



BRNL/CS/2020-21/23
14th September, 2020

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)

Sub: Outcome of Board Meeting

Dear Sir,

This is to inform you that the Board of Directors at its Meeting held today, i.e., 14th September, 2020 has, inter alia, approved the Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter ended on 30th June, 2020.

A copy of the aforementioned Financial Results along with the Auditors' Limited Review Report thereon pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is enclosed herewith.

We are also arranging to upload the aforesaid Financial Results on the Company's Website www.brnl.in and shall publish the Financial Results in the newspapers, in the format prescribed under Regulation 47 of the SEBI Listing Regulations.

The aforesaid Meeting of the Board of Directors commenced at 3:00 P.M. and concluded at 5:45 P.M.

This is for your information and record.

Yours faithfully,

For Bharat Road Network Limited

Naresh Mathur
Company Secretary
FCS 4796



Encl: a/a

Bharat Road Network Limited

CIN: L45203WB2006PLC112235

Registered Office: '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

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Bharat Road Network Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Bharat Road Network Limited (the "Company") for the quarter ended June 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. *Basis for Qualified Conclusion*
We refer note 4a of the financial results, where the Company has not recognized interest on Rs. 7,000 lakhs from July 01, 2019 onwards which is not in compliance of Ind AS 34 'Interim Financial Reporting' read with Ind AS 109 'Financial Instruments'. Due to this, profit before tax of the company for the quarter ended June 30, 2020 has been overstated by Rs. 222.51 lakhs and the current liabilities as at June 30, 2020 has been understated by Rs. 894.94 lakhs.



SS KOTHARI MEHTA & COMPANY
CHARTERED ACCOUNTANTS

5. Based on our review conducted as above, with the exception of the matter described in the basis for qualified conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles, generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S S Kothari Mehta & Company
Chartered Accountants
Firm Registration No.: 000756N



Rana Sen
Partner
Membership No.: 066759



Place: Kolkata
Date: September 14, 2020
UDIN: 20066759AAAADJ2614

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Bharat Road Network Limited**

- 1 We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Bharat Road Network Limited (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its associates for the quarter ended June 30, 2020 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")
- 2 This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
- 3 We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.



4. The Statement includes the results of the following entities:

Subsidiaries:

- I. Solapur Tollways Private Limited
- II. Orissa Steel Expressway Private Limited
- III. Guruvayoor Infrastructure Private Limited

Associates:

- I. Kurukshetra Expressway Private Limited
- II. Ghaziabad Aligarh Expressway Private Limited
- III. Shree Jagannath Expressways Private Limited
- IV. Mahakaleshwar Tollways Private Limited

5. *Basis for Qualified Conclusion*

We refer note 4a of the financial results, where the Parent has not recognized interest on Rs. 7,000 lakhs from July 01, 2019 onwards which is not in compliance of Ind AS 34 'Interim Financial Reporting' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax for the quarter ended June 30, 2020 has been understated by Rs. 222.51 lakhs and the current liabilities as at June 30, 2020 has been understated by Rs. 894.94 lakhs.

6. The accompanying Statement includes the interim reviewed financial results/ financial information in respect of:

- a) Three subsidiaries, whose unaudited interim financial results reflect total revenues of Rs. 4,067.72 lakhs, total net loss after tax of Rs. 4,505.28 lakhs and total comprehensive loss of Rs. 4,505.28 lakhs for the quarter ended June 30, 2020, as considered in the statement which have been reviewed by their respective independent auditors.
- b) Four associates, whose unaudited interim financial results includes Group's share of net loss after tax of Rs. 1,154.31 lakhs and total comprehensive loss of Rs. 1,154.31 lakhs for the quarter ended June 30, 2020, as considered in the statement whose interim financial results and other financial information have been reviewed by their respective independent auditors.

The independent Auditor's Reports on the interim financial results / financial information of these entities referred to in paragraph 6 (a) and (b) above have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and associates is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph 3 above.



Signature of the Auditor

Our conclusion on the statement in respect of matters stated in paragraph 6 (a) and (b) above is not modified with respect to our reliance on the work done and the reports of the other auditors.

