Board are presently Rs. 50,000/- for attending each meeting of the Board, Rs. 25,000/- for attending each meeting of the Audit Committee and Rs. 10,000/- for attending each meeting of other Committees. The aforesaid payment is well within the limits prescribed under the Companies Act, 2013 and rules made therein.

No pecuniary transactions have been entered into by the Company with any of the Non-Executive Directors of the Company, except the payment of sitting fees to them.

Code of Conduct for Directors and Senior Management

The Board of Directors has laid down, the Code of Conduct ("Code") of the Company for all Board Members and Senior

Management of the Company. The Code of Conduct has incorporated duties of Independent Directors as laid down in the Act. The said Code has been displayed on the Company's website www.brnl.in.

Subsidiary Companies' Monitoring Framework

All subsidiary companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company has a material unlisted subsidiary, and hence, is required to nominate an Independent Director of the Company on the Board of that company. Mr. Atanu Sen, who is an Independent Director of our Company serves on the Board of Orissa Steel Expressway Private Limited as an Independent Director.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

In addition to the above, the Company has formulated a Policy for determining 'Material' Subsidiaries in accordance with SEBI Listing Regulations, 2015. The said Policy is available on the Company's website www.brnl.in.

General Body Meetings

Annual General Meetings (AGMs):

| Details | Financial Year & Time | Date | Venue | No. of Special Resolution(s) passed |
|---------|-----------------------|------------|---|-------------------------------------|
| 9th AGM | 2015-16 1:30 P.M. | 27.09.2016 | 'Vishwakarma Building' 86C, Topsia Road (South), Kolkata 700046. | - |
| 8th AGM | 2014-15 1:30 P.M. | 30.09.2015 | 'Vishwakarma' 86C, Topsia Road (South), Kolkata 700046. | 4 |
| 7th AGM | 2013-14 12:30 P.M. | 30.09.2014 | 'Mirania Gardens' 10B/1, Topsia Road (East), Kolkata 700046. | 3 |

Extra-Ordinary General Meeting for 2016-2017(EGMs):

| Sl. No. | Date & Time | Venue |
|---------|--------------------------|---|
| 1 | 14.11.2016 1.30 P.M. | 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata 700046. |
| 2 | 11.11.2016 10:30 A.M. | 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata 700046. |
| 3 | 18.10.2016 1:30 P.M. | 'Mirania Gardens', 10B/1, Topsia Road (East), Kolkata 700046. |

No resolution requiring a Postal Ballot was placed at the last AGM of the Company held on September 27, 2016. However, the Company is proposing to conduct postal ballot under section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India (ICSI) for giving loans or extending guarantee or providing security or acquiring securities of any other body corporate in excess of the limit specified under sub-section (3) of Section 186 of the Companies Act, 2013 during the Financial Year 2017-18.

Means of Communication

Your Company informs the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other matters which in its opinion are material and relevant for the shareholders. The Company effectively uses NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre, a web based application designed by National Stock Exchange of India Limited and BSE Limited, respectively, for filing of shareholding pattern, corporate governance report, financial statements and significant corporate announcements thereby saving time, cost and ensuring operational efficiency.

| | |
|---|--|
| Quarterly results | The Quarterly results of the Company are published in prominent English Newspaper having nationwide circulation as well as Bengali Newspaper and hosted on Company's website. Further, pursuant to Regulation 47 read with Regulation 33 of SEBI Listing Regulations, 2015, extract of the Standalone Results were published as per the prescribed format. |
| Newspapers in which Results are normally published | Business Standard, Business Line, Financial Express, Ek Din, Aajkaal, Kalantar and Ei Samay |
| Any website, where displayed | Yes, at the Company's website www.brnl.in. |
| Whether it also displays Official news releases | Yes |
| Presentations made to institutional investors or to the analysts | The same shall be displayed on the website, as and when made |
| Whether MD & A is a part of Annual Report or not | Yes |

General Shareholders' Information

A section on Shareholders' Information is separately annexed to the Directors Report.

OTHER DISCLOSURES:

i. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large** - Details of relevant Related Party Transactions entered into by the Company are included in the Board's Report and in the Notes to Accounts. The Company has in place a Policy on Related Party Transactions setting out (a) the materiality thresholds for related parties and (b) the manner of dealing with transactions between the Company and related parties, including omnibus approvals by Audit Committee based on the provisions of the Act and Regulation 23 of the SEBI Listing Regulations. During the year, there were no materially significant transactions with related parties, as per the Policy adopted by the Company that has potential conflict with the interests of the Company at large. All transactions with related parties entered into by the

Company were in the normal course of business and on an arm's length basis and were approved by the Audit Committee.

- ii. **Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years** - The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed by them on the Company.
- iii. **Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee** - In accordance with the provisions of the Act and Regulation 22 of the SEBI Listing Regulations the Company has in place a Vigil Mechanism and a Whistle-Blower Policy duly approved by the Audit Committee which provides a formal

mechanism for all Directors and Employees of the Company to approach the Management of the Company and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no Director or Employee of the Company has been denied access to the Audit Committee.

iv. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements -**

The Company has complied with all the mandatory and applicable requirements of Corporate Governance as specified in sub-paras (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations 2015, and shall review and adopt the non-mandatory requirements, if needed.

v. **Information on the Company's website regarding key policies, codes and charters, adopted by the Company:**

- **Policy for Preservation of Documents**
<http://www.brnl.in/sites/default/files/report/1.%20Policy%20for%20preservation%20of%20documents.pdf>
- **Policy on Determining "Material" Subsidiaries**
<http://www.brnl.in/sites/default/files/report/2.%20Policy%20on%20determining%20Material%20Subsidiaries.pdf>
- **Code of Conduct for Board of Directors and Senior Executives**
<http://www.brnl.in/sites/default/files/report/3.%20Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Executives.pdf>
- **Risk Management Policy**
<http://www.brnl.in/sites/default/files/report/4.%20Risk%20Policy.pdf>
- **Related Party Transactions (RPTs) Policy**
<http://www.brnl.in/sites/default/files/report/6.%20Policy%20on%20Related%20Party%20Transactions%20%28RPTs%29-%20BRNL.pdf>

- **Familiarisation Programme for Independent Directors (IDs)**

<http://www.brnl.in/sites/default/files/report/7.%20Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

- **Policy for determination of Materiality of any Event/Information**

<http://www.brnl.in/sites/default/files/report/8.%20Policy%20for%20determination%20of%20Materiality%20of%20any%20Event%20or%20Information.pdf>

- **Archival Policy**

<http://www.brnl.in/sites/default/files/report/9.%20Archival%20Policy.pdf>

- **Corporate Social Responsibility Policy**

<http://www.brnl.in/sites/default/files/report/10.%20Corporate%20Social%20Responsibility%20Policy.pdf>

- **Code of Conduct For Prohibition of Insider Trading**

<http://www.brnl.in/sites/default/files/report/12.%20Code%20of%20Conduct%20for%20Prohibition%20of%20Insider%20Trading.pdf>

- **BRNL Fair Disclosure Code**

<http://www.brnl.in/sites/default/files/report/13.%20Code%20of%20Fair%20Disclosure%20of%20UPSI.pdf>

- **Policy on Board Diversity**

<http://www.brnl.in/sites/default/files/report/14.%20Policy%20on%20Board%20Diversity.pdf>

- **BRNL Nomination & Remuneration Policy**

<http://www.brnl.in/sites/default/files/report/15.%20NRC%20Policy.pdf>

- **Vigil Mechanism Policy**

<http://www.brnl.in/sites/default/files/report/Vigil%20Mechanism%20Policy.pdf>

- **Composition of Various Committees of the Board of Directors**

http://www.brnl.in/sites/default/files/report/Composition%20of%20various%20Committees%20to%20be%20uploaded%20on%20the%20website_LODR%20Regulations_0.pdf

DISCRETIONARY REQUIREMENTS (Regulation 27 of SEBI Listing Regulations, 2015)

| | |
|---|---|
| <p>a) Chairman of the Board Whether Non-Executive Chairman is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties</p> | <p>Non-Executive Chairman is not entitled to maintain a Chairman's office at the Company's expense. However, he is allowed reimbursement of expenses incurred in performance of his duties.</p> |
| <p>b) Shareholder rights A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders</p> | <p>Since there is a requirement of quarterly, half-yearly and annual results of the Company to be published in a leading English daily newspaper having a nationwide circulation and a Bengali daily newspaper (having circulation in Kolkata) and to be hosted on Company's website, these may not be sent individually to the shareholders of the Company. There is no declaration/publication of second half yearly results as the audited annual results are taken on record by the Board and then communicated to the shareholders through the Annual Report. The Annual Report of the Company for the financial year 2016-17 shall be emailed to the Members whose email addresses are available with the depositories or are obtained directly from the Members, as per Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014. For other Members, who have not registered their email addresses, the Annual Report shall be sent at their registered address. If any Member wishes to get a duly printed copy of the Annual Report, the Company shall send the same, free of cost, upon receipt of request from the Member.</p> |
| <p>c) Modified opinion(s) in audit report</p> | <p>It is always the Company's endeavour to present unmodified financial statements. There is no audit modification in the Company's financial statements for the year ended on March 31, 2017.</p> |
| <p>d) Separate posts of Chairman and CEO The Company may appoint separate persons to the post of Chairman and Managing Director/CEO</p> | <p>The positions of Chairman and Managing Director (MD) are separate. The Chairman of the Company is a Non- Executive Director and his position is separate from that of the MD.</p> |
| <p>e) Reporting of Internal Auditor The Internal Auditor may report directly to the Audit Committee</p> | <p>The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and regularly attends the Meetings for reporting audit findings to the Audit Committee.</p> |

Disclosures with respect to demat suspense account/ unclaimed suspense account:

Pursuant to the IPO of equity shares of the Company, a demat suspense account was opened with Karvy Stock Broking Limited as required under Regulation 39(4) read together with Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 wherein an unclaimed suspense account is required to be opened with the depository participants and shares unclaimed by the allottees shall be credited to this demat account. There are no shares lying unclaimed in the demat suspense account/ unclaimed suspense account as on the date of this report.

CODE OF CONDUCT

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior Management. The code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. The Code has been uploaded on the website of the Company www.brnl.in.

DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 26 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has obtained affirmation from all the members of the Board and Senior Management Personnel of the Company that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel in respect of the financial year 2016 – 2017.

I, Bajrang Kumar Choudhary, Managing Director of Bharat Road Network Limited, declare that the Company has obtained affirmation from all the members of the Board and Senior Management Personnel of the Company, that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel in respect of the financial year 2016 – 2017.

For **Bharat Road Network Limited**

Bajrang Kumar Choudhary
Managing Director
DIN- 00441872

Place : Kolkata
Date : 02.11.2017

GENERAL SHAREHOLDERS INFORMATION**ANNUAL GENERAL MEETING**

Day, Date and Time : Saturday, 16th December, 2017 at 11:00 A.M
 Venue : India Power Corporation Limited Auditorium
 Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700091

FINANCIAL CALENDAR (TENTATIVE): Financial reporting for 2017-18.**Results for the Quarter Ending**

June 30, 2017 : N.A.
 September 30, 2017 : On or before November 14, 2017
 December 31, 2017 : On or before February 14, 2018
 March 31, 2018 : On or before May 30, 2018
 Date of Dividend payment : No dividend was announced and recommended by the Board for FY 2016-17

LISTINGS

The Company's shares are listed on the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE).

- **BSE Ltd**
25th Floor, P J Towers, Dalal Street, Mumbai-400001.
- **National Stock Exchange of India Limited**
Exchange Plaza, C-1, Block "G", Bandra Kurla Complex, Bandra East, Mumbai- 400051.

The Annual Listing fees have been paid to both the Stock Exchanges for the Financial Year 2017-2018.

STOCK CODE

- BSE –540700
- NSE –BRNL

International Security Identification Number (ISIN): INE727S01012

Corporate Identification Number (CIN): U45203WB2006PLC112235

STOCK MARKET DATA

| Month | BSE Limited | | | National Stock Exchange of India Limited | | |
|-----------------|-------------|----------|---------|--|----------|----------|
| | High (Rs) | Low (Rs) | Volume | High (Rs) | Low (Rs) | Volume |
| September, 2017 | 218.65 | 176.40 | 8289947 | 218.90 | 177.25 | 45673590 |
| October, 2017 | 183.90 | 171.00 | 1097169 | 187.75 | 170.00 | 5692156 |

Note: Volume is the total monthly volume of trade in number of shares

FINANCIAL YEAR : 1st April to 31st March

REGISTRAR AND SHARE TRANSFER AGENTS

Karvy Computershare Private Limited (Karvy)
 Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
 Tel: +91 40 6716 2222; Fax: +91 40 2342 0814, Email: einward.ris@karvy.com.

SHARE TRANSFER SYSTEM

None of the Shares of the company are in physical form as on the date of this report. The Executives of the Registrar are empowered to approve transfer of shares and other investor related matters. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days. The following are the compliances pertaining to share transfers, grievances, etc.:

1. Pursuant to Regulation 7(3) of the SEBI Listing Regulations 2015, certificates are filed with the stock exchanges on half yearly basis by the Compliance Officer and the representative of the Registrar and Share Transfer Agent for maintenance of an appropriate share transfer facility.
2. Pursuant to Regulation 13(2) of the SEBI Listing Regulations 2015, a statement on the pending investor complaints is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.

3. A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit on a quarterly basis to reconcile the total admitted capital with depositories viz National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
4. Pursuant to Regulation 40(9) of the SEBI Listing Regulations 2015, a certificate from a Company Secretary-in- Practice is filed with the stock exchanges within one month from the end of each half of the financial year, certifying that all certificates are issued within thirty days of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/ allotment monies.

DISTRIBUTION OF SHAREHOLDING AS ON OCTOBER 31, 2017:

| Category (Amount) | Total Cases | Total Cases (%) | Total Shares | Total Amount (%) |
|-------------------|--------------|-----------------|-----------------|------------------|
| 1-5000 | 18,155 | 98.0556 | 1364518 | 1.6254 |
| 5001- 10000 | 193 | 1.0424 | 166785 | 0.1987 |
| 10001- 20000 | 60 | 0.3241 | 91857 | 0.1094 |
| 20001- 30000 | 19 | 0.1026 | 48086 | 0.0573 |
| 30001- 40000 | 8 | 0.0432 | 28116 | 0.0335 |
| 40001- 50000 | 8 | 0.0432 | 37812 | 0.0450 |
| 50001- 100000 | 16 | 0.0864 | 118558 | 0.1412 |
| 100001& Above | 56 | 0.3025 | 82094268 | 97.7895 |
| Total | 18515 | 100.00 | 83950000 | 100.00 |

DEMATERIALISATION OF SHARES

The entire shareholding of the Company is in dematerialised mode as on the date of this report

DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF REGULATION 46(2) OF SEBI LISTING REGULATIONS, 2015

Pursuant to Schedule V of SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia covering the following subject matter/heads:

- i) Board of Directors
- ii) Audit Committee
- iii) Nomination and Remuneration Committee
- iv) Stakeholders Relationship Committee
- v) Risk Management Committee – Not Applicable
- vi) Vigil Mechanism
- vii) Related Party Transactions
- viii) Corporate governance requirements with respect to subsidiary of Company
- ix) Obligations with respect to Independent Directors
- x) Obligations with respect to Directors and Senior Management
- xi) Other Corporate Governance requirements as stipulated under the Regulations
- xii) Dissemination of various information on the website of the Company w.r.t clauses (b) to (i) of Regulation 46(2).

ADDRESS FOR CORRESPONDENCE

Compliance Officer

Mr. Sanjay Banka
 Chief Financial Officer and Company Secretary
 5B, North East Block, Vishwakarma Building
 86C Topsia Road (South), Kolkata – 700 046
 West Bengal, India
 Tel: +91 33 6602 3078
 Email: cs@brnl.in

**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2017
AND
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BHARAT ROAD NETWORK LIMITED

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of **Bharat Road Network Limited** ("The Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information for the year then ended.

