

# BHARAT ROAD NETWORK LIMITED



**ANNUAL REPORT**  
**2018-19**



## BOARD OF DIRECTORS

Mr. Bajrang Kumar Choudhary Managing Director  
Mr. Pradeep Singh  
Mr. Atanu Sen  
Dr. (Ms.) Tuk Tuk Ghosh Kumar  
\*Prof. Santanu Ray  
(\*w.e.f. 30th July, 2019)  
\*\* Mr. Ashok Kumar Mangotra  
(\*\* w.e.f. 30th September, 2019)

## BOARD COMMITTEES

### AUDIT COMMITTEE

Prof. Santanu Ray Chairman  
Mr. Pradeep Singh  
Dr. (Ms.) Tuk Tuk Ghosh Kumar  
Mr. Atanu Sen  
Mr. Naresh Mathur Secretary

### NOMINATION AND REMUNERATION COMMITTEE

Mr. Ashok Kumar Mangotra Chairman  
Mr. Pradeep Singh  
Dr. (Ms.) Tuk Tuk Ghosh Kumar  
Mr. Naresh Mathur Secretary

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Pradeep Singh Chairman  
Mr. Atanu Sen  
Mr. Ashok Kumar Mangotra  
Mr. Naresh Mathur Secretary

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Dr. (Ms.) Tuk Tuk Ghosh Kumar Chairperson  
Mr. Atanu Sen  
Mr. Bajrang Kumar Choudhary  
Prof. Santanu Ray  
Mr. Naresh Mathur Secretary

### COMMITTEE OF DIRECTORS

Mr. Atanu Sen Chairman  
Prof. Santanu Ray  
Mr. Bajrang Kumar Choudhary  
Mr. Ashok Kumar Mangotra  
Mr. Naresh Mathur Secretary

## CHIEF FINANCIAL OFFICER

Mr. Jai Prakash Shaw

## COMPANY SECRETARY

Mr. Naresh Mathur

## CORPORATE INFORMATION:

### CORPORATE IDENTIFICATION NUMBER (CIN)

L45203WB2006PLC112235

### REGISTERED OFFICE

Vishwakarma Building, 86C, Topsia Road (South),  
Kolkata, Parganas South, West Bengal-700046  
Tel: +91 33 6602 3609, Fax: +91 33 6602 3243  
Email: cs@brnl.in; Website: www.brnl.in

### STOCK EXCHANGES/LISTING

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 Fintech Private Limited  
(Previously Karvy Computershare Private Limited)  
Karvy Selenium, Tower B, Plot 31-32, Financial District,  
Nanakramguda, Serilingampally Hyderabad  
Rangareddi, Telangana- 500032  
Tel: +91 40 6716 2222; Fax: +91 40 2342 0814  
Email: compliance.kfpl@karvy.com / einward.ris@karvy.com

### STATUTORY AUDITORS

S. S. Kothari Mehta & Co., Chartered Accountants

## CONTENTS

02 ➤ Directors  
Profile

54 ➤ Standalone  
Financial  
Statements

03 ➤ Directors  
Report

95 ➤ Consolidated  
Financial  
Statements

37 ➤ Report on  
Corporate  
Governance

## Forward looking statements

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions.

This report and other statements - written and oral- that we periodically make may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

# HIGHLIGHTS OF THE YEAR

2018-19

## SOCIAL INITIATIVES



**2095** Lane km of Highways Across India



**1.07** Lakhs Average Daily Traffic

## OPERATIONAL HIGHLIGHTS



**6883** Crores Highways Assets under Management



**624** Crores Annual Toll Collection

## FINANCIAL HIGHLIGHTS

**BHARAT ROAD NETWORK LIMITED HAS BEEN AWARDED THE**



by CAPITAL FINANCE INTERNATIONAL

**BRNL**

Behtar Raaste, Badhta Bharat

## AWARDS & ACCOLADES



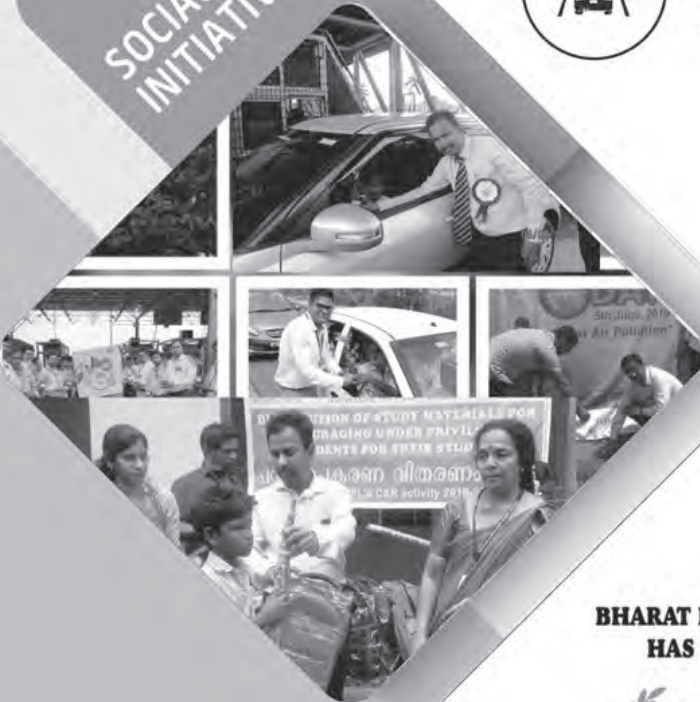
**WEST BENGAL BEST EMPLOYER BRAND AWARDS 2018.**



Presented to

**BRNL**  
Behtar Raaste, Badhta Bharat

## HR HIGHLIGHTS





# DIRECTORS' PROFILE:

**MR. PRADEEP SINGH (DIN: 00304825)**

He has been an Independent Director of our Company since September 2015. He has completed his Masters in Public Administration from the Kennedy School of Government, Harvard University, where he received the Littauer Award for "Academic Excellence and Promise of Leadership" and was a Graduate Fellow at Stanford University. He also holds a Master of Science degree in Physics from Punjabi University and an MBA from Panjab University. He was a member of the Indian Administrative Service and served, inter alia, as the Director, Ministry of Defence, Deputy Secretary of the Ministry of Home Affairs and Managing Director of Assam State Textile Corporation. After resigning from the IAS, he worked as the CEO of ILFS Infrastructure Development Corporation, as Vice Chairman and Managing Director of IDFC Projects Limited, and later as CEO and Deputy Dean of the Indian School of Business. Till recently he was serving as the Advisor (Infrastructure Development) to the Government of Jammu and Kashmir in the office of the Chief Minister.

**MR. ATANU SEN (DIN: 05339535)**

He has been 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.) TUKTUK GHOSH KUMAR (DIN: 06547361)**

She has been 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. Post retirement, she serves on the Board of a few Companies/ Authorities in the private and public sector, as well as Academic and philanthropic organisations and commentates on governance issues in the media and public sphere.

**PROF. SANTANU RAY (DIN: 00642736)**

He is a Director as on our Board since July, 2019. He is a Fellow Member of the Institute of Chartered Accountant of India (ICAI). He is currently the Mentor & Adviser to Chancellor, Sister Nivedita University, Kolkata. He is serving as an Independent Director across the Board of various listed Companies. In his career spanning for about 47 years, he has served diverse Corporate Entities in various capacities and has also been associated with many of them in the Advisory role. He has conducted large number of management development programs with leading corporates and published several books, research papers and articles. He has also been associated with various academic institutes viz. ICFAI Business School (IBS), Kolkata, NSHM Knowledge Campus, NSHM Business School, and B.P. Poddar Institute of Management & Technology and Techno India Group.

**MR. ASHOK KUMAR MANGOTRA (DIN: 02228858)**

He is a Director on our Board since September, 2019. He has around 35 years of experience in the Higher Civil Service of India (IAS). He has Honors Degree in Electrical Engineering from BITS, Pilani and a Post-Graduate Diploma in Public Administration. He has also served as Joint Secretary in various Ministries and also as the Secretary to the Government of India, Ministry of Home Affairs.

**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 Infrastructure Finance Limited, 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.

## ADVISOR TO THE BOARD OF DIRECTORS

**MR. BRAHM DUTT**

He has served as the Chairman of the Board and an Independent Director of our Company till 4th January, 2019. He is currently the Non-Executive part time Chairman of Yes Bank Ltd. He holds a Master of Science degree in Physics, Master of Arts degree in Economics and a Bachelor's degree in Law. He was a member of the Indian Administrative Service and during his service, he inter alia, served as the Secretary in the Ministry of Road Transport and Highways and as Principal Home Secretary of State of Karnataka. He is currently serving us as an Advisor to the Board of Directors of our Company.

# DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the Twelfth Annual Report, together with the Audited Accounts of your Company, for the Financial Year ended on 31st March, 2019. The summarized financial performance of your Company is as under:

## FINANCIAL RESULTS AND OPERATIONS:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from Operations	1,052.60	3,333.41	40,140.75	15,320.49
Other Income	6,394.65	3,084.02	4,805.28	9,751.37
<b>Total Income</b>	<b>7,447.25</b>	<b>6,417.43</b>	<b>44,946.03</b>	<b>25,071.86</b>
Profit/(loss) before Depreciation, Finance Costs, Exceptional items and Tax Expense	6,434.22	4,927.42	22,341.80	14,168.15
Less: Depreciation / Amortisation / Impairment	4.70	3.25	3,370.20	42.56
Profit/(loss) before Finance Costs, Exceptional items and Tax Expense	6,429.52	4,924.17	18,971.60	14,125.59
Less: Finance Costs	4,395.44	872.51	20,482.13	4,385.71
Profit/(loss) before Share of Profit/(Loss) of Associates, Exceptional items and Tax Expense	2,034.08	4,051.66	(1,510.53)	9,739.88
Add/(less): Exceptional items	-	-	-	-
Share of Profit/(Loss) of Associates	-	-	(2,238.06)	(6,267.84)
<b>Profit/(loss) before Tax Expense</b>	<b>2,034.08</b>	<b>4,051.66</b>	<b>(3,748.59)</b>	<b>3,472.04</b>
Less: Tax Expense (Current & Deferred)	606.28	1,159.86	604.83	1,157.44
Profit/(loss) for the year (1)	1,427.80	2,891.80	(4,353.42)	2,314.60
Total other Comprehensive Income/(loss) (2)	0.30	(5.27)	2.09	(4.67)
<b>Total (1+2)</b>	<b>1,428.10</b>	<b>2,886.53</b>	<b>(4,351.33)</b>	<b>2,309.93</b>
<b>Profit/(Loss) for the year attributable to:</b>				
Owners of the Company	-	-	(3,825.77)	2,330.76
Non-Controlling Interest	-	-	(527.65)	(16.16)
<b>Other Comprehensive Income for the year attributable to:</b>				
Owners of the Company	-	-	2.85	(4.67)
Non-Controlling Interest	-	-	(0.76)	-
Total Comprehensive Income for the year attributable to:				
Owners of the Company	-	-	(3,822.93)	2,326.09
Non-Controlling Interest	-	-	(528.41)	(16.16)
Balance brought forward from the previous year	2,541.89	160.81	(11,234.84)	(13,055.48)
<b>Profit/(Loss) available to Owners for appropriation</b>	<b>1,427.80</b>	<b>2,891.80</b>	<b>(3,825.77)</b>	<b>2,330.76</b>
<b>Appropriations:</b>				
Dividend	(419.75)	(420.00)	(419.75)	(420.00)
Tax on Dividend	(86.28)	(85.45)	(86.28)	(85.45)
Adjustment for Other Comprehensive Income: Gain/(Loss)	0.30	(5.27)	2.85	(4.67)
<b>Balance carried to Balance Sheet</b>	<b>3,463.96</b>	<b>2,541.89</b>	<b>(15,563.79)</b>	<b>(11,234.84)</b>

**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, 2019, prepared as per Indian Accounting Standards (Ind-AS).

During the year under review, your Company has earned on a Standalone basis, Net Profit of Rs. 2034.08 Lakhs, as against Net Profit before tax of Rs. 4051.66 Lakhs earned in the previous Financial Year. Gross Revenue was Rs. 7447.25 Lakhs as against Rs. 6417.43 Lakhs in the previous Financial Year.

Key Financial Ratios in terms of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under -

Particulars	FY 2018-19 (%)	FY 2017-18 (%)
Debtors Turnover Ratio	0.39	1.21
Inventory Turnover Ratio	NA	NA
Interest Coverage Ratio	1.46	5.64
Current Ratio	1.18	2.09
Debt Equity Ratio	0.12	0.18
Operating Profit Margin	0.86	0.77
Net Profit Margin	0.19	0.45
Return on Net Worth	0.01	0.02

NA - Not applicable

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof is as mentioned below –

- There has been a reduction in Debtors Turnover Ratio mainly on account of reduction in Turnover.
- There has been a reduction in Interest Coverage Ratio mainly on account of increase in Finance Cost.
- There has been a reduction in Current Ratio mainly due to reduction in Loan and Trade receivable.
- There has been a reduction in Debt Equity Ratio mainly due to decrease in debt and other current liabilities.
- There has been a reduction in Net Profit Margin mainly due to fall in profitability.
- There has been a reduction in Return on Net Worth on account of lower profitability.

Your Company has adopted Indian Accounting Standards (referred to as "Ind-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 with effect from April 1, 2017 and therefore Ind-AS issued, notified and made effective till the financial statements are authorised have been considered for the purpose of preparation of these financial statements.

#### **DIVIDEND**

The Board of Directors at its meeting held on 28th May 2019 has recommended Dividend of Rs. 0.50 (5%) per Equity Share on 8,39,50,000 Equity Shares of the Company of Rs. 10 each fully paid-up for the Financial Year 2018-19 to the Members of your Company.

The proposal is subject to the approval of the Members at the ensuing Annual General Meeting of the Company. The Dividend, if paid, will entail a cash outflow of Rs. 4.20 crore (exclusive of Dividend Distribution Tax).

The dividend pay-out is in accordance with the Company's efforts to pay sustainable dividend linked to long-term growth objectives of the Company and enhancing stakeholder value.

#### **TRANSFER TO RESERVES**

No amount has been transferred to any Reserve during the year under review.

#### **PROMOTERS' GROUP SHAREHOLDING**

As on March 31, 2019, the total shareholding of Promoter Group of your Company stood at 53.76% (previous year 65.10%) in the Paid-up Share Capital of the Company.

Members may refer to the Extract of Annual Return (MGT-9) for details of Promoters' Group shareholding.

As on March 31, 2019, 22.16% (previous year 18.30%) of the Promoters' Group shareholding is under pledge.

In compliance with Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), the entire shareholding of Promoter(s) and Promoter group is in dematerialized form.

#### **PUBLIC DEPOSITS**

Your Company has not invited or accepted any deposits covered under Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, during the year under review.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

##### **I. ECONOMY & INDUSTRY**

The current global economic order is apparently heading towards significant stress due to the political uncertainty and rising trade protectionism. There have been signs of profound backlash against globalization and simmering trade conflict amid major economies. The International Monetary Fund (IMF) estimates the global economic growth to be at 3.3 per cent in 2019, down from 4 per cent in 2017 and 3.6 per cent in 2018.

Amid such global uncertainties, Indian economy continues to be the brightest spot and is expected to maintain its position as the fastest growing major economy in the world. The Organization for Economic Co-operation and Development (OECD) said in its Economic Outlook that Gross domestic product (GDP) growth in India is projected to strengthen to close to 7.25% in FY19 and close to 7.5% in FY20. However, there are various external factors such as rise in crude oil prices and currency depreciation which might make India's economic outlook vulnerable unless private investments and consumption drives the economy.

The Infrastructure sector continues to be the key driver of the Indian economy. A higher industrial growth supported by well-connected infrastructure facility is vital to maintain the momentum of higher sustainable economic growth.

Over the past few years, Government of India has been persistently displaying their unwavering thrust on infrastructure sector. Among the core infrastructure verticals, the Roads and Highways continue to receive fair share of allocation in the interim union budget for FY20. Announcing a capital outlay of INR 1.5 tn, up by 21% over the FY19 budgeted figure of INR 1.21 tn; the Government has amply demonstrated its commitment towards Roads and Highways sector.

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. Growing domestic trade flows have led to a rise in commercial vehicles and freight movement; supported by rise in sale of commercial vehicles from 6,32,851 in 2013-14 to 10,07,319 in 2018-19 at a Compounded Annual Growth Rate (CAGR) of 8%. Road's traffic share of the total traffic in India has grown from 13.8% to 65% in freight traffic and from 32% to 90% in passenger traffic over 1951–2017.

Government of India has therefore undertaken major initiatives to upgrade and strengthen highways and expressways in the country including enabling policy measures to facilitate private investments in this sector. Some of the key initiatives include Bharatmala and National Highway Development Program. In addition to Highway Development, focus remains on efficient operations & network management for improving logistics efficiency, which shall give rise to new investment opportunities.

Under the Bharatmala Pariyojana, Government of India plans to spend INR 6.92 tn on 83,677 kilometers of road construction by 2022 to boost economic growth and employment. The Bharatmala Pariyojana has six important components-development of economic corridors, development of inter-corridor and feeder routes, improvement of the efficiency of existing National Corridors (Golden Quadrilateral and the North-South & East-West corridors), development of coastal and port connectivity roads, development of border and international connectivity roads and development of Greenfield expressways.

The key drivers for growth in Roads and Highways sector are highlighted below:

- **Strong Project Pipeline:** Following record project awarding in FY18, the momentum in project ordering slowed down remarkably in FY19 due to delayed financial closure for HAM projects and land acquisition issues. A huge pipeline of project is expected in FY20-22 based on a basket of 26,000 km to be ordered in the next 2-3 years under the Bharatmala plan, of which DPR's are reportedly ready or in final stages for 17,000 km.
- **Judicious Mix of Project Award under EPC, HAM and BOT (Toll):** After successfully rolling out the Hybrid Annuity Model (HAM) projects over the past few years, a resurgence of Public Private Partnership (PPP) model under BOT (Toll) is expected in FY20. To encourage the private participation in the development of highways projects, NHAI has shown renewed interest in rejuvenating BOT (Toll) and they are considering a list

of potential projects under Bharat Mala for bidding under BOT (Toll) mode. Additionally, NHAI is also expected to award more EPC projects vs HAM in FY20, to avoid execution delay.

- **Asset Monetisation under Toll Operate Transfer:** Asset recycling, through the Toll-Operate-Transfer (ToT) Model has been taken up by NHAI. The first bundle of 9 highways with an aggregate length of about 680 km was monetised successfully for an investment of USD 1.45 bn. Although the lackluster response for TOT second bundle has compelled the Authority to opt for rebidding, it is expected to gain momentum once the projects are announced in smaller packages.
- **Fiscal Incentives:** 100% Foreign Direct Investment (FDI) through automatic route allowed subject to applicable laws and regulation. Right of Way (ROW) for project land made available to concessionaires free from all encumbrances. 100% tax exemption for 5 years and 30% relief for next 5 years, which may be availed of in 20 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 100% exit policy for debt-stressed operators for toll roads.
- **Technology and Automation in Highway Operations:** The decision of the Ministry of Roads Transport and Highways to roll out Electronic Toll Collection (ETC) programme in the country under the brand name 'FASTag' has resulted in greater user convenience through automation. Electronic Toll Collection is being encouraged to minimize toll collection time and reduce pilferage in toll collection on NHs. Enabling facilities for ETC is being put proactively to enable seamless movement of vehicles on the National Highways to promote digital transformation and cash less economy.

## II. OPPORTUNITIES

The Roads and Highways sector offers a plethora of opportunities for the companies engaged in Highway construction and development. The initiatives such as Bharatmala Pariyojana envisages to build 83,677 km of road by 2022 with a total estimated investment at INR 6.92 tn. The project will be implemented jointly by National Highway Authority of India (NHAI), Ministry of Road Transportation and Highways (MoRTH), National Highways and Infrastructure Development Corporation Limited (NHIDCL) and state Public Works Department (PWD) for faster execution of the project.