7. Based on our review conducted and procedures performed as stated in paragraph 3 above, *except for the impact of the matter as described in the basis for qualified conclusion paragraph*, and based on the consideration of the review reports of other auditors referred to in paragraph 6 (a) and (b) above, nothing has come to our attention, that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('IND AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S S Kothari Mehta & Company

Chartered Accountants

Firm Registration No. : 000756N



Rana Sen

Partner

Membership No. : 066759



Place: Kolkata

Date: September 14, 2020

UDIN: 20066759AAAADK3482

BHARAT ROAD NETWORK LIMITED

Registered Office: 202/3, Ghose Road, Park Road, Kolkata - 700 029
 CIN: 1450295WBPL0001001
 Website: www.brnl.co.in | Email: brnl@brnl.co.in

Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2020 and Unaudited Consolidated Financial Results for the quarter ended June 30, 2020

Sl No	Particulars	Standalone				Consolidated			
		Quarter ended		Year Ended		Quarter ended		Year Ended	
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited) Refer note 7(a)	(Unaudited)	(Audited)	(Unaudited)	(Audited) Refer note 7(b)	(Unaudited)	(Audited)
1	Revenue from operations	751.07	203.04	101.18	67.46	3,350.61	4,692.77	8,872.34	20,921.40
2	Other Income								
3	Total income (I + II)	1,346.94	(1,170.06)	1,01.18	67.46	3,350.61	4,692.77	8,872.34	20,921.40
4	Expenses	1,302.76	(2,347.25)	1,305.93	1,741.35	5,149.19	(3,254.91)	10,250.75	32,849.29
5	Cost of Sales								
6	Employee benefits expense	6.14	27.95	11.57	4.16	232.52	677.12	2,804.70	6,854.04
7	Finance Costs	545.93	1.30	597.31	204.65	289.34	369.34	114.76	1,392.92
8	Depreciation and amortisation expense	3.92	0.00	1.12	4.28	6,250.36	5,170.71	6,950.62	19,343.04
9	Other expenses	154.73	11.09	131.65	381.71	947.03	974.28	874.85	3,640.05
10	Total expenses (IV)	569.19	312.05	422.55	1,413.42	1,061.64	648.01	666.02	1,881.72
11	Profit/(Loss) from operation before share of Profit/(Loss) of associates, exceptional items and tax (III-IV)	233.57	(2,699.30)	883.30	127.93	(8,920.89)	(8,293.96)	(8,620.87)	(34,529.77)
12	Exceptional items								
13	Profit/(Loss) before tax (V-VI)	233.57	(2,699.30)	883.30	127.93	(8,920.89)	(8,293.96)	(8,620.87)	(34,529.77)
14	Tax expense								
15	Current tax	122.94	(514.80)	504.60	58.99	122.54	(514.60)	180.60	55.99
16	Deferred tax	51.63	(266.03)	378.70	47.65	91.62	(267.95)	70.35	13.63
17	Profit/(Loss) for the period/year (VII-VIII)	519.21	(1,916.68)	624.43	225.26	(1,986.05)	(4,264.40)	1,370.93	(1,291.15)
18	Share of Profit/(Loss) of Associates								
19	Profit/(Loss) for the period/year after share of Profit/(Loss) of associates (IX-X)	519.21	(1,916.68)	624.43	225.26	(1,986.05)	(4,264.40)	1,370.93	(1,291.15)
20	Other Comprehensive Income								
21	(i) Reclassification of defined benefit plans (Share of Profit/(Loss) of Associates)	3.91	22.27	0.00	33.96	3.91	7.58	0.00	2.77
22	(ii) Income tax relating to items that will not be reclassified to Profit/(Loss)	(1,141)	(6,40)	(2,000)	(8,055)	(1,141)	(6,40)	(0.31)	(6,510)
23	Total Other Comprehensive Income for the period/year	2.77	(6,178)	(2,000)	(7,719)	2.77	(5,732)	(0.31)	(6,480)
24	Total Comprehensive Income for the period/year (XI+XII)	521.98	(1,900.94)	624.43	231.21	(1,983.28)	(4,170.93)	1,070.62	(1,293.42)
25	Profit/(Loss) for the period/year attributable to Shareholders (excluding Associates)								
26	Other Comprehensive Income for the period/year attributable to Shareholders (excluding Associates)								
27	Total Comprehensive Income for the period/year attributable to Shareholders (excluding Associates)								
28	Share of Profit/(Loss) of Associates								
29	Total Comprehensive Income for the period/year attributable to Shareholders (including Associates)								
30	Other equity excluding revaluation reserves								
31	Earnings per equity share								
32	(a) Basic (RS.)	8.6	(23.00)	8.74	9.27	(5.17)	(4.97)	1.22	(11.54)
33	(b) Diluted (RS.)	8.5	(23.20)	8.74	9.27	(5.17)	(4.97)	1.22	(11.54)



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Notes:

- 1) The consolidated financial results for the quarter ended March 31, 2020 and consolidated financial results for the quarter ended June 30, 2020 were reviewed and commented by the Audit Committee and approved by the Board of Directors of the Company on September 14, 2020. Limited Review of these financial results for the quarter ended June 30, 2020 as required under Regulation 43 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the Statutory Auditor of the Company.
- 2) The Company is primarily engaged in non-asset business (except of rail route - viz. Rail) business, design, operate, transfer road and related services. Hence, segment information is not applicable.
- 3) The Company has invested in various road projects through associates and subsidiaries (SPVs). These investments have been made on a long term basis with an objective to earn returns and capital appreciation after the commencement of commercial operations of the respective projects. Based on a legal opinion, the Company has treated these investments as NFA as 'Qualifying Asset' under Indian Accounting Standard (Ind AS) 21 on 'Foreign Currency' and in accordance with the accounting concept of 'Matching cost and revenue'. The Company has capitalized borrowing cost incurred on these investments exclusively for investments in the SPVs as part of the cost of investments.
- 4) The Company had received an amount of Rs. 1000 lakhs from L. N. S. Finance Services (P) Limited in the year 2016-17. Interest and Principal payment has been put on hold since September 30, 2019 on account of certain disputes. The Company has not provided interest from July 01, 2019 onwards, pending the settlement of dispute. An application has been filed against the Company by L.N.S. before the Hon'ble National Company Law Tribunal at Kolkata claiming their dues which is yet not admitted.
- 5) The Company has a liability of Rs. 1,419.48 Lakhs against Bharatgaur Company (BGC), Transportation Networks Limited (TNL) for which the Company has initiated appropriate recovery process. The Company has advised the responsibility assignment and it has been acknowledged & accepted at Courts by TNL.
- 6) Other NFA includes goodwill in the form of an amount of Rs. 10,000 Lakhs mandatorily provided at Fair Value Through Profit and Loss (FVTPL).
- 7) The Company had made an application to the Reserve Bank of India (RBI) to grant Certificate of Registration to commence the business of a Non-Deposit taking Systemically Important Core Investment Company (NDST-CIC) on March 28, 2019 and July 16, 2019. In response to the above, the RBI vide its letter dated January 24, 2020 communicated to the Company that while it does not qualify to become the deposit taking Systemically Important Core Investment Company (NDST-CIC), the Company needs to apply for Certificate of Registration (CR) for carrying out NRI services as it is meeting the Principal Business Criteria for FY 2018-19. The Company had submitted the observations of the RBI requesting for a period necessary for further completion of the CR. It was agreed.
- 8) Net Profit/loss/expense for the last quarter for financial year 2019-20 have been determined by presentation on the attached figures in respect of the full financial year ended March 31, 2019 and the published unaudited (with related revenue) consolidated figures for the full financial year ended June 30, 2019.
- 9) The consolidated figures for the last quarter for financial year 2019-20 are the following figures between the audited figures in respect of the full financial year ended March 31, 2019 and the published unaudited (with related revenue) consolidated figures for the full financial year ended June 30, 2019.
- 10) In case of subsidiary company, Overseas Express Private Limited (OSPL), the project was transferred and handed over to National Highway Authority of India (NHAI) as a part of providing of infrastructure for key inter-city roads, roads etc. by Rail.
 - OSPL, involved in road works from 2017 and finally handover completed on 01.04.2019. NHAI vide Award dated March 31, 2019 in favour of OSPL.
 - A monthly management of OSPL is done as it still receive from the respondent (NHAI) and hence financial statements of OSPL has been prepared on going concern basis. 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 "Other" class under "Non-current Financial Assets".
 NHAI has issued to High Court against the above order and the matter is still in process.
- 11) Impact of COVID-19 - Operations and financials of the Company for the quarter were impacted due to the lockdown and related restrictions imposed by the State and central government to contain the intensity and spread of COVID-19. As a result of the lockdown, consequent restrictions, suspension of work and disruption in supply chains and logistic April 20 and beyond, sales and construction operations across the sites have been affected during the quarter. As the future impact of the COVID-19 is being ascertained and reported due to its wide spread and duration, management of the company will continue to monitor the same and the situation as it unfolds and any additional factors to influence the business operations going forward.
- 12) The figures for the corresponding period have been compared with corresponding figures three comparable.



For and on behalf of the Board of Directors of
BHARAT ROAD NETWORK LIMITED

Managing Director
Place of Signature: Kolkata
Date - 14 September, 2020