Management responsibility for the standalone financial statement

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the

standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2017 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 24.8 to the standalone financial statements regarding investments in Special Purpose Vehicles formed as per Concession Agreement and guidelines of respective Government authority and treatment of such investments as Qualifying Asset which is based on the legal opinion and capitalization of directly attributable borrowing costs incurred in respect thereof. Our opinion is neither a reservation, nor a qualification or an adverse remark in respect of this matter.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - 1) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- II) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- III) The Balance Sheet, the Statement of Profit and Loss and the cash flow dealt with by this Report are in agreement with the books of account.
- IV) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- V) On the basis of the written representations received from the directors as at 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- VI) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- VII) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations on the financial position of its standalone financial statements – Refer Note No. 24.3 to the standalone financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts required to be transferred to Investor Education and Protection Fund by the Company.
 - d) The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 24.9 to the standalone financial statements.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. 302082E

(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place : Kolkata
Dated : 26th day of April, 2017

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Statement referred to in our report of even date to the members of Bharat Road Network Limited on the standalone financial statements for the year ended 31st March, 2017.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management during the year. To the best of our knowledge, no material discrepancies were noticed on such verification.
- c) As the Company has no immovable property, provisions of clause (i)(c) of para 3 of the said order is not applicable to the Company.
- (ii) As the Company has no inventory, provisions of clause (ii) of para 3 of the said order is not applicable to the Company.
- (iii) The Company has granted loans to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
 - a) In our opinion, the rate of interest and other terms and conditions on which the loan has been granted to the aforesaid body corporate were not, prima facie, prejudicial to the interest of the Company.
 - b) The aforesaid body corporate has been regular in payment of the principal and interest as stipulated.
 - c) There are no overdue amounts in respect of the loan granted to the body corporate.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not undertaken any transaction in respect of loans, guarantees and securities covered under Section 185 of the Act. The Company has complied with Section 186(1) of the Act in relation to investments made by the Company. The remaining provisions related to Section 186 of the Act do not apply to the Company.
- (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- (vi) The provisions regarding maintenance of the cost records under Section 148(1) of the Companies Act 2013 are not applicable to the Company.
- (vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added tax or cess and any other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues, as on 31st of March, 2017 for a period of more than six months from the date they became payable.
- b) There is no amount payable in respect of the aforesaid statutory dues that have not been deposited on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings to financial institutions. The Company has not taken any loan from bank or Government and has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year that causes the standalone financial statements materially misstated.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the period. The Company has complied with the requirement of Section 42 of the Act in respect of preferential allotment of shares made during the period. The amount raised by preferential allotment has been used for the purposes for which the funds were raised.
- (xv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Therefore, clause (xv) of paragraph 3 of the said order is not applicable to the Company

- (xvi) On the basis of our examination of records and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. 302082E
(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place : Kolkata
Dated : 26th day of April, 2017

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Bharat Road Network Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm’s Registration No. 302082E

(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place : Kolkata
Dated : 26th day of April, 2017

BALANCE SHEET as at 31st March, 2017

(Amount in ₹)

| Particulars | Note | As at 31st March, 2017 | As at 31st March, 2016 |
|--|------|---------------------------|---------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| (a) Share capital | 2 | 546,500,000 | 100,000,000 |
| (b) Reserves and surplus | 3 | 5,189,689,988 | (2,689,027) |
| Non-Current Liabilities | | | |
| (a) Long-term borrowings | 4 | 969,528,294 | 5,024,610,254 |
| (b) Long-term provisions | 5 | 7,915,050 | 1,591,600 |
| Current Liabilities | | | |
| (a) Short-term borrowings | 6 | 530,000,000 | 102,500,000 |
| (b) Trade payable | | | |
| – Due to micro and small enterprises | 7.1 | – | – |
| – Due to others | 7.2 | 70,205 | 4,161,537 |
| (c) Other current liabilities | 8 | 21,689,924 | 40,892,080 |
| (d) Short-term provisions | 9 | 615,300 | 136,530 |
| Total | | 7,266,008,761 | 5,271,202,974 |
| ASSETS | | | |
| Non- Current Assets | | | |
| (a) Property, plant and equipment | 10 | 306,696 | 148,682 |
| (b) Intangible assets | 10 | 166,208 | 49,382 |
| (c) Non-current investments | 11 | 6,438,400,773 | 4,312,328,424 |
| (d) Deferred tax assets (Net) | 12 | – | – |
| (e) Long-term loans and advances | 13 | 255,674,943 | 684,091,553 |
| (f) Other non-current assets | 14 | – | 3,069,682 |
| Current Assets | | | |
| (a) Trade receivables | 15 | 117,823,070 | 84,344,977 |
| (b) Cash and cash equivalents | 16 | 157,162,253 | 332,060 |
| (c) Short-term loans and advances | 17 | 218,614,291 | 108,607,940 |
| (d) Other current assets | 18 | 77,860,527 | 78,230,274 |
| Total | | 7,266,008,761 | 5,271,202,974 |
| Significant Accounting Policies | 1 | | |
| Other Disclosures | 24 | | |

The accompanying notes are an integral part of the Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm Registration No. 302082E

(CA Ajay Agrawal)
Partner
Membership No.17643

Place : Kolkata
Date : 26th April, 2017

On behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN : 00441872

Brahm Dutt
Chairman
DIN : 05308908

Sanjay Banka
CFO & Company Secretary

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2017

(Amount in ₹)

| Particulars | Note | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|------|--------------------------------|--------------------------------|
| I INCOME | | | |
| Revenue from Operations | 19 | 142,809,923 | 38,419,866 |
| Other Income | 20 | 31,367,166 | 35,025,200 |
| Total Revenue | | 174,177,089 | 73,445,066 |
| II EXPENSES | | | |
| Employee Benefits Expense | 21 | 41,237,091 | 29,071,846 |
| Finance Costs | 22 | 85,882,646 | 34,799,535 |
| Depreciation and Amortization Expense | 10 | 106,598 | 47,284 |
| Other Expenses | 23 | 32,982,523 | 6,798,318 |
| Total expenses | | 160,208,858 | 70,716,983 |
| III Profit before tax (I-II) | | 13,968,231 | 2,728,083 |
| IV Tax expense | | | |
| Current Tax | | 5,380,000 | 525,000 |
| Less: MAT credit entitlement | | - | 525,000 |
| Net Current Tax | | 5,380,000 | - |
| Income Tax in respect of Earlier Years | | 2,376 | 8,534 |
| V Profit/ (Loss) after tax for the year (III - IV) | | 8,585,855 | 2,719,549 |
| VI Earnings per share (Face Value ₹ 10/- per Equity Share) : | 24.4 | | |
| a) Basic | | 0.31 | 0.27 |
| b) Diluted | | 0.31 | 0.27 |

Significant Accounting Policies

1

Other Disclosures

24

The accompanying notes are an integral part of the Financial Statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm Registration No. 302082E

(CA Ajay Agrawal)
Partner
Membership No.17643

Place : Kolkata
Date : 26th April, 2017

On behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN : 00441872

Brahm Dutt
Chairman
DIN : 05308908

Sanjay Banka
CFO & Company Secretary

CASH FLOW STATEMENT for the year ended 31st March, 2017

(Amount in ₹)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|--------------------------------|--------------------------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit Before Tax | 13,968,231 | 2,728,083 |
| Adjustments for: | | |
| Depreciation | 106,598 | 47,284 |
| Finance Costs | 85,882,646 | 34,799,535 |
| Bad debts | 1,253,965 | - |
| Loss on sale of investments | 671,079 | - |
| Interest Income | (30,750,774) | (35,020,995) |
| Interest on income tax refund | (573,686) | - |
| Liability no longer required written back | (42,706) | (4,205) |
| Operating Profit before Working Capital Changes | 70,515,353 | 2,549,702 |
| Increase/(Decrease) in Long Term Provisions | 6,323,450 | (480,050) |
| Increase/(Decrease) in Trade Payables | (4,048,626) | (6,072,268) |
| Increase/(Decrease) in Other Current Liabilities | 2,891,434 | (3,146,300) |
| Increase/(Decrease) in Short Term Provisions | 478,770 | 27,600 |
| Decrease/(Increase) in Trade Receivables | (34,732,058) | (23,818,268) |
| Decrease/(Increase) in Long Term Loans & Advances | (230,600,545) | - |
| Decrease/(Increase) in Short Term Loans & Advances | (14,567,315) | 131,174 |
| Decrease/(Increase) in Other Current Assets | 2,324,917 | (2,298,299) |
| Cash generated from Operating activities | (201,414,620) | (33,106,709) |
| Advance Income Tax (Net of refund) | (6,981,538) | (11,247,747) |
| Net Cash from Operating Activities | (208,396,158) | (44,354,456) |
| B. Cash Flow from Investing Activities | | |
| Purchase of Fixed Assets (including Intangible Assets) | (381,438) | (156,200) |
| Inter Corporate Deposits given | (95,439,036) | (108,410,964) |
| Increase in Investments | (1,933,093,006) | (27,181,000) |
| Sale of Investments | 297,381,000 | - |
| Advance against Warrant/OCPIID | 522,700,000 | (661,190,000) |
| Interest received | 72,355,745 | 24,997,431 |
| Net Cash from Investing activities | (1,136,476,735) | (771,940,733) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from issuance of share capital (net of share issue expenses) | 5,630,293,160 | - |
| Repayment of long term borrowings | (5,815,285,960) | (396,368,883) |
| Proceeds from long term borrowings | 1,760,204,000 | 4,479,069,137 |
| Proceeds from/(Repayment of) short term borrowings (net) | 427,500,000 | (2,723,199,453) |
| Interest paid | (501,008,114) | (549,145,617) |
| Net Cash Flow from Financing Activities | 1,501,703,086 | 810,355,184 |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 156,830,193 | (5,940,005) |
| Opening Cash and Cash Equivalents | 332,060 | 6,272,065 |
| Closing Cash and Cash Equivalents | 157,162,253 | 332,060 |

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS 3) "Cash Flow Statements".
- Interest paid is inclusive of and Investments is exclusive of interest capitalised ₹ 349,471,740/- (31st March 2016: ₹ 46,64,01,238/-). Further, Interest paid is inclusive of and unallocated borrowing costs shown under Other Non-Current Asset is exclusive of ₹ Nil (31st March 2016: ₹ 3,069,682/-). Similarly, interest of ₹ 43,560,141/- (31st March 2016: ₹ 41,340,686/-) earned on advances and adjusted with borrowing costs, has been included in interest received to the extent realised during the year.
- During the year, Share/debenture application money given aggregating to ₹ 138,490,000 (31st March 2016: ₹ Nil) have been converted into investments in Equity Shares/debenture.
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- Cash and cash equivalents as at the Balance Sheet date consists of:

| | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| Balance with banks on current accounts | 47,162,253 | 332,060 |
| In Fixed Deposit with original maturity upto 3 months | 110,000,000 | - |
| | 157,162,253 | 332,060 |

As per our report of even date attached

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm Registration No. 302082E
(CA Ajay Agrawal)
Partner
Membership No.17643
Place : Kolkata
Date : 26th April, 2017

On behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN : 00441872

Brahm Dutt
Chairman
DIN : 05308908
Sanjay Banka
CFO & Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

1 Significant Accounting Policies

1.1 Basis of Preparation

- a) The financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting. The accounting policies applied by the Company are consistent with those applied in the previous year except as otherwise stated elsewhere.
- b) These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These Financial Statements have been prepared to comply in all material respects with the Accounting Standards ('AS') specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies(Accounts) Rules, 2014, and the Companies (Accounting Standards) Amendments Rules, 2016, other pronouncements of the Institute of Chartered Accountants of India and relevant applicable provisions of the Companies Act, 1956, and Companies Act, 2013 to the extent notified.
- c) The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities including Contingent Liabilities as of the date of the financial statements and the reported income and expenses for the reporting year. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.
- d) As per the Schedule III of Companies Act, 2013, "an operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents". For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating cycle for the company is assumed to have duration of 12 months.

1.2 Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company, it can be reliably measured and it is reasonable to expect ultimate collection.

Interest income is recognized on time proportion basis, taking into account the amount outstanding and the rate applicable.

1.3 Property, Plant & Equipment and Depreciation / Amortization

- a) Property, Plant & Equipment are stated at Cost less accumulated depreciation and impairment losses, if any. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets.
- b) Intangible Assets comprising of computer software and licenses expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprises of purchase price and directly attributable expenditure on making the asset ready for its intended use. Any technology support cost or annual maintenance cost for such software is charged to the Statement of Profit and Loss.
- c) Depreciation on tangible assets is provided on Straight Line Method ('SLM') over the useful lives of the respective Property, Plant & Equipment as specified in Part C of Schedule II to Companies Act, 2013:

| Asset category | Useful Life of the Asset |
|----------------------|--------------------------|
| I Assets for Own Use | |
| i) Computers | 3, 6 years |
| ii) Office Equipment | 5 years |

- d) Depreciation on assets acquired/sold during the year is recognised in Statement of Profit and Loss on pro-rata basis from/till the date of purchase/sale.
- e) Amortization of intangible assets is provided on SLM which reflect the managements estimate of useful life of such assets:

| Asset category | Useful Life |
|----------------------|-------------|
| I Assets for Own Use | |
| i) Intangible Assets | 6 years |

SIGNIFICANT ACCOUNTING POLICIES (Contd...)

- f) Capital work in progress is stated at cost and includes development and other expenses including interest during construction period.

1.4 Impairment of Property, Plant & Equipment

Wherever events or changes in circumstances indicate that the carrying amount of Property, Plant & Equipment may be impaired, the Company subjects such assets to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the Company recognizes an impairment loss as the excess of the carrying amount over the recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying amount after reversal is not increased beyond the carrying amount that would have prevailed by charging usual depreciation if there was no impairment.

1.5 Investments

- a) Investment which are readily realizable and intended to be held not more than one year from the date on which such investments are made, are classified as current investments. All Other investments are classified as long-term investment.
- b) Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are stated at cost. Provision for diminution in value, is made to recognize a decline other than temporary in the value of the investments.
- c) Cost includes acquisition charges such as brokerage, fee, duties and borrowing costs that are directly attributable to the acquisition of the investment.

1.6 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the time of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into the reporting currency at the exchange rate prevailing at Balance Sheet date. Any income or expense on account of exchange difference either on settlement or on translation at the year end is recognized in the Statement of Profit and Loss.

1.7 Prior Period and Extra Ordinary Items

Prior Period and Extra Ordinary items having material impact on the financial affairs of the Company are disclosed separately.

1.8 Borrowing Costs

Borrowing costs to the extent attributed to the acquisition/construction of qualifying assets are capitalized up to the date when such assets are ready for its intended use and all other borrowing costs are recognized as an expense in the year in which they are incurred.

1.9 Employee Benefits**a) Short term employee benefits**

Short term employee benefits based on expected obligation on undiscounted basis are recognised as expense in the Statement of Profit and Loss for the period in which the related service is rendered.

b) Defined contribution plan

Company's contribution towards Regional Provident Fund Authority and Employee State Insurance Corporation are charged to the Statement of Profit and Loss.

c) Defined benefit plan

Company's liabilities towards gratuity and leave benefits are defined benefit plans. Such liabilities are ascertained by an independent actuary as per the requirement of Accounting Standard – 15 (revised 2005) "Employee Benefits".

All actuarial gains and losses are recognised in Statement of Profit and Loss in the year in which they occur.

1.10 Segment Reporting

The company is primarily engaged in a single business segment of purchase, own, build, develop, design, Operate, transfer road and related services. All the activities of the company revolved around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting".

SIGNIFICANT ACCOUNTING POLICIES (Contd...)

1.11 Taxes on Income

Tax expense comprises of current tax [(net of Minimum Alternate Tax (MAT) credit entitlement)] and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax reflects the impact of timing differences between taxable income and accounting income for the current reporting year and reversal of timing differences of earlier reporting years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and these relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the reporting year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by The Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.12 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events; it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.13 Earnings per Share

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard-20, Earnings per Share notified by the Central Government under the Companies (Accounting Standards) Rules, 2006. Basic earnings per equity share have been computed by dividing net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit (loss) after tax for the year by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.14 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transaction of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income and expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.15 Cash and cash equivalents

Cash and cash equivalents Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term highly liquid investments with an original maturity of three months or less which carry insignificant risk of changes in value.

NOTES TO FINANCIAL STATEMENTS

2 SHARE CAPITAL

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | |
|--|------------------------|----------------------|------------------------|--------------------|
| | Number | Amount (₹) | Number | Amount (₹) |
| a) Authorised | | | | |
| Equity Shares of ₹ 10 each | 100,000,000 | 1,000,000,000 | 10,000,000 | 100,000,000 |
| Total | 100,000,000 | 1,000,000,000 | 10,000,000 | 100,000,000 |
| b) Issued, Subscribed & Paid up | | | | |
| Equity Shares of ₹ 10 each fully paid up | 54,650,000 | 546,500,000 | 10,000,000 | 100,000,000 |
| Total | 54,650,000 | 546,500,000 | 10,000,000 | 100,000,000 |

c) The rights, preferences and restrictions attached to each class of Equity shares are as under:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend when declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) The reconciliation of the number of shares outstanding at the beginning and at the end of year has been shown in the table below:

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | |
|---|------------------------|-------------|------------------------|-------------|
| | No. of Equity Shares | Amount (₹) | No. of Equity Shares | Amount (₹) |
| Shares outstanding at the beginning of the year | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |
| Add: Shares issued during the year | 44,650,000 | 446,500,000 | - | - |
| Shares outstanding at the end of the year | 54,650,000 | 546,500,000 | 10,000,000 | 100,000,000 |

During the year, the Company has issued 18,000,000 equity shares of ₹10 each at par on right basis and 26,650,000 equity shares of ₹10 each at a premium of ₹ 195/- per share on private placement basis, whereby outstanding equity shares of the Company increased to 54,650,000.

e) Details of each shareholder holding more than 5% shares :

| Name of Shareholder | As at 31st March, 2017 | | As at 31st March, 2016 | |
|---|------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Srei Venture Capital Trust A/c-Infrastructure Project Development Fund | 7,049,800 | 12.90% | 49,400 | 0.49% |
| Srei Infrastructure Finance Limited | 16,630,000 | 30.43% | - | - |
| OSPL Infradeal Pvt. Ltd. | 9,520,000 | 17.42% | - | - |
| Srei Venture Capital Trust A/c-Infrastructure Project Development Capital | 20,950,000 | 38.33% | 9,950,000 | 99.50% |

NOTES TO FINANCIAL STATEMENTS (Contd...)**3 RESERVES AND SURPLUS**

| Particulars | Amount (₹) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Securities Premium Reserve | | |
| Opening Balance | - | - |
| Add: Premium received during the year on account of issue of shares | 5,196,750,000 | - |
| Less: Utilized for share issue expenses* | 12,956,840 | - |
| Closing balance (A) | 5,183,793,160 | - |
| Surplus/(deficit) in the Statement of Profit and Loss | | |
| Opening Balance | (2,689,027) | (5,408,576) |
| Add: Net Profit for the year | 8,585,855 | 2,719,549 |
| Closing balance (B) | 5,896,828 | (2,689,027) |
| Total (A+B) | 5,189,689,988 | (2,689,027) |

* Expenses incurred by the Company aggregating to ₹ 12,956,840/- in connection of issue of share have been adjusted towards the Securities Premium Reserve. These expenses consist of expenses directly attributable to the issue of shares and common cost for both issuance and listing of shares (such as legal counsel fee, auditor fee, merchant banker fee) based on the proportion of new shares proposed to be issued to the total number of (new and existing) shares proposed to be listed.

4 LONG -TERM BORROWINGS

| Particulars | Amount (₹) | |
|--------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Secured | | |
| Term Loan from financial Institution | 969,528,294 | 5,024,610,254 |
| Total | 969,528,294 | 5,024,610,254 |

Repayment Schedule as at 31st March, 2017

| Particulars | Maturity Profile | | | | Amount (₹) Total |
|--------------------------|--------------------|--------------------|-----------|-----------|---------------------|
| | Over 5 years | 3-5 Years | 1-3 Years | 0-1 Years | |
| Secured Term Loan | | | | | |
| Term Loan 1 | - | - | - | - | - |
| Term Loan 2 | - | - | - | - | - |
| Term Loan 3 | - | - | - | - | - |
| Term Loan 4 | - | - | - | - | - |
| Term Loan 5 | - | - | - | - | - |
| Term Loan 6 | 179,685,529 | 89,842,765 | - | - | 269,528,294 |
| Term Loan 7 | - | 700,000,000 | - | - | 700,000,000 |
| | 179,685,529 | 789,842,765 | - | - | 969,528,294 |

Repayment Schedule as at 31st March, 2016

| Particulars | Maturity Profile | | | | Amount (₹) Total |
|--------------------------|----------------------|--------------------|--------------------|-----------|----------------------|
| | Over 5 years | 3-5 Years | 1-3 Years | 0-1 Years | |
| Secured Term Loan | | | | | |
| Term Loan 1 | - | 226,800,000 | 113,400,000 | - | 340,200,000 |
| Term Loan 2 | 390,940,000 | 195,470,000 | - | - | 586,410,000 |
| Term Loan 3 | - | 373,333,333 | 186,666,667 | - | 560,000,000 |
| Term Loan 4 | 1,498,849,254 | - | - | - | 1,498,849,254 |
| Term Loan 5 | 1,500,000,000 | - | - | - | 1,500,000,000 |
| Term Loan 6 | 539,151,000 | - | - | - | 539,151,000 |
| | 3,928,940,254 | 795,603,333 | 300,066,667 | - | 5,024,610,254 |

NOTES TO FINANCIAL STATEMENTS (Contd..)