NHAI in FY18 awarded 150 road projects for constructing about 7,400 kilometers of highways worth Rs. 1.22 Lakhs crore. During FY18, National Highways of 9,829 Kms were constructed with a construction record of 28 Km per day. This represents ~20% growth over the last year, when 8,231 km were constructed.

### NHAI Road Awards

Year	Length (Km)
FY15	3,069
FY16	4,368
FY17	4,337
FY18	7,400
FY19	6,000

Source: NHAI

Over the next 5 years, the investment in National Highways awards will majorly be under EPC and HAM, a breakaway from past trends. BOT (toll) has also started seeing some interest from Authority and is likely to gain traction in FY20-22.

NHAI is also focused towards monetizing National Highway (NH) projects which are operational and are generating toll revenues for at least two years after the Commercial Operations Date (COD) through the Toll Operate Transfer (TOT) Model. Around 75 operational NH projects completed under public funding have been preliminarily identified for potential monetization using the TOT Model.

Monetization of public funded NH roads is expected to create a framework for attracting long term institutional investment on the strength of future toll receivables. Market feedback indicates that certain institutional investors from outside the country have a long term investment appetite and are keen to participate in operational highway projects with stable toll revenue outlook. These investors generally hesitate in taking construction risk but are willing to look at de-risked Brownfield road assets.

### III. BUSINESS & OPERATIONS

Your Company is a road BOT company in India, focused on development, implementation, operation and maintenance of National and State Highways with existing projects in states of Uttar Pradesh, Kerala, Haryana, Madhya Pradesh, Maharashtra and Odisha. At present, all of your Company's projects are implemented through Special Purpose Vehicles (SPVs), either directly 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) Tolling Operations and Highway Management; and
- (iii) Advisory Services and Project Management Services including Construction Supervision/Debt Syndication for your Company's 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 covering over 2000 Lane km of Roads and Highways across 6 states in India. Out of the six projects in our portfolio, five (5) projects are in Tolling & Operational phase covering approximately 1700 Lane kms, and one (1) Project is under construction which involves development of approximately 400 Lane kms. The Operational projects are located in the states of Kerala, Madhya Pradesh, Haryana, Uttar Pradesh and Odisha whereas the under construction project is located in the state of Maharashtra.

#### • Operational Projects:

1. **Guruvayoor Infrastructure Private Limited ("GIPL"):** 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 ("MTPL"):** 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.

3. **Ghaziabad Aligarh Expressway Private Limited ("GAEPL"):** 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.
4. **Kurukshetra Expressway Private Limited ("KEPL"):** 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.
5. **Shree Jagannath Expressways Private Limited ("SJEPL"):** 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 ("STPL"):** 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 non-unavailability of Land and Forest clearance issues, NHAI agreed to amicably foreclose the said Agreement without any penalty and agreed to address the claims/ losses of OSEPL through suitable redressal mechanism including Arbitration. Based on the same, a joint inspection of the Project site was carried on and thereafter the project was handed over to NHAI on 02-03-2017 on "as is where is basis". OSEPL submitted a claim of around Rs. 945 crore to NHAI towards losses including cost incurred, finance costs, overheads and loss of profit-up etc. to March 31, 2018. The Arbitration process duly commenced during the Financial year 2018-19 and the company successfully won the Award of approximately Rs. 350 Crores (including interest) on 31st March 2019. The Award is supposed to be executed after 90 days of date of award. It is one of the highest value awards won by any company against NHAI in their history on a single Arbitration on a single project.

However, NHAI has filed an appeal under section 34 of the Arbitration and Conciliation Act, 1934 in the High Court against the said order of the Arbitration Tribunal. Currently, the matter is subjudice.

### IV. 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 asset under construction.



- **Traffic and Revenue Growth**

Despite natural calamities and religious issues affecting Tolling of Kerala project, the Average Daily Revenue (ADR) across all the operational projects increased by 5.7% to Rs.165.84 Lakhs in Financial Year 2018–19 from Rs. 156.87 Lakhs in Financial Year 2017–18. The toll revenue is expected to improve further with increased economic activity across the high growth industrial corridors along the project stretches. Few of your Company's projects have implemented new updated most modern Tolling system which reflected in higher Toll collection.

- **Ghaziabad Aligarh Expressway Private Limited:** The project continues to register a impressive toll revenue growth as the Average Daily Revenue increased from Rs. 52.94 Lakhs in FY 2017–18 to Rs. 57.79 Lakhs in FY 2018–19. Major increase in Revenue was on account of growth of Goods carrying traffic on this corridor. The toll revenue is expected to improve further as soon as the 4 laning of Aligarh Kanpur section is completed.
- **Mahakaleshwar Tollways Private Limited:** Post installation of new upgraded Toll Management System (TMS), and by exerting stringent control over vehicle movement over Toll Plazas, the project has recorded a very healthy tolled traffic growth and improved revenue collections. In FY 2018-19, the Average Daily Revenue has grown by 19.7% to Rs. 8.61 Lakhs per day from Rs. 7.19 Lakhs per day in FY 2017-18. The company is also pursuing claims on Madhya Pradesh Road Development Corporation (MPRDC) for the Toll loss due to local political disturbance and loss of actual Toll during demonetization and Simhastha Parva.
- **Shree Jagannath Expressways Private Limited:** The project is nearing completion and has expeditiously executed the balance work on the stretches which were handed over late to the Company due to Right of Way (ROW) issues. The Average Daily Revenue (ADR) marginally improved to 42.79 Lakhs in FY 2018-19 as compared to Rs. 39.91 Lakhs in FY 2017-18. In the coming years, it is expected that revenue shall increase further on account of major boost in economy resulting from expected growth of mining industry in the hinterland. The Company has won the Arbitration Award of over Rs. 150 Crore towards loss of Toll for Mahanadi Bridge. The Company is on the verge of receiving such amount once the final hearing in honorable High Court is completed.
- **Kurukshetra Expressway Private Limited:** This project displayed remarkable improvement in traffic control after installation of state-of-the-art Toll Management Services (TMS). The Average Daily Revenue reached to Rs. 26.07 Lakhs from Rs. 24.28 Lakhs, an increase by 7% till October 2018 when a parallel corridor of Kundli Manesar Palwal (KMP) Expressway was opened by the Haryana Government which resulted in reduced Toll collections. The company is now contemplating taking contractual actions against NHAI on this issue. During the year the company also won the Arbitration Award of Rs. 47 Crore and 58 days extension of Concession Period which has been challenged by NHAI in High Court. The case is now under legal proceedings.

- **Guruvayoor Infrastructure Private Limited:** During the year under review, the Company badly suffered due to worst flood during August 2018 and subsequently due to political turmoil on Sabarimala shrine issue, restricting movement of pilgrims. Required claim has been lodged with NHAI and Insurance agencies to recover the damage and loss. In spite of the above the project has shown a robust growth of 1.7% in Average Daily Revenue to Rs. 31.66 Lakhs in FY 2018-19 as against Rs. 31.14 Lakhs in FY 2017-18 due to increased economic activity along the project corridor and strengthening of TMS technology.
- **Solapur Tollways Private Limited:** During the year under review, the company achieved substantial work progress by completing almost 75% of the project. At certain locations, the Project suffered due to delay in acquisition of land and shifting of utilities under responsibility of Concession Authority. The extension of project completion date has been recommended by NHAI till October, 2019 which is under process at NHAI-HQ. However the company plans to achieve partial COD for 75 Km length and commence Toll operations during 3rd Quarter of next Financial Year.
- **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 has introduced the latest Hybrid ETC system in 2 projects and on course to install the system in other 3 NHAI projects under Change of Scope (COS) from NHAI. The company is committed towards driving efficiency through more advanced and fully proven technologies to minimize human errors resulting from manual intervention and also moving towards more robust system. During the year under review, your Company has continued its journey on a Digital Transformation initiative for automating operations across Toll Plaza and construction projects keeping an eye on further improvement in toll revenue, better operational efficiency and proactive business planning.
- **Effective Project Management and Delivery:** Your Company intends to focus on improving project monitoring and management capabilities to faster execution of project. The company also intends to implement robust systems through IT platforms for developing user friendly tools for Project Management.

## V. FUTURE BUSINESS PLANS

Your Company is a pure play BOT Company focused on development, implementation, operation and maintenance of roads/highways projects. As an infrastructure developer operating on the asset aggregation platform, your Company's business growth strategy is strongly driven by portfolio expansion and improving operational efficiency for value accretion.

- **Uniquely positioned to expand through Inorganic growth:** Leveraging on the domain knowledge and a decade long experience in the infrastructure space, your Company is looking at inorganic growth opportunities either through acquisition of projects or consolidation of its stake in existing projects. Your Company through increased activity in the secondary market is continuously evaluating assets which are available at attractive

valuation assuming such acquisitions are supported by sound strategic and financial objectives. Your Company has been able to consolidate its stake in one of its assets, Guruvayoor Infrastructure Private Limited in Kerala, where your Company acquired 73.98% stake (acquisition of 26% out of the 51% stake is under progress) from its partner. Your Company has created a platform where it expects to see a lot of consolidation play happening.

o **Evaluating opportunities in Primary Market:**

The Government is focusing on transforming India through infrastructure creation at gigantic scale with estimated investments of over Rs 6.9 tn towards constructing 83,677 Km of roads under Bharatmala Pariyojana and other road development programs. With such a huge opportunity shaping up the roadmap for growth of the sector, your Company is strongly placed to capitalise on its financial capability and asset management skill set, to make the most of the opportunities and strengthen its asset portfolio. Your Company is assessing commercial viability for bidding for primary market opportunities under Hybrid Annuity Model (HAM) and Toll Operate Transfer (TOT). Your Company will continue to leverage its expertise in managing infrastructure assets under the PPP model to drive long-term growth.

o **Shareholders' Value Enhancement :**

Your Company follows a policy of systematic review of the incremental value-creation potential of assets under its management and takes a strategic decision to maximize value of future cash flows by judicious churning of the portfolio either through asset restructuring or divestiture. As an infrastructure developer working on transportation asset ownership model, your company is committed to abide by a robust asset management policy aimed at strengthening its value creation capabilities through constant monitoring asset performance.

o **Optimizing Financial Structure:**

Your Company is exploring options for refinancing in various SPVs to lower borrowing costs and improve cash flows. The priority for your Company is to continue its effort towards repricing and re-tenure its debt in all its assets. 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.

o **Claim and Contract Management**

Claims and Contract Management are an integral part of highway concession business. Your Company is committed towards adopting a mature Claims Management process across the value chain to create efficiency, effectiveness, and ultimately competitive differentiation in claims settlement and dispute resolution. With a constant focus on enhancing capabilities to better assess, manage, and mitigate claims and risk; the Company is correspondingly focused towards expeditious handling of claim through negotiation, mediation, arbitration, and finally, to litigation for earliest settlement.

o **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 constantly in the process of upgrading the existing IT systems and implementing a fully automated operation management system integrating technology primarily to monitor the flow of vehicular traffic, real time revenue and collection monitoring and improved road safety.

As part of the digital drive, your Company aims to create one single consolidated platform across all organizations for all stakeholders—Operations, Finance and Management to help them in enhancing their efficiencies in services like Revenue Reporting, Traffic Growth Analysis, Incidence Management and Administration through mobile and web channels. The emerging technology interventions such Sensor driven/RFID driven auto capture or Internet of Things (IoT), Artificial Intelligence/Machine Learning driven smart projections or analytics, automated traffic volume reporting on real time basis, Cloud based Data Management System and Workflow Management are explored for better and informed decision making planning.

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

Your Company seeks to continue its focus on enhancing in-house competencies by expanding into various functional aspects of projects, thereby reducing dependency on third parties. Your Company intends to focus on strengthening project designing and engineering capabilities, Project Monitoring and Management capabilities. It is believed that developing specialized in-house capabilities would reduce dependency on third parties, thereby avoiding risks and minimizing costs associated with outsourcing.

## VI. FUTURE OUTLOOK

India has a massive infrastructure investment requirement to the tune of USD 4.54 tn by 2040 and infrastructure creation of such a gigantic scale does require a wide range of resources, expertise and skills together with funding either from public and private sources. Considering the limited scope to maneuver public spending of such a massive scale and size, the Public-Private Partnership (PPP) assumes significance, both for attracting investment in infrastructure and leverage on the asset management skill set of the private sector.

As PPP model is aimed at leveraging on the private capital for infrastructure development and making the best use of the asset management skill set of the infrastructure companies, your Company sees itself as an enabler for PPP projects while acting as a bridge between the Public Asset and Project Authority. Your company leverage on its strong asset management skill set, access to capital and rich pool of contractors and its expertise in financial engineering to implement projects.

Over the past few years, there has been a lot of proactive measures being taken up for reviving the infrastructure sector and thankfully Roads and Highways sector has so far been the biggest beneficiary of Government's thrust on infrastructure. Economic growth, 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. Greater connectivity between different cities, towns and villages has led to increased road traffic over the years.

The Government has given a massive push to infrastructure by allocating Rs. 5.97 Lakhs crore for infrastructure in the Union Budget 2018-19. For the Road sector, the Government provided an outlay of Rs. 1.21 Lakhs crore. The rise in investments, reforms and higher budgetary support is expected to drive growth in roads and highways sector in India. The Government of India has succeeded in providing road connectivity to 85% of the 178,184 eligible rural habitations in the country under the scheme. All villages in the country are expected to be connected through a road network by 2019, as against 2022 previously, under the Pradhan Mantri Gram Sadak Yojana (PMGSY). Total length of roads constructed under PMGSY in FY18 was 47,447 km. Under the Union Budget 2018-19, Government of India allocated an investment of Rs. 19,000 crore for PMGSY and will spend around Rs. 1 Lakhs crore during FY 19-20 to build roads in the country under PMGSY.

NHAI has started the tendering process for projects worth ~Rs 1tn. Out of this, HAM accounts for ~60% of the tender value with EPC accounting for the rest. Currently BOT projects are not being actively tendered by NHAI.

The Government of India is quite empathetic to the concerns of the industry and has shown intent to resolve the crisis through a series of reform measures, the actual action on the ground needs to be effective enough to tackle the core issues related to land acquisition, time bound resolution of disputes, faster settlement of claims and local administrative support to streamline on-ground execution mechanism.

## VII. RISK MANAGEMENT

Risk management forms an integral part of your Company's future growth strategy. The risk management strategy of your Company hinges on a clear understanding of various risks and adherence to well-laid out risk policies and procedures that are benchmarked with industry best practices. Your Company has developed robust systems and embraced sturdy practices for identifying, measuring and mitigating various risks and ensuring that they are maintained within pre-defined risk appetite levels.

### Risk and Concern

- **Growth Risk**

Growth risk is the inability to effectively manage growth or to successfully implement business plans which depends heavily on the ability to plan and execute the growth strategy. Growth Risk can impact organic as well as inorganic growth vision of the Company in the form of inability to successfully bid for new projects at attractive IRR or acquisition of existing stressed projects at attractive valuation.

Your Company's growth risk mitigation strategy is guided by constant review and analysis of market opportunities and trends in both organic and inorganic space for selective bidding for new projects and acquisition for projects falling within our stringent investment criteria.

- **Business Risk**

Business Risk includes risks with respect to competition, capital intensiveness, input cost, traffic growth for BOT projects and labour.

Your Company faces risk of competition as the sector is growing and more players get qualified to bid for new projects, also as the business which your company operates is capital intensive by nature, availability of sufficient funds is critical for bidding of projects, particularly in case of fund-based projects such as BOT-toll, HAM and TOT model. Further, availability of the right quality and quantity of resources is critical for the timely completion of infrastructure projects, any unexpected increase in the input costs will have direct impact on overall margins. Moreover undue attrition of manpower could lead to loss of competitive edge as it may lead to project delays.

Your Company has a well-designed mitigation plan to address these business risks. Company adapts its policies and procedures to ensure a sustained business model. Your Company strive to execute maximum number of projects before their scheduled completion and within the budgeted cost. Your company operates its working capital cycle in a highly optimized manner, your company enters into contracts with EPC Partners which has the relevant cost escalation provisions that protect your Company's margins. Further, your company's focus is to build an organisation of highly motivated employees, having the ability to execute ambitious business goals with passion and commitment, thereby exceeding customer aspirations. The working environment of the Company is cordial and employee-friendly. The remuneration is at par with the industry standards.

- **Regulatory Risk**

The business of the 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.

Your Company regularly reviews and monitors government policies and likely developments along with an impact assessment of those policies so that necessary actions can be planned and implemented from time to time.

## VIII. HUMAN RESOURCE DEVELOPMENT

Your Company has shown commitment in embracing an integrated approach towards the overall development of Human Resources and adopted best human resource practices over the past few years. In terms of its manpower strength, the overall headcount of the group including the projects till 31st March 2019 is 1104 which includes 13 employees of Bharat Road Network Limited & 1091 at project SPVs, which consists on-roll employees & off-roll resources of 624 & 480 respectively.

The Human Resources department acts as a catalyst to enable employees under BRNL and its SPV to contribute at optimum levels towards the success of the business, with a focused approach on the development of the workforce in terms of capability, values, attitude and behavior. Your Company aims to promote and recruit the best qualified people, recognizing and encouraging the value of diversity in the workplace. The Company strives to optimize manpower strength by leveraging its access to rich talent pool across various projects through effective cross-utilisation of the workforce. Moving forward, your Company is committed to nurture the existing talent

through Training and Development and implementation of the best Talent Management Practices like Succession Planning which aims to identifying organization preparedness for the critical roles of the organization. This adds value by enabling the organization to execute its strategy in an efficient and effective manner.

Your Company maintains and diligently adheres to the policies, rules and practices that treat employees with dignity and equality while maintaining company compliance with employment and labour laws, corporate directives and labour agreements. There has also been adequate focus on employee engagement activities and employee welfare programs to promote a healthy work environment and boost productivity. Your Company is also committed towards giving back to the society by working towards the welfare of the community by various CSR activities. The overall aim is to provide a work atmosphere that is safe, healthy, secure and conscious of long-term family and community goals. The constant endeavor of your Company towards promoting employee welfare and Human Capital augmentation has resulted in your Company being rewarded as "Best Employer Brand Awards 2018-19" by the Employer Branding Institute.

#### **IX. INTERNAL CONTROL AND AUDIT**

Your Board places utmost importance in setting up and regularly enhancing Internal Control Framework in view of complex business environment and increasing regulatory oversight for sustainable growth. Your Company adopts a calibrated and smart framework spanning on pillars of administrative and financial controls. On the administrative control side, your Company has a proper reporting structure, several oversight committees, defined roles and responsibilities at all levels 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.

Your Company has an Internal Financial Control (IFC) System, 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 controls over critical business activities and operations, policies and procedures for ensuring the orderly and efficient conduct of business, critical procurements, prevention and detection of frauds and errors, compliance with regulations and for ensuring timeliness and reliability of financial reporting. Your Company's IFC have been reviewed and actions have been taken wherever needed, to strengthen control and overall risk management procedure.

The Audit Committee of the Board evaluates and reviews the adequacy and effectiveness of the Internal Control Systems and suggests improvements to strengthen them. Based on the report of Internal Auditor and the response thereto, necessary corrective actions are undertaken to strengthen the controls. Overall, the Board and the Audit Committee maintains a proactive approach in ensuring that the control and governance framework is regularly reviewed and timely corrective actions are taken to minimize risk of disruption.

At the Meeting of the Board of Directors held on 29th May, 2018, Mr. Roshan Jaiswal, a Chartered Accountant was appointed as the Internal Auditor of the Company pursuant to section 138 of the Companies Act, 2013. Mr. Jaiswal ceased to remain the Internal

Auditor of the Company w.e.f 10th December, 2018 upon his resignation. Consequently, your Company appointed M/s. G. P. Agrawal & Co, a Chartered Accountant firm (Firm Registration No. 302082E), having requisite academic and professional qualifications, work experience, skill and other suitable capabilities, as the Internal Auditor of the Company at the Board Meeting held on 12th February, 2019, for completing the Internal Audit work for the Year under review.

#### **SUBSIDIARY & ASSOCIATE COMPANIES**

As on the date of this Report, your Company has 3 (three) Subsidiaries and 4 (four) Associate Companies.

Further, your Company has entered into a Share Purchase Agreement dated 4th May, 2019 inter alia, with Cube Highways and Infrastructure Pte Ltd for sale of its entire shareholding in Ghaziabad Aligarh Expressway Private Limited (GAEPL), an 'Associate' of the Company. The proposed transaction is subject to applicable regulatory and other approvals and certain conditions, more specifically laid down in the Share Purchase Agreement.

Upon completion of the said transaction, Ghaziabad Aligarh Expressway Private Limited (GAEPL) in which your company holds 39% stake, shall cease to remain an "Associate" of your Company.

There has been no change in the Subsidiaries and Associate Companies during the year under review.

#### **PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES & ASSOCIATE COMPANIES**

The Statement in Form AOC-1 containing the salient features of the Financial Statements of your Company's Subsidiaries and Associate 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 this Annual Report. Further, in line with Section 129(3) of the Act read with the aforesaid Rules, the SEBI Listing Regulations, 2015 and in accordance with the Indian Accounting Standards specified under section 133 of the Act, Consolidated Financial Statements prepared by your Company includes financial information of its Subsidiary and Associate Companies.

Further, in accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements of each of the Subsidiary, included in the Consolidated Financial Statements prepared by your Company as per Rule 8(1) of the Companies (Accounts) Rules, 2014, is available on the website of your Company, [www.brnl.in](http://www.brnl.in).

Members interested in obtaining a copy of the Annual Accounts of the Subsidiaries may write to the Company Secretary at your Company's Registered Office. The said Report is not reproduced here for the sake of brevity.

#### **APPLICABILITY OF RBI GUIDELINES FOR REGISTRATION AS NON BANKING FINANCIAL COMPANY (NBFC)**

Since your Company has fulfilled the criteria prescribed for Non-Banking Financial Company (NBFC) Core Investment Company (CIC) in terms of Paragraph 2(1) of the Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, i.e. your Company's financial income comprised more than 50% of its total income, its financial assets in the form of investments in equity shares, debt and loans to group companies exceeded 90% of its Net Assets and



investments in equity shares (including instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue) in group companies exceeded 60% of its Net Assets, your Company has made an application to the Reserve Bank of India (RBI) on March 28, 2019, to grant Certificate of Registration to commence the business of a Non-Deposit taking Systematically Important Core Investment Company (NDSI - CIC), along with the audited Financial Statements for the period ended December 31, 2018.

The Reserve Bank of India, vide its letter dated April 12, 2019 has asked to apply afresh on the basis of the audited Financial Statement of the company and all its group companies as on March 31, 2019.

The Company has made the required application.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT**

There is no such material change and commitment affecting the financial position of your Company, which have occurred from the end of the Financial Year ended on March 31, 2019 and the date of this Report.

### **CAPITAL STRUCTURE**

At present, the Authorized Capital of the Company is Rs. 100 Crore (Rupees One Hundred Crore) divided into 10,00,00,000 (Ten Crore) Equity Shares of Rs. 10 each.

The Paid-up Share Capital of your Company is Rs. 83.95 Crore, divided into 8,39,50,000 (Eight Crore, Thirty-Nine Lakhs, Fifty Thousand) Equity Shares of Rs. 10/- each.

There has been no change in the capital structure of your Company during the year under review.

### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

#### **Directors**

During the year under review, Mr. Brahm Dutt, Chairman of the Board and Independent Director, tendered his resignation w.e.f. 4th January, 2019 purely due to personal reasons. However, considering his vast experience, technical expertise and long fruitful association with the Company, Mr. Dutt has been appointed as the Advisor to the Board of Directors w.e.f. 12th February, 2019.

The Board of Directors of your Company re-appointed Mr. Bajrang Kumar Choudhary (DIN 00441872) as the Managing Director (MD) of your Company for a further period of 3 (three) years w.e.f. November 01, 2019, based on the recommendation of the Nomination and Remuneration Committee, subject to approval of Members at the ensuing Annual General Meeting (AGM) of your Company.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and Rules made thereunder, 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. His brief resume/details have been furnished in the Notice of the ensuing AGM. The Board, therefore, recommends the said re-appointment of Mr. Bajrang Kumar Choudhary.

Based on the recommendation of Nomination and Remuneration Committee, Prof. Santanu Ray (DIN: 00642736) was appointed by the Board of Directors as an Additional Director (Category – Non Executive and Independent Director) of the Company w.e.f. 30th July, 2019 to hold office upto the date of 12th (Twelfth) Annual General Meeting (AGM) of your Company. The Board recommends appointment of Prof. Santanu Ray as Non-Executive and Independent Director of your Company for a period of 5 (five) consecutive years by the members at the ensuing Annual General Meeting of the Company.

Based on the recommendation of Nomination and Remuneration Committee, Mr. Ashok Kumar Mangotra (DIN: 02228858) was appointed by the Board of Directors as an Additional Director (Category – Non Executive and Independent Director) of the Company w.e.f. 30th September, 2019 to hold office upto the date of 12th (Twelfth) Annual General Meeting (AGM) of your Company. The Board recommends appointment of Mr. Ashok Kumar Mangotra as Non-Executive and Independent Director of your Company for a period of 5 (five) consecutive years by the members at the ensuing Annual General Meeting of the Company.

The brief resume / details relating to Directors who are proposed to be appointed / re-appointed are furnished in the Notice of the ensuing AGM. The Board of Directors of your Company recommends the appointment / reappointment of the above Directors.

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 and Regulation 16(1) (b) of SEBI Listing Regulations, 2015 and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. All requisite declarations have been duly placed before the Board.

In the opinion of the Board, the Independent Directors fulfill the conditions as specified under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

In terms of SEBI Listing Regulations, 2015, your Company has identified core skills/expertise/competencies as is required in the context of the Company's business(es) and sector(s) for it to function effectively. Details of such skills/expertise/competencies identified are furnished in the Corporate Governance Report and forms part of this Annual Report.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with your Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

#### **Key Managerial Personnel**

During the year under review, Mr. Sanjay Banka (FCA: 056399), Chief Financial Officer of the Company resigned w.e.f. close of Business hours of August 14, 2018. Consequently, the Board of Directors appointed Mr. Amogh Harihar Gore (FCA: 107673), as the Chief Financial Officer of the Company, w.e.f. August 15, 2018 who resigned w.e.f. close of Business hours of November, 14, 2018.

Consequently, Mr. Jai Prakash Shaw (ACA: 054887), was appointed as the Chief Financial Officer of the Company, w.e.f. April 20, 2019.

As per the provisions of Section 203 of the Companies Act, 2013, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following Director / Executives of your Company are the Key Managerial Personnel as on the date of this report -

Name	Designation
Mr. Bajrang Kumar Choudhary	Managing Director
Mr. Naresh Mathur	Company Secretary
Mr. Jai Prakash Shaw	Chief Financial Officer

## 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.

7 (Seven) Meetings of the Board of Directors of the Company were held during the Financial Year 2018-19 respectively on 29th May, 2018, 14th August, 2018, 14th November, 2018, 28th November 2018, 4th January, 2019, 12th February, 2019 and 27th February, 2019.

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

## AUDIT COMMITTEE

The Audit Committee of your Company has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, 2015.

Consequent to the resignation of Mr. Brahm Dutt as Chairman of the Board and Independent Director, the Board of Directors of your Company at its Meeting held on 12th February, 2019, has reconstituted the Audit Committee. Further, the Board of Directors at its Meeting held on 10th November, 2019 has again re-constituted the Audit Committee upon induction of new Directors on your Board.

The Audit Committee presently comprises of Prof. Santanu Ray (Independent Director) acting as the Chairman of the Committee, Mr. Pradeep Singh (Independent Director), Mr. Atanu Sen (Independent Director) and Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director) acting as the Members of the Committee.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

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 brief Terms of Reference of the Audit Committee has been provided in the Corporate Governance Report, forming part of this Annual Report.

5 (five) Meetings of the Audit Committee were held during the Financial Year 2018-19 respectively on 29th May, 2018, 14th August, 2018, 14th November, 2018, 12th February, 2019 and 27th February, 2019.

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

## NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015.

Consequent to the resignation of Mr. Brahm Dutt as Chairman of the Board and Independent Director, the Board of Directors of your Company at its Meeting held on 12th February, 2019, has reconstituted the Nomination and Remuneration Committee. Further, the Board of Directors at its Meeting held on 10th November, 2019 has again re-constituted the Nomination and Remuneration Committee upon induction of new Directors on your Board.

The Committee presently comprises of Mr. Ashok Kumar Mangotra (Independent Director), acting as the Chairman of the Committee, Mr. Pradeep Singh (Independent Director) and Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director) as Members of the Committee.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

The scope and function of Nomination and Remuneration Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The brief Terms of Reference of the Committee has been provided in the Corporate Governance Report, forming part of this Annual Report.

2 (two) meetings of the Nomination and Remuneration Committee were held during the Financial Year 2018-19 on 29th May, 2018 and 14th August, 2018.

The Committee has formulated the Nomination and Remuneration Policy ('BRNL Nomination and Remuneration Policy') which broadly lays down the various principles of remuneration viz 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 (KMP) and Senior Management Personnel (SMP) of your Company.

The BRNL Nomination and Remuneration Policy has been hosted on the website of the Company, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has constituted a CSR Committee, as required in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

The Board of Directors at its Meeting held on 10th November, 2019 has re-constituted the Corporate Social Responsibility Committee upon induction of new Directors on your Board.

The Committee presently comprises of Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director), acting as the Chairperson of the Committee, Mr. Atanu Sen (Independent Director), Prof. Santanu Ray (Independent Director) and Mr. Bajrang Kumar Choudhary (Managing Director) acting as Members of the Committee.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

The brief Terms of Reference of the Committee has been provided in the Corporate Governance Report forming part of this Annual Report.

The Company has also framed a CSR 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 a link to the said Policy has been provided elsewhere in this Annual Report. Your Company strives to contribute towards CSR as per the line items included in Schedule VII to the Companies Act, 2013.

The total amount available for CSR spending, being 2 (two) per cent of the average net profits of your Company made during the 3 (three) immediately preceding financial years, during the financial year 2018-19 aggregated to approximately Rs. 22.43 Lakhs.

Your Company is fully aware of the fact that as a corporate citizen, it is also entrusted with the responsibility to contribute for the betterment of the society at large. For this purpose, even though the amount to be spent on CSR was Rs. 22.43 lacs, your Company voluntarily contributed a sum of Rs. 25 lacs on CSR.

During the year under review, 2 (two) CSR Committee Meeting were held on 29th May, 2018 and 14th November 2018.

Your Company made its CSR contribution to Suryodaya Schools, a division of IISD Edu World, and formed with the object of imparting, promoting and spreading education for under privileged children and weaker section of the society. IISD Edu World is a Company registered under Section 25 of the Companies Act, 1956 (now, Section 8 of the Companies Act, 2013).

Presently, Suryodaya Schools are running two (2) schools which impart quality English medium education to under privileged children upto Class X under West Bengal Board of Secondary Education along with facilities, like free mid-day meals, text books, note books and school uniforms at subsidised rates. The donations received by the entity helps to sustain the financial and educational activities undertaken by the two schools. Also, Donations to IISD Edu World qualify for deduction under Section 80G of the Income Tax Act, 1961.

As prescribed under Section 135 of the Companies Act, 2013, read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, an Annual Report on CSR Activities has been set out as an Annexure to this Directors' Report.

## 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 Individual Directors (including Independent Directors) pursuant to provisions of Section 134, Section 149 read with the Code for Independent Directors (Schedule IV), and Section 178 of the Companies Act, 2013, covering, inter alia, the following parameters:

- (i) Board Evaluation - degree of fulfilment of key responsibilities; Board culture and dynamics, amongst others;
- (ii) Board Committee Evaluation - effectiveness of meetings; Committee dynamics, amongst others;
- (iii) Individual Director Evaluation (including Chairman and Independent Directors) - Attendance, Contribution at Board Meetings, Guidance/support to management outside Board/Committee meetings, etc., amongst others;

During the year under review, Annual Performance Evaluation

was carried out by the Board 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 evaluation was led by the Chairman of the Board with specific focus on performance and effective functioning of the Board, its Committees and individual Directors.

The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013, SEBI Listing Regulations, 2015 and in accordance with the Guidance Note on Board Evaluation issued by SEBI in January, 2017. The Board evaluation was conducted through structured questionnaire designed with qualitative parameters and feedback based on ratings.

Based on the above parameters, the performance of the Board, its Committees and of the Individual Directors (including Independent Directors) was evaluated and found to be effective.

It was evaluated and found that Board Committees are adequately composed (in terms of size, skill, expertise, experience, etc.) to carry out the responsibilities and addressing the objectives for which it has been set up by the Board. Also, there is clarity between the Board, Management and Committee w.r.t. the role played by the committee.

During the year under review, in a separate meeting of Independent Directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and Non-Executive directors. It was held unanimously that the Non-Independent Director, viz Managing Director brings to the Board, abundant knowledge in his field and is an expert in his area. Besides, he is insightful, convincing, astute, with a keen sense of observation, mature and has a deep knowledge of your Company.

The Board, as a whole, is an integrated, balanced and cohesive unit, where diverse views are expressed and discussed 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 (Mr. Brahm Dutt, Chairman of the Board resigned w.e.f 4th January, 2019. The Company appoints Chairman from the independent Directors present at the Meeting at every Board Meeting to conduct the proceedings of the Meeting.).

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 Infrastructure Sector, as stated in the Schedule VI to 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, do not apply to your Company.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

A Related Party Transactions Policy has been devised by your Company for inter alia, 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](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

Related Party Transactions entered into during the Financial Year ended 31st March, 2019, were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015. All Related Party Transactions are placed on a quarterly basis before the Audit Committee for its review and approval. Material Related Party Transactions as per SEBI Listing Regulations, 2015 are placed before the Members for their approval.

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.

In terms of Regulation 23 of the SEBI (LODR) Regulations, 2015, the Board of Directors recommend to the Shareholders of your Company to confirm and approve Related Party Transactions, being material in terms of the said Regulations, at the ensuing Annual General Meeting of the Company.

## **POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES**

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](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

As on March 31, 2019, all the three subsidiaries of your Company, Solapur Tollways Private Limited (STPL), Orissa Steel Expressway Private Limited (OSEPL) and Guruvayoor Infrastructure Private Limited (GIPL) are the Material Unlisted Subsidiaries of your Company, as per Regulation 16(1)(c) of the 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. The Policy is meant to sensitize the employees about their fundamental right to have a safe and healthy environment

at workplace. As per the Policy, any employee may report his/her complaint to the Internal Complaint Committee constituted for this purpose. The said Policy is available on your Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

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 (LODR) 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.

The Company has also designated [whistleblower@brnl.in](mailto:whistleblower@brnl.in), an e-mail 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](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

Further, no complaints were reported under the Whistle blower Policy during the year under review.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the Financial Year 2018-19, no significant and material orders have been passed by regulators or courts or tribunals, impacting the going concern status and your Company's operations in future.

## **AUDITORS**

At the Tenth Annual General Meeting (AGM) of your Company held on December 16, 2017, Messrs S.S. Kothari Mehta & Co., Chartered Accountants, having Registration No. 000756N, allotted by the Institute of Chartered Accountants of India (ICAI), were appointed as Statutory Auditors of the Company, to hold office for a term of 5 (five) years, from the conclusion of the 10th AGM till the conclusion of the 15th AGM of your Company, in accordance with Section 139 and other applicable provisions of the Companies Act, 2013, read with the Rules framed thereunder.

Further, vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with. Accordingly, no such item has been considered in notice of the 12th AGM.

Pursuant to provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud, during the year under review, to the Audit Committee of your Company.



## AUDIT QUALIFICATIONS

M/s. S.S. Kothari Mehta & Co., Chartered Accountants and the Statutory Auditors of the Company have given a modified opinion on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2019 w.r.t. non-recognizing interest on Rs. 5,000 Lakhs for the quarter and year ended 31st March, 2019 which, as per them, is not in compliance with IND AS-1, "Presentation of Financial statements" read with IND AS 109 "Financial Instruments". Due to this, profit before tax of the Company the Year ended 31st March, 2019 has been reported to be overstated by Rs. 311.64 Lakhs and the current liabilities have been understated by the same amount.

The Board's Comment on the modified opinion given by the Statutory Auditors of the Company on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2019 has been suitably covered under notes to Accounts forming part of the Annual Report.

Further, the Auditors have also provided for "Key Audit Matters" (KAM) and "Emphasis of Matter" in the Auditors' Report, which are self-explanatory.

"Emphasis of Matter" is detailed under Note No. 27.4 to the Standalone Financial Statements.

## SECRETARIAL AUDIT

Your Company has appointed Ms. Jayshri Tulsyan, Practicing Company Secretary and Partner - M/s. Jayshri Tulsyan & Associates, Kolkata, as the Secretarial Auditor of the Company, for the Financial Year 2018-19, to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the Financial Year ended March 31, 2019 does not contain any qualification, reservation or adverse remark or disclaimer and has been set out as an Annexure to this Directors' Report.

## COST RECORDS AND AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

## EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return, as on the Financial Year ended March 31, 2019, 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, has been set out as an Annexure to this Directors' Report. Further the Annual Return of the company can be accessed at- <http://brnl.in/sites/default/files/report/Annual%20Return%20for%20the%20FY%202017-18.pdf>

## BRNL WEBSITE

The website of your Company, [www.brnl.in](http://www.brnl.in) has been running on the 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 necessary change in content. A simple, improved navigation system enables the users to access the requisite information from different sections of the website with lesser number of clicks. The contemporary and smart look of the new website conforms to your company's brand guideline, while taking a customer and investor centric approach catering to the requirements of prospective customers, investors, employees and other stakeholders.

The site carries a comprehensive database of information of interest to the investors, including the Financial Results of your Company, dividend declared, Shareholding Pattern, any price sensitive information disclosed to the Regulatory Authorities from time to time, investor presentations, corporate profile and business activities, including project details of your Company and the services rendered by your Company.

## 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, have been set out as an Annexure to this Directors' Report.

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

Your Company has no specific activity relating to Conservation of Energy and Technology Absorption, as stipulated in Rule 8(3) of the 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 Subsidiary and Associate Companies.

Your Company's 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(3) and 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, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have 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 have 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 Directors have prepared the Annual Accounts for the

Financial Year ended 31st March, 2019 on a going concern basis;

- (v) the Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have 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/ Committee Meetings and General Meetings.

### INSIDER TRADING CODE

On December 31, 2018, Securities and Exchange Board of India amended the Prohibition of Insider Trading Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, your Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Code is applicable to all Directors, Designated Employees and Insiders, who are expected to have access to Unpublished Prices Sensitive Information (UPSI). The Company Secretary is the Compliance Officer for monitoring adherence to the applicable Regulations. The Code has been made available on the Company's website at [www.brnl.in](http://www.brnl.in).

### FAIR DISCLOSURE CODE

Pursuant to Regulation 8 read with Schedule A of the SEBI (Prohibition on Insider Trading) Regulations, 2015, the Board of Directors of your Company have adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) which lays down the principles and practices to be followed by the Company pertaining to universal disclosure of UPSI. The Chief Financial Officer of the Company, also designated as Chief Investor Relations Officer, is authorised to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner. The Code has been made available on the Company's website [www.brnl.in](http://www.brnl.in).

### 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.

As required under Regulation 34(3) of the SEBI Listing Regulations, 2015, read with Schedule V thereto, a separate section on Corporate Governance and a Certificate from Ms. Jayshri Tulsyan, Practicing Company Secretary and Partner - M/s. Jayshri Tulsyan & Associates, Kolkata, confirming compliance with the requirements of Corporate Governance, forms part of this Annual Report.

### GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions w.r.t these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of sweat equity shares;
- Your Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- There was no revision in the Financial Statements; and
- There was no change in the nature of business.

### AWARDS AND RECOGNITION

Your Company has been honoured with several awards and accolades which are mentioned below.

- "Kolkata Best Employer Brand Awards 2018" in October 2018 by the Employer Branding Institute.
- "Best Infrastructure Project Manager India 2019" by Capital Finance International, an internationally acclaimed print journal and online resource reporting on business, economics and finance.
- "India's Top Challengers 2018-19" in Construction and Contracting during CONSTRUCTION WORLD Global Awards 2019 organized by Construction World, India's premier and largest circulated construction business magazine.

### 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), Ministry of Corporate Affairs, Registrar of Companies, EPC Partners and SPV Partners and other stakeholders during the year under review. Your Directors also place on record their deep appreciation for the valuable contribution made by the Company's employees and look forward to their continued cooperation in realization of motto of the Company, "Behtar Raste, Badhta Bharat", in the 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

**Atanu Sen**  
*Director*  
DIN: 05339535

Place: Kolkata  
Date: 10.11.2019

**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 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

**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 (₹)	Median Remuneration of employees (₹)	Ratio (In times)
1.	Mr. Bajrang Kumar Choudhary	14,180,121	1,550,562	9.14
2.	Mr. Brahm Dutt	-		NA
3.	Mr. Pradeep Singh	-		NA
4.	Mr. Atanu Sen	-		NA
5.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	-		NA
6.	**Prof. Santanu Ray	-		NA
7.	***Mr. Ashok Kumar Mangotra	-		NA

\* Remuneration excludes sitting fees

\*\* Prof. Santanu Ray was appointed as an Additional Director (Category : Independent) w.e.f. 30th July, 2019.

\*\*\* Mr. Ashok Kumar Mangotra was appointed as an Additional Director (Category : Independent) w.e.f. 30th September, 2019.

**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 (₹)	*Remuneration of Current year (₹)	% increase
1.	Mr. Bajrang Kumar Choudhary	Managing Director	13,986,448	14,180,121	1.38
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.	***Prof. Santanu Ray	Independent Director	-	-	NA
7.	****Mr. Ashok Kumar Mangotra	Independent Director	-	-	NA
8.	# Mr. Sanjay Banka	Chief Financial Officer	60,79,422	2,354,964	NA
9.	% Mr. Amogh Harihar Gore	Chief Financial Officer	NA	2,088,002	NA
10.	^ Mr. Naresh Mathur	Company Secretary	1,111,541	2,886,636	NA

\*Remuneration excludes sitting fees

\*\*Mr. Brahm Dutt resigned as the Chairman and Independent Director w.e.f. 4th January, 2019

\*\*\* Prof. Santanu Ray was appointed as an Additional Director (Category : Independent) w.e.f. 30th July, 2019.

\*\*\*\* Mr. Ashok Kumar Mangotra was appointed as an Additional Director (Category : Independent) w.e.f. 30th September, 2019.

#Mr. Sanjay Banka ceased to be Chief Financial officer w.e.f. 14.08.2018 and hence the percentage of increase of remuneration in his case is not comparable with that of the Previous year.

%Mr. Amogh Harihar Gore was appointed in the current financial year (w.e.f 15th August, 2018) and hence the percentage of increase of remuneration in his case is not comparable with that of the Previous year.

^Mr. Naresh Mathur was appointed as the Company Secretary w.e.f. 17.12.2017 and hence the percentage of increase of remuneration in his case is not comparable with that of the Previous year

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

Median remuneration of previous year (₹)	Median remuneration of current year (₹)	% increase
1,275,272	1,550,562	21.59

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

There were 13 employees as on 31st March, 2019.

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: 10.11.2019

**Bajrang Kumar Choudhary**  
*Managing Director*  
DIN: 00441872

**Atanu Sen**  
*Director*  
DIN: 05339535



## PARTICULARS OF EMPLOYEES

Information as per Section 197(12) of the 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, 2019

List of top ten employees of the Company in terms of remuneration drawn and names of every employee who was employed for throughout and part of the year and was in receipt of remuneration exceeding the limits laid down as per the Companies Act, 2013-

Sl. No.	Name	Age (Years)	Designation	Qualification	Remuneration (₹)	Date of commencement of employment	Working Experience (years)	Previous Employment	% of equity shares held by the employee in the Company
1.	Bajrang Kumar Choudhary	50	Managing Director	B. Com (Hons.), ACA	14,180,121	01.11.2016	24	Srei Infrastructure Finance Limited	0.01
2.	Arunava Sengupta	55	Chief Operating Officer	B.E. (Civil)	8,729,912	01.04.2017	33	Srei Infrastructure Finance Limited	-
3.	Sanjay Banka*#	50	Chief Financial Officer	FCA, FCS, MICA, MIMA	5,032,958	14.10.2015	26	Landmark Group, S.A.	-
4.	Partha Pratim Chaudhury	50	Head - Technical	B.E. (Civil)	4,828,707	01.11.2016	22	Srei Infrastructure Finance Limited	-
5.	Rajesh Sirohia#	45	Head - Corporate Strategy and Investments	MBA	3,792,564	01.11.2016	22	Srei Infrastructure Finance Limited	0.00
6.	Naresh Mathur	56	Company Secretary	FCS	2,886,636	01.12.2017	34	Srei Equipment Finance Limited	-
7.	Amogh Harihar Gore**#	49	Chief Financial Officer	FCA	2,624,201	16.07.2018	24	Essar Group	-
8.	Manish Kumar Jain	42	Associate Vice President	ACA	2,104,230	01.11.2016	15	Srei Infrastructure Finance Limited	-
9.	Sanjay Mittal#	39	Associate Vice President	ACA	2,090,661	01.11.2016	16	Srei Infrastructure Finance Ltd	-
10.	Rahul Dhandhanian#	41	Vice President	ACA	1,635,582	01.11.2016	18	Srei Infrastructure Finance Limited	-

\*Mr. Sanjay Banka ceased to remain CFO w.e.f. 14th August, 2018. He was dissociated with the Company w.e.f. 11th December, 2018

\*\* Mr. Amogh Harihar Gore was appointed as the CFO w.e.f. 15th August, 2018 and he resigned from the Company w.e.f. 14th November, 2018.

# Employed for part of the Financial 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, Gratuity paid (if any), Incentive and other Perquisites.
- No Employee is a relative of any Director of the Company.

On behalf of the Board of Directors  
For **Bharat Road Network Limited**

Place: Kolkata  
Date: 10.11.2019

**Bajrang Kumar Choudhary**  
Managing Director  
DIN: 00441872

**Atanu Sen**  
Director  
DIN: 05339535

**CERTIFICATION BY MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER**

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors

**Bharat Road Network Limited**

Vishwakarma Building,  
86C, Topsia Road (South), Kolkata – 700 046

We, Bajrang Kumar Choudhary, Managing Director (MD) and Mr. Jai Prakash Shaw, 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, 2019 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 (MD)*  
DIN: 00441872

**Jai Prakash Shaw**

*Chief Financial Officer (CFO)*  
ICAI Membership No.: 054887

Place: Kolkata

Date: 28.05.2019

## PRACTICING COMPANY SECRETARIES CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,  
The Members,  
**Bharat Road Network Limited**  
Vishwakarma, 86C, Topsia Road (South)  
Kolkata – 700 046

We have examined the compliance of conditions of Corporate Governance by Bharat Road Network Limited ('the Company') for the year ended 31st March 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D, E and F 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. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D E and F of Schedule V of the SEBI Listing Regulations for the year ended on March 31, 2019.

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: 10.11.2019

For **Jayshri Tulsyan & Associates**  
Company Secretaries

**Jayshri Tulsyan**  
Partner  
C.P. No. 8096

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2018-19

[Pursuant to Section 135 of Companies Act, 2013 read with Rule 8 of the Companies  
(Corporate Social Responsibility Policy) Rules, 2014]

### 1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

The Board of Directors of the Company adopted the CSR Policy on 17th October, 2016 in compliance with the provisions of Section 135 of the Companies Act, 2013. The CSR philosophy of BRNL is embedded in its commitment to all stakeholders including its shareholders, customers, employees and society. Our approach by practicing service to humanity has enabled us to continue fulfilling our commitment to be a socially responsible corporate citizen. Our objective is to manage our business in a way which produces a positive impact on the economy, society and environment.

During the Financial Year 2018-19, the Company initiated contribution for promoting education and plans to increase such activities in coming years through such projects and programs in line with the CSR Policy.

The Company has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is:

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

### 2. The Composition of the CSR Committee:

#### Committee Members:

- Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director and Chairperson)
- Mr. Atanu Sen (Independent Director and Member)
- Mr. Bajrang Kumar Choudhary (Managing Director and Member)

#### Secretary to the CSR Committee

- Mr. Naresh Mathur (Company Secretary)

### 3. Average Net Profit of the Company for last three Financial Years: Rs. 1121.65 Lakhs

### 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 22.43 Lakhs

### 5. Details of CSR spent during the Financial Year:

a. **Total amount to be spent for the Financial Year:** The Company has spent Rs. 25 Lakhs as approved by the CSR Committee at its meeting held on 14th November, 2018 against the mandated requirement of Rs. 22.43 Lakhs.

b. **Amount unspent, if any:** Nil

c. **Manner in which the amount spent during the Financial Year is detailed below:**

(Amount in Rs.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where project or program was undertaken	Amount outlay (budget) project or program-wise (Rs)	Amount spent on the projects or programs: Subheads (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Clause (ii) of Schedule VII to the Companies Act, 2013	Promoting Education	Kolkata, West Bengal	25,00,000	25,00,000	25,00,000	Through IISD Edu World
<b>TOTAL:</b>				<b>25,00,000</b>	<b>25,00,000</b>	<b>25,00,000</b>	



**Details of Implementing Agency:**

Suryodaya School is a division of IISD Edu world, formed iwth the objective of imparting, promoting and spreading education for under priviledged children and weaker section of the society. IISD Edu World is a Company registered under section 25 of the Companies Act, 1956 (now section 8 of the Companies Act, 2013)

**6. Reasons for not spending the two per cent of the average Net Profit of the last three Financial Years:**

Not Applicable

**7. Responsibility Statement of the CSR Committee:**

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

**On behalf of the Corporate Social Responsibility Committee**

**Tuk Tuk Ghosh Kumar**  
*Chairperson*  
*Independent Director*  
DIN – 06547361

**Bajrang Kumar Choudhary**  
*Managing Director*  
DIN – 00441872

Place: Kolkata  
Date: 10.11.2019

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[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,  
**Bharat Road Network Limited**  
CIN - L45203WB2006PLC112235  
Vishwakarma, 86C, Topsia Road (South)  
Kolkata – 700 046

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **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 books, papers, minute books, forms and returns filed and other records maintained by the company **BHARAT ROAD NETWORK LIMITED**, 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, 2019** 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 **BHARAT ROAD NETWORK LIMITED** for the financial year ended on 31st March, 2019 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.
- (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.
- (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.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018 (not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit Period);.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit Period);
  - (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.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and 2018 (not applicable to the Company during the Audit Period).

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, it is reported that the Company has inter alia, also complied with following laws:

- 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:

- (a) 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).
- (b) The Listing Agreements entered into by the Company with BSE Limited & National Stock Exchange of India Ltd.
- (c) The Securities & Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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, Independent Directors and a Women Director.
2. Adequate notice is given to all directors to schedule the Board Meetings/Committee Meetings. Information and circulation of the agenda with detailed information, thereof, convening of meeting was done in compliance with the applicable laws, rules, regulations and guidelines, etc. 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 SEBI has passed an Ex-parte Ad Interim Order bearing reference no. WTM/GM/IVD/100/2018-19 dated March 14, 2019 under Section 11 (1),11(4) and 11B of the Securities and Exchange Board of India Act, 1992 and Regulation 11 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 in the matter of alleged financial mismanagement and diversion of funds in ReligareFinvest Ltd, a subsidiary of Religare Enterprises Limited (hereinafter referred to as 'REL') for the benefit of promoters / group companies of REL, against 25 entities which includes the Company i.e. Bharat Road Network Limited. The Company, pending completion of the investigation and till further orders, cannot dispose of or alienate any of its assets or divert any funds, except for meeting expenses of day-to-day business operations, without the prior permission of SEBI.

The Company has made written representation to SEBI from time to time in the said matter and consequently, SEBI has passed an Order dated 11th September, 2019 in favour of the Company, revoking the Ex-parte Ad interim Order dated March 14, 2019.

Place : Kolkata

Date : 10.11.2019

For **Jayshri Tulsyan & Associates**  
*Practicing Company Secretaries*

**FCS Jayshri Tulsyan**  
*(Proprietor)*

FCS No.: 7725

C P No.: 8096

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the Financial Year ended on 31st March, 2019

[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:	L45203WB2006PLC112235
ii)	Registration Date	22nd December, 2006
iii)	Name of the Company	Bharat Road Network Limited
iv)	Category Sub-Category of the Company	Public Company Limited by Shares Non-Govt. Indian Company
v)	*Address of the Registered Office and Contact Details	Vishwakarma Building, 86C, Topsia Road (South), Kolkata – 700 046 Tel. No.: 033 66023609 Fax No.: 033 66023243
vi)	Whether Listed Company (Yes / No)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Fintech Private Limited (previously Karvy Computershare Private Limited) Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 E-mail ID: einward.ris@karvy.com Tel. No.: 040 6716 1500, 1800 345 4001 Fax No.: 040 2342 0814

\*The Registered Office of the Company was shifted w.e.f. 28th May, 2019

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Business activities contributing 10% or 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.	Management Consultancy Activities, Toll Operation Services and Project Management Consultancy etc.	70200, 71100	14%
2.	Interest and other Revenues from Investment Assets and Funds Invested.	64300	86%

**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 of the Companies Act, 2013
1.	Solapur Tollways Private Limited Vishwakarma Building, 86C, Topsia Road (South), Kolkata - 700046	U45400WB2012PTC174135	Subsidiary	100.00	2(87)
2.	Orissa Steel Expressway Private Limited Plot No. 593, Pahal, Via Phulnakhra, Mouza- Banguari, NH 5, Opp. HPCL Petrol Pump, Bhubaneswar Khordha - 754001	U45400OR2010PTC014681	Subsidiary	59.38	2(87)
3.	Guruvayoor Infrastructure Private Limited Door No. 1-80/40/SP/58-65, Shilpa Homes Layout, Gachibowli, Hyderabad – 500032	U45200TG2005PTC048180	Subsidiary	73.98	2(87)
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)
5.	Ghaziabad Aligarh Expressway Private Limited Office No. 102, First Floor, Sagar Plaza Distt. Cen Laxmi Nagar Delhi East Delhi DI 110092	U70101DL2009PTC197148	Associate	39.00	2(6)
6.	Shree Jagannath Expressway Private Limited Simplex Infrastructures Limited, Simplex House, 27, Shakespeare Sarani, Kolkata – 700017	U45203WB2010PTC150429	Associate	40.00	2(6)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section of the Companies Act, 2013
7.	Mahakaleshwar Tollways Private Limited Ninora Toll Plaza, Ninora, Ujjain - 456006	U45203MP2008PTC021157	Associate	48.00	2(6)

\*The Company has acquired 13.11% in the paid-up Equity Share Capital of Kurukshetra Expressway Private Limited vide Shares Purchase Agreement dated October 27, 2016, which is pending for transfer. Post the said transfer, the total shareholding of the Company in Kurukshetra Expressway Private Limited will stand at 49%.

#### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)

##### i) Category-wise Shareholding

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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9520000	-	9520000	11.34	-	-	-	-	(11.34)
e) Banks / FI	16630000	-	16630000	19.81	16630000	-	16630000	19.81	-
f) Any Other - Venture Capital Funds	28499800	-	28499800	33.95	28499800	-	28499800	33.95	-
<b>Sub-total (A)(1):-</b>	<b>54649800</b>	<b>-</b>	<b>54649800</b>	<b>65.10</b>	<b>45129800</b>	<b>-</b>	<b>45129800</b>	<b>53.76</b>	<b>(11.34)</b>
<b>(2) Foreign</b>									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2) -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) =(A)(1)+(A)(2)</b>	<b>54649800</b>	<b>-</b>	<b>54649800</b>	<b>65.10</b>	<b>45129800</b>	<b>-</b>	<b>45129800</b>	<b>53.76</b>	<b>(11.34)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	554363	-	554363	0.66	-	-	-	-	(0.66)
b) Banks / FI	2092237	-	2092237	2.49	1232573	-	1232573	1.47	(1.02)
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	11001	-	11001	0.01	1	-	1	-	(0.01)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others - Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>2657601</b>	<b>-</b>	<b>2657601</b>	<b>3.17</b>	<b>1232574</b>	<b>-</b>	<b>1232574</b>	<b>1.47</b>	<b>(1.70)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate	22247897	-	22247897	26.50	34230029	-	34230029	40.77	14.27
b) Individuals									
i) Individual Shareholders holding nominal Share capital up to Rs. 1 Lakhs	1118447	-	1118447	1.33	1046108	-	1046108	1.25	0.08
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakhs	2193304	-	2193304	2.61	2050623	-	2050623	2.44	(0.17)
c) Others									
Clearing Members	522733	-	522733	0.62	2475	-	2475	0.00	(0.62)
Directors	9589	-	9589	0.01	9589	-	9589	0.01	-
NBFCs	537073	-	537073	0.64	237560	-	237560	0.28	(0.36)
Non-Resident Indians	12543	-	12543	0.01	9890	-	9890	0.01	-
Non-Resident Indian Non Repatriable	1013	-	1013	0.00	1352	-	1352	0.00	-
<b>Sub-total (B)(2):-</b>	<b>26642599</b>	<b>-</b>	<b>26642599</b>	<b>31.74</b>	<b>37587626</b>	<b>-</b>	<b>37587626</b>	<b>44.77</b>	<b>13.03</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>29300200</b>	<b>-</b>	<b>29300200</b>	<b>34.90</b>	<b>38820200</b>	<b>-</b>	<b>38820200</b>	<b>46.24</b>	<b>11.34</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>83950000</b>	<b>-</b>	<b>83950000</b>	<b>100.00</b>	<b>83950000</b>	<b>-</b>	<b>83950000</b>	<b>100.00</b>	<b>-</b>



**ii) Shareholding of Promoter and Promoter Group -**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during 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	
1.	Srei Infrastructure Finance Limited	16630000	19.81	Nil	16630000	19.81	Nil	-
2.	Manufacturing Value Addition Fund A/c Make In India Fund	500000	0.60	Nil	500000	0.60	Nil	-
3.	OSPL Infradeal Private Limited	9520000	11.34	Nil	-	-	Nil	(11.34)
4.	Srei Venture Capital Trust A/c - Infrastructure Project Development Fund	7049800	8.40	0.09	7049800	8.40	0.11	-
5.	Srei Venture Capital Trust A/c - Infrastructure Project Development Capital	20950000	24.95	18.21	20950000	24.95	22.05	-
<b>Total:</b>		<b>54649800</b>	<b>65.10</b>	<b>18.30</b>	<b>45129800</b>	<b>53.76</b>	<b>22.16</b>	<b>(11.34)</b>

**iii) Change in Promoters' Shareholding -**

Sl. No.	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.	<b>Srei Infrastructure Finance Limited</b>				
	At the beginning of the year	16630000	19.81		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Changes during the year			
	At the end of the year			16630000	19.81
2.	<b>Manufacturing Value Addition Fund A/c - Make In India Fund</b>				
	At the beginning of the year	500000	0.60		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Changes during the year			
	At the end of the year			5,00,000	0.60
3.	<b>Srei Venture Capital Trust A/c - Infrastructure Project Development Fund (IPDF)</b>				
	At the beginning of the year	7049800	8.40		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Changes during the year			
	At the End of the year			7049800	8.40
4.	<b>Srei Venture Capital Trust A/c -Infrastructure Project Development Capital (IPDC)</b>				
	At the beginning of the year	20950000	24.96		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	No Changes during the year			
	At the End of the year			20950000	24.96
5.	<b>OSPL Infradeal Private Limited</b>				
	At the beginning of the year	9520000	11.34		

Sl. No.	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
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date</b> <b>Reason</b> 21.01.2019                  Transfer	(9520000)	(11.34)		
	At the end of the year			-	-

**iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	*Name of the shareholder	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
<b>1.</b>	<b>@Predicate Consultant Private Limited</b>				
	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.):				
	<b>Date</b> <b>Reason</b> 01.02.2019                  Purchase	9520000		9520000	
	At the End of the year (or on the date of separation, if separated during the year)			9520000	11.34
<b>2.</b>	<b>** Vistar Financiers Pvt Ltd</b>				
	At the beginning of the year	6384806	7.61		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date</b> <b>Reason</b> 31.08.2018                  Sale	300000		6084806	
	07.09.2018                  Purchase	300000		6384806	
	12.10.2018                  Sale	425000		5959806	
	02.11.2018                  Sale	75000		5884806	
	09.11.2018                  Sale	50000		5834806	
	16.11.2018                  Sale	100000		5734806	
	23.11.2018                  Purchase	250000		5984806	
	30.11.2018                  Purchase	618000		6602806	
	07.12.2018                  Sale	200000		6402806	
	08.02.2019                  Purchase	80000		6482806	
	At the End of the year (or on the date of separation, if separated during the year)			6482806	7.72
<b>3.</b>	<b>**AUM Capital Market Pvt. Ltd</b>				
	At the beginning of the year	4111753	4.90		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date</b> <b>Reason</b> 06.04.2018                  Purchase	45000		4156753	
	06.04.2018                  Sale	556977		3599776	
	13.04.2018                  Purchase	15000		3614776	
	13.04.2018                  Sale	45000		3569776	
	20.04.2018                  Purchase	20000		3589776	
	27.04.2018                  Purchase	30280		3620056	
	04.05.2018                  Purchase	55437		3675493	
	11.05.2018                  Sale	85200		3590293	
	18.05.2018                  Purchase	1002		3591295	
	25.05.2018                  Purchase	2173		3593468	
	01.06.2018                  Purchase	3333		3596801	
	01.06.2018                  Sale	325		3596476	
	08.06.2018                  Purchase	51498		3647974	

Sl. No.	*Name of the shareholder		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
	<b>Date</b>	<b>Reason</b>				
	15.06.2018	Purchase	55266		3703240	
	22.06.2018	Purchase	54660		3757900	
	22.06.2018	Sale	66		3757834	
	29.06.2018	Purchase	28245		3786079	
	29.06.2018	Sale	351		3785728	
	06.07.2018	Purchase	58391		3844119	
	06.07.2018	Sale	45		3844074	
	13.07.2018	Purchase	5800		3849874	
	20.07.2018	Purchase	6950		3856824	
	27.07.2018	Sale	258555		3598269	
	03.08.2018	Purchase	51582		3649851	
	03.08.2018	Sale	700		3649151	
	10.08.2018	Purchase	93239		3742390	
	10.08.2018	Sale	75		3742315	
	17.08.2018	Purchase	39951		3782266	
	17.08.2018	Sale	180		3782086	
	24.08.2018	Purchase	49		3782135	
	24.08.2018	Sale	473		3781662	
	31.08.2018	Purchase	25		3781687	
	31.08.2018	Sale	163876		3617811	
	07.09.2018	Purchase	94605		3712416	
	07.09.2018	Sale	25		3712391	
	14.09.2018	Purchase	95050		3807441	
	21.09.2018	Purchase	40000		3847441	
	21.09.2018	Sale	300		3847141	
	28.09.2018	Purchase	17807		3864948	
	29.09.2018	Purchase	50000		3914948	
	05.10.2018	Sale	17720		3897228	
	12.10.2018	Purchase	10300		3907528	
	12.10.2018	Sale	23115		3884413	
	19.10.2018	Purchase	568		3884981	
	26.10.2018	Purchase	1710		3886691	
	26.10.2018	Sale	133555		3753136	
	02.11.2018	Purchase	15258		3768394	
	09.11.2018	Purchase	1802		3770196	
	09.11.2018	Sale	1752		3768444	
	16.11.2018	Purchase	1000		3769444	
	30.11.2018	Sale	70268		3699176	
	07.12.2018	Purchase	210000		3909176	
	21.12.2018	Sale	16250		3892926	
	25.01.2019	Purchase	9520000		13412926	
	01.02.2019	Sale	9520000		3892926	
	08.02.2019	Purchase	490		3893416	
	08.02.2019	Sale	80125		3813291	
	15.02.2019	Sale	490		3812801	
	01.03.2019	Purchase	233		3813034	
	08.03.2019	Purchase	3809926		7622960	
	08.03.2019	Sale	3810159		3812801	
	15.03.2019	Purchase	70000		3882801	
	22.03.2019	Purchase	1170000		5052801	
	22.03.2019	Sale	570000		4482801	
	29.03.2019	Purchase	500000		4982801	
	29.03.2019	Sale	1170000		3812801	
	30.03.2019	Sale	375		3812426	
	At the End of the year (or on the date of separation, if separated during the year)				3812426	4.54

Sl. No.	*Name of the shareholder	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
<b>4.</b>	<b>**# GMR Enterprises Private Limited</b>				
	At the beginning of the year	3812426	4.54		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date Reason</b>				
	22.03.2019 Sale	1125000		2542872	
	29.03.2019 Sale	2542872		-	
	At the End of the year (or on the date of separation, if separated during the year)			-	-
<b>5.</b>	<b>**Badjate Stock Broking Private Ltd</b>				
	At the beginning of the year	2300000	2.74		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date Reason</b>				
	08.06.2018 Purchase	430000		2730000	
	15.06.2018 Sale	2730000		-	
	22.06.2018 Purchase	250000		250000	
	29.06.2018 Sale	250000		-	
	06.07.2018 Purchase	2730000		2730000	
	At the End of the year (or on the date of separation, if separated during the year)			2730000	3.25
<b>6.</b>	<b>** Placid Limited</b>				
	At the beginning of the year	1669607	1.99		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date Reason</b>				
	08.03.2019 Sale	300000		1369607	
	15.03.2019 Sale	643538		726069	
	At the End of the year (or on the date of separation, if separated during the year)			726069	0.86
<b>7.</b>	<b>**The Lakshmi Vilas Bank Limited</b>				
	At the beginning of the year	1232500	1.47		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
				No Change during the year	
	At the End of the year (or on the date of separation, if separated during the year)			1232500	1.47
<b>8.</b>	<b>**Adventz Investment Company Private Limited</b>				
	At the beginning of the year	1169600	1.39		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date Reason</b>				
	22.03.2019 Sale	1169600			
	At the End of the year (or on the date of separation, if separated during the year)			-	-
<b>9.</b>	<b>**Adventz Securities Enterprises Limited</b>				
	At the beginning of the year	1156600	1.38		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date Reason</b>				
	29.03.2019 Purchase	1169600		2326200	
	At the End of the year (or on the date of separation, if separated during the year)			2326200	2.77

Sl. No.	*Name of the shareholder	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
<b>10.</b>	<b>@Anilraj Promoters &amp; Fincon Private Limited</b>				
	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.):				
	<b>Date</b> <b>Reason</b>				
	18.01.2019              Purchase	282178		282178	
	30.03.2019              Purchase	711000		993178	
	At the End of the year (or on the date of separation, if separated during the year)			993178	1.18
<b>11.</b>	<b>@ Jagdish Prasad Agarwala</b>				
	At the beginning of the year	471300	0.56		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date</b> <b>Reason</b>				
	15.03.2019              Purchase	433500		904800	
	22.03.2019              Purchase	45000		949800	
	At the End of the year (or on the date of separation, if separated during the year)			949800	1.13
<b>12.</b>	<b>** Axis Bank Limited</b>				
	At the beginning of the year	856508	1.02		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date</b> <b>Reason</b>				
	13.04.2018              Purchase	73		856581	
	20.04.2018              Sale	73		856508	
	11.05.2018              Purchase	165		856673	
	18.05.2018              Sale	73		856600	
	01.06.2018              Sale	92		856508	
	08.06.2018              Purchase	146		856654	
	22.06.2018              Purchase	73		856727	
	29.06.2018              Purchase	73		856800	
	29.06.2018              Sale	50000		806800	
	06.07.2018              Sale	27		806773	
	27.07.2018              Sale	146		806627	
	03.08.2018              Sale	300046		506581	
	10.08.2018              Sale	300100		206481	
	17.08.2018              Sale	205731		750	
	28.09.2018              Purchase	446		1196	
	05.10.2018              Sale	973		223	
	19.10.2018              Purchase	318		541	
	26.10.2018              Purchase	255		796	
	02.11.2018              Sale	173		623	
	16.11.2018              Sale	250		373	
	23.11.2018              Sale	150		223	
	07.12.2018              Sale	50		173	
	14.12.2018              Sale	173		-	
	01.02.2019              Purchase	73		73	
	At the End of the year (or on the date of separation, if separated during the year)			73	0.00
<b>13.</b>	<b>**GMR Business And Consultancy LLP</b>				
	At the beginning of the year	815000	0.97		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.):				
	<b>Date</b> <b>Reason</b>				
	22.03.2019              Purchase	300000		1115000	
	29.03.2019              Purchase	3367872		4482872	



Sl. No.	*Name of the shareholder	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
	At the End of the year (or on the date of separation, if separated during the year)			4482872	5.34
<b>14.</b>	<b>@Jhilik Promoters And Fincon Private Limited</b>				
	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.):				
	<b>Date</b>	<b>Reason</b>			
	03.08.2018	Purchase	59200	59200	
	10.08.2018	Purchase	53440	112640	
	17.08.2018	Purchase	7200	119840	
	24.08.2018	Purchase	2400	122240	
	31.08.2018	Purchase	86900	209140	
	12.10.2018	Purchase	451360	660500	
	19.10.2018	Purchase	4775	665275	
	26.10.2018	Purchase	52000	717275	
	30.11.2018	Purchase	60268	777543	
	At the End of the year (or on the date of separation, if separated during the year)			777543	0.93

\*We combine the folio of top ten shareholders to give a fair representation of the total holding.

\*\*Common top 10 shareholders as on 01.04.2018 and 31.03.2019

#Top 10 shareholders only as on 01.04.2018

@Top 10 shareholders only as on 31.03.2019

#### v) Shareholding of Directors & Key Managerial Personnel:

Sl. No.	Name	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
<b>Directors</b>					
1.	<b>Mr. Bajrang Kumar Choudhary</b>				
	At the beginning of the year	9589	0.01		
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer /bonus/ sweat equity etc.)	No Change during the year			
	At the end of the year			9589	0.01
2.	<b>*Mr. Brahm Dutt</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-
3.	<b>Mr. Atanu Sen</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-
4.	<b>Mr. Pradeep Singh</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-

Sl. No.	Name	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
5.	<b>Dr. (Ms.) Tuk Tuk Ghosh Kumar</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-
6.	<b>**Prof. Santanu Ray</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-
7.	<b>***Mr. Ashok Kumar Mangotra</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-
<b>Key Managerial Personnel</b>					
1.	<b>Mr. Bajrang Kumar Choudhary – Managing Director</b>				
	At the beginning of the year	9589	0.01		
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer /bonus/ sweat equity etc.)	No Change during the year			
	At the end of the year	-	-	9589	0.01
2.	<b>@Mr. Sanjay Banka – Chief Financial Officer and Company Secretary</b>				
	At the beginning of the year	73	0.00		
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer /bonus/ sweat equity etc.)				
	<b>Date Reason</b>				
	15/06/2018 Sale	73	0.00		
	At the end of the year	-	-	-	-
3.	<b>%Mr. Amogh Harihar Gore – Chief Financial Officer</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-
4.	<b>#Mr. Jai Prakash Shaw - Chief Financial Officer</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-
5.	<b>Mr. Naresh Mathur – Company Secretary</b>				
	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.)	No Change during the year			
	At the end of the year	-	-	-	-

\*Mr. Brahm Dutt resigned as the Chairman and Independent Director w.e.f. 4th January, 2019

\*\*Prof. Santanu Ray was appointed as an Additional Director (Category : Independent) w.e.f. 30th July, 2019.

\*\*\*Mr. Ashok Kumar Mangotra was appointed as an Additional Director (Category : Independent) w.e.f. 30th September, 2019.

@Mr. Sanjay Banka resigned as the Chief Financial Officer w.e.f. 14th August, 2018.

%Mr. Amogh Hairhar Gore was appointed as the Chief Financial Officer w.e.f. 15th August, 2018 and he subsequently resigned w.e.f. 14th November, 2018.

#Mr. Jai Prakash Shaw was appointed as the Chief Financial Officer w.e.f. 20th April, 2019.

## V. INDEBTEDNESS

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

(Amount in Rs.)

	Secured Loans (Excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2018)</b>				
i) Principal Amount	830,000,000	500,000,000	-	1,330,000,000
ii) Interest due but not paid	-	16,643,836	-	16,643,836
iii) Interest accrued but not due	42,534	-	-	42,534
<b>Total (i+ii+iii)</b>	<b>830,042,534</b>	<b>516,643,836</b>	<b>-</b>	<b>1,346,686,370</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition – Principal	2,570,000,000	-	-	2,570,000,000
Interest	404,184,979	28,202,055	-	432,387,034
• Reduction – Principal	2,700,000,000	-	-	2,700,000,000
Interest	213,679,426	-	-	213,679,426
<b>Net Change</b>	<b>60,505,553</b>	<b>28,202,055</b>	<b>-</b>	<b>88,707,608</b>
<b>Indebtedness at the end of the financial year (31.03.2019)</b>				
i) Principal Amount	700,000,000	500,000,000	-	1,200,000,000
ii) Interest due but not paid	190,548,087	44,845,891	-	235,393,978
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>890,548,087</b>	<b>544,845,891</b>	<b>-</b>	<b>1,435,393,978</b>

## VI. REMUNERATION OF DIRECTORS

### A. Remuneration to Managing Director -

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Managing Director (MD)	Total Amount
		Bajrang Kumar Choudhary	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,29,67,617	1,29,67,617
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600
	(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	-	-
	<b>Total (A)</b>	<b>1,30,07,217</b>	<b>1,30,07,217</b>
	Ceiling as per the Companies Act, 2013	1,68,00,000	-

**Note:** The remuneration details in the above table are on payment basis as per the Income Tax Act, 1961 and not on accrual basis as disclosed elsewhere in the Annual Report.

### B. Remuneration to Other Directors:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		*Mr. Brahm Dutt	Mr. Pradeep Singh	Mr. Atanu Sen	Dr. (Ms.) Tuk Tuk Ghosh Kumar	**Prof. Santanu Ray	
1.	Independent Directors						
	• Fee for attending board / committee meetings	3,75,000	4,60,000	5,20,000	4,20,000	-	17,75,000
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	<b>3,75,000</b>	<b>4,60,000</b>	<b>5,20,000</b>	<b>4,20,000</b>		<b>17,75,000</b>
2.	Other Non-Executive Directors						
	• Fee for attending board / committee meetings	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Mr. Brahm Dutt resigned as the Chairman and Independent Director w.e.f. 4th January 2019

\*\*Prof. Santanu Ray was appointed as an Additional Director (Category : Independent) w.e.f. 30th July, 2019.

\*\*\*Mr. Ashok Kumar Mangotra was appointed as an Additional Director (Category : Independent) w.e.f. 30th September, 2019.

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors					**Prof . Santanu Ray	***Mr. Ashok Kumar Mangotra	Total Amount
		*Mr. Brahm Dutt	Mr. Pradeep Singh	Mr. Atanu Sen	Dr. (Ms.) Tuk Tuk Ghosh Kumar				
	<b>Total (B)=(1+2)</b>	<b>3,75,000</b>	<b>4,60,000</b>	<b>5,20,000</b>	<b>4,20,000</b>			<b>17,75,000</b>	
	#Total Managerial Remuneration (A+B)				1,30,07,217				
	Overall Ceiling as per the Companies Act, 2013				1,68,00,000				

#Excludes Sitting Fees

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

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Chief Financial Officer		Company Secretary	
		*Mr. Sanjay Banka	** Mr. Amogh Harihar Gore	Mr. Naresh Mathur	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	5,030,292	2,500,450	2,523,575	<b>10,054,317</b>
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961	21,600	-	32,400	<b>54,000</b>
	(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	-	-	-	-
	<b>Total</b>	<b>5,051,892</b>	<b>2,500,450</b>	<b>2,555,975</b>	<b>10,108,317</b>

\*Mr. Sanjay Banka ceased to be Chief Financial Officer of the Company w.e.f. 14th August, 2018. His remuneration pertains to the period 01.04.2018 -14.08.2018.

\*\*Mr. Amogh Harihar Gore was appointed as the Chief Financial Officer of the Company w.e.f 15th August, 2018 and he resigned w.e.f 14th November, 2018.

**Note:** The remuneration details in the above table are on payment basis as per the Income Tax Act, 1961 and not on accrual basis as disclosed elsewhere in the Annual Report.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES - NIL**

 On behalf of the Board of Directors  
**For Bharat Road Network Limited**

 Place : Kolkata  
 Date : 10.11.2019

**Bajrang Kumar Choudhary**  
 Managing Director  
 DIN: 00441872

**Atanu Sen**  
 Director  
 DIN: 05339535

# REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of an organization. Good Corporate Governance leads to long term shareholders 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 cultures which aim 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.

Your Company's Equity Shares are listed on two Stock Exchanges in India, namely, BSE Limited and National Stock Exchange of India Limited. Your Company strives to achieve highest standards of Corporate Governance and take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance. With this belief, your Company has complied with the Corporate Governance requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015").

In accordance with the SEBI Listing Regulations, 2015, requisite details are as under:

## Mandatory Requirements

### Company's philosophy on Code of Governance

The philosophy of your Company in relation to Corporate Governance is to achieve and 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 stakeholders;
3. To ensure equitable treatment to all shareholders;
4. To enhance the stakeholders' value with strong emphasis on transparency, accountability and integrity, via optimum utilisation of the resources and ethical behavior of the enterprise; 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 Managing Director, Company Secretary, Chief Financial Officer and other Senior Managerial Personnel, to ensure best corporate performance and socio-economic value creation.

### Board of Directors:

#### • Composition:

The Board has a strength of 6 (six) Directors as on the date of this report. The Board comprises of optimum combination of Executive and Independent Directors, including a Woman Director, with more than 50 (fifty) per cent of the Board comprising of Independent Directors. Your Company's Board had an Independent Chairperson, Mr. Brahm Dutt (DIN:05308908), who resigned as Chairman of the Board and Independent Director, w.e.f. 4th January, 2019 purely due to personal reasons. Post his resignation, the Board of Directors elects a Director who incidentally has been an Independent Director as a Chairman at every Board Meeting to conduct the proceedings of the Meeting. In compliance with the requirements of the SEBI Listing Regulations, 2015, more than half of the Board of Directors comprises of Independent Directors.

Your Company has 1 (one) Executive Director and 5 (Five) Independent Directors on its 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, 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.

In compliance of the SEBI Listing Regulations, 2015:

(a) \*None of the Director serves as a Director in more than 8 (Eight) listed entities;

(b)\*None of the Directors on the Board serve as an Independent Director of more than 7 (Seven) listed entities across all entities in which he/she is a Director.



(c) \*The Whole time Director / Managing Director is not serving as an Independent Director in more than 3 (three) listed companies.

(d) \*\*None of the Director is a 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;

\*Entities whose equity shares are listed on a Stock Exchange have been considered.

\*\*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 (including deemed public 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 have 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 committee positions / directorship occupied by them in other listed entities / public limited companies (whether listed or not) in accordance with Regulations 26 of the SEBI Listing Regulations, 2015.

The Composition of the Board of Directors 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 the SEBI Listing Regulations, 2015. The details of the Board of Directors as on the date of this report are as under:

Sl. No.	Directors	DIN	Category
1.	Mr. Pradeep Singh	05308908	Non-Executive and Independent Director
2.	Mr. Atanu Sen	05339535	Non-Executive and Independent Director
3.	Dr. (Ms.) TukTuk Ghosh Kumar	06547361	Non-Executive and Independent Director (Woman Director)
4.	Mr. Bajrang Kumar Choudhary	00441872	Managing Director – Executive Director
5.	Prof. Santanu Ray	00642736	Non-Executive and Independent Director
6.	Mr. Ashok Kumar Mangotra	02228858	Non-Executive and Independent Director

During the year under review, Mr. Brahm Dutt resigned as Chairman of the Board and Independent Director, w.e.f. 4th January, 2019 purely due to personal reasons.

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

Your Company has in place Directors' and Officers' Liability Insurance Policy for an amount of Rs. 15,00,00,000/- (Rupees Fifteen Crore only) in order to safeguard and protect the interests of the Directors from any contingent liabilities. The said Policy is renewed annually.

### Shareholding of Directors & Key Managerial Personnel (KMP)

As on date of this Report, Mr. Bajrang Kumar Choudhary, Managing Director (MD), Mr. Jai Prakash Shaw, Chief Financial Officer (CFO) and Mr. Naresh Mathur, Company Secretary (CS), are the Whole-time Key Managerial Personnel (KMP) of the Company, in accordance with Section 203 of the Companies Act, 2013.

Mr. Bajrang Kumar Choudhary, Managing Director holds 9,589 shares in the Company as on March 31, 2019. There has been no change in his shareholding during the year under review.

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

Mr. Sanjay Banka resigned as the Chief Financial Officer of the Company w.e.f. close of Business hours of August 14, 2018. He held 73 shares through Sanjay Banka-HUF where Mr. Sanjay Banka is the Karta of the said HUF. The said shares have been disposed of by him on 15.06.2018.

None of the Key Managerial Personnel (KMPs) hold any equity shares in the Company.

### Appointment of Directors

The Board has formulated the Nomination and Remuneration Policy for Directors, Key Managerial Personnel (KMP) and other employees in terms of the provisions of the Companies Act, 2013

and the 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.

### Responsibilities

The Board looks after strategic planning and policy formulation. The Managing Director is responsible for corporate strategy, planning, external contacts and Board matters. The Senior Management Personnel heading respective divisions are responsible for all day-to-day operational issues, profitability, productivity, recruitment and employee retention for their divisions.

### Independent Directors (IDs)

As on the date of this report, the Company has 5 (five) Independent Directors on its Board out of the total strength of 6 (six) 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 the SEBI Listing Regulations, 2015. All requisite declarations, as received from Independent Directors, were duly placed before the Board and in the opinion of the Board, all the Independent Directors satisfy the criteria of independence as defined under the Companies Act, 2013 and SEBI Listing Regulations, 2015.

## Meeting of Independent Directors (IDs)

The Independent Directors (IDs) met on 29th May, 2018 and 18th April, 2019 without the presence of other members on the Board of Directors and the Management Team. The Meetings enabled them to discuss various matters pertaining to the Company's affairs and thereafter, they 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 which is necessary for the Board to effectively and reasonably perform its duties. The IDs also evaluated the performance of Chairperson, Non-Independent Director and Board as a whole.

## Familiarization Programmes for IDs

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015, the Company is required to conduct Familiarisation Programme for its 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 familiarization programmes conducted for the IDs 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 IDs get an opportunity to interact with Officials of the Management. The Management provides information as detailed in the Familiarization Policy for the IDs either at the Board Meeting(s) or Committee Meeting(s) or otherwise. IDs 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.

Further, the Management of your Company makes various presentations to the IDs on an ongoing basis which, inter alia, includes Company overview, various business verticals, latest key business highlights, financial statements and evolution as part of the familiarisation programme.

The Board has open channels of communication with executive management which allows free flow of communication among Directors in terms of raising query, seeking clarifications and other related information.

The Company Secretary also regularly apprises the Board Members about their roles, rights and responsibilities in your Company, from time to time, as per the requirements of the SEBI Listing Regulations,

2015, Companies Act, 2013, read together with the Rules and Schedules thereunder and other relevant laws.

The link to the details of familiarization programmes imparted to IDs, as required under Regulation 46 of SEBI Listing Regulations, 2015, has been provided elsewhere in this Annual Report.

## Key skills/expertise/competence of the Board of Directors

The Board of Directors of the Company comprises qualified members who bring in the required skills, expertise, and competence to allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensuring that the Board is in well compliance with the highest standards of corporate governance.

In terms of SEBI Listing Regulations, 2015, the Company identified the following list of core skills/expertise/competencies required in the context of the Company's business(es) and sector(s) for it to function effectively and those which are actually available with the Board:

<b>Strong Management and leadership experience</b>	strong management and leadership experience in the areas of business development, strategic planning, merger and acquisition, investments / divestments in guiding and leading the management teams to make informed decisions.
<b>Strong Industry Experience</b>	Deep domain knowledge and expertise in Roads and Highways sector, indepth understanding of sectoral policies and regulatory affairs, quantitative and qualitative analysis of contractual obligations, knowledge and understanding of key geographies.
<b>Diversity</b>	Diversity of thought, experience, knowledge, perspective, gender and culture.
<b>Functional and managerial experience</b>	Knowledge and skills in accounting and finance, tax, business judgment, general management practices and processes, legal, crisis response and management, macro-economic perspectives, human resources, labour laws and risk management.
<b>Corporate Governance</b>	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.

Further, in the table below, the specific areas of skills/expertise/competencies of individual Board members have been highlighted:

Name of the Director	Skills/Expertise/Competencies				
	Strong Management and leadership experience	Strong Industry Experience	Diversity	Functional and managerial experience	Corporate Governance
Mr. Pradeep Singh	√	√	√	√	√
Mr. Atanu Sen	√	√	√	√	√
Dr. (Ms.) Tuk Tuk Ghosh Kumar	√	√	√	√	√
Mr. Bajrang Kumar Choudhary	√	√	√	√	√
Prof. Santanu Ray	√	√	√	√	√
Mr. Ashok Kumar Mangotra	√	√	√	√	√

## Meetings

7 (Seven) Meetings of the Board of Directors of the Company were held during the Financial Year 2018-19 on 29th May, 2018, 14th August, 2018, 14th November, 2018, 28th November, 2018, 4th January, 2019, 12th February, 2019 and 27th February, 2019 respectively.

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days. Further, in line with Paragraph 4 of Schedule B of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, it is the endeavor of the Company that the gap between the clearance of accounts by audit committee and approval of accounts at the board meeting is as narrow as possible.

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. In case of business exigencies or urgency of matters, resolutions are passed by circulation. 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. In addition, specific cases of acquisitions / divestment, important managerial decisions, material positive/negative developments and statutory matters are also presented to the Board for their approval.

As a system, the Agenda papers, along with the explanatory notes, for Board Meetings are circulated well in advance to the Directors. Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. Every Board Member is free to suggest items for inclusion in the Agenda. The

information as specified in Part A of Schedule II read with Regulation 17(7) of SEBI Listing Regulations, 2015 is regularly made available to the Board, whenever applicable, for discussion and consideration. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

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. Documents containing Unpublished Price Sensitive Information (UPSI) are submitted to the Board and Committee Members, at a shorter notice, as per the general consent taken from the Board, from time to time.

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 at the Meeting.

In compliance with the Secretarial Standard –1 on 'Meetings of the Board of Directors' (SS-1), 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. 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 Financial Year 2018-19 and at the last Annual General Meeting (AGM):

Directors	No. of Board Meetings		Attendance at last AGM
	Held	Attended	
*Mr. Brahm Dutt	7	4	Yes
Mr. Bajrang Kumar Choudhary	7	7	Yes
Mr. Pradeep Singh	7	6	Yes
Mr. Atanu Sen	7	6	No
Dr. (Ms.) Tuk Tuk Ghosh Kumar	7	6	Yes
**Prof. Santanu Ray	7	NA	NA
***Mr. Ashok Kumar Mangotra	7	NA	NA

\*Mr. Brahm Dutt has resigned as Chairman and Independent Director w.e.f. 4th January, 2019.

\*\*Prof. Santanu Ray was appointed as an Additional Director (Category : Independent) w.e.f. 30th July, 2019.

\*\*\*Mr. Ashok Kumar Mangotra was appointed as an Additional Director (Category : Independent) w.e.f. 30th September, 2019.

### 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 (i.e., other than Bharat Road Network Limited)		No. of Committee positions held in Indian Public Limited Companies (other than Bharat Road Network Limited)***		#List of Directorship in other listed entities and Category of directorship
	Indian Public Limited Companies*	Others**	Chairman	Member	
®Mr. Brahm Dutt	1	-	-	1	Yes Bank Limited –Independent Director
Mr. Bajrang Kumar Choudhary	-	-	-	-	-
Mr. Pradeep Singh	1	3	-	-	-

Mr. Atanu Sen	3	1	-	4	-
Dr. (Ms.) Tuk Tuk Ghosh Kumar	2	2	-	2	-
<sup>§</sup> Prof. Santanu Ray	9	-	5	8	
					<b>Name of the Company</b>
					Century Plyboards (India) Ltd.
					La Opala R G Limited
					Genesis Exports Ltd
					Star Cement Limited
					Shyam Century Ferrous Limited
					SKP Securities Ltd.
<sup>%</sup> Mr. Ashok Kumar Mangotra	-	-	-	-	-
					<b>Category of Directorship</b>
					Independent Director

@ Mr. Brahm Dutt has resigned as Chairman and Independent Director w.e.f. 4th January, 2019.

\$ Prof. Santanu Ray has been appointed as an Additional Director (Category: Independent) w.e.f. 30.07.2019

% Mr. Ashok Kumar Mangotra has been appointed as an Additional Director (Category: Independent) w.e.f. 30.09.2019

\* Includes Directorships in private companies that are subsidiaries of a public company (deemed Public Companies)

\*\* Includes Directorships in private limited companies (other than private companies that are 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.

# Listed entities have been identified from confirmations / declarations received from respective Directors and Corporate Identification Number (CIN) as available on the Ministry of Corporate Affairs' (MCA) website for companies and exclude directorship(s) in foreign listed entities.

## Board Committees

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 thereof and are placed before the Board, at its Meetings, for noting thereat.

The Company has the following Board level committees as on the date of this Report:

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholders' Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Committee of Directors

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

The Terms of Reference for the various Committees, including their roles and powers, is in accordance with the relevant provisions of Companies Act, 2013, the 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.

### A. Audit Committee

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, 2015.

Consequent upon resignation of Mr. Brahm Dutt as the Chairman of the Board and as Director of the Company w.e.f. 4th January, 2019, the Board of Directors of your Company, at its Meeting held on 12th February, 2019, has reconstituted the Audit Committee.

Further, the Board of Directors at its Meeting held on 10th November, 2019 has again re-constituted the Audit Committee upon induction of new Directors on your Board, the details of which has been given in the Directors' Report forming part of this Annual Report.

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

Sl. No.	Name	Category	Designation
1.	Prof. Santanu Ray	Independent Director	Chairman
2.	Mr. Pradeep Singh	Independent Director	Member
3.	Mr. Atanu Sen	Independent Director	Member
4.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Member

Statutory Auditors of the Company are invited to attend the Meetings of the Committee. The Committee also invites senior executives at its Meetings, as it considers appropriate.

The representatives of Internal Auditors and the Chief Financial Officer (CFO) of the Company attend the meetings of the Audit Committee as invitees and the 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 Terms of Reference of this Committee includes 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, recommending appointment, remuneration and terms of appointment of auditors, reviewing/ examining quarterly and annual Financial Statements and Auditor's Report(s) thereon, before submission to the Board for approval, evaluate Company's internal financial controls and risk management systems, reviewing performance of statutory and internal auditors and adequacy of internal control systems, reviewing the functioning of the Whistle Blower Mechanism and other matters specified for Audit Committee in Section 177 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI Listing Regulations, 2015, read with Schedule II thereto.

During the Financial Year 2018-19, 5 (five) Meetings of the Audit Committee were held. Moreover, the requisite quorum was present in all the Meetings of the Audit Committee held during the year.

#### Details of Audit Committee Meetings during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1	29th May, 2018	3	3
2	14th August, 2018	4	4
3	14th November, 2018	4	3
4	12th February, 2019	3	3
5	27th February, 2019	3	3

#### Attendance at Audit Committee Meetings during the Financial Year:

Member	No. of Meetings	
	Held	Attended
*Mr. Brahm Dutt	5	3
**Mr. Bajrang Kumar Choudhary	5	4
***Mr. Pradeep Singh	5	3
Mr. Atanu Sen	5	5
****Dr. (Ms.) Tuk Tuk Ghosh Kumar	5	1
@Prof. Santanu Ray	5	NA

\*Mr. Brahm Dutt resigned as the Chairman and Independent Director w.e.f. 4th January, 2019.

\*\*Mr. Bajrang Kumar Choudhary ceased as a member of Audit Committee w.e.f. 12th February, 2019.

\*\*\*Mr. Pradeep Singh was inducted as the member of the Audit Committee w.e.f. 29th May, 2018.

\*\*\*\*Dr. (Ms.) Tuk Tuk Ghosh Kumar was inducted as the member of the Audit Committee w.e.f. 12th February, 2019.

@Prof. Santanu Ray was inducted as the member of the Audit Committee w.e.f. 10th November, 2019.

## B. 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 and Regulation 19 of the SEBI Listing Regulations, 2015.

Consequent upon resignation of Mr. Brahm Dutt as the Chairman of the Board and as Director of the Company w.e.f. 4th January, 2019, the Board of Directors of your Company at its Meeting held on 12th February 2019, has reconstituted the Nomination and Remuneration Committee.

Further, the Board of Directors at its Meeting held on 10th November,

2019 has again re-constituted the Nomination and Remuneration Committee upon induction of new Directors on your Board, the details of which has been given in the Directors' Report forming part of this Annual Report.

The Nomination and Remuneration Committee of your Company presently comprises of the following Members:

Sl. No.	Name	Category	Designation
1.	Mr. Ashok Kumar Mangotra	Independent Director	Chairman
2.	Mr. Pradeep Singh	Independent Director	Member
3.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Member

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

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 under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015, read with Schedule II thereto.

During the Financial Year 2018-19, 2 (two) meetings of the Nomination and Remuneration Committee were held. Moreover, the requisite quorum was present at all the meetings of Nomination and Remuneration Committee held during the year.

#### Details of Nomination and Remuneration Committee Meetings held during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	29th May, 2018	3	3
2.	14th August, 2018	3	3

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

Member	No. of Meeting	
	Held	Attended
*Mr. Brahm Dutt	2	2
**Mr. Atanu Sen	2	1
Mr. Pradeep Singh	2	2
***Dr. (Ms.) Tuk Tuk Ghosh Kumar	2	1
@Mr. Ashok Kumar Mangotra	2	NA

\*Mr. Brahm Dutt resigned as the Chairman and Independent Director w.e.f. 4th January, 2019.

\*\*Mr. Atanu Sen ceased as a member of Nomination and Remuneration Committee w.e.f. 29th May, 2018. He was again inducted as a member on 12th February 2019 and he subsequently ceased as a member on 10th November, 2019.

\*\*\*Dr. (Ms.) Tuk Tuk Ghosh Kumar was inducted as the member of Nomination and Remuneration Committee w.e.f. 29th May, 2018.

@Mr. Ashok Kumar Mangotra was inducted as the member of the Nomination and Remuneration Committee w.e.f. 10th November, 2019.



The Nomination and Remuneration Committee, at its aforesaid Meetings, discussed and approved various matters delineated in its terms of reference, including formulation of the Nomination and Remuneration Policy, Policy on Board Diversity, setting of Performance Evaluation Criteria, Succession Planning, etc. The link to the Nomination and Remuneration Policy as well as Policy on Board Diversity has been provided elsewhere in this Annual Report.

### Performance Evaluation

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for Performance Evaluation and has adopted a formal mechanism for evaluating the performance and effectiveness of the Board (including Committees) and every Director (including Independent Directors and Chairman of the Board) pursuant to provisions of Section 134, Section 149 read with the Code for 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 covering, inter alia, the following parameters:

- Board Evaluation - degree of fulfilment of key responsibilities; Board culture and dynamics, amongst others;
- Board Committee Evaluation - effectiveness of meetings; Committee dynamics amongst others; and
- Individual Director Evaluation (including Independent Directors) - contribution at Board Meetings, amongst others;

The detailed process of Performance Evaluation has been given in the Directors' Report, forming part of this Annual Report.

### C. Stakeholders Relationship Committee

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

For operational convenience, the Board of Directors of your Company, at its Meeting held on 12th February, 2019, had reconstituted the Stakeholders Relationship Committee.

Further, the Board of Directors at its Meeting held on 10th November, 2019 has again re-constituted the Nomination and Remuneration Committee upon induction of new Directors on your Board.

The Stakeholders Relationship Committee of your Company presently comprises of the following Members -

Sl. No.	Name	Category	Designation
1.	Mr. Pradeep Singh	Independent Director	Chairman
2.	Mr. Atanu Sen	Independent Director	Member
3.	Mr. Ashok Kumar Mangotra	Independent Director	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee and is assigned with the responsibilities of overseeing investor grievances.

The Committee oversees and reviews redressal of shareholder and investor grievances, transfer & transmission of shares, issue of duplicate share certificates, exchange of new design share certificates, recording dematerialisation and rematerialisation of shares, deal with matters relating to BRNL Code of Conduct for Prohibition of Insider Trading (BRNL Insider Code) framed in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other related matters.

During the Financial Year 2018-19, 4 (four) Meetings of the Committee were held. Moreover, the requisite quorum was present at all the meetings of Stakeholders Relationship Committee held during the year.

### Details of Stakeholders Relationship Committee Meetings during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	29th May, 2018	3	3
2.	14th August, 2018	4	4
3.	14th November, 2018	4	3
4.	12th February, 2019	4	4

### Attendance at Stakeholders Relationship Committee Meeting during the Financial Year:

Member	No. of Meetings	
	Held	Attended
Mr. Pradeep Singh	4	3
*Mr. Atanu Sen	4	4
**Mr. Bajrang Kumar Choudhary	4	4
***Dr. (Ms.) Tuk Tuk Ghosh Kumar	4	3
@Mr. Ashok Kumar Mangotra	4	NA

\*Mr. Atanu Sen ceased as a member of Stakeholders Relationship Committee w.e.f. 12th February, 2019. He was again inducted as a member w.e.f. 10th November, 2019.

\*\*Mr. Bajrang Kumar Choudhary ceased as a member of Stakeholders Relationship Committee w.e.f. 10th November, 2019.

\*\*\*Dr. (Ms.) Tuk Tuk Ghosh Kumar was inducted as the member of Stakeholders Relationship Committee w.e.f. 29th May, 2018. She ceased as a member of Stakeholders Relationship Committee w.e.f. 10th November, 2019.

@Mr. Ashok Kumar Mangotra was inducted as the member of the Stakeholders Relationship Committee w.e.f. 10th November, 2019.

### Status of Investors' Grievances for Equity Shares:

The Company has formulated and put in place a comprehensive Investor Grievance Redressal Mechanism prescribing the standards of shareholders' service & grievance redressal procedure and mechanism to be adhered to by the Registrar and Share Transfer Agents as well as by the Company. The said mechanism has also been hosted on the website of the Company, www.brnl.in. Equity Shareholders can write to the Company at cs@brnl.in on a day to day basis.

During the Financial Year 2018-19, the Company received 4 complaints from the equity shareholders as received by the Registrar and Share Transfer Agent and SEBI's SCORES Platform. These complaints were general in nature, which included issues relating to non-receipt of refund order and non-receipt of dividend which were all resolved to the satisfaction of the shareholders. As on 31st March, 2019, there were no pending investor complaints.

Further, pursuant to Regulation 13(3), read with Regulation 13(4), of the SEBI Listing Regulations, 2015, Statements of Investor Complaints, as received from the Registrar & Share Transfer Agents, Karvy Fintech Private Limited (formerly known as 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 at their subsequent Meetings.

## D. 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.

Further, the Board of Directors at its Meeting held on 10th November, 2019 has again re-constituted the Corporate Social Responsibility Committee upon induction of new Directors on your Board, the details of which has been given in the Directors' Report forming part of this Annual Report.

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee.

The Committee is responsible for monitoring the Corporate Social Responsibility Policy ('CSR Policy') of the Company, from time to time, instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company, etc. The Company's CSR Policy is available on the Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

During the Financial Year 2018-19, 2 (two) Meetings of the Corporate Social Responsibility (CSR) Committee were held.

### Details of Corporate Social Responsibility Committee Meeting during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	29th May, 2018	3	3
2.	14th November, 2018	3	3

### Attendance at Corporate Social Responsibility Committee Meeting during the Financial Year:

Member	No. of Meeting	
	Held	Attended
Dr. (Ms.) Tuk Tuk Ghosh Kumar	2	2
Mr. Atanu Sen	2	2
Mr. Bajrang Kumar Choudhary	2	2
*Prof. Santanu Ray	2	NA

\*Prof. Santanu Ray was inducted as a member of Corporate Social Responsibility Committee w.e.f. 10th November, 2019.

## E. Committee of Directors

The Board of Directors has constituted the Committee of Directors. The said Committee considers and approves, inter-alia, Borrowings, Investments, Creation of Charge on the moveable and immovable properties of the Company upto the limit approved by the Board and Shareholders of the Company under sections 180(1)(a), 180(1)(c) and 186 of the Companies Act, 2013 and all other operational / administrative matters as may be necessary for day to day operations of the Company.

For operational convenience, the Board of Directors of your Company, at its Meeting held on 29th May, 2018, had reconstituted the Committee of Directors as follows -

Sl. No.	Name	Category	Designation
1.	Mr. Brahm Dutt	Independent Director	Chairman
2.	Mr. Atanu Sen	Independent Director	Member
3.	Mr. Bajrang Kumar Choudhary	Managing Director (Executive Director)	Member

Consequent upon resignation of Mr. Brahm Dutt as the Chairman of the Board and as Director of the Company w.e.f. 4th January, 2019, the Board of Directors of your Company at its Meeting held on 12th February 2019, had reconstituted the Committee of Directors.

Further, the Board of Directors at its Meeting held on 10th November, 2019 has again re-constituted the Committee of Directors upon induction of new Directors on your Board.

The Committee of Directors presently comprises of the following Members -

Sl. No.	Name	Category	Designation
1.	Mr. Atanu Sen	Independent Director	Chairman
2.	Mr. Bajrang Kumar Choudhary	Managing Director (Executive Director)	Member
3.	Prof. Santanu Ray	Independent Director	Member
4.	Mr. Ashok Kumar Mangotra	Independent Director	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee.

The Terms of Reference of the Committee includes oversight of banking and borrowing related matters, to authorize investment of the funds of the Company within the limits approved under Section 186 of the Companies Act, 2013, to authorize borrowings within the borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013, to authorise the Company officials for signing various agreements, deeds and documents, etc., to consider, approve and submit various Bid documents, etc., for promotion, investment, joint venture and/or expression, etc., of business of the Company in the Infrastructure sector, amongst others.

During the Financial Year 2018-19, 3 (three) meetings of Committee of Directors were held.

### Details of Committee of Directors Meetings during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	21st April, 2018	3	2
2.	14th August, 2018	3	3
3.	26th December, 2018	3	3

### Attendance at Committee of Directors Meeting during the Financial Year:

Member	No. of Meetings	
	Held	Attended
*Mr. Brahm Dutt	3	2
Mr. Atanu Sen	3	3
Mr. Bajrang Kumar Choudhary	3	3
**Dr. (Ms.) Tuk Tuk Ghosh Kumar	3	-
***Prof. Santanu Ray	3	NA
****Mr. Ashok Kumar Mangotra	3	NA

\*Mr. Brahm Dutt was inducted as a member of Committee of Directors w.e.f. 29th May, 2018 and he resigned as the Chairman and Independent Director of BRNL w.e.f. 4th January, 2019.

\*\*Dr. (Ms.) Tuk Tuk Ghosh Kumar ceased as the member of Committee of Directors w.e.f. 29th May, 2018.

\*\*\*Prof. Santanu Ray was inducted as a member of Committee of Directors w.e.f. 10th November, 2019.

\*\*\*\*Mr. Ashok Kumar Mangotra was was inducted as a member of Committee of Directors w.e.f 10th November, 2019.

## Remuneration of Directors

Details of Remuneration paid/payable to Directors for the Period under review is as under:

(Amount in Rs.)

Name of Director	Sitting Fees	Salary & Perquisites (+ Bonus & Pension)	Commission	Total
Mr. Brahm Dutt	3,57,000	-	-	3,57,000
Mr. Bajrang Kumar Choudhary	N.A.	1,41,80,121	-	1,41,80,121
Mr. Pradeep Singh	4,60,000	-	-	4,60,000
Mr. Atanu Sen	5,20,000	-	-	5,20,000
Dr. (Ms.) Tuk Tuk Ghosh Kumar	4,20,000	-	-	4,20,000
*Prof. Santanu Ray	NA	-	-	-
**Mr. Ashok Kumar Mangotra	NA	-	-	-

\*Prof. Santanu Ray was appointed as an Additional Director (Category : Independent) w.e.f. 30th July, 2019.

\*\*Mr. Ashok Kumar Mangotra was appointed as an Additional Director (Category : Independent) w.e.f. 30th September, 2019.

The appointment of Whole time Director / 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. Further, payment of remuneration to Whole time Director / Managing Director is also governed by the agreement executed between him and the Company, and approval of Shareholders. The tenure of office of the Managing Director is for 3 (three) years, effective from 1st November, 2016 and as approved by the shareholders at the EGM of the Company held on 14th November, 2016 and can be terminated by giving 3 (three) months advance notice in writing. There is no separate provision for payment of severance fees. The Managing Director is presently liable to retirement by rotation.

Further, the Board of Directors of the Company at its meeting held on 28th May, 2019 approved appointment of Mr. Bajrang Kumar Choudhary as the Managing Director of the Company, liable to retire by rotation, for a period of 3 (three) years with effect from November, 1st 2019 on the existing terms and conditions including remuneration, subject to approval of the Members of the Company.

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, is 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 aforesaid sitting fees to them.

Currently, the Company does not have any stock option plan.

The terms of appointment of the Independent Directors of the Company have been broadly elaborated in the letter of appointment issued to them at the time of their appointment. Draft letter of appointment to Independent Directors has been hosted on the website of the Company, [www.brnl.in](http://www.brnl.in).

## Code of Conduct for Directors and Senior Management

A Code of Conduct as applicable to the Board of Directors and Senior Management (Vice Presidents and above) as approved by the Board, has been displayed on the Company's website [www.brnl.in](http://www.brnl.in). The Board Members and Senior Management have affirmed their compliance with the Code as at 31st March, 2019 and a Declaration signed by the Managing Director (MD) in this regard pursuant to Regulation 34(3) of SEBI Listing Regulations, 2015, read with Schedule V thereto, forms part of this Annual Report.

Further, pursuant to Regulation 26(5) of SEBI Listing Regulations, 2015, Senior Management of the Company have affirmed that they have not entered into any material, financial and commercial transactions during the year in which they had personal interest, that may have potential conflict of interest with the Company.

## Subsidiary Companies' Monitoring Framework

As on 31st March, 2019, your Company has 3 (three) "Unlisted Material Subsidiaries" as per Regulation 24 of SEBI Listing Regulations, 2015.

All subsidiary companies are managed by their Boards, having the rights and obligations to manage such companies in the best interest of their stakeholders.

The details of the Independent Directors of your Company who are serving on the Board of your Company's unlisted Material Subsidiaries are as under –

Sl. No.	Name of the Material Subsidiary	Name of the Independent Director serving on the Board of Material Subsidiary	Date of Appointment
1.	Solapur Tollways Private Limited	Mr. Pradeep Singh	06.11.2018
2.	Orissa Steel Expressway Private Limited	Mr. Atanu Sen	14.02.2017
3.	Guruvayoor Infrastructure Private Limited	Dr. (Ms.) Tuk Tuk Ghosh Kumar	06.07.2018

These Directors are paid sitting fees of Rs. 10,000/- for attending each Meeting of the Board of Directors of Subsidiary Companies. The aforesaid payment is well within the limits prescribed under the Companies Act, 2013 and Rules made therein.

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

- Financial Statements of the unlisted subsidiary companies, in particular investments made by them, are reviewed quarterly by the Company's Audit Committee.
- A statement containing all significant transactions and

arrangements entered into by unlisted subsidiary companies is placed before the Company's Board, at its Meetings.

- Minutes of Board Meetings of unlisted subsidiary company(s) are placed before your Company's Board at its Meetings on a regular basis.

The Company has formulated a Policy for determining 'Material' Subsidiaries in accordance with the SEBI Listing Regulations, 2015. The said Policy is available on the Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

## General Body Meetings

### Details of the location of the last three Annual General Meetings (AGMs) and the details of special resolutions passed -

#### ANNUAL GENERAL MEETINGS (AGMs):

Details	Financial Year	Date & Time	Venue	No. of Special Resolution(s) passed
11th AGM	2017-18	28th September, 2018, at 3:30 P.M.	India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091	2*
10th AGM	2016-17	16th December, 2017, at 11:00 A.M.	India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091	2**
9th AGM	2015-16	27th September, 2016, at 1:30 P.M.	'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046	No Special Resolution passed

2\* Special Resolutions were passed -

- Alteration of the Articles of Association (AOA) of the Company
- Authorisation to the Board of Directors of the Company for approving loans, guarantees and investments in excess of limits prescribed u/s 186 of the Companies Act, 2013.

2\*\* Special Resolutions were passed -

- Approval for Maintenance of the Register of Members with the Registrar & Share Transfer Agent (RTA); and
- Alteration of the Object Clause of the Memorandum of Association of the Company

During the year under review, no Extra Ordinary General Meeting was held.

#### Special Resolution passed last year through Postal Ballot – details of voting pattern

During the year under review, no resolution was put through by Postal Ballot. Further, no special resolution is being proposed by your Company to be passed through Postal Ballot.

#### 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.

<b>Quarterly Results</b>	The Quarterly Results of the Company are published in prominent English Newspapers having nationwide circulation as well as Bengali Newspapers and also hosted on the Company's website, www.brnl.in. Further, pursuant to Regulation 47 read with Regulation 33 of the SEBI Listing Regulations, 2015, extract of the Results are published as per the prescribed format.
<b>Newspapers in which Results are normally published</b>	Financial Express (English) and Aajkaal (Bengali).
<b>Any website, where displayed</b>	Yes, at the Company's website, www.brnl.in.
<b>Whether it also displays official news releases</b>	Yes
<b>Presentations made to Institutional Investors or to the Analysts</b>	Yes Pursuant to Schedule III, Para A of Part A read with Regulation 30 of SEBI Listing Regulations, 2015, schedule of analyst or Institutional Investor meet and presentations on Financial Results made by the Company to Analysts or Institutional Investors, if any, has been duly disclosed by the Company to the Stock Exchanges and the same has also been simultaneously disseminated on the Company's website, www.brnl.in pursuant to Regulation 46(2) of the said Regulations.
<b>Whether MD &amp; A is a part of Annual Report or not</b>	Yes

## General Shareholders' Information

A section on Shareholders' Information is separately provided in the Annual Report.

### Other Disclosures:

#### (i) Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of Company at large –

Transactions effected with the related parties are disclosed under Note No. 28.1 in 'Notes to the Financial Statements' in the Annual Report, in accordance with the requirements of IND AS 24 as notified by the Companies (Indian Accounting Standards) Rules, 2015.

A Statement in summary form of the transactions with related parties is periodically placed before the Audit Committee for review and approval and thereafter recommendation to the Board for their approval, wherever required.

The Company's related party transactions, during the year, are primarily with the subsidiaries and associates of the Company. All these transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis.

Besides the transactions reported in the Annual Report as aforesaid, no transaction of material nature has been entered into by the Company with its Directors or Key Managerial Personnel (KMPs) and their relatives that may have a potential conflict with the interests of the Company at large.

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, if required, based on the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, 2015. The said Policy is available on the Company's website [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

#### (ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the Board (SEBI) 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 during the last three years.

#### (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 Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has adopted Whistle-Blower Policy and has established necessary vigil mechanism 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 for Board and Senior Executives. The disclosures reported, if any, are addressed in the manner and within the time frames prescribed in the Policy. The said Policy is available on the Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report. The Company affirms that no Director or employee of the Company has been denied access to the Audit Committee.

Quarterly report with number of complaints received, if any, under the Whistle Blower Policy and their outcome is placed before the Audit Committee of the Company at quarterly intervals.

#### (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-para (2) to (10) of Part C of Schedule V to the SEBI Listing Regulations, 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 –

- **Composition of Various Committees of the Board of Directors**  
<http://brnl.in/sites/default/files/report/Composition%20of%20various%20Committees%20to%20be%20uploaded%20on%20the%20website.pdf>
- **Corporate Social Responsibility Policy**  
<http://brnl.in/sites/default/files/report/10.%20Corporate%20Social%20Responsibility%20Policy.pdf>
- **Code of Conduct For Prohibition of Insider Trading**  
<http://brnl.in/sites/default/files/report/12.%20Code%20of%20Conduct%20for%20Prohibition%20of%20Insider%20Trading.pdf>
- **Policy on Determining "Material" Subsidiaries**  
<http://brnl.in/sites/default/files/report/2.%20Policy%20on%20determining%20Material%20Subsidiaries.pdf>
- **Risk Management Policy**  
<http://brnl.in/sites/default/files/report/4.%20Risk%20Policy.pdf>
- **Related Party Transactions (RPTs) Policy**  
<http://brnl.in/sites/default/files/report/6.%20Policy%20on%20Related%20Party%20Transactions%20%28RPTs%29-%20BRNL.pdf>
- **Policy for determination of Materiality of any Event/ Information**  
<http://brnl.in/sites/default/files/report/Policy%20for%20determination%20of%20Materiality%20of%20any%20Event%20or%20Information.pdf>
- **Vigil Mechanism Policy**  
<http://brnl.in/sites/default/files/report/Vigil%20Mechanism%20Policy%20%281%29.pdf>
- **BRNL Nomination & Remuneration Policy**  
<http://brnl.in/sites/default/files/report/15.%20NRC%20Policy.pdf>



- **Policy on Board Diversity**  
<http://brnl.in/sites/default/files/report/14.%20Policy%20on%20Board%20Diversity.pdf>
- **Archival Policy**  
<http://brnl.in/sites/default/files/report/9.%20Archival%20Policy.pdf>
- **Code of Conduct for Board of Directors and Senior Executives**  
<http://brnl.in/sites/default/files/report/3.%20Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Executives.pdf>
- **Policy on Prevention of Sexual Harassment**  
<http://brnl.in/sites/default/files/report/Policy%20on%20Prevention%20of%20Sexual%20Harassment%20%282%29.pdf>
- **BRNL Fair Disclosure Code**  
<https://www.brnl.in/sites/default/files/report/Code%20of%20Practices%20and%20Procedures%20for%20Fair%20Disclosure%20of%20UPI.pdf>
- **Investor Grievance Redressal Mechanism**  
<http://brnl.in/sites/default/files/report/brnl%20%20investor%20grievance%20redressal%20mechanism.pdf>
- **Familiarisation Programme for Independent Directors (IDs)**  
<http://brnl.in/sites/default/files/report/BRNL%20Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

**(vi) Commodity Price Risk or Foreign Exchange Risk And Hedging Activities–**

Your Company is not dealing in commodities and Foreign Exchange and hence, disclosure relating to commodity price risks and commodity hedging activities is not required.

**(vii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)–**

During the year under review, your Company did not raise funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

**(viii) A Certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority–**

A Certificate in this regard signed and issued by Mr. Arun Kumar Khandelia – Partner, K. Arun & Co., practicing Company Secretaries forms part of the Annual Report.

**(ix) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof–**

During the year under review, there were no instances where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required.

**(x) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part –**

Details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor (including all entities in the network firm/network entity of which the Statutory Auditor is a part) during the Financial Year 2018-19 are as follows:

Particulars	Amount (in Rupees) FY 2018-19
Audit Fees	15,00,000
Certifications and other services	1,92,500
<b>Total:</b>	<b>16,92,500</b>

**(xi) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 –**

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. The Policy is meant to sensitize the employees about their fundamental right to have a safe and healthy environment at workplace. As per the Policy, any employee may report his/ her complaint to the Internal Complaint Committee constituted for this purpose. The said Policy is available on your Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

The details of complaints during the Financial Year 2018-19 pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Company's Policy on Prevention of Sexual Harassment is as under:

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
NIL	NIL	NIL

**(xii) Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account –**

There are no shares lying unclaimed in the Demat Suspense Account/ Unclaimed Suspense Account as on the date of this Report.



**A. DISCRETIONARY REQUIREMENTS** (Regulation 27 of the SEBI Listing Regulations, 2015)

<p><b>a) Chairman of the Board</b></p> <p>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>b) Shareholder Rights</b></p> <p>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.</p> <p>The Annual Report of the Company for the Financial Year 2018-19 shall be emailed to the Members whose e-mail 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 e-mail 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><b>c) Modified opinion(s) in audit report</b></p>	<p>It is always the Company's endeavour to present unmodified Financial Statements.</p> <p>However, the Statutory Auditors of your Company have given modified opinion on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2019 w.r.t. non-recognizing interest on Rs. 5,000 Lakhs for the quarter and year ended 31st March, 2019 which is not in compliance with IND AS-1, "Presentation of Financial statements" read with IND AS 109 "Financial Instruments". Due to this, loss before tax of the Company for the quarter ended 31st March, 2019 has been understated by Rs. 154.11 Lakhs and profit before tax of the Company for the Year ended 31st March, 2019 has been overstated by Rs. 311.64 Lakhs and the current liabilities have been understated by the same amount.</p> <p>Suitable explanation regarding the same forms part of the Directors Report.</p>
<p><b>d) Separate posts of Chairman and CEO</b></p> <p>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.</p>
<p><b>e) Reporting of Internal Auditor</b></p> <p>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>

**DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 34 READ WITH SCHEDULE V(D) OF THE SEBI LISTING 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 2018-19, and a declaration signed by the Managing Director pursuant to Regulation 34(3), read with Schedule V of the SEBI Listing Regulations, 2015, is given below:

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 during the Financial Year 2018-19.

**Place: Kolkata**  
**Date: 10.11.2019**

**Bajrang Kumar Choudhary**  
*Managing Director*  
DIN: 00441872

**GENERAL SHAREHOLDERS' INFORMATION:**
**1. ANNUAL GENERAL MEETING:**

<b>Day, Date and Time</b>	Saturday, 14th December, 2019 at 11.30 am
<b>Venue</b>	India Power Corporation Limited Auditorium Plot X1 – 2 & 3, Block – EP, Sector – V, Salt Lake City, Kolkata - 700 091

**2. FINANCIAL CALENDAR (TENTATIVE):**
**a. Financial Reporting for 2019-20:**

Quarter ending 30th June, 2019	On or before 14th August, 2019
Quarter and half year ending 30th September, 2019	On or before 14th November, 2019
Quarter and nine months ending 31st December, 2019	On or before 14th February, 2020
Quarter and year ending 31st March, 2020	On or before 30th May, 2020

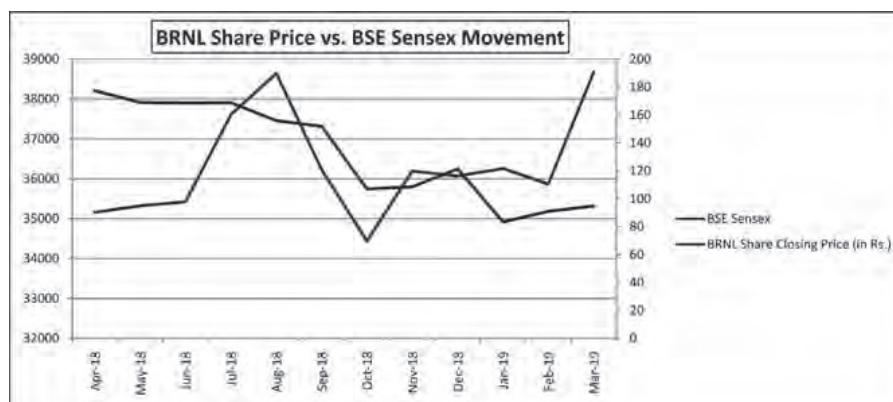
**b. Annual General Meeting for the Financial Year ending on 31st March, 2020:** August / September, 2020.

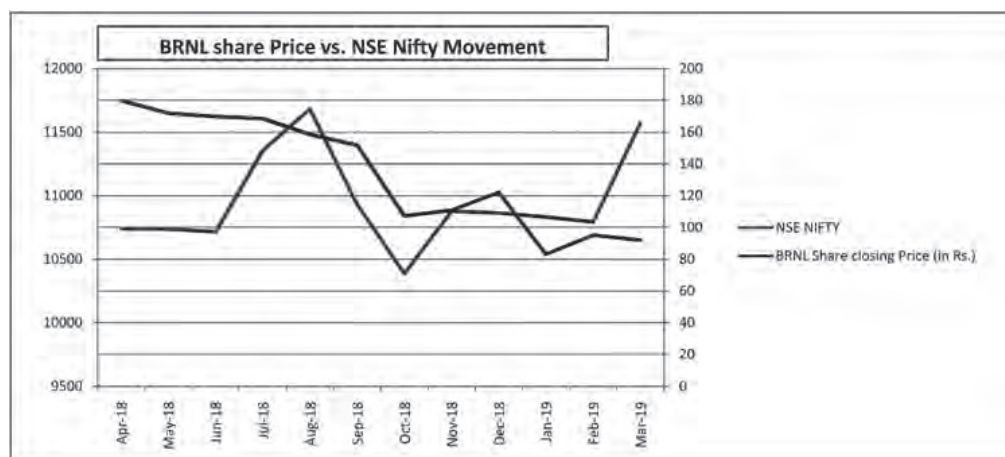
**6. STOCK MARKET DATA**

Stock Price data for the period from 1st April, 2018 to 31st March, 2019 –

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2018	194.95	175.15	11,330	194.95	177.50	3,35,600
May, 2018	185.00	140.00	20,618	182.40	167.30	3,27,405
June, 2018	188.95	159.75	6,37,274	181.10	158.50	25,65,492
July, 2018	202.00	151.00	15,300	173.00	156.65	2,07,531
August, 2018	173.45	150.10	20,536	171.00	157.00	8,21,475
September, 2018	166.00	140.00	7,017	165.90	149.75	7,09,389
October, 2018	161.90	106.00	16,387	153.50	106.05	8,76,148
November, 2018	112.25	81.75	15,732	112.95	82.00	4,28,648
December, 2018	140.00	102.50	33,168	139.85	104.15	4,43,907
January, 2019	124.00	77.00	14,787	123.95	78.40	3,09,971
February, 2019	102.55	79.35	11,230	104.45	80.30	4,52,299
March, 2019	114.80	90.05	28,71,706	115.00	89.75	42,87,272

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

**7. PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES NAMELY BSE SENSEX AND NSE NIFTY 50:**




## 8. FINANCIAL YEAR – 1st April to 31st March

### 9. REGISTRAR AND SHARE TRANSFER AGENTS

Karvy Fintech Private Limited  
(formerly known as Karvy Computershare Private Limited)  
Selenium Tower B, Plot No.: 31-32, Gachibowli  
Financial District, Nanakramguda, Hyderabad - 500 032  
Tel. No.: +91 40 6716 2222; Fax No.: +91 40 2342 0814  
E-mail ID: einward.ris@karvy.com

### 10. SHARE TRANSFER SYSTEM & REDRESSAL OF INVESTOR GRIEVANCES

None of the shares of the Company are in physical form as on the date of this Report. Grievances received from investors and other miscellaneous correspondence with respect to change of address, mandates, etc., are processed by the Registrars within 15 days.

- Pursuant to Regulation 7(3) of the SEBI Listing Regulations, 2015, a compliance certificate is filed with the Stock Exchanges on half yearly basis, duly signed by the Compliance Officer of the Company and the authorised representative of the Registrar and Share Transfer Agent, certifying that all activities in relation to both physical and electronic share transfer facility are maintained by Karvy, the Company's Registrar and Share Transfer Agents.
- Pursuant to Regulation 13 of the SEBI Listing Regulations, 2015, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter, is filed with the Stock Exchanges and placed before the Board of Directors on a quarterly basis.
- A Company Secretary-in-Practice carries out Reconciliation of Share Capital, 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).
- The Company has an established mechanism for investor service and grievance handling, with Karvy and the Compliance Officer appointed by the Company for this purpose, being the important functional nodes. The said Mechanism has been hosted on the website of the Company, [www.brnl.in](http://www.brnl.in).

### 11. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2019:

Category (Shares)	No. of Shareholders		No. of Shares	
	Total	Percentage	Total	Percentage
1 – 500	12152	98.22	895083	1.07
501 – 1000	121	0.98	105587	0.13
1001 – 2000	30	0.24	42707	0.05
2001 – 3000	5	0.04	12809	0.02
3001 – 4000	6	0.05	21376	0.03
4001 – 5000	3	0.02	13531	0.02
5001 – 10000	11	0.09	84852	0.10
10001 – 20000	9	0.07	130813	0.16
20001 and above	35	0.28	82643242	98.44
<b>TOTAL:</b>	<b>12372</b>	<b>100.00</b>	<b>83950000</b>	<b>100.00</b>

**12. DEMATERIALISATION OF SHARES**

The entire shareholding of the Company is in dematerialized mode as on the date of this Report.

**13. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments.

**14. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (b) TO (i) OF REGULATION 46(2) OF THE SEBI LISTING REGULATIONS, 2015**

Pursuant to Schedule V to the 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) Maximum number of Directorship
- iii) Audit Committee
- iv) Nomination and Remuneration Committee
- v) Stakeholders' Relationship Committee
- vi) Risk Management Committee – Not Applicable
- vii) Vigil Mechanism
- viii) Related Party Transactions

- ix) Corporate Governance requirements with respect to Subsidiary of the Company
- x) Secretarial Audit of material unlisted subsidiaries
- xi) Obligations with respect to Independent Directors
- xii) Obligations with respect to Employees including Senior Management, Key Managerial Persons, Directors and Promoters
- xiii) Other Corporate Governance requirements as stipulated under the Regulations
- xiv) Dissemination of various information on the website of the Company, w.r.t clauses (b) to (i) of Regulation 46(2) of the aforesaid Regulations.

**15. CREDIT RATING**

During the year under review, your Company has not issued any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad and hence obtaining of Credit Rating was not applicable during the period under review.

**16. ADDRESS FOR CORRESPONDENCE****Company Secretary and Compliance Officer****Mr. Naresh Mathur**

Company Secretary  
Vishwakarma Building,  
86C, Topsia Road (South), Kolkata - 700 046  
West Bengal, India  
Tel. No.: +91 33 6602 3333  
E-mail ID: cs@brnl.in

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

### **Bharat Road Network Limited**

CIN: L45203WB2006PLC112235

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bharat Road Network Limited having CIN L45203WB2006PLC112235 and having Registered Office at Vishwakarma Building, 86C, Topsia Road (South), Kolkata 700046, (WB) produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Pradeep Singh	00304825	25/09/2015
2.	Bajrang Kumar Choudhary	00441872	23/03/2011
3.	Atanu Sen	05339535	07/09/2016
4.	Tuk Tuk Kumar	06547361	06/10/2016
5.	Santanu Ray	00642736	30/07/2019
6.	Ashok Kumar Mangotra	02228858	30/09/2019

Ensuring the eligibility for the appointment or continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the same based on the verification conducted. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Kolkata**

**Date: 10.11.2019**

**For K. Arun & Co.  
Company Secretaries**

**Arun Kumar Khandelia  
Partner  
FCS : 3829  
C.P. No.: 2270**

## Independent Auditor's Report

To

**The Members of**

**Bharat Road Network Limited**

**Report On the Standalone Financial Statements**

**Qualified opinion**

We have audited the accompanying standalone financial statements of Bharat Road Network Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the impact of the matter as described in the basis for qualified opinion paragraph*, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

*We refer note - 14 (ii) of the standalone financial statements, where the Company has not recognized interest on Rs. 5,000 lakhs for the year ended March 31, 2019 which is not in compliance of Ind AS 1, 'Presentation of Financial statements' read with Ind AS 109 'Financial Instruments'. Due to this, profit before tax of the Company for the year ended March 31, 2019 has been overstated by Rs.311.64 lakhs and the current liabilities has been understated by the same amount.*

## Key Audit Matters

Key audit matters (KAM) are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters (KAM) –

Sl. No.	Key Audit Matter	Auditor's Response
1	The Company has entered into a Share Purchase Agreement (SPA) dated May 4, 2019 with a Purchaser, for sale of its entire stake in Ghaziabad Aligarh Expressway Pvt Ltd (GAEPL), an "associate" of the Company. The proposed transaction is subject to prior permission of SEBI terms of ad-interim order dated March 14, 2019 and other applicable regulatory and other approvals and certain conditions, more specifically laid down in the SPA. The Equity value of the proposed transaction is subject to adjustments of debt and other capital and operational costs at closing date and hence, net consideration receivable is not ascertainable at this stage. The valuation date for sale as per the SPA is December 31, 2018. Impact if any, on profit/loss wrt sale of its stake in GAEPL will be adjusted on closure of the transaction. Refer Note- 32 of the standalone financial statement.	Based on the SPA, the said transaction is subject to various regulatory approvals which is pending as on date. The impact of the said transaction on the financials of the Company is not ascertainable as on date and will be adjusted on the closure of the transaction.
2	Investments in Optionally Convertible Debentures and Share warrant of subsidiaries and associates amounting to Rs. 38,019.75 lakhs considered as financial assets. Refer Note - 4 of the standalone financial statement.	We have reviewed the projections and related information and explanations and additionally considered the valuation report of a registered valuer appointed by the company.

### Emphasis of Matter

Attention is invited to Note 27.4 of the standalone financial statements regarding investments in Special Purpose Vehicles formed as per concession agreement and guideline 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 not modified in respect of the said matter.

### **Information Other than the Standalone Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including annexures to Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the records, information and explanation provided, we have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 misstatements, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the standalone financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters, communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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 Section 143(11) of the Act, and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, 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:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) *Except for the possible effects of the matters described in the basis for qualified opinion paragraph*, in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (Including other comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity dealt

with by this Report are in agreement with the books of account;

- d) In our opinion, *except for the effects of the matters described in the basis for qualified opinion paragraph*, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules issued thereunder;
- e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f) 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".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

As per the information and explanation given to us and on the basis of our examination of the records, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- h) 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 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. To the best of our information and according to the explanation given to us there is no pending litigations (Other than those already recognised in the accounts) having material impact on the financial position of the Company. (Refer Note- 27.5 of the standalone financial statements)
  - ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
  - iii. There was no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
Partner  
Membership No.095960

Place: Kolkata  
Date: May 28, 2019

## ANNEXURE – “A” TO THE INDEPENDENT AUDITOR’S REPORT

To

The Members of

Bharat Road Network Limited

**Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143 (11) of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1 of ‘Report on Other Legal and Regulatory Requirements’ section**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management according to a phased programme designed to cover all the items during the year, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. In accordance with this programme, fixed assets were physically verified by the management during the reporting period and no 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 unsecured loan/advances to companies covered in register maintained under section 189 of the Act. With respect to the said loan/advances, we have to state that;
- a) In our opinion the terms and conditions of the grant of such loan/advances are not prejudicial to the interest of the company.
- b) These unsecured loans/advances are repayable on demand. These loans/advances carry interest in the form of yield and are receivable as and when due as per the terms of the agreement.
- c) The total amount overdue for more than 90 days is nil.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act, and the rules framed hereunder are not applicable.
- (vi) The provisions regarding maintenance of cost records under section 148 (1) of the Act are not applicable to the Company.
- (vii) (a) According to information and explanations given to us and the records of the company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues *except tax deducted at source on Interest on certain loans taken from financial institutions* to the appropriate authorities. There are no arrears of outstanding undisputed statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us and the records of the company examined by us, there is no dues outstanding in respect of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and cess as at March 31, 2019 on account of disputes.
- (viii) The Company has defaulted in repayment of principal amount and interest since December 14, 2017 to one of the financial institution (NBFC) of principal amounting to Rs 5,000/- lakhs and interest up to September 30, 2018 amounting to Rs. 448.46 lakhs. Further Company has neither provided nor paid interest of Rs. 311.64 lakhs for the period October 1, 2018 to March 31, 2019. Refer Note 14 (ii) of the notes to the Standalone Financial Statements.
- Also, the Company has also defaulted in payment of interest to another financial institution (NBFC) amounting to Rs. 647.49 lakhs.
- (ix) No money has been raised by way of initial public offer or further public offer (including debt instruments). Further, the term loans raised by the Company during the year were applied for the purpose for which they were obtained.
- (x) To the best of our knowledge and according to information and explanations given to us no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid or provided 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, hence clause (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, and on the basis of our examination of the records, the company has transacted with the related parties which are in compliance with sections 177 and 188 of the Act and the details have been disclosed in the financial statements – Refer Note 28.1 to the standalone financial statements.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with the directors and therefore provisions section 192 of Act, is not applicable.
- (xvi) Based on the information and explanation, the Company is required to be registered under section 45-IA of the Reserve

Bank of India Act, 1934. The Company has made an application to the Reserve Bank of India to grant Certificate of Registration to commence the business of a Non-Deposit taking Systematically Important Core Investment Company (NDSI - CIC) on March 28, 2019 along with the audited Financials as at December 31, 2018. The Reserve Bank of India, has asked to apply afresh on the basis of the audited financial statement of the company and all its group companies as on March 31, 2019.

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
Partner  
Membership No.095960

Place: Kolkata  
Date: May 28, 2019

## Annexure “B” to The Independent Auditor’s Report

To

**The Members of**

**Bharat Road Network Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’ section.**

We have audited the internal financial controls over financial reporting of Bharat Road Network Limited (“the Company”) as of March 31, 2019 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 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 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 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:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) 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
- c) 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 generally operating effectively as at March 31, 2019, 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 **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
Partner  
Membership No.095960

Place: Kolkata  
Date: May 28, 2019

## Balance Sheet as at March 31, 2019

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	11.92	15.51
(b) Other Intangible Assets	3	1.51	1.93
(c) Financial Assets			
(i) Investments	4	123,986.08	111,400.10
<b>Total Non-Current Assets</b>		<b>123,999.51</b>	<b>111,417.54</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	5	1,008.69	4,328.81
(ii) Cash and Cash Equivalents	6	8.56	367.38
(iii) Bank Balance other than Cash and Cash Equivalents	7	-	300.65
(iv) Loans	8	7,951.76	19,832.96
(v) Other Financial Assets	9	367.99	2,402.92
(b) Current Tax Assets (Net)	10(i)	38.55	-
(c) Other Current Assets	11	9.16	62.14
<b>Total Current Assets</b>		<b>9,384.71</b>	<b>27,294.86</b>
<b>Total Assets</b>		<b>133,384.22</b>	<b>138,712.40</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	12	8,395.00	8,395.00
(b) Other Equity	13	109,485.00	108,562.93
<b>Total Equity</b>		<b>117,880.00</b>	<b>116,957.93</b>
<b>Liabilities</b>			
<b>Non - Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14(i)	7,000.00	8,300.00
(b) Provisions	15(i)	87.20	109.28
(c) Deferred Tax Liabilities (Net)	16	464.74	293.79
<b>Total Non-Current Liabilities</b>		<b>7,551.94</b>	<b>8,703.07</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14(ii)	5,000.00	5,000.00
(ii) Trade payables	17		
- Total outstanding dues of micro enterprise and small enterprise		-	-
- Total outstanding other than micro enterprise and small enterprise		64.89	356.33
(iii) Other Financial Liabilities	18	2,688.50	7,377.55
(b) Other Current Liabilities	19	194.50	116.08
(c) Provisions	15(ii)	4.39	11.29
(d) Current Tax Liabilities (Net)	10(ii)	-	190.15
<b>Total Current Liabilities</b>		<b>7,952.28</b>	<b>13,051.40</b>
<b>Total Equity and Liabilities</b>		<b>133,384.22</b>	<b>138,712.40</b>

The accompanying notes 1 to 33 are an integral part of the Financial Statements.

As per our report of even date

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

 Neeraj Bansal  
 Partner  
 Membership No.095960

 Place : Kolkata  
 Date : May 28, 2019

For and on behalf of the Board of Directors

 Tuk Tuk Ghosh Kumar  
 Director  
 DIN: 06547361

 Naresh Mathur  
 Company Secretary

 Bajrang K Choudhary  
 Managing Director  
 DIN: 00441872

 Jai Prakash Shaw  
 Chief Financial Officer  
 Place : Kolkata



## Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Note No	Year ended March 31, 2019	Year ended March 31, 2018
I Revenue from operations	20	1,052.60	3,333.41
II Other Income	21	6,394.65	3,084.02
<b>III Total Income (I+II)</b>		<b>7,447.25</b>	<b>6,417.43</b>
<b>IV Expenses:</b>			
Employee benefit expense	22	470.96	664.08
Finance costs	23	4,395.44	872.51
Depreciation and amortization expense	24	4.70	3.25
Other expenses	25	542.07	825.93
<b>Total expenses (IV)</b>		<b>5,413.17</b>	<b>2,365.77</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>2,034.08</b>	<b>4,051.66</b>
VI Exceptional items		-	-
<b>VII Profit before tax (V-VI)</b>		<b>2,034.08</b>	<b>4,051.66</b>
<b>VIII Tax expense</b>			
Current tax	26	435.46	863.90
Deferred Tax		170.82	295.96
<b>IX Profit for the year (VII-VIII)</b>		<b>1,427.80</b>	<b>2,891.80</b>
<b>X Other Comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss:			
- Remeasurement of the defined benefit plans		0.43	(7.44)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.13)	2.17
<b>Total Other Comprehensive Income</b>		<b>0.30</b>	<b>(5.27)</b>
<b>XI Total Comprehensive Income for the year (IX+X)</b>		<b>1,428.10</b>	<b>2,886.53</b>
<b>XII Earnings per equity share (of ₹ 10/- each):</b>	27.2		
Basic (₹)		1.70	4.09
Diluted (₹)		1.70	4.09

The accompanying notes 1 to 33 are an integral part of the Financial Statements.

As per our report of even date

For S. S. Kothari Mehta & Co.

Chartered Accountants  
Firm Registration No. 000756N

Neeraj Bansal

Partner

Membership No.095960

Place : Kolkata

Date : May 28, 2019

For and on behalf of the Board of Directors

Tuk Tuk Ghosh Kumar

Director

DