

**SS KOTHARI MEHTA
& COMPANY**
CHARTERED ACCOUNTANTS

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

Review Report to the Board of Directors of Bharat Road Network Limited

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of Bharat Road Network Limited and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of net loss after tax and total comprehensive loss of its associates for the quarter ended June 30, 2019 (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 Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular'). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended June 30, 2018 and last quarter ended March 31, 2019, as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
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 read with the Circular. 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 are 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 issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

4. The Statement includes the results of the following Subsidiaries and Associates:

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 4(a) of the financial results, where the Parent has not recognized interest on Rs. 5,000 lakhs for the quarter ended June 30, 2019 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 Group for the quarter ended June 30, 2019 has been overstated by Rs. 155.82 lakhs and the current liabilities as at June 30, 2019 has been understated by Rs 467.46 lakhs.



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6. 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 report of other auditors, 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 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 Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We did not review the interim financial results of three subsidiaries, whose interim financial results reflect total revenue of Rs. 9,701.30 lakhs, total net profit after tax of Rs. 859.84 lakhs and total comprehensive income of Rs. 859.84 lakhs for the quarter ended June 30, 2019, included in the unaudited consolidated financial results as considered in the unaudited consolidated financial results. The unaudited consolidated financial results included in the Statement also include Group's share of net loss of Rs. 347.03 lakhs and total comprehensive loss of Rs. 347.03 lakhs for the quarter ended June 30, 2019 as considered in the unaudited consolidated financial results in respect of four associates. This interim financial result of subsidiaries and associates has been reviewed by other auditors, whose report has 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 report of the other auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.
8. We draw attention to the following :
- i. Note 3 to the financial results 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.
 - ii. Note 9(a) to the financial results in respect of non-recognition of premium amount payable to Madhya Pradesh Road Development Corporation Limited (MPRDC) by an associate Company (Mahakaleshwar Tollways Private Limited) for the quarter ended June 30, 2019, as the revenue of the said associate Company was insufficient.

Our conclusion is not modified in respect of the above matters.

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


Neeraj Bansal
Partner
Membership No. : 095960



Place: New Delhi

Date: August 13, 2019

UDIN: 19095960AAAAJK8000