Nature of security for Secured borrowing:

Rupee term loans 1, 2 & 4 are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Fund (IPDF) and Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. All these loan facilities have been prepaid in full during the current reporting year.

Rupee term loans 3 is to be secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Fund (IPDF) and Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. It has been prepaid in full during the current reporting year.

Rupee term loans 5 & 6 are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. Loan facilities 5 has been prepaid in full during the current reporting year.

Rupee term loan 7 is to be secured by way of first pari passu charge by way of hypothecation of the entire movable fixed assets (both present and future), entire current assets including but not limited to book debts, operating cash flows, receivables, loans and advances, deposits, commissions, investments, revenue of whatsoever nature and wherever arising, both present and future, long term loans and advances and non-current investments (both present and future) and demand promissory note covering the principal, interest and all other amounts. Interest is payable quarterly in arrears @ 12.75% (fixed) per annum.

5 LONG – TERM PROVISIONS

| Particulars | Amount (₹) | |
|---------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Provision for Employee Benefits | | |
| – Gratuity | 4,633,320 | 715,110 |
| – Leave Encashment | 2,257,760 | 786,810 |
| – Sick Leave Availment | 1,023,970 | 89,680 |
| Total | 7,915,050 | 1,591,600 |

6 SHORT – TERM BORROWINGS

| Particulars | Amount (₹) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Unsecured | | |
| Loan from financial institution | 500,000,000 | – |
| Inter Corporate Deposit (ICD) from others | 30,000,000 | 102,500,000 |
| Total | 530,000,000 | 102,500,000 |

Terms of repayment of Secured Short –term borrowings:

- Principal loan amount of ₹500,000,000 (As at 31st March 2016 : ₹ Nil) is repayable at the end of one year. Interest is payable quarterly @ 12.50% per annum.
- Principal ICD amount of ₹ Nil (As at 31st March 2016 : ₹ 102,500,000) is repayable at the end of one year. Interest is payable on maturity @ 9% per annum. The lenders have right to recall the ICD amount in full or part.
- Principal ICD amount of ₹ 30,000,000 (As at 31st March 2016 : ₹ Nil) is repayable at the end of 6 months. Interest is payable on maturity @ 9% per annum. The lenders have right to recall the ICD amount in full or part.

NOTES TO FINANCIAL STATEMENTS (Contd...)

Trade Payable

7.1 Due to Micro and Small Enterprises

| Particulars | Amount (₹) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| a) The principal amount and interest due thereon remaining unpaid to any supplier | – | – |
| b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day | – | – |
| c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | – | – |
| d) The amount of interest accrued and remaining unpaid | – | – |
| e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | – | – |
| Total | – | – |

7.2 Due to Others

| Particulars | Amount (₹) | |
|--------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| For services | 70,205 | 4,161,537 |
| Total | 70,205 | 4,161,537 |

8 OTHER CURRENT LIABILITIES

| Particulars | Amount (₹) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Interest Accrued but not due on borrowings | 12,422,449 | 34,516,036 |
| Other Payables: | | |
| Book Overdraft | – | 194,245 |
| Liability for expenses | 2,091,980 | 394,800 |
| Salary & other payroll dues | 2,703,767 | 901,160 |
| Service Tax payable | – | 2,619,400 |
| TDS Payable | 4,079,508 | 2,026,865 |
| PF Payable | 388,213 | 239,574 |
| ESI Payable | 2,147 | – |
| Profession Tax Payable | 1,860 | – |
| Total | 21,689,924 | 40,892,080 |

9 SHORT –TERM PROVISIONS

| Particulars | Amount (₹) | |
|---------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Provision for Employee Benefits | | |
| – Gratuity | 43,720 | 3,780 |
| – Leave Encashment | 377,530 | 118,580 |
| – Sick Leave Availment | 194,050 | 14,170 |
| Total | 615,300 | 136,530 |

NOTES TO FINANCIAL STATEMENTS (Contd....)

10(a) PROPERTY, PLANT AND EQUIPMENT

| Particulars | Gross Block | | | | Depreciation/Amortisation | | | Net Block | | Amount (₹) |
|------------------|------------------|---------------------------|------------------------------------|------------------|---------------------------|---------------|------------------------------------|------------------|------------------|----------------|
| | As at 01.04.2016 | Additions during the year | Sales/ adjustments during the year | As at 31.03.2017 | As at 01.04.2016 | For the year | Sales/ adjustments during the year | As at 31.03.2017 | As at 31.03.2016 | |
| Computers | 216,202 | 179,750 | - | 395,952 | 107,736 | 76,778 | - | 184,514 | 108,466 | 108,466 |
| Office Equipment | 42,000 | 68,088 | - | 110,088 | 1,784 | 13,046 | - | 14,830 | 40,216 | 40,216 |
| Total (a) | 258,202 | 247,838 | - | 506,040 | 109,520 | 89,824 | - | 199,344 | 306,696 | 148,682 |

10(b) INTANGIBLE ASSETS

| Particulars | Gross Block | | | | Depreciation/Amortisation | | | Net Block | | Amount (₹) |
|--------------------------|------------------|---------------------------|------------------------------------|------------------|---------------------------|----------------|------------------------------------|------------------|------------------|----------------|
| | As at 01.04.2016 | Additions during the year | Sales/ adjustments during the year | As at 31.03.2017 | As at 01.04.2016 | For the year | Sales/ adjustments during the year | As at 31.03.2017 | As at 31.03.2016 | |
| Computer Software | 62,700 | 133,600 | - | 196,300 | 13,318 | 16,774 | - | 30,092 | 49,382 | 49,382 |
| Total (b) | 62,700 | 133,600 | - | 196,300 | 13,318 | 16,774 | - | 30,092 | 166,208 | 49,382 |
| Grand Total (a+b) | 320,902 | 381,438 | - | 702,340 | 122,838 | 106,598 | - | 229,436 | 472,904 | 198,064 |

PREVIOUS YEAR

| Particulars | Gross Block | | | | Depreciation/Amortisation | | | Net Block | | Amount (₹) |
|--------------------------|------------------|---------------------------|------------------------------------|------------------|---------------------------|---------------|------------------------------------|------------------|------------------|---------------|
| | As at 01.04.2015 | Additions during the year | Sales/ adjustments during the year | As at 31.03.2016 | As at 01.04.2015 | For the year | Sales/ adjustments during the year | As at 31.03.2016 | As at 31.03.2015 | |
| Tangible Assets | | | | | | | | | | |
| Computers | 129,554 | 114,200 | 27,552 | 216,202 | 100,005 | 35,283 | 27,552 | 107,736 | 29,549 | 29,549 |
| Office Equipments | - | 42,000 | - | 42,000 | - | 1,784 | - | 1,784 | 40,216 | - |
| Total | 129,554 | 156,200 | 27,552 | 258,202 | 100,005 | 37,067 | 27,552 | 109,520 | 148,682 | 29,549 |
| Intangible Assets | | | | | | | | | | |
| Computer Software | 62,700 | - | - | 62,700 | 3,101 | 10,217 | - | 13,318 | 49,382 | 59,599 |
| Total | 62,700 | - | - | 62,700 | 3,101 | 10,217 | - | 13,318 | 49,382 | 59,599 |
| Grand Total | 192,254 | 156,200 | 27,552 | 320,902 | 103,106 | 47,284 | 27,552 | 122,838 | 198,064 | 89,148 |

NOTES TO FINANCIAL STATEMENTS (Contd...)**11 NON – CURRENT INVESTMENTS**

Amount (₹)

| Particulars | Face Value | As at 31st March 2017 | | As at 31st March 2016 | |
|---|------------|-----------------------|----------------------|-----------------------|----------------------|
| | | Nos. | Total Cost (₹) | Nos. | Total Cost (₹) |
| Long Term Investment (At cost) Trade, Fully Paid up ^A | | | | | |
| I. In Equity Instruments (Unquoted) | | | | | |
| (a) In Subsidiaries | | | | | |
| Solapur Tollways Pvt. Ltd. [Pledged with Lender 252,501 Equity Shares (P.Y 252,501 Equity Shares)] ^B | 10 | 495,100 | 7,823,131 | 490,200 | 7,200,888 |
| Orissa Steel Expressway Pvt. Ltd. [Pledged with Lender 17,125,238 Equity Shares] ^{B,C,E} | 10 | 46,534,600 | 715,537,160 | - | - |
| (b) In Associates | | | | | |
| Orissa Steel Expressway Pvt. Ltd. [Pledged with Lender (P.Y. 17,125,238 Equity Shares)] ^{B,C} | 10 | - | - | 34,949,667 | 552,313,880 |
| Kurukshetra Expressway Pvt. Ltd. [Pledged with Lender 16,911,420 Equity Shares (P.Y. 16,911,420 Equity Shares)] ^{B,E} | 10 | 51,086,910 | 1,128,413,046 | 30,581,950 | 925,772,293 |
| Ghaziabad Aligarh Expressway Pvt. Ltd. [Pledged with Lender 38,586,600 Equity Shares (P.Y 38,586,600 Equity Shares)] ^B | 10 | 75,660,000 | 1,520,653,508 | 75,655,000 | 1,408,747,438 |
| Shree Jagannath Expressways Pvt. Ltd. [Pledged with Lender 30,165,480 Equity Shares (P.Y 30,165,480 Equity Shares)] ^B | 10 | 59,148,000 | 1,105,813,063 | 38,452,400 | 600,679,018 |
| Guruvayoor Infrastructure Pvt Ltd. [Pledged with Lender 42,218,106 Equity Shares (P.Y 42,218,106 Equity Shares)] ^B | 10 | 82,780,000 | 1,140,489,576 | 45,270,000 | 762,569,531 |
| Potin Pangin Highways Pvt. Ltd. [Pledged with Lender Nil (P.Y 5,355 Equity Shares)] ^B | 10 | - | - | 20,000 | 275,121 |
| Mahakaleshwar Tollways Pvt. Ltd. [Pledged with Lender 25,497,450 (P.Y Nil)] ^D | 10 | 49,995,000 | 149,985,000 | - | - |
| Sub-Total (I) | | | 5,768,714,484 | | 4,257,558,169 |
| II. In Unsecured Optionally Convertible Debentures (Unquoted) ^F | | | | | |
| (a) In Associates | | | | | |
| Kurukshetra Expressway Pvt. Ltd. | 10 | 5,184,200 | 53,407,513 | - | - |
| Potin Pangin Highways Pvt. Ltd. | 10 | - | - | 1,985,500 | 27,589,255 |
| (b) In Other | | | | | |
| Mahakaleshwar Tollways Pvt. Ltd. | 10 | - | - | 2,718,100 | 27,181,000 |
| Sub-Total (II) | | | 53,407,513 | | 54,770,255 |
| III. In Warrants (Unquoted) | | | | | |
| (a) In Subsidiary | | | | | |
| Solapur Tollways Pvt. Ltd. | 10 | 10,500,000 | 108,442,480 | - | - |
| (b) In Associate | | | | | |
| Ghaziabad Aligarh Expressway Pvt. Ltd. | 10 | 48,188,780 | 507,836,296 | - | - |
| Sub-Total (III) | | | 616,278,776 | | - |
| Aggregate amount of Unquoted Investments (I+II+III) | | | 6,438,400,773 | | 4,312,328,424 |

A Refer Note 24.8

B The Company has pledged its investment in shares aggregating to ₹ 2,638,500,666/- (As at 31st March 2016: ₹ 2,687,250,388/-) in favour of Security Trustees for loan taken by respective Subsidiaries and Associate Companies.

C Orissa Steel Expressway Pvt. Ltd. ceases to be associate and became subsidiary w.e.f. 12th November 2016.

D Mahakaleshwar Tollways Pvt. Ltd. became associate w.e.f. 28th October, 2016.

E Investment in Equity shares of Kurukshetra Expressway Pvt. includes 13,670,530 Equity Shares, which are in the process of transfer in the name of Company as on 31st March, 2017.

F The Unsecured Optionally Convertible Debentures does not carry any fixed rate of interest. Rate of interest, subject to maximum of 16% cumulative interest, shall be decided every year at the end of the Financial Year based on the residual cash flows after servicing Senior Lenders of the issuer.

NOTES TO FINANCIAL STATEMENTS (Contd...)
12 DEFERRED TAX ASSETS (Net)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| Components of Deferred Tax Liability : | | |
| Depreciation | 55,689 | 29,528 |
| Less : Deferred Tax Assets recognised to the extent of liability (Refer note 24.5) | (55,689) | (29,528) |
| Total | - | - |

13 LONG –TERM LOANS AND ADVANCES

(Unsecured, considered good)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| Advance against Warrant/OCPIID to related parties (Refer note 24.2) | - | 661,190,000 |
| Advance to related parties (Refer note 24.2) | 229,497,000 | - |
| Security deposit | 1,103,545 | - |
| Other Advances | | |
| Advance Income Tax including Tax deducted at Source {(Net of provision for income tax ₹ 4,874,426/-)* (previous year : ₹ 1,032,000/-)} | 25,074,398 | 21,869,553 |
| MAT Credit Entitlement | - | 1,032,000 |
| Total | 255,674,943 | 684,091,553 |

* Provision of Tax is net of MAT Credit utilised of ₹ 1,030,575/- during the current year in accordance with the Guidance Note issued by Institute of Chartered Accountants of India (previous year Nil).

14 OTHER NON – CURRENT ASSETS

(Unsecured, considered good)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|----------------------------|---------------------------|---------------------------|
| Unallocated borrowing cost | - | 3,069,682 |
| Total | - | 3,069,682 |

15 TRADE RECEIVABLES

(Unsecured, considered good)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| Debt outstanding for a period exceeding six months from the due date | 10,472,000 | 44,196,217 |
| Other Debts | 107,351,070 | 40,148,760 |
| Total | 117,823,070 | 84,344,977 |

16 CASH AND CASH EQUIVALENTS

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| Balances with scheduled banks | | |
| - In Current Accounts | 47,162,253 | 332,060 |
| - In Fixed Deposit with original maturity upto 3 months | 110,000,000 | - |
| Total | 157,162,253 | 332,060 |

NOTES TO FINANCIAL STATEMENTS (Contd...)**17 SHORT TERM LOANS AND ADVANCES**

(Unsecured, considered good)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| ICD given to related party (Refer note 24.2) | 203,850,000 | 108,410,964 |
| Other Loans and Advances : | | |
| Service Tax input Credit | 1,809,485 | – |
| Prepaid Expenses | 179,580 | 140,576 |
| Advances to staff | 165,226 | 3,150 |
| Advance to Vendor and others | 12,610,000 | 53,250 |
| Total | 218,614,291 | 108,607,940 |

18 OTHER CURRENT ASSETS

(Unsecured, considered good)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| Interest accrued and due on loan to related parties (Refer note 24.2) | 66,952,276 | 24,541,107 |
| Interest accrued but not due on loans to related parties (Refer note 24.2) | 10,893,334 | 51,364,250 |
| Interest accrued on fixed deposit | 14,917 | – |
| Other receivables | – | 2,324,917 |
| Total | 77,860,527 | 78,230,274 |

19 REVENUE FROM OPERATIONS

Amount (₹)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|--------------------------|--------------------------------|--------------------------------|
| Sale of services: | | |
| Consultancy Fees | 142,809,923 | 38,419,866 |
| Total | 142,809,923 | 38,419,866 |

20 OTHER INCOME

Amount (₹)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|--------------------------------|--------------------------------|
| Interest on Loan | 74,294,340 | 76,361,681 |
| Less: Adjusted with corresponding Interest expenses | 43,560,141 | 41,340,686 |
| | 30,734,199 | 35,020,995 |
| Interest on Fixed Deposit with Bank | 16,575 | – |
| Interest on Income Tax refund | 573,686 | – |
| Liability no longer required written back | 42,706 | 4,205 |
| Total | 31,367,166 | 35,025,200 |

21 EMPLOYEE BENEFITS EXPENSE

Amount (₹)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|--------------------------------|--------------------------------|
| Salaries & Allowances | 39,415,546 | 27,789,350 |
| Contribution to Provident and Other Funds | 1,631,739 | 1,186,629 |
| Staff Welfare Expenses | 189,806 | 95,867 |
| Total | 41,237,091 | 29,071,846 |

NOTES TO FINANCIAL STATEMENTS (Contd..)
22 FINANCE COSTS

Amount (₹)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|--|--------------------------------|--------------------------------|
| Interest expenses on borrowings | 435,354,386 | 504,270,455 |
| Less: Capitalised to Investments (Refer note 24.8) | 349,471,740 | 469,470,920 |
| Total | 85,882,646 | 34,799,535 |

23 OTHER EXPENSES

Amount (₹)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|--|--------------------------------|--------------------------------|
| Legal & Professional Fees | 8,043,602 | 1,655,006 |
| Travelling and Conveyance | 8,076,600 | 3,479,311 |
| Rent, Rates & Taxes | 10,503,973 | 185,577 |
| Repairs & Maintenance- Others | 684,974 | 448,085 |
| Postage, Telegram & Telephone | 208,223 | 115,862 |
| Membership & Subscription | 619,650 | 60,379 |
| Demat Charges | 1,005 | 267,838 |
| Business Development Expenses | 239,228 | 90,241 |
| Bad Debts | 1,253,965 | - |
| Insurance Premium | 344,048 | 33,098 |
| Loss on Sale of Long Term Trade Investment | 671,079 | - |
| Payment to Auditor : | | |
| - For Audit | 350,000 | 200,250 |
| - Other Services | 624,020 | 76,143 |
| Director's Sitting Fees | 1,105,000 | 105,000 |
| Printing & Stationery | 85,067 | 67,306 |
| General Expenses | 172,089 | 14,222 |
| Total | 32,982,523 | 6,798,318 |

24 OTHER DISCLOSURES
24.1 Disclosure pursuant to Accounting Standard (AS) 15:
Defined Contribution Plans:

The Company provides Provident Fund benefit to all employees. Under this scheme fixed contribution is made to the Regional Provident Fund Commissioner. The Company has no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits. The Company has made contributions of ₹ 1,522,622/- (31st March, 2016: ₹ 1,108,140/-) to Regional Provident Fund Authority, which is recognised as expense in the Statement of Profit and Loss.

Defined Benefit Plans:

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave avilment scheme are the Company's defined benefit plans. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

The following tables set out the details of amount recognized in the financial statements in respect of gratuity and leave benefits which is not funded:

NOTES TO FINANCIAL STATEMENTS (Contd...)

| Particulars | Amount (₹) | | | |
|--|--|--------------------------------|--|--------------------------------|
| | Gratuity (Unfunded) | | Privilege Leave Benefit (Unfunded) | |
| Defined benefit plans (As per actuarial valuation) | Year ended 31st March, 2017 | Year ended 31st March, 2016 | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| I Change in Defined Benefit Obligations (DBO) | | | | |
| Present Value of DBO at beginning of the year | 718,890 | 1,145,560 | 905,390 | 899,660 |
| Current Service Cost | 659,810 | 205,340 | 497,120 | 429,510 |
| Interest cost | 56,070 | 89,350 | 46,150 | 49,660 |
| Curtailement cost / (credit) | - | - | - | - |
| Settlement cost / (credit) | - | - | - | - |
| Plan amendments | - | - | - | - |
| Acquisitions | - | - | - | - |
| Actuarial Losses / (Gains) | 3,242,270 | (721,360) | 1,813,970 | 52,590 |
| Benefits Paid | - | - | (627,340) | (526,030) |
| Employee contribution | - | - | - | - |
| Other Adjustments | - | - | - | - |
| Present Value of DBO | 4,677,040 | 718,890 | 2,635,290 | 905,390 |
| II Net assets / (liability) recognised in Balance Sheet | | | | |
| Present value of Defined Benefit Obligation | 4,677,040 | 718,890 | 2,635,290 | 905,390 |
| Fair value of plan assets | - | - | - | - |
| Funded status [Surplus/(Deficit)] | (4,677,040) | (718,890) | (2,635,290) | (905,390) |
| Unrecognized past service cost | - | - | - | - |
| Net asset/ (liability) recognised in Balance Sheet | (4,677,040) | (718,890) | (2,635,290) | (905,390) |
| Current Asset / (Liability) | (43,720) | (3,780) | (377,530) | (118,580) |
| Non Current Asset / (Liability) | (4,633,320) | (715,110) | (2,257,760) | (786,810) |
| III Components of Employer Expenses | | | | |
| Current Service cost | 659,810 | 205,340 | 497,120 | 429,510 |
| Interest cost | 56,070 | 89,350 | 46,150 | 49,660 |
| Expected return on plan assets | - | - | - | - |
| Curtailement cost / (credit) | - | - | - | - |
| Settlement cost / (credit) | - | - | - | - |
| Past service cost | - | - | - | - |
| Actuarial Losses / (Gains) | 3,242,270 | (721,360) | 1,813,970 | 52,590 |
| Total expenses recognised in the Statement of Profit & Loss | 3,958,150 | (426,670) | 2,357,240 | 531,760 |
| IV Actuarial Assumptions | | | | |
| Discount Rate | 7.15% | 7.80% | 7.15% | 7.80% |
| Expected return on plan assets | NA | NA | NA | NA |
| Salary Escalation | 10.00% | 10.00% | 10.00% | 10.00% |
| Mortality | Indian Assured Lives (2006-08) | Indian Assured Lives (2006-08) | Indian Assured Lives (2006-08) | Indian Assured Lives (2006-08) |
| Retirement/ Superannuation Age | Employees: 60 yrs Director : 65 yrs | | Employees: 60 yrs Director : 65 yrs | |

NOTES TO FINANCIAL STATEMENTS (Contd...)
V The amounts for the current and previous years are as follows:

Amount (₹)

| Particulars | Gratuity | | | | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 | As at 31st March, 2015 | As at 31st March, 2014 | As at 31st March, 2013 |
| 1 Defined Benefit Obligation | 4,677,040 | 718,890 | 1,145,560 | 452,480 | 352,830 |
| 2 Fair Value of Plan Assets | - | - | - | - | - |
| 3 Deficit | 4,677,040 | 718,890 | 1,145,560 | 452,480 | 352,830 |
| 4 Experience adjustments on plan liabilities - gain / (loss) | (2,836,940) | 721,360 | 35,340 | 310,290 | - |
| 5 Experience adjustments on plan assets - gain / (loss) | - | - | - | - | - |
| 6 Actuarial gain / (loss) due to change on assumptions | (405,330) | - | (164,160) | 58,270 | - |

Amount (₹)

| Particulars | Leave | | | | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 | As at 31st March, 2015 | As at 31st March, 2014 | As at 31st March, 2013 |
| 1 Defined Benefit Obligation | 2,635,290 | 905,390 | 899,660 | 488,660 | 937,530 |
| 2 Fair Value of Plan Assets | - | - | - | - | - |
| 3 Deficit | 2,635,290 | 905,390 | 899,660 | 488,660 | 937,530 |
| 4 Experience adjustments on plan liabilities - gain / (loss) | (1,646,350) | (52,590) | 28,730 | (53,710) | (860,950) |
| 5 Experience adjustments on plan assets - gain / (loss) | - | - | - | - | - |
| 6 Actuarial gain / (loss) due to change on assumptions | (167,620) | - | (108,330) | 59,600 | - |

Amount (₹)

| Particulars | Sick Leave Benefit | |
|-----------------------------------|--|--|
| | Year ended 31 March, 2017 | Year ended 31 March, 2016 |
| Assets/ Liabilities | | |
| 1 Defined Benefit Obligation | 1,218,020 | 103,850 |
| 2 Fair Value of Plan Assets | - | - |
| 3 Current Asset / (Liability) | (194,050) | (14,170) |
| 4 Non Current Asset / (Liability) | (1,023,970) | (89,680) |
| Actuarial Assumptions | | |
| 1 Discount Rate | 7.15% | 7.80% |
| 2 Expected return on plan assets | NA | NA |
| 3 Salary Escalation | 10.00% | 10.00% |
| 4 Mortality | Indian Assured Lives (2006 -08) | Indian Assured Lives (2006 -08) |
| 5 Retirement/ Superannuation Age | Employees: 60 yrs Director : 65 yrs | Employees: 60 yrs Director : 65 yrs |

VI Other disclosures :

Basis of estimates of Rate of escalation in salary :

- The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- The Gratuity and Leave Encashment have been recognised under "Salaries and allowances" under Note No.21
- The expected contribution for defined benefit plan for the next financial year is not available and hence not disclosed

NOTES TO FINANCIAL STATEMENTS (Contd...)

24.2 Related Party Transactions

(I) Related Parties:

| Name of the Party & Nature of relationship | Country of Origin |
|---|-------------------|
| A Investor having control | |
| Infrastructure Project Development Capital (ceases control & have significant influence w.e.f. 12th November, 2016) | India |
| B Investor having significant influence | |
| Infrastructure Project Development Capital (significant influence w.e.f. 12th November, 2016) | India |
| Infrastructure Project Development Fund (significant influence between 28th October, 2016 to 11th November, 2016) | India |
| C Subsidiary | |
| Solapur Tollways Pvt. Ltd. | India |
| Orissa Steel Expressway Pvt. Ltd. (Subsidiary w.e.f. 12th November, 2016) | India |
| D Associates | |
| Orissa Steel Expressway Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. 12th November, 2016) | India |
| Kurukshetra Expressway Pvt. Ltd. | India |
| Ghaziabad Aligarh Expressway Pvt. Ltd. | India |
| Shree Jagannath Expressways Pvt. Ltd. | India |
| Potin - Pangin Highway Pvt. Ltd. (cease to be associate w.e.f. 12th November 2016) | India |
| Guruvayoor Infrastructure Pvt. Ltd. | India |
| Mahakaleshwar Tollways Pvt. Ltd. (associate w.e.f. 28th October, 2016) | India |
| E Key Management Personnel (KMP) | |
| Bajrang K Choudhary (Managing Director w.e.f. 1st November, 2016) | India |
| Asim Tewari (Chief Technical Officer upto 31st October, 2016 and COO w.e.f. 1st November, 2016) | India |
| Anurag Kuba (CEO w.e.f. 29th June, 2015 and Upto 16th June, 2016) | India |
| Alok Nagpal (CFO upto 7th July, 2015) | India |
| Sanjay Banka (CFO & Company Secretary w.e.f 17th December, 2015) | India |
| Samita Lahiri (Company Secretary upto 31st August, 2015) | India |

The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

An amount of Rs.37,085/- has been written off during the year in respect of due from an associate.

NOTES TO FINANCIAL STATEMENTS (Contd...)
(II) Summary of Transactions with Related Parties

Amount (₹)

| Name of the related party | Nature of Transaction & Outstanding Balances | 2016-17 | 2015-16 |
|--|---|---------------|---------------|
| (A) Investor having significant influence | | | |
| Infrastructure Project Development Capital | Transactions : | | |
| | Equity shares subscription received | 110,000,000 | - |
| | Sale of Investment in securities | 30,200,000 | - |
| | Purchase of securities | 240,340,000 | - |
| (B) Subsidiary : | | | |
| Solapur Tollways Pvt. Ltd. | Transactions : | | |
| | Warrant Subscribed | 105,000,000 | - |
| | Income from Consultancy fee (Excluding Service Tax) | 30,000,000 | 30,919,866 |
| | Reimbursement of expenses (Excluding Service Tax) | 6,624,000 | - |
| | Balance due: | | |
| | Warrants | 105,000,000 | - |
| | Cost of Investment pledged as collateral for loan taken from bank | 3,989,797 | 3,709,162 |
| | Trade Receivable (incl service tax) | 3,675,651 | 61,255,260 |
| Orissa Steel Expressway Pvt. Ltd. (subsidiary w.e.f. 12th Nov 2016) | Transactions : | | |
| | Inter Corporate Deposit given | 410,000,000 | - |
| | Inter Corporate Deposit refund received | (206,150,000) | - |
| | Interest Income on ICD given | 12,103,705 | - |
| | Income from Consultancy fee | 10,298,724 | - |
| | Balance due: | | |
| | Inter Corporate Deposit Balance | 203,850,000 | - |
| | Cost of Investment pledged as collateral for loan taken from bank | 263,325,443 | - |
| | Interest Accrued but not due | 10,893,335 | - |
| | Trade Receivable (incl service tax) | 66,447,419 | - |
| (C) Associates : | | | |
| Orissa Steel Expressway Pvt. Ltd. (ceases to be associate w.e.f. 12th Nov 2016) | Transactions : | | |
| | Inter Corporate Deposit given | 83,751,277 | 562,000,000 |
| | Inter Corporate Deposit refund received | (85,751,277) | (560,000,000) |
| | Interest Income on ICD given | 4,887,743 | 19,673,951 |
| | Income from Consultancy fee | 43,011,199 | - |
| | Balance due: | | |
| | Inter Corporate Deposit Balance | - | 2,000,000 |
| | Cost of Investment pledged as collateral for loan taken from bank | - | 270,632,239 |
| | Interest Accrued but not due | - | 114,885 |
| | Trade Receivable (incl service tax) | - | 10,472,000 |
| Kurukshetra Expressway Pvt. Ltd. | Transactions : | | |
| | Advance against Optionally Convertible Debenture | 136,171,000 | 138,490,000 |
| | Optionally Convertible Debenture allotted against application money | 274,661,000 | - |
| | Advance given | 101,334,500 | - |
| | Balance due: | | |
| | Advance given balance | 101,334,500 | - |
| | Advance against Optionally Convertible Debenture | - | 138,490,000 |
| | Optionally Convertible Debenture | 51,842,000 | - |
| | Cost of Investment pledged as collateral for loan taken from bank | 373,541,225 | 511,940,019 |

NOTES TO FINANCIAL STATEMENTS (Contd...)

(II) Summary of Transactions with Related Parties (Contd...)

Amount (₹)

| Name of the related party | Nature of Transaction & Outstanding Balances | 2016-17 | 2015-16 |
|--|---|---------------|-------------|
| Ghaziabad Aligarh Expressway Pvt. Ltd. | Transactions : | | |
| | Inter Corporate deposit (ICD) given | 278,595,625 | 106,410,964 |
| | Interest Income on ICD given | 9,229,687 | 2,304,080 |
| | ICD including interest converted to Warrant | 395,387,800 | - |
| | Advance given | 144,600,000 | - |
| | Advance converted to Warrant | 86,500,000 | - |
| | Balance due: | | |
| | Inter Corporate deposit | - | 106,410,964 |
| | Interest Accrued but not due | - | 2,304,080 |
| | Advance given balance | 58,100,000 | - |
| | Warrants | 481,887,800 | - |
| Cost of Investment pledged as collateral for loan taken from bank | 775,533,289 | 718,508,676 | |
| Potin - Pangin Highway Pvt. Ltd. (cease to be associate w.e.f. 12th Nov 2016) | Balance due: | | |
| | Unsecured Optionally Convertible Debenture | - | 27,589,255 |
| Shree Jagannath Expressways Pvt. Ltd. | Cost of Investment pledged as collateral for loan taken from bank | - | 73,664 |
| | Transactions : | | |
| | Advance given against Warrant/OCPID | - | 522,700,000 |
| | Refund of Advance against Warrant/OCPID | (522,700,000) | - |
| | Interest income on the Advance against Warrant/OCPID | 48,073,204 | 54,383,650 |
| | Balance due: | | |
| | Advance against Warrant/OCPID | - | 522,700,000 |
| | Interest Accrued but not due | - | 48,945,285 |
| | Interest Accrued and due (net of TDS) | 42,411,169 | - |
| | Cost of Investment pledged as collateral for loan taken from bank | 563,964,662 | 471,226,007 |
| Guruvayoor Infrastructure Pvt. Ltd. | Balance due: | | |
| | Trade receivable | - | 2,447,197 |
| Mahakaleshwar Tollways Pvt. Ltd. (Associate w.e.f. 28th Oct, 2016) | Cost of Investment pledged as collateral for loan taken from bank | 581,653,900 | 711,160,621 |
| | Transactions : | | |
| | Advance given | 5,121,000 | NA |
| Advance refunded | (5,121,000) | NA | |
| Income from Consultancy fee | 2,500,000 | NA | |
| Balance due: | | | |
| Advance given balance | 70,062,500 | NA | |
| Interest Accrued and due | 24,541,107 | NA | |
| Cost of Investment pledged as collateral for loan taken from bank | 76,492,350 | NA | |

Amount (₹)

| Name of the related party | Nature of Transaction & Outstanding Balances | 2016-17 | 2015-16 |
|---|--|-----------|------------|
| (D) Key Management Personnel : | | | |
| Asim Tewari (Chief Technical Officer upto 31st October, 2016 and COO w.e.f. 1st November, 2016) | Salary & Allowances | 6,528,707 | 6,566,763 |
| Anurag Kuba (CEO w.e.f. 29th June, 2015 and upto 16th June 2016) | Salary & Allowances | 3,280,769 | 10,615,431 |
| Alok Nagpal (CFO upto 7th July, 2015) | Salary & Allowances | NA | 2,189,330 |
| Sanjay Banka (CFO & Company Secretary w.e.f 17th December, 2015) | Salary & Allowances | 5,996,989 | 2,581,363 |
| Bajrang Kumar Choudhary (Managing Director w.e.f. 1st Nov, 2016) | Salary & Allowances | 5,511,454 | NA |
| Samita Lahiri (Company Secretary upto 31st August, 2015) | Salary & Allowances | NA | 559,898 |

The balance due disclosed above in respect of unsecured optionally convertible debenture/warrants are exclusive of borrowing cost capitalised.

NOTES TO FINANCIAL STATEMENTS (Contd..)
24.3 Contingent liabilities

| Particulars | Amount (₹) | |
|---|--------------------------------|--------------------------------|
| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| Claims against the Company not acknowledged as debt | | |
| – Income Tax (F.Y. 2012 –13) | 2,310,000 | 2,310,000 |

Under scrutiny assessment for the financial year 2012-13, Ld. DCIT had made disallowance u/s 14A and determined total income under normal provision of the Act at ₹ 69,14,530/- by his order u/s 143(3) as against returned income of ₹13,22,710/-.

The Company has preferred an appeal to CIT (A) against the above order on the facts that the order u/s 143(3) is grossly unjustified, erroneous and unsustainable.

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of legal processes which have been invoked by the Company and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the dispute mentioned above on the ground that there are fair chances of successful outcome of the appeal.

24.4 Earnings per Share

| Particulars | Amount (₹) | |
|---|--------------------------------|--------------------------------|
| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| Basic and Diluted Earnings per Share | | |
| Net Profit/ (Loss) after tax attributable to Equity Shareholders (in ₹) | 8,585,855 | 2,719,549 |
| Weighted average number of Equity Shares Basic (Nos.) | 27,865,753 | 10,000,000 |
| Weighted average number of Potential Equity Shares (Nos.) | – | – |
| Weighted average number of Equity Shares Diluted (Nos.) | 27,865,753 | 10,000,000 |
| Nominal Value of Equity per share (₹) | 10 | 10 |
| Basic Earnings per share (₹) | 0.31 | 0.27 |
| Diluted Earnings per share (₹) | 0.31 | 0.27 |

24.5 The Deferred Tax Asset (net) of ₹ 1,490,681/- (31 March 2016 : ₹ 9,11,579/-) arising out of timing difference as on 31 March, 2017 is on account of the following:

| Particulars | Amount (₹) | |
|--|--------------------------------|--------------------------------|
| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| Components of Deferred Tax Asset/(Liability): | | |
| Carry forward Losses | – | 718,970 |
| Provision for Gratuity | 1,546,370 | 222,137 |
| Depreciation | (55,689) | (29,528) |
| Deferred Tax Asset (Net) | 1,490,681 | 911,579 |

Note: On the basis of prudence, deferred tax asset has been recognized in the books of Accounts to the extent of deferred tax liability.

NOTES TO FINANCIAL STATEMENTS (Contd..)

24.6 The Company has not received any memorandum (as required to be filed by suppliers with the notified authority under the Micro, Small and Medium Enterprise Development Act, 2006) claiming their status as on 31st March, 2017 as micro, small or medium enterprise. Consequently the amount paid / payable to these parties during the year is Nil (As at 31st March 2016: Nil).

24.7 Segment Reporting

The Company is primarily engaged in a single business segment of own, build, develop, design, operate, transfer road and related services. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.

24.8 The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

These investments have been made on a long term basis with an objective to obtain return and capital appreciation after the commencement of commercial operations of the respective Project.

Based on a legal opinion, the Company has treated these investments as "Qualifying Asset". As required by Accounting Standard 16 on 'Borrowings Costs', Accounting Standard 13 on 'Investments' and in accordance with the accounting concept of 'Matching costs and revenues', the Company has capitalised borrowing cost incurred on funds borrowed exclusively for investments in SPVs as part of the cost of investments.

Accordingly, borrowing cost has been capitalised to Non-Current Investments and Other Non-Current Assets for an amount of ₹1,549,491,994/- including ₹349,471,740/- for the year (As at 31st March 2016: ₹120,00,20,254/- including ₹46,64,01,238/- for that year) and ₹ Nil (As at 31st March 2016 : ₹3,069,682/- including ₹3,069,682/- for that year) respectively incurred on loans borrowed for acquisition of these investments.

24.9 Disclosure on holding and dealings of Specified Bank Notes during Demonetization is shown in the table below:- Amount (₹)

| Particulars | SBNs | Other Denomination Notes | Total |
|--|----------|--------------------------|----------|
| Closing cash in hand as on 08.11.2016 | - | - | - |
| Add: Permitted receipts | - | - | - |
| Less: Permitted payments | - | - | - |
| Less: Amount deposited in Banks | - | - | - |
| Closing cash in hand as on 30.12.2016 | - | - | - |

24.10 Earnings / Expenses in Foreign Currency - ₹ Nil (Previous Year - ₹ Nil).

24.11 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current period financial statements and are to be read in relation to the amounts and other disclosures relating to the current reporting period.

As per our report annexed.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm Registration No. 302082E

(CA Ajay Agrawal)
Partner
Membership No.17643

Place : Kolkata
Date : 26th April, 2017

On behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN : 00441872

Brahm Dutt
Chairman
DIN : 05308908

Sanjay Banka
CFO & Company Secretary

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017
AND
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BHARAT ROAD NETWORK LIMITED

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of **Bharat Road Network Limited** (hereinafter referred to as "the Holding Company") and its Subsidiary Companies (the Holding Company and its subsidiary Companies together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements") for the year then ended.

Management's responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 ('the Act')/other relevant regulations applicable, for safeguarding the assets of the Group and its Associates and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 statements by the Directors of the Holding Company, as aforesaid.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sun-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Associates as at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

- (a) Note 26.6 to the financial statements regarding investment by the Holding Company in Special Purpose Vehicles formed as per Concession Agreement and guidelines of respective Government authority and treatment of such investments as Qualifying Asset which is based on a legal opinion and capitalization of directly attributable borrowing costs incurred in respect thereof.
- (b) Note 26.13 to the financial statements in respect of non-recognition of premium amount payable to Madhya Pradesh Road Development Corporation Limited (MPRDC) by an associate (Mahakaleshwar Tollways Private Limited) for the financial year 2016-17.
- (c) Note 16 to the financial statements regarding the project of one subsidiary company (Orissa Steel Expressway Private Limited) has been foreclosed on 2nd March, 2017 and that the process of determination and settlement of claims is under process.

Our opinion is not modified in respect of above matters.

Other Matters

We did not audit the financial statements / financial information of two subsidiaries, whose financial statements reflect total assets of Rs. 7,37,02,83,273/- as at 31st March, 2017, total revenues of Rs. 1,71,534/- and net cash outflows amounting to Rs.6,12,45,479/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.39,11,16,066/- for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of five associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with

respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report to the extent applicable, that:

- i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- ii) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
- iii) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- iv) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- v) On the basis of the written representations received from the directors of the Holding Company as at 31st March, 2017, taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary companies and Associate Companies, none of the directors of the group companies and its associates is disqualified as at 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate companies and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- vii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates -Refer Note 26.2 to the consolidated financial statements.
- b) The Group and its associates has made provisions in its consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company, its Subsidiary Companies and Associate Companies.
- d) The Group and its associates have provided requisite disclosure in its consolidated financial statements as

to holdings as well as dealings in Specified bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the respective companies -Refer Note 26.12 to the Consolidated Financial Statement.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. 302082E
(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place : Kolkata
Dated : 26th day of April, 2017

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of the Group and its associates as of that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Group and its associates are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing

the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of his report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associates have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls over financial reporting in so far as it relates to two subsidiaries and 5 associates, is based on the corresponding report of the auditors of such companies.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. 302082E

(CA. Ajay Agrawal)
Membership No. 17643
Partner

Place : Kolkata

Dated : 26th day of April, 2017

CONSOLIDATED BALANCE SHEET as at 31st March, 2017

(Amount in ₹)

| Particulars | Note | As at 31st March, 2017 | As at 31st March, 2016 |
|---|------|---------------------------|---------------------------|
| I. EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| (a) Share Capital | 2 | 546,500,000 | 100,000,000 |
| (b) Reserves and Surplus | 3 | 5,255,927,522 | (752,926,775) |
| (c) Warrants | 4 | 1,659,200,000 | – |
| Minority Interest | | 317,623,554 | – |
| Non-Current Liabilities | | | |
| (a) Long-Term Borrowings | 5 | 5,149,658,424 | 8,727,210,254 |
| (b) Other Long-Term Liabilities | 6 | 123,877,385 | 73,135,561 |
| (c) Long-Term Provisions | 7 | 8,815,673 | 2,434,001 |
| Current Liabilities | | | |
| (a) Short-Term Borrowings | 8 | 530,000,000 | 127,500,000 |
| (b) Trade Payables | | | |
| – Due to Micro and Small Enterprises | 9.1 | – | – |
| – Due to Others | 9.2 | 70,205 | 4,161,537 |
| (c) Other Current Liabilities | 10 | 239,501,233 | 100,615,060 |
| (d) Short-Term Provisions | 11 | 620,000 | 136,530 |
| Total | | 13,831,793,996 | 8,382,266,168 |
| II. ASSETS | | | |
| Non- Current Assets | | | |
| (a) Property, Plant and Equipment | 12.1 | 2,766,040 | 1,283,655 |
| (b) Intangible Assets | 12.2 | 166,208 | 49,382 |
| (c) Intangible Assets under Development | 13 | 4,309,091,958 | 3,041,633,922 |
| (d) Goodwill on Consolidation | | 272,167,389 | 17,479,924 |
| (e) Non-Current Investments | 14 | 5,799,019,803 | 3,607,269,369 |
| (f) Long-Term Loans and Advances | 15 | 714,650,381 | 1,313,913,228 |
| (g) Other Non-Current Assets | 16 | 2,129,454,744 | 3,069,682 |
| Current Assets | | | |
| (a) Trade Receivables | 17 | 47,700,000 | 23,089,717 |
| (b) Cash and cash equivalents | 18 | 279,531,674 | 180,710,412 |
| (c) Short-Term Loans and Advances | 19 | 208,251,326 | 115,536,603 |
| (d) Other Current Assets | 20 | 68,994,473 | 78,230,274 |
| Total | | 13,831,793,996 | 8,382,266,168 |

Significant Accounting Policies

1

Other Disclosures

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The accompanying notes are an integral part of the Consolidated Financial Statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm Registration No. 302082E

(CA Ajay Agrawal)
Partner
Membership No.17643

Place : Kolkata
Date : 26th April, 2017

On behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN : 00441872

Brahm Dutt
Chairman
DIN : 05308908

Sanjay Banka
CFO & Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2017

(Amount in ₹)

| Particulars | Note | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|--|------|--------------------------------|--------------------------------|
| INCOME | | | |
| Revenue from Operations | 21 | 102,511,199 | 7,500,000 |
| Other Income | 22 | 19,434,995 | 35,025,200 |
| Total Revenue | | 121,946,194 | 42,525,200 |
| EXPENSES | | | |
| Employee Benefits Expense | 23 | 47,861,091 | 29,071,846 |
| Finance Costs | 24 | 85,882,646 | 34,799,535 |
| Depreciation and Amortisation Expense | 12.1 | 106,598 | 47,284 |
| Other Expenses | 25 | 34,040,443 | 7,533,658 |
| Total Expenses | | 167,890,778 | 71,452,323 |
| Profit before extra ordinary items and tax | | (45,944,584) | (28,927,123) |
| Adjustment on disposal of associate | 26.9 | 59,790 | - |
| Profit Before Tax | | (45,884,794) | (28,927,123) |
| Tax Expense | | | |
| Current Tax | | 5,380,000 | 525,000 |
| Less: MAT Credit Entitlement | | - | 525,000 |
| Net Current Tax | | 5,380,000 | - |
| Income Tax in Respect of Earlier Years | | 553,885 | 8,534 |
| Profit/(Loss) After Tax but before share in results of Associates and Minority interest | | (51,818,679) | (28,935,657) |
| Share of Profit/(Loss) of Associates | | (391,116,066) | (414,800,437) |
| Minority Interest | | 135,096 | - |
| Profit For the period | | (442,799,649) | (443,736,094) |
| Earnings per Equity share (in ₹) (Face Value ₹ 10/-) | 26.4 | | |
| a) Basic | | (15.89) | (44.37) |
| b) Diluted | | (15.89) | (44.37) |
| Significant Accounting Policies | 1 | | |
| Other Disclosures | 26 | | |

The accompanying notes are an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm Registration No. 302082E
(CA Ajay Agrawal)
Partner
Membership No.17643

Place : Kolkata
Date : 26th April, 2017

On behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN : 00441872

Brahm Dutt
Chairman
DIN : 05308908

Sanjay Banka
CFO & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2017

(Amount in ₹)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|--------------------------------|--------------------------------|
| A. Cash Flow from Operating Activities | | |
| Profit before extra ordinary items and tax | (45,944,584) | (28,927,123) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 106,598 | 47,284 |
| Bad debts | 1,253,965 | - |
| Loss on sale of Long Term Trade Investment | 671,079 | - |
| Interest Income | (18,647,069) | (35,020,995) |
| Interest on income tax refund | (745,220) | - |
| Liability no longer required written back | (42,706) | (4,205) |
| Finance costs | 85,882,646 | 34,799,535 |
| Operating Profit before Working Capital Changes | 22,534,709 | (29,105,504) |
| Increase/(Decrease) in Long Term Provisions | 4,922,992 | 56,623 |
| Increase/(Decrease) in Other Long Term Liabilities | 50,741,824 | - |
| Increase/(Decrease) in Trade Payables | (4,048,626) | (6,072,268) |
| Increase/(Decrease) in Other Current Liabilities | 18,555,462 | (370,077,221) |
| Increase/(Decrease) in Short Term Provisions | (931,489) | 27,600 |
| Decrease/(Increase) in Trade Receivables | (25,864,248) | (3,507,008) |
| Decrease/(Increase) in Long Term Loans & Advances | (311,097,034) | 332,429,311 |
| Decrease/(Increase) in Short Term Loans & Advances | 78,727,373 | (258,734,317) |
| Decrease/(Increase) in Other Current Assets | 3,193,342 | (1,640,925) |
| Cash generated from Operating activities | (163,265,695) | (336,623,709) |
| Advance Income Tax (Net of refund and interest) | (6,257,169) | (11,315,137) |
| Net Cash from Operating Activities | (169,522,864) | (347,938,846) |
| B. Cash Flow from Investing Activities | | |
| Decrease/(Increase) in Intangible Assets under Development | (1,048,247,619) | (1,427,499,565) |
| Purchase of Fixed Assets (including Intangible Assets) | (563,043) | (865,094) |
| Inter Corporate Deposits given | 108,410,964 | (108,410,964) |
| Increase in Investments | (1,582,496,517) | (27,181,000) |
| Sale of Investments | 297,381,000 | - |
| Advance against Warrant/OCPIID given | 522,700,000 | (661,190,000) |
| Interest received | 72,698,970 | 29,956,211 |
| Adjustment on disposal of associate | 59,790 | - |
| Decrease/(Increase) in fixed deposit with banks | - | 45,359,345 |
| Net Cash from Investing activities | (1,630,056,456) | (2,149,831,067) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from issuing shares (net of issue expenses) | 5,630,293,160 | - |
| Increase/(Decrease) in Goodwill on Consolidation | (245,655,364) | - |
| Repayment of long term borrowings | (5,815,285,960) | (396,368,883) |
| Proceeds from long term borrowings | 3,766,785,076 | 6,319,269,137 |
| Increase/(Decrease) of short term borrowings (net) | (573,650,000) | (2,738,199,453) |
| Interest paid | (867,001,787) | (549,145,617) |
| Net Cash Flow from Financing Activities | 1,895,485,125 | 2,635,555,184 |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 95,905,805 | 137,785,271 |
| Opening Cash and Cash Equivalents | 180,710,412 | 42,925,141 |
| Add: Cash and Cash Equivalent on acquisition | 2,915,457 | - |
| Closing Cash and Cash Equivalents (Refer note no. 18) | 279,531,674 | 180,710,412 |

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS 3) "Cash Flow Statements".
- Interest paid is inclusive of and Investments is exclusive of interest capitalised ₹ 349,471,740/- (31st March 2016: ₹ 46,64,01,238/-). Further, Interest paid is inclusive of and unallocated borrowing costs shown under Other Non-Current Asset is exclusive of ₹ Nil (31st March 2016: ₹ 3,069,682/-). Similarly, interest of ₹ 43,560,141/- (31st March 2016: ₹ 41,340,686/-) earned on advances and adjusted with borrowing costs, has been included in interest received to the extent realised during the year.
- During the year, Share/debenture application money given aggregating to ₹ 138,490,000 (31st March 2016: ₹ Nil) have been converted into investments in Equity Shares/debenture and loan amounting to ₹ 1,659,200,000/- have been converted into Warrants.
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- Cash and cash equivalents as at the Balance Sheet date consists of:

| | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| Cash on Hand | 70,519 | 62,986 |
| Balances with scheduled banks - In Current Accounts | 88,504,803 | 79,067,257 |
| In Fixed Deposit | 110,000,000 | - |
| Investment in Liquid Mutual Fund | 80,956,352 | 101,580,169 |
| | 279,531,674 | 180,710,412 |

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **G. P. Agrawal & Co.**
 Chartered Accountants
 Firm Registration No. 302082E
(CA Ajay Agrawal)
 Partner
 Membership No.17643
 Place : Kolkata
 Date : 26th April, 2017

On behalf of the Board of Directors

Bajrang K Choudhary
 Managing Director
 DIN : 00441872

Brahm Dutt
 Chairman
 DIN : 05308908
Sanjay Banka
 CFO & Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

1 Significant Accounting Policies

1.1 Basis of Preparation

- a) The consolidated financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting.
- b) These consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These Financial Statements have been prepared to comply in all material respects with the Accounting Standards ('AS') specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies(Accounts) Rules, 2014, and the Companies (Accounting Standards) Amendments Rules, 2016, other pronouncements of the Institute of Chartered Accountants of India and relevant applicable provisions of the Companies Act, 1956, and Companies Act, 2013 to the extent notified.
- c) The preparation of consolidated financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities including Contingent Liabilities as of the date of the financial statements and the reported income and expenses for the reporting year. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.
- d) As per the Schedule III of Companies Act, 2013, "an operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents". For the Group, there is generally no clearly identifiable normal operating cycle and hence the normal operating cycle is assumed to have duration of 12 months.

1.2 Principles of Consolidation

The consolidated financial statements related to Bharat Road Network Limited (the Holding Company) and its Subsidiaries and associates. The Holding Company and its subsidiaries are collectively referred to as 'the Group'. The consolidated financial statements of the Group have been prepared in accordance with Accounting Standard 21 (AS-21) "Consolidated Financial Statements" and Accounting Standard 23 (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Holding Company and its subsidiary companies have been combined on line by line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- b) In case of investments in subsidiaries, where the shareholding is less than 100%, minority interest in the net assets of consolidated subsidiaries consist of:
 - i) The amount of equity attributable to minorities at the date on which Investment in the subsidiary is made.
 - ii) The minorities' share of movements in equity since the date the holding subsidiary relationship came into existence.
- c) Uniform accounting policies for like transactions and other events in similar circumstances have been adopted and presented, to the extent possible, in the same manner as the Holding Company's separate financial statements.
- d) The excess of cost of the Holding Company of its investment in the subsidiary over the Holding Company's portion of equity of the subsidiary as at the date of investment is recognised in the consolidated financial statements as Goodwill. It is tested for impairment on a periodic basis and written-off if found impaired.
- e) The excess of Holding Company's portion of equity of the subsidiary over cost as at the date of investment, is treated as Capital Reserve.
- f) Investment in associate is accounted using the equity method and disclosed separately in the Consolidated Balance Sheet.

1.3 Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group, it can be reliably measured and it is reasonable to expect ultimate collection.

SIGNIFICANT ACCOUNTING POLICIES (Contd...)

- a) Income from Dividend of shares of corporate bodies is accounted when the right to receive the dividend is established.
- b) All other income is accounted for on accrual basis.

1.4 Property, Plant and Equipment and Depreciation / Amortization

- a) **Property, Plant and Equipment:**
Property, Plant and Equipment are stated at Cost less accumulated depreciation. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets.
- b) **Intangible Assets:**
Intangible Assets comprising of computer software and licenses expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprises of purchase price and directly attributable expenditure on making the asset ready for its intended use. Any technology support cost or annual maintenance cost for such software is charged to the Statement of Profit and Loss.
- c) **Intangible Assets under Development**
Project Highways representing Toll Collection Rights are obtained in consideration for construction, operation and maintenance of the project on Design, Build, Operate and Transfer basis. All Project related expenditure for acquisition of Toll collection rights viz., civil works, machinery under erection, construction and erection materials, pre-operative expenditure, expenditure indirectly related to the project and incidental to setting up project facilities, borrowing cost incurred prior to the date of commercial operation, and trial run expenditure are shown under Intangible Assets under development. These expenses are net of recoveries, claims and income (net of tax), if any, from surplus funds arising out of project specific borrowings.

1.5 Depreciation and amortization

- a) Depreciation on Property, Plant and Equipment is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful lives of the respective Property, Plant and Equipment. Pursuant to the enactment of the Companies Act 2013, the Group has, effective 1st April 2014, reviewed and revised the useful life of its respective Property, Plant and Equipment and such useful life are equal to the corresponding useful life prescribed in Part C of Schedule II to Companies Act 2013:

| Asset category | Useful Life of the Asset |
|----------------------------|--------------------------|
| I Assets for Own Use | |
| i) Computers | 3, 6 years |
| ii) Furniture & Fixtures | 10 years |
| iii) Plant & Machinery | 15 years |
| iv) Office Equipment | 5 Years |
| v) Electrical Installation | 10 years |

- b) Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortization method in the manner prescribed under Schedule II to the companies Act, 2013. Under the revenue based method, amortization is provided based on the proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-à-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible assets is amortized over the concession period.
- c) Amortization of intangible assets such as Specialized software are provided on SLM which reflect the management's estimate of useful life of such assets:

| Asset category | Useful Life |
|----------------------|-------------|
| I Assets for Own Use | |
| i) Intangible Assets | 6 years |

SIGNIFICANT ACCOUNTING POLICIES (Contd...)

- d) Depreciation on assets acquired/sold during the year is recognised in Statement of Profit and Loss on pro-rata basis from/till the date of purchase/sale.

1.6 Impairment of Property, Plant and Equipment

Wherever events or changes in circumstances indicate that the carrying amount of Property, Plant and Equipment may be impaired, the Group subjects such assets to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the Group recognizes an impairment loss as the excess of the carrying amount over the recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying amount after reversal is not increased beyond the carrying amount that would have prevailed by charging usual depreciation if there was no impairment.

1.7 Capital Work in Progress

Capital work in progress is stated at cost and includes development and other expenses including interest during construction period.

1.8 Investments

- a) Investment which are readily realizable and intended to be held not more than one year from the date on which such investments are made, are classified as current investments. All Other investments are classified as long-term investment.
- b) Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are stated at cost. Provision for diminution in value, is made to recognize a decline other than temporary in the value of the investments.
- c) Cost includes acquisition charges such as brokerage, fee, duties and borrowing costs that are directly attributable to the acquisition of the investment.

1.9 Grant from National Highways Authority of India (NHAI)

Grant received by way of "Equity Support" from National Highway Authority of India(NHAI) in terms of Concession Agreement entered into between the NHAI and the SPVs are recognized in accordance with the criteria specifies in Accounting Standard (AS) 12 i.e. "Accounting for Government Grants". Where the government grants are of the nature of promoters contribution i.e. they are given with reference to the total investment in an undertaking or by way of contribution towards its total capital outlay and no repayment is ordinarily expected in respect thereof, the grants are treated as Capital Reserve which can neither be distributed as dividend nor considered as deferred income.

1.10 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the time of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into the reporting currency at the exchange rate prevailing at Balance Sheet date. Any income or expense on account of exchange difference either on settlement or on translation at the year end is recognized in the Statement of Profit and Loss.

1.11 Prior Period and Extra Ordinary Items

Prior Period and Extra Ordinary items having material impact on the financial affairs of the Group are disclosed separately.

1.12 Borrowing Costs

Borrowing costs to the extent attributed to the acquisition/construction of qualifying assets are capitalized up to the date when such assets are ready for its intended use and all other borrowing costs are recognized as an expense in the year in which they are incurred.

1.13 Employee Benefits

a) Short term employee benefits

Short term employee benefits based on expected obligation on undiscounted basis are recognised as expense in the Statement of Profit and Loss for the period in which the related service is rendered.

SIGNIFICANT ACCOUNTING POLICIES (Contd...)**b) Defined contribution plan**

Group's contribution towards Regional Provident Fund Authority and Employee State Insurance Corporation are charged to the Statement of Profit and Loss.

c) Defined benefit plan

Group's liabilities towards gratuity and leave benefits are defined benefit plans. Such liabilities are ascertained by an independent actuary as per the requirement of Accounting Standard – 15 (revised 2005) "Employee Benefits".

All actuarial gains and losses are recognised in Statement of Profit and Loss in the year in which they occur.

1.14 Segment Reporting

The Group is primarily engaged in a single business segment of purchase, own, build, develop, design, Operate, transfer road and related services. All the activities of the Group revolved around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting".

1.15 Taxes on Income

a) Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

b) Deferred tax is recognized on timing differences which is the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets subject to the consideration of prudence are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

1.16 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events; it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.17 Earnings per Share

The Group reports basic and diluted earnings per equity share in accordance with Accounting Standard-20, Earnings per Share notified by the Central Government under the Companies (Accounting Standards) Rules, 2006. Basic earnings per equity share have been computed by dividing net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit (loss) after tax for the year by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.18 Cash and cash equivalents:

Cash and cash equivalents include cash on hand, cheques on hand and balance of bank on current accounts.

1.19 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for effects of transactions of a non-cash nature, any deferral or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Group are segregated.

NOTES TO FINANCIAL STATEMENTS

2 SHARE CAPITAL

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | |
|--|------------------------|----------------------|------------------------|--------------------|
| | Number | Amount (₹) | Number | Amount (₹) |
| a) Authorised | | | | |
| Equity Shares of ₹ 10 each | 100,000,000 | 1,000,000,000 | 10,000,000 | 100,000,000 |
| Total | 100,000,000 | 1,000,000,000 | 10,000,000 | 100,000,000 |
| b) Issued, Subscribed & Paid up | | | | |
| Equity Shares of ₹ 10 each fully paid up | 54,650,000 | 546,500,000 | 10,000,000 | 100,000,000 |
| Total | 54,650,000 | 546,500,000 | 10,000,000 | 100,000,000 |

c) The rights, preferences and restrictions attached to each class of Equity shares are as under:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend when declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) The reconciliation of the number of shares outstanding at the beginning and at the end of year has been shown in the table below:

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | |
|---|------------------------|-------------|------------------------|-------------|
| | No. of Equity Shares | Amount (₹) | No. of Equity Shares | Amount (₹) |
| Shares outstanding at the beginning of the year | 10,000,000 | 100,000,000 | 10,000,000 | 100,000,000 |
| Shares issued during the year | 44,650,000 | 446,500,000 | - | - |
| Shares outstanding at the end of the year | 54,650,000 | 546,500,000 | 10,000,000 | 100,000,000 |

e) Details of each shareholder holding more than 5% shares :

| Name of Shareholder | As at 31st March, 2017 | | As at 31st March, 2016 | |
|---|------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Srei Venture Capital Trust A/c-Infrastructure Project Development Fund | 7,049,400 | 12.90% | 49,400 | 0.49% |
| Srei Infrastructure Finance Limited | 16,630,000 | 30.43% | - | - |
| OSPL Infradeal Pvt. Ltd. | 9,520,000 | 17.42% | - | - |
| Srei Venture Capital Trust A/c-Infrastructure Project Development Capital | 20,950,000 | 38.33% | 9,950,000 | 99.50% |

NOTES TO FINANCIAL STATEMENTS (Contd...)
3 RESERVES AND SURPLUS

| Particulars | Amount (₹) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Capital Reserve - Equity Support from NHAI | | |
| Opening balance | - | - |
| Add: Equity accounting of associates | 1,280,947,199 | - |
| Closing Balance (A) | 1,280,947,199 | - |
| Security Premium Reserve | | |
| Opening balance | - | - |
| Add: Addition during the year | 5,196,750,000 | - |
| Less: Utilized for share issue expenses* | 12,956,840 | - |
| Closing balance (B) | 5,183,793,160 | - |
| Surplus/(deficit) in the Statement of Profit and Loss | | |
| Opening Balance | (752,926,775) | (309,190,681) |
| Less: Adjustment on consolidation ** | (13,086,413) | - |
| Add: Net Profit/(Loss) for the year | (442,799,649) | (443,736,094) |
| Closing balance (C) | (1,208,812,837) | (752,926,775) |
| Total (A+B+C) | 5,255,927,522 | (752,926,775) |

* Expenses incurred by the Company aggregating to ₹ 12,956,840/- in connection of issue of share have been adjusted towards the Securities Premium Reserve. These expenses consist of expenses directly attributable to the issue of shares and common cost for both issuance and listing of shares (such as legal counsel fee, auditor fee, merchant banker fee) based on the proportion of new shares proposed to be issued to the total number of (new and existing) shares proposed to be listed.

**Pursuant to the requirement of section 129(3) of the Companies Act, 2013, the Company had prepared its Consolidated Financial Statement for the first time in the financial year 2014-15. During the current reporting year, the Company has prepared its Consolidated financial statement for the financial year 2013-14 for the purpose of disclosure in offer documents for proposed issue of securities. Consequently, the impact of related party transactions elimination for financial year 2013-14 amounting to ₹ 13,086,413/- has been adjusted with the opening balance of retained earnings.

4 WARRANTS

| Particulars | Amount (₹) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Warrants (165,920,000 Warrants of ₹ 10/- each) | 1,659,200,000 | - |
| Total | 1,659,200,000 | - |

Terms of Warrant

Warrants have been issued by one of the subsidiary company. Subject to a re-characterisation event not having taken place, on the maturity of the Warrants, that is, at the end of the Tenure (36 months), the warrants entitle the Warrant-holder to subscribe to one equity share of ₹10/- (Face Value of ₹10 per share) in the Company, for each warrant held by the Warrant-Holder. If the warrant-holder opts not to subscribe to equity shares in the Company, the amount paid on the warrants will be fully forfeited, and thereupon, the warrant will deemed to have expired.

| Number of Warrants | Date of Issue | Expiring on |
|--------------------|-----------------|-----------------|
| 165,920,000 | 30th June, 2016 | 29th June, 2019 |

NOTES TO FINANCIAL STATEMENTS (Contd..)**5 LONG –TERM BORROWINGS**

| Particulars | Amount (₹) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| i) Secured | | |
| Term Loan from Banks | 2,301,930,130 | 1,385,200,000 |
| Term Loan from financial Institutions | 2,189,528,294 | 5,024,610,254 |
| ii) Unsecured | | |
| Bond / Debentures (Un-quoted) | | |
| Optionally Convertible Participative Interest bearing Debentures (OCPID) of Face Value ₹10/- each | 658,200,000 | 658,200,000 |
| Others | | |
| Sponsor's Fund | – | 1,659,200,000 |
| Total (i+ii) | 5,149,658,424 | 8,727,210,254 |

Term from Banks

The Term Loans from Bank are secured against first charge on following assets of the borrower subsidiary company:

- Immovable Properties both present and future, save and except the Project Assets.
- Assignment by way of security of the right, title, interests, benefits, claims and demands of the borrower in, to and under the Project Documents.
- Moveable Properties of the borrower Company including but not limited to current and non-current assets, plant and machinery, furniture and fixtures, vehicles and all other movable assets both present and future, save and except the Project Assets.
- All the Receivables, Bank Accounts including without limitation, the Escrow Account, the DSRA, MMRA, the Retention Account and such other bank account that may be opened in terms of the project document.
- All Insurance Contracts/ Insurance proceeds.

The Loan is repayable in 47 unequal quarterly Installments starting from 30th Sept 2017 ending on 31st March 2029. Currently Interest is payable monthly @ 11.55 % simple interest per annum.

Term Loan from financial Institutions

- Term Loan of ₹ 1,220,000,000/- (previous year : Nil) is payable in in 24 equal quaterly instalments after a moratorium of 2 years from the COD or SCOD which ever is later. Interest is payable quaterly, compounding on monthly rests @ 13.20% per annum.
The Loan is to be secured by way of first pari passu charge by way of hypothecation on the entire assets of the borrower subsidiary Company under the deed of hypothecation.
The Loan is to be secured by way of pledge of 100% unencumbered issued, subscribed and fully paid up voting equity shares of the borrower subsidiary company held by BRNL.
The Loan is to be secured by way of pledge of 21,87,266 number of issued, subscribed and fully paid up voting equity shares of the borrower subsidiary company held by AMR India Limited.
The Loan is to be secured by way of pledge of 58,32,576 number of issued, subscribed and fully paid up voting equity shares of the borrower subsidiary company held by MBL Infrastructure Limited.
- Rupee Term Loans of ₹ nil (previous year : ₹ 2,425,459,254/-) are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Fund (IPDF) and Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. All these loan facilities have been prepaid in full during the current reporting year.
- Rupee Term Loan of ₹ nil (previous year : ₹ 560,000,000/-) is to be secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Fund (IPDF) and Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum. It has been prepaid in full during the current reporting year.
- Rupee Term Loans of ₹ 269,528,294/- (previous year : ₹ 2,039,151,000/-) are secured by way of first charge on all cash flow & all moveable assets (both present & future), pledge (along with Power of Attorney) of entire shareholding of the Company held by Infrastructure Project Development Capital (IPDC) and demand promissory note covering the principal and interest repayment. Interest is payable quarterly, compounding on monthly rest @ SBR-4% per annum.

NOTES TO FINANCIAL STATEMENTS (Contd...)

- v) Rupee Term Loans of ₹ 700,000,000/- (previous year : ₹ Nil/-) is to be secured by way of first pari passu charge by way of hypothecation of the entire movable fixed assets (both present and future), entire current assets including but not limited to book debts, operating cash flows, receivables, loans and advances, deposits, commissions, investments, revenue of whatsoever nature and wherever arising, both present and future, long term loans and advances and non-current investments (both present and future) and demand promissory note covering the principal, interest and all other amounts. Interest is payable quarterly in arrears @ 12.75% (fixed) per annum.

Terms of issue of Optionally Convertible Participative Interest bearing Debentures (OCPID):

Total interest shall accrue and will be payable on interest due dates only when the issuing subsidiary company has Residual Cash Flows available for distribution after paying all expenses, statutory dues and payment to senior secured lenders. Final rate or amount of interest for the year shall be decided every year at the end of the financial year based on the residual cash flows of the issuer subject to maximum of 16% cumulative interest.

Tenure of OCPID is 10 years (Extendable for a further period of 5 years at the option of holders) from the date of Allotment. OCPID will be redeemed at the end of 10 years from the date of allotment or at the end of extended period as the case may be or anytime during the tenure with mutual consent. OCPID holder will have the option to convert each OCPID into equity shares of the issuer at par value (i.e. at the face value of the equity share), during the currency of the OCPID, subject to a notice period of 3 months, in one or more tranches.

6 OTHER LONG-TERM LIABILITIES

| Particulars | Amount (₹) | |
|-------------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Retention Money Payable | 123,877,385 | 73,135,561 |
| Total | 123,877,385 | 73,135,561 |

7 LONG – TERM PROVISIONS

| Particulars | Amount (₹) | |
|---------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Provision for Employee Benefits | | |
| – Gratuity | 5,269,726 | 1,170,070 |
| – Leave Encashment | 2,521,977 | 1,174,251 |
| – Sick Leave Availment | 1,023,970 | 89,680 |
| Total | 8,815,673 | 2,434,001 |

8 SHORT-TERM BORROWINGS

| Particulars | Amount (₹) | |
|-------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Unsecured | | |
| Loan from financial institution | 500,000,000 | – |
| Inter Corporate Deposit from others | 30,000,000 | 127,500,000 |
| Total | 530,000,000 | 127,500,000 |

Terms of repayment of Unsecured Short-term borrowings:

- (i) Principal loan amount of ₹ 500,000,000 (As at 31st March 2016 : ₹ Nil) is repayable at the end of one year. Interest is payable quarterly @ 12.50% per annum.
- (ii) Principal ICD amount of ₹ Nil (As at 31st March 2016 : ₹ 102,500,000) is repayable at the end of one year. Interest is payable on maturity @ 9% per annum. The lenders have right to recall the ICD amount in full or part.
The principal ICD amount of ₹ Nil (As at 31st March 2016 : ₹ 25,000,000) is repayable on expiry of 180 days from the date of receipt of ICD. Interest is payable on maturity @10% Simple Interest per annum.
- (iii) Principal ICD amount of ₹ 30,000,000 (As at 31st March 2016 : ₹ Nil) is repayable at the end of 6 months. Interest is payable on maturity @ 9% per annum. The lenders have right to recall the ICD amount in full or part.

NOTES TO FINANCIAL STATEMENTS (Contd..)**Trade Payable****9.1 Due to Micro and Small Enterprises**

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| a) The principal amount and interest due thereon remaining unpaid to any supplier | - | - |
| b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day. | - | - |
| c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| d) The amount of interest accrued and remaining unpaid | - | - |
| e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| Total | - | - |

9.2 Due to Others

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--------------|---------------------------|---------------------------|
| For services | 70,205 | 4,161,537 |
| Total | 70,205 | 4,161,537 |

10 OTHER CURRENT LIABILITIES

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| Current maturities of Long term borrowings | 4,150,946 | - |
| Interest accrued but not due on borrowings | 28,604,468 | 35,999,188 |
| Other Payables: | | |
| Creditors for capital expenses | 109,280,106 | - |
| Retention money payable | 66,032,137 | 10,443,425 |
| Book Overdraft | 6,233,376 | 194,245 |
| Liability for expenses | 3,925,392 | 30,592,950 |
| Salary & other payroll dues | 4,793,891 | 2,937,092 |
| Statutory liabilities | 16,480,917 | 20,448,160 |
| Total | 239,501,233 | 100,615,060 |

11 SHORT-TERM PROVISIONS

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|---------------------------------|---------------------------|---------------------------|
| Provision for Employee Benefits | | |
| - Gratuity | 44,565 | 3,780 |
| - Leave Encashment | 381,385 | 118,580 |
| - Sick Leave Availment | 194,050 | 14,170 |
| Total | 620,000 | 136,530 |

NOTES TO FINANCIAL STATEMENTS (Contd...)

12.1 Property, Plant and Equipment

| Particulars | Gross Block | | | | | Depreciation/Amortisation | | | | | Net Block | |
|--------------------------|------------------|---------------------------|---------------------------|-----------------------------------|------------------|---------------------------|---------------------------|----------------|-----------------------------------|------------------|------------------|------------------|
| | As at 01.04.2016 | Adjustment on Acquisition | Additions during the year | Sales/adjustments during the year | As at 31.03.2017 | As at 01.04.2016 | Adjustment on Acquisition | For the year | Sales/adjustments during the year | As at 31.03.2017 | As at 31.03.2017 | As at 31.03.2016 |
| Land | 212,850 | 1,119,290 | - | - | 1,332,140 | - | - | - | - | - | 1,332,140 | 212,850 |
| Computers | 522,912 | 173,105 | 179,750 | - | 875,767 | 269,936 | 164,141 | 164,952 | - | 599,029 | 276,738 | 252,976 |
| Plant & Machinery | 1,800 | - | - | - | 1,800 | 1,800 | - | - | - | 1,800 | - | - |
| Furniture & Fixtures | 731,641 | 407,777 | 102,389 | - | 1,241,807 | 243,705 | 154,315 | 100,607 | - | 498,627 | 743,180 | 487,936 |
| Office Equipment | 407,595 | 181,765 | 147,304 | - | 736,664 | 160,017 | 114,156 | 121,874 | - | 396,047 | 340,617 | 247,578 |
| Electrical Installations | 89,500 | - | - | - | 89,500 | 7,185 | - | 8,950 | - | 16,135 | 73,365 | 82,315 |
| Total | 1,966,298 | 1,881,937 | 429,443 | - | 4,277,678 | 682,643 | 432,612 | 396,382 | - | 1,511,637 | 2,766,040 | 1,283,655 |

Property, Plant and Equipment

| Particulars | Gross Block | | | | Depreciation/Amortisation | | | | Net Block | |
|--------------------------|------------------|---------------------------|-----------------------------------|------------------|---------------------------|----------------|-----------------------------------|------------------|------------------|------------------|
| | As at 01.04.2015 | Additions during the year | Sales/adjustments during the year | As at 31.03.2016 | As at 01.04.2015 | For the year | Sales/adjustments during the year | As at 31.03.2016 | As at 31.03.2016 | As at 31.03.2015 |
| Land | - | 212,850 | - | 212,850 | - | - | - | - | 212,850 | - |
| Computers | 310,264 | 240,200 | 27,552 | 522,912 | 162,245 | 135,243 | 27,552 | 269,936 | 252,976 | 148,019 |
| Plant & Machinery | 1,800 | - | - | 1,800 | 1,800 | - | - | 1,800 | - | - |
| Furniture & Fixtures | 472,097 | 259,544 | - | 731,641 | 123,598 | 120,107 | - | 243,705 | 487,936 | 348,499 |
| Office Equipment | 344,595 | 63,000 | - | 407,595 | 89,341 | 70,676 | - | 160,017 | 247,578 | 255,254 |
| Electrical Installations | - | 89,500 | - | 89,500 | - | 7,185 | - | 7,185 | 82,315 | - |
| Total | 1,128,756 | 865,094 | 27,552 | 1,966,298 | 376,984 | 333,211 | 27,552 | 682,643 | 1,283,655 | 751,772 |

NOTES TO FINANCIAL STATEMENTS (Contd...)

12.2 Intangible Assets

| Particulars | Gross Block | | | | Depreciation/Amortisation | | | | Net Block | | |
|-------------------|------------------|---------------------------|---------------------------|------------------------------------|---------------------------|------------------|---------------------------|---------------|------------------------------------|------------------|------------------|
| | As at 01.04.2016 | Adjustment on Acquisition | Additions during the year | Sales/ adjustments during the year | As at 31.03.2017 | As at 01.04.2016 | Adjustment on Acquisition | For the year | Sales/ adjustments during the year | As at 31.03.2017 | As at 31.03.2016 |
| Computer Software | 62,700 | 51,200 | 133,600 | - | 247,500 | 13,318 | 51,200 | 16,774 | - | 166,208 | 49,382 |
| Total | 62,700 | 51,200 | 133,600 | - | 247,500 | 13,318 | 51,200 | 16,774 | - | 166,208 | 49,382 |

Intangible Assets

| Particulars | Gross Block | | | | Depreciation/Amortisation | | | | Net Block | |
|-------------------|------------------|---------------------------|------------------------------------|------------------|---------------------------|---------------|------------------------------------|------------------|------------------|------------------|
| | As at 01.04.2015 | Additions during the year | Sales/ adjustments during the year | As at 31.03.2016 | As at 01.04.2015 | For the year | Sales/ adjustments during the year | As at 31.03.2016 | As at 31.03.2016 | As at 31.03.2015 |
| Computer Software | 62,700 | - | - | 62,700 | 3,101 | 10,217 | - | 13,318 | 49,382 | 59,599 |
| Total | 62,700 | - | - | 62,700 | 3,101 | 10,217 | - | 13,318 | 49,382 | 59,599 |

Note:

- a) Out of the total Depreciation and Amortisation Expense of ₹ 413,156/- (Previous Year : ₹ 343,428), ₹ 306,558 (Previous Year : ₹ 296,144) has been capitalised under "Intangible assets under development" and the balance of ₹ 106,598/- (Previous Year : ₹ 47,284) has been charged to Profit and Loss for the year.

NOTES TO FINANCIAL STATEMENTS (Contd..)
13 INTANGIBLE ASSETS UNDER DEVELOPMENT

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| Capital Work In Progress | 5,233,810,364 | 2,858,040,079 |
| Expenditure During Construction Period | | |
| Salary & Allowances | 90,194,344 | 24,875,805 |
| Finance Cost : | | |
| Finance Charges | 906,859,282 | 135,428,659 |
| Interest on ICD | 6,113,849 | 1,976,713 |
| Depreciation | 1,363,494 | 573,123 |
| Other Expenses : | | |
| Rent | 6,061,405 | 1,226,539 |
| Rates & Taxes | 7,410,878 | 1,043,866 |
| Professional Fees | 220,697,296 | 74,558,932 |
| Travelling & Conveyance Expenses | 7,854,113 | 2,206,414 |
| Car Hire Charges | 7,988,978 | 2,322,071 |
| Vehicle Running & Maintenance Expenses | 2,035,957 | 1,191,207 |
| Office Maintenance Expenses | 1,963,784 | 1,708,263 |
| Repair & Maintenance - Road | 5,327,669 | 5,312,369 |
| Communication expenses | 1,032,452 | 210,760 |
| Insurance costs | 10,137,787 | 670,732 |
| Statutory Audit Fees | 643,495 | 84,270 |
| Bank Charges | 10,237,131 | 10,199,579 |
| Printing & Stationery | 304,607 | 196,595 |
| Postage & Courier charges | 15,377 | 15,309 |
| Electricity Expenses | 202,635 | 119,835 |
| Miscellaneous Expenses | 13,369,958 | 3,428,063 |
| Sub total | 6,533,624,856 | 3,125,389,183 |
| Less: Interest Income | 54,956,639 | 53,403,043 |
| Other Income | 40,121,515 | 30,352,218 |
| Transferred to Claims under Other Non Current Assets (Refer Note No 16) | 2,129,454,744 | - |
| Total | 4,309,091,958 | 3,041,633,922 |

The above Intangible Assets under Development of ₹ 4,309,091,958/- (previous year ₹ 30,41,633,922/-) is in respect of one subsidiary which has not commenced the business operations during the year hence all the expenses other than Capital Work in Progress, incurred in relation to project are transferred to Expenditure During Construction.

NOTES TO FINANCIAL STATEMENTS (Contd...)

14 NON-CURRENT INVESTMENT

| Particulars | Amount (₹) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Long Term Investment (At cost) Trade, Fully Paid up | | |
| i) In Equity Instruments (Unquoted) | | |
| In associates^{A,B,C,D,E} | | |
| Fully paid equity shares of associate companies ^{G,H} | 6,326,301,392 | 4,250,357,281 |
| Add/(Deduct): | | |
| Accumulated share in profit/(loss) of the associate companies at the beginning of the year | (697,469,122) | (283,057,731) |
| Share in profit/(loss)(net) of the associate companies during the year | (391,056,276) | (414,800,436) |
| Sub-Total | 5,237,775,994 | 3,552,499,114 |
| ii) In Unsecured Optionally Convertible Debentures (Unquoted)^F | | |
| In Associate | 53,407,513 | 54,770,255 |
| iii) In Warrant (Unquoted) | | |
| In Associate | 507,836,296 | – |
| Total (i+ii+iii) aggregate amount of unquoted investment | 5,799,019,803 | 3,607,269,369 |

A Refer Note 26.6

B The Company has pledged its investment in shares aggregating to ₹ 2,371,185,426/- (Previous Year ₹ 2,683,541,226/-) in favour of Security Trustees for loan taken by Associate Companies.

C Investments in associates include goodwill of ₹ 2,146,439,275/- (Previous Year ₹ 2,132,693,707/-) in respect of five associates.

D Mahakaleshwar Tollways Pvt. Ltd. became associate w.e.f. 28th October, 2016.

E Investment in Equity shares of Kurukshetra Expressway Pvt. Ltd. includes 13,670,530 Equity Shares, which are in the process of transfer in the name of Company.

F The Unsecured Optionally Convertible Debentures does not carry any fixed rate of interest. Rate of interest, subject to maximum of 16% cumulative interest, shall be decided every year at the end of the Financial Year based on the residual cash flows after servicing Senior Lenders of the issuer.

G Includes other adjustments to carrying value accounted through reserves (Refer Note 3).

H Orissa Steel Expressway Pvt. Ltd. ceases to be associate and became subsidiary w.e.f. 12th November 2016.

15 LONG-TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

| Particulars | Amount (₹) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Capital Advance | 445,771,616 | 617,319,411 |
| Security Deposit | 1,670,344 | 287,800 |
| Advance to related party (refer note 26.3) | 229,497,000 | – |
| Advance against Warrant/OCPID to related parties (refer note 26.3) | – | 661,190,000 |
| Other Advances: | | |
| Advance Income Tax including Tax deducted at Source (Net of Provision ₹ 4,874,426 (P.Y ₹ 10,32,000)) | 32,322,839 | 29,824,891 |
| WCT Receivable | 5,388,582 | 4,259,126 |
| MAT Credit Entitlement | – | 1,032,000 |
| Total | 714,650,381 | 1,313,913,228 |

* Provision of Tax is net of MAT Credit utilised of ₹ 1,030,575/- during the current year in accordance with the Guidance Note issued by Institute of Chartered Accountants of India (previous year Nil).

NOTES TO FINANCIAL STATEMENTS (Contd...)
16 OTHER NON-CURRENT ASSETS

(Unsecured, considered good)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| Unallocated borrowing cost | – | 3,069,682 |
| Claims (Transferred from Intangible Assets under Development) * (Refer Note No 13) | 2,129,454,744 | – |
| Total | 2,129,454,744 | 3,069,682 |

*Orissa Steel Expressway Pvt. Ltd., a subsidiary of the Company, has been awarded the work to promote, develop, finance, establish, design, construct, equip, operate, maintain, modify and upgrade the two/ four laning of Rimuli - Roxy - Rajamunda Section of NH 215 from Km 163.000 to Km 259.453 under NHDP-III in the State of Orissa on Design, Build, Finance, Operate and Transfer (DBFOT) basis and to charge and collect toll fees and to retain and appropriate receivables as per the concession agreement dated July 6, 2010 from the NHAI.

Due to Land unavailability and Forest issues, NHAI has agreed to Foreclosure of the Concession Agreement / Contract. Based on same, a joint inspection of the Project site was carried on with Independent Engineer appointed by NHAI and NHAI representatives. Thereafter the project has been handed over to NHAI on 02-03-2017 on 'as is where is' basis which has been acknowledged by NHAI vide their letter dated 03-03-2017. The Company is in the process of filing Claims through the process of ISAC (Independent Settlement Advisory Committee) cum Settlement mechanism and / or arbitration. The company management expects that it will recover compensation from NHAI. Financial Statements of the subsidiary company has been prepared on Going Concern, till final settlement of claim with NHAI. Further, as the project has been handed over to NHAI, expenditure incurred on the Project which were classified as Intangible Assets under Development have been transferred to Claims disclosed under Other Non Current Assets.

17 TRADE RECEIVABLES

(Unsecured, considered good)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| Debt outstanding for a period exceeding six months from the due date | – | 11,204,759 |
| Other Debts | 47,700,000 | 11,884,958 |
| Total | 47,700,000 | 23,089,717 |

18 CASH AND CASH EQUIVALENTS

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| Cash on Hand | 70,519 | 62,986 |
| Balances with scheduled banks | | |
| – In Current Accounts | 88,504,803 | 79,067,257 |
| – In Fixed Deposit with original maturity upto 3 months | 110,000,000 | – |
| Investment in Liquid Mutual Fund | 80,956,352 | 101,580,169 |
| Total | 279,531,674 | 180,710,412 |

19 SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good)

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| ICD given to related parties (refer note 26.3) | – | 108,410,964 |
| Advance against Capital expenses | 27,086,393 | – |
| DSRA Advance | 142,658,399 | – |
| Other Loans and Advances: | | |
| Service Tax | 1,809,485 | – |
| Prepaid Expenses | 179,580 | 140,576 |
| Advance to staff | 165,226 | 3,150 |
| Advance to Vendor and others | 36,352,243 | 6,981,913 |
| Total | 208,251,326 | 115,536,603 |

NOTES TO FINANCIAL STATEMENTS (Contd..)**20 OTHER CURRENT ASSETS**

(Unsecured, Considered Good)

| Particulars | Amount (₹) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2017 | As at 31st March, 2016 |
| Interest accrued and due on loans to related parties (refer note 26.3) | 66,952,276 | 24,541,107 |
| Interest accrued but not due on loans to related parties (refer note 26.3) | – | 51,364,250 |
| Interest accrued on fixed deposit | 14,917 | – |
| Receivable from NHAI | 2,027,280 | – |
| Other receivables | – | 2,324,917 |
| Total | 68,994,473 | 78,230,274 |

21 REVENUE FROM OPERATIONS

| Particulars | Amount (₹) | |
|--------------------------|--------------------------------|--------------------------------|
| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| Sale of services: | | |
| Consultancy Fees | 102,511,199 | 7,500,000 |
| Total | 102,511,199 | 7,500,000 |

22 OTHER INCOME

| Particulars | Amount (₹) | |
|---|--------------------------------|--------------------------------|
| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| Interest on Loan | 62,190,635 | 76,361,681 |
| Less: Adjusted with corresponding Interest expenses | 43,560,141 | 41,340,686 |
| | 18,630,494 | 35,020,995 |
| Interest on Fixed Deposit with Bank | 16,575 | – |
| Interest on Income Tax Refund | 745,220 | – |
| Liability no longer required written back | 42,706 | 4,205 |
| | 19,434,995 | 35,025,200 |

23 EMPLOYEE BENEFITS EXPENSE

| Particulars | Amount (₹) | |
|---|--------------------------------|--------------------------------|
| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| Salaries & Allowances | 46,039,546 | 27,789,350 |
| Contribution to Provident and Other Funds | 1,631,739 | 1,186,629 |
| Staff Welfare Expenses | 189,806 | 95,867 |
| Total | 47,861,091 | 29,071,846 |

24 FINANCE COSTS

| Particulars | Amount (₹) | |
|--|--------------------------------|--------------------------------|
| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| Interest expenses on borrowings | 726,030,528 | 590,184,880 |
| Less: Capitalised to Intangible assets under development | 290,676,142 | 85,914,425 |
| Less: Capitalised to Investments (Refer note 26.6) | 349,471,740 | 469,470,920 |
| Total | 85,882,646 | 34,799,535 |

NOTES TO FINANCIAL STATEMENTS (Contd...)
25 OTHER EXPENSES

Amount (₹)

| Particulars | Amount (₹) | |
|--|--------------------------------|--------------------------------|
| | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
| Rent, Rates & Taxes | 10,538,704 | 185,577 |
| Insurance Premium | 344,048 | 33,098 |
| Legal & Professional Fees | 8,043,602 | 1,655,006 |
| Travelling and Conveyance | 8,076,600 | 3,479,311 |
| Repairs & Maintenance- Others | 684,974 | 448,085 |
| Postage, Telegram & Telephone | 208,223 | 115,862 |
| Director's Sitting Fees | 1,105,000 | 105,000 |
| Demat Charges | 1,005 | 267,838 |
| Membership & Subscription | 619,650 | - |
| Bad Debts | 1,253,965 | - |
| Loss on sale of Long Term Trade Investment | 671,079 | - |
| Business Development Expenses | 239,228 | 440,241 |
| Payment to Auditor : | | |
| - For Audit | 659,307 | 315,250 |
| - Other Services | 624,020 | 76,143 |
| Printing & Stationery | 85,067 | 67,306 |
| General Expenses | 885,971 | 344,941 |
| Total | 34,040,443 | 7,533,658 |

26 OTHER DISCLOSURES

26.1 In accordance with Accounting Standard 21 "Consolidated Financial Statements", the Consolidated Financial Statements of the Group include the financial statements of the Holding Company and its subsidiaries. Enterprises over which the Company exercises significant influence are considered for preparation of the Consolidated Financial Statements as per Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements".

The subsidiaries and associates considered in the preparation of these consolidated financial statements are:

| Name of the Party & Nature of relationship | Country of Origin | % Holding | % Holding |
|---|-------------------|------------------------|------------------------|
| | | As at 31st March, 2017 | As at 31st March, 2016 |
| Subsidiaries | | | |
| Solapur Tollways Pvt. Ltd. | India | 99.02% | 98.04% |
| Orissa Steel Expressway Pvt. Ltd.(Became subsidiary w.e.f. 12th November, 2016) | India | 59.38% | - |
| Associates | | | |
| Orissa Steel Expressway Pvt. Ltd.(cease to be associate w.e.f. 12th November, 2016) | India | - | 44.60% |
| Kurukshehra Expressway Pvt. Ltd. | India | 49.00% | 29.33% |
| Ghaziabad Aligarh Expressway Pvt. Ltd. | India | 39.00% | 39.00% |
| Shree Jagannath Expressways Pvt. Ltd. | India | 40.00% | 26.00% |
| Potin - Pangin Highway Pvt. Ltd. | India | - | 40.00% |
| Mahakaleshwar Tollways Pvt. Ltd. (w.e.f. 28th October, 2016) | India | 48.00% | - |
| Guruvayoor Infrastructure Pvt. Ltd. | India | 49.00% | 26.80% |

NOTES TO FINANCIAL STATEMENTS (Contd...)**26.2 Contingent Liabilities and Commitments to the extent not provided for:**

Amount (₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|--|---------------------------|---------------------------|
| Contingent Liabilities | | |
| Income Tax (F.Y. 2012-13) | 2,310,000 | 2,310,000 |
| Income Tax (F.Y.2013-14) | 375,074 | - |
| Claims against the Company not acknowledged as debt | 10,475,172 | 5,840,295 |
| Reimbursement to NHAI for IE remuneration prior to appointed date i.e 3rd June 2014 | 3,149,552 | 3,149,552 |
| Commitments | | |
| Estimated amount of contracts remaining to be executed on capital account (net of Capital advances) | 4,071,646,524 | 13,691,036,812 |

26.3 Disclosure pursuant to Accounting Standard (AS) 18 - Related Party Disclosures**(I) Related Parties:**

| Name of the Party & Nature of relationship | Country of Origin |
|---|-------------------|
| A Investor having control | |
| Infrastructure Project Development Capital (ceases control & have significant influence w.e.f. 12th November, 2016) | India |
| B Investors having significant influence | |
| Infrastructure Project Development Capital (significant influence w.e.f. 12th November, 2016) | India |
| Infrastructure Project Development Fund (significant influence between 28th October, 2016 to 11th November, 2016) | India |
| C Associates | |
| Orissa Steel Expressway Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. 12th November, 2016) | India |
| Kurukshetra Expressway Pvt. Ltd. | India |
| Ghaziabad Aligarh Expressway Pvt. Ltd. | India |
| Shree Jagannath Expressways Pvt. Ltd. | India |
| Potin - Pangin Highway Pvt. Ltd. (cease to be associate w.e.f. 12th November 2016) | India |
| Mahakaleshwar Tollways Pvt. Ltd. (associate w.e.f. 28th October, 2016) | India |
| Guruvayoor Infrastructure Pvt. Ltd. | India |
| D Key Management Personnel (KMP) | |
| Bajrang K Choudhary (Managing Director w.e.f. 1st November, 2016) | India |
| Asim Tewari (Chief Technical Officer upto 31st October, 2016 and COO w.e.f. 1st November, 2016) | India |
| Anurag Kuba (CEO w.e.f. 29th June, 2015 and Upto 16th June, 2016) | India |
| Alok Nagpal (CFO upto 7th July, 2015) | India |
| Sanjay Banka (CFO & Company Secretary w.e.f 17th December, 2015) | India |
| Samita Lahiri (Company Secretary upto 31st August, 2015) | India |

The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

An amount of ₹ 37,085/- (previous year nil) has been written off in respect of due from an associate.

NOTES TO FINANCIAL STATEMENTS (Contd...)
(II) Summary of Transactions with Related Parties

Amount (₹)

| Name of the related party | Nature of Transaction & Outstanding Balances | 2016-17 | 2015-16 |
|---|---|---------------|---------------|
| (A) Investor having significant influence | | | |
| Infrastructure Project Development Capital | Transactions : | | |
| | Equity shares subscription received | 110,000,000 | - |
| | Sale of Investment in securities | 30,200,000 | - |
| | Purchase of securities | 240,340,000 | - |
| (B) Associates : | | | |
| Orissa Steel Expressway Pvt. Ltd. (ceases to be associate w.e.f. 12th Nov 2016) | Transactions : | | |
| | Inter Corporate Deposit given | 83,751,277 | 562,000,000 |
| | Inter Corporate Deposit refund received | (85,751,277) | (560,000,000) |
| | Interest Income on ICD given | 4,887,743 | 19,673,951 |
| | Income from Consultancy fees | 43,011,199 | - |
| | Balance due: | | |
| | Inter Corporate Deposit Balance | - | 2,000,000 |
| | Cost of Investment pledged as collateral for loan taken from bank | - | 270,632,239 |
| | Interest Accrued but not due | - | 114,885 |
| | Trade Receivable (incl service tax) | - | 10,472,000 |
| Kurukshetra Expressway Pvt. Ltd. | Transactions : | | |
| | Advance against Convertible Debenture | 136,171,000 | 138,490,000 |
| | Optionally Convertible Debenture allotted against application money | 274,661,000 | - |
| | Advance given | 101,334,500 | - |
| | Balance due: | | |
| | Advance given balance | 101,334,500 | - |
| | Advance against Optionally Convertible Debenture | - | 138,490,000 |
| | Optionally Convertible Debenture | 51,842,000 | - |
| | Cost of Investment pledged as collateral for loan taken from bank | 373,541,225 | 511,940,019 |
| Ghaziabad Aligarh Expressway Pvt. Ltd. | Transactions : | | |
| | Inter Corporate deposit given | 278,595,625 | 106,410,964 |
| | Interest Income on ICD given | 9,229,687 | 2,304,080 |
| | ICD including interest converted to Warrant | 395,387,800 | - |
| | Advance given | 144,600,000 | - |
| | Advance converted to Warrant | 86,500,000 | - |
| | Balance due: | | |
| | Inter Corporate deposit | - | 106,410,964 |
| | Warrants | 481,887,800 | - |
| | Advance given balance | 58,100,000 | - |
| | Interest Accrued but not due | - | 2,304,080 |
| | Cost of Investment pledged as collateral for loan taken from bank | 775,533,289 | 718,508,676 |
| Potin - Pangin Highway Pvt. Ltd. (cease to be associate w.e.f. 12th Nov 2016) | Balance due: | | |
| | Unsecured Optionally Convertible Debenture | - | 27,589,255 |
| | Cost of Investment pledged as collateral for loan taken from bank | - | 73,664 |
| Shree Jagannath Expressways Pvt. Ltd. | Transactions : | | |
| | Advance against Warrant/OCPID | - | 522,700,000 |
| | Refund of Advance against Warrant/OCPID | (522,700,000) | - |
| | Interest income on the Advance against Warrant/OCPID | 48,073,204 | 54,383,650 |
| | Balance due: | | |
| | Advance against Warrant/OCPID | - | 522,700,000 |
| | Interest Accrued and due (net of TDS) | 42,411,169 | - |
| | Interest Accrued but not due | - | 48,945,285 |
| | Cost of Investment pledged as collateral for loan taken from bank | 563,964,662 | 471,226,007 |

NOTES TO FINANCIAL STATEMENTS (Contd...)

(II) Summary of Transactions with Related Parties (Contd...)

Amount (₹)

| Name of the related party | Nature of Transaction & Outstanding Balances | 2016-17 | 2015-16 |
|---|---|-------------|-------------|
| Guruvayoor Infrastructure Pvt. Ltd. | Balance due: | | |
| | Trade receivable | - | 2,447,197 |
| | Cost of Investment pledged as collateral for loan taken from bank | 581,653,900 | 711,160,621 |
| Mahakaleshwar Tollways Pvt. Ltd. (Associate w.e.f. 28th Oct, 2016) | Transactions : | | |
| | Advance given | 5,121,000 | NA |
| | Advance refunded | (5,121,000) | NA |
| | Income from Consultancy fee | 2,500,000 | NA |
| | Balance due: | | |
| | Advance given balance | 70,062,500 | NA |
| | Interest Accrued and due | 24,541,107 | NA |
| Cost of Investment pledged as collateral for loan taken from bank | 76,492,350 | NA | |

The balance due disclosed above in respect of unsecured optionally convertible debenture/warrants are exclusive of borrowing cost capitalised.

Amount (₹)

| Name of the related party | Nature of Transaction & Outstanding Balances | 2016-17 | 2015-16 |
|---|--|-----------|------------|
| (C) Key Management Personnel : | | | |
| Asim Tewari (Chief Technical Officer upto 31st October, 2016 and COO w.e.f. 1st November, 2016) | Salary & Allowances | 6,528,707 | 6,566,763 |
| Anurag Kuba (CEO w.e.f. 29th June, 2015 and upto 16th June, 2016) | Salary & Allowances | 3,280,769 | 10,615,431 |
| Alok Nagpal (CFO upto 7th July, 2015) | Salary & Allowances | NA | 2,189,330 |
| Bajrang Kumar Choudhary (Managing Director w.e.f. 1st Nov, 2016) | Salary & Allowances | 5,511,454 | - |
| Sanjay Banka (CFO & Company Secretary w.e.f 17th December, 2015) | Salary & Allowances | 5,996,989 | 2,581,363 |
| Samita Lahiri (Company Secretary upto 31st August, 2015) | Salary & Allowances | NA | 559,898 |

26.4 Earnings per Share

Amount (₹)

| Particulars | Year ended 31st March, 2017 | Year ended 31st March, 2016 |
|---|--------------------------------|--------------------------------|
| Basic and Diluted Earnings per Share | | |
| Net Profit/ (Loss) after tax attributable to Equity Shareholders (in ₹) | (442,799,649) | (443,736,094) |
| Weighted average number of Equity Shares Basic (Nos.) | 27,865,753 | 10,000,000 |
| Weighted average number of Potential Equity Shares (Nos.) | - | - |
| Weighted average number of Equity Shares Diluted (Nos.) | 27,865,753 | 10,000,000 |
| Nominal Value of Equity per share (₹) | 10 | 10 |
| Basic Earnings per share (₹) | (15.89) | (44.37) |
| Diluted Earnings per share (₹) | (15.89) | (44.37) |

NOTES TO FINANCIAL STATEMENTS (Contd...)**26.5 Segment Reporting**

The Group is primarily engaged in a single business segment of own, build, develop, design, operate, transfer road and related services. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting" notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.

26.6 The Holding Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Holding Company has, therefore, invested in various road projects under the aforesaid SPV model.

These investments have been made on a long term basis with an objective to obtain return and capital appreciation after the commencement of commercial operations of the respective Project.

Based on a legal opinion, the Holding Company has treated these investments as "Qualifying Asset". As required by Accounting Standard 16 on 'Borrowings Costs', Accounting Standard 13 on 'Investments' and in accordance with the accounting concept of 'Matching costs and revenues', the Holding Company has capitalised borrowing cost incurred on funds borrowed exclusively for investments in SPVs as part of the cost of investments.

Accordingly, borrowing cost has been capitalised to Non-Current Investments and Other Non-Current Assets for an amount of ₹1,549,491,994/- including ₹ 349,471,740/- for the year (As at 31st March 2016: ₹120,00,20,254/- including ₹ 46,64,01,238/- for that year) and ₹ Nil (As at 31st March 2016 : ₹ 3,069,682/- including ₹ 3,069,682/- for that year) respectively incurred on loans borrowed for acquisition of these investments.

26.7 In order to align the accounting policy in preparation of consolidated financial statement, NHAI Grant (equity support) received by two associates have been considered as part of equity for accounting of investments in associates. Consequently, proportionate share in additional depreciation on intangible asset arising due to such alignment and proportionate share in pre-acquisition portion of NHAI Grant has been considered in computation of goodwill. Further, carrying amount of investment in these two associates has been increased to recognise holding Company's proportionate share arising from changes in the investee's equity on post acquisition receipt of NHAI Grant.

26.8 In order to align the accounting policy in preparation of consolidated financial statement, aggregate provision for major maintenance obligation made by two associate amounting to ₹ 354,013,701/- has been reversed. Consequently, the proportionate share of the holding Company pertaining to pre-acquisition period has been adjusted against the goodwill/capital reserve of respective associate and proportionate share pertaining to post-acquisition period has been included in the share of loss/profit from the associate in statement of profit and loss for the current year.

26.9 The Company has sold its entire shareholding in its associate Potin Pangin Highways Pvt. Ltd. on 12th, November, 2016, consequently, it ceases to be an associate from the said date. Further, the Company has acquired 11,584,933 equity shares of Orissa Steel Expressway Pvt. Ltd., consequently it ceases to be an associate and became subsidiary w.e.f 12th November, 2016.

NOTES TO FINANCIAL STATEMENTS (Contd...)**26.10 Additional Information as per Schedule III of the Companies Act, 2013**

Amount (₹)

| Name of the entity | Net Assets, i.e. total assets minus total liabilities | | Share in profit or loss (Profit after tax) | |
|---|---|----------------------|--|----------------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| Parent | | | | |
| 1 Bharat Road Network Limited | 4.19% | 312,534,686 | 11.38% | (50,380,784) |
| Subsidiaries | | | | |
| Indian: | | | | |
| 1 Solapur Tollways Pvt. Ltd. | 21.93% | 1,636,420,742 | 0.25% | (1,105,304) |
| 2 Orissa Steel Expressway Pvt. Ltd. | 7.94% | 592,139,536 | 0.08% | (332,591) |
| Minority Interests in subsidiaries | | | | |
| Associates (investment as per equity method) | | | | |
| Indian: | | | | |
| 1 Orissa Steel Expressway Pvt. Ltd. | 0.00% | – | 0.09% | (389,043) |
| 2 Kurukshetra Expressway Pvt. Ltd. | 5.89% | 439,579,249 | 38.30% | (169,587,750) |
| 3 Ghaziabad Aligarh Expressway Pvt. Ltd. | 27.41% | 2,044,991,274 | 48.81% | (216,141,141) |
| 4 Shree Jagannath Expressways Pvt. Ltd. | 20.05% | 1,496,113,718 | 1.02% | (4,517,168) |
| 5 Guruvyoor Infrastructure Pvt Ltd | 15.07% | 1,124,509,309 | -3.74% | 16,541,473 |
| 6 Mahakaleshwar Tollways Pvt. Ltd. | 1.78% | 132,962,563 | 3.84% | (17,022,437) |
| TOTAL | 100.00% | 7,461,627,523 | 100.00% | (442,799,649) |

Note: Figures are after elimination of related party transactions between entities considered for consolidation.

26.11 Earnings / Expenses in Foreign Currency - ₹ Nil (Previous Year - ₹ Nil).

26.12 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 :

| Particulars | SBNs | Other Denomination Notes | Total |
|---------------------------------------|------|--------------------------|---------|
| Closing cash in hand as on 08.11.2016 | – | 279,725 | 279,725 |
| (+) Permitted receipts* | – | 379,000 | 379,000 |
| (-) Permitted payments | – | 571,552 | 571,552 |
| (-) Amount deposited in Banks | – | – | – |
| Closing cash in hand as on 30.12.2016 | – | 87,173 | 87,173 |

* Includes withdrawals made from banks.

26.13 As per the Concession Agreement for the project executed with MPRDC by Mahakaleshwar Tollways Pvt. Limited, one of the associate company, the available balance in the Escrow Account needs to be withdrawn every month as per the order specified in the Escrow Agreement dated 23rd February 2010. During the year, the revenue of the associate company was insufficient for payment of premium to MPRDC as per the said specified order of withdrawal under Escrow Agreement. The Concession Agreement does not provide for accrual of Premium if the project revenue is insufficient for its payment. Hence no provision has been made in the books of account toward Premium amounting to ₹ 56,760,000/- for the year 2016-17.

26.14 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report annexed.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm Registration No. 302082E
(CA Ajay Agrawal)
Partner
Membership No.17643

Place : Kolkata
Date : 26th April, 2017

On behalf of the Board of Directors

Bajrang K Choudhary
Managing Director
DIN : 00441872

Brahm Dutt
Chairman
DIN : 05308908

Sanjay Banka
CFO & Company Secretary

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries

Amount (₹)

| Name of the Company | Solapur Tollways Pvt. Ltd. (w.e.f. 3rd August, 2013) | Orissa Steel Expressway Pvt. Ltd. (w.e.f. 12th November, 2016) |
|---|--|--|
| The date since when subsidiary was acquired | 3rd August, 2013 | 12th November, 2016 |
| Reporting Year | 31st March, 2017 | 31st March, 2017 |
| Reporting Currency | INR | INR |
| Share Capital | 5,000,000 | 783,670,000 |
| Reserves & Surplus | (17,515,286) | (1,720,000) |
| Total Assets | 4,997,510,737 | 2,372,772,536 |
| Total Liabilities | 4,997,510,737 | 2,372,772,536 |
| Investments | - | - |
| Turnover | 91,744 | 80,000 |
| Profit/(Loss) before Tax | (783,138) | (120,000) |
| Provision for Taxation | 322,166 | 230,000 |
| Profit/(Loss) after Tax | (1,105,304) | (350,000) |
| Proposed Dividend | - | - |
| % of shareholding (effective) | 99.02% | 59.38% |

Notes:

- Names of subsidiaries which are yet to commence operations:
 - Solapur Tollways Pvt. Ltd.
 - Orissa Expressway Pvt. Ltd.
- Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures

| Name of Associate | Ghaziabad Aligarh Expressway Private Limited | Kurukshetra Expressway Private Limited | Shree Jagannath Expressways Private Limited | Guruvayoor Infrastructure Private Limited | Mahakaleshwar Tollways Private Limited |
|---|--|--|---|---|--|
| Relationship | Associate | Associate | Associate | Associate | Associate |
| 1 Latest audited Balance Sheet date | Mar 31, 2017 | Mar 31, 2017 | Mar 31, 2017 | Mar 31, 2017 | Mar 31, 2017 |
| 2 Date on which the Associate was associated | Sept 11, 2012 | Mar 28, 2013 | Mar 28, 2013 | Mar 30, 2015 | Oct 28, 2016 |
| 3 Share of Associate held by the company on the year end | | | | | |
| No. | 75,660,000 | 51,086,910 | 59,148,000 | 82,780,000 | 49,995,000 |
| Amount of Investment in Associates (₹) | 1,520,653,508 | 1,128,413,046 | 1,105,813,063 | 1,140,489,576 | 149,985,000 |
| Extent of Holding (%) | 39.00% | 49.00% | 40.00% | 49.00% | 48.00% |
| 4 Description of how there is significant influence | Control of 39% of Total Share Capital | Control of 49.00% of Total Share Capital | Control of 40.00% of Total Share Capital | Control of 49.00% of Total Share Capital | Control of 48.00% of Total Share Capital |
| 5 Reason why the associate is not consolidated | N.A. | N.A. | N.A. | N.A. | N.A. |
| 6 Networth attributable to Shareholding as per latest audited Balance Sheet | 464,020,736 | (253,310,257) | 1,296,551,232 | 313,634,040 | (155,294,400) |
| 7 Profit / (Loss) for the year | | | | | |
| i. Considered in Consolidation | (216,141,141) | (169,587,750) | (4,517,168) | 16,541,473 | (17,022,437) |
| ii. Not Considered in Consolidation | N.A. | N.A. | N.A. | N.A. | N.A. |

- Names of associates or joint ventures which are yet to commence operations : None
- Names of associates or joint ventures which have been liquidated or sold during the year :
 - Potin Pangin Highway Private Limited : Sold

On behalf of the Board of Directors
Bajrang K Choudhary
Managing Director
DIN : 00441872

Brahm Dutt
Chairman
DIN : 05308908

Place : Kolkata
Date : 26th April, 2017

Sanjay Banka
CFO & Company Secretary

Cautionary Statement

This report contains forward-looking statement, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.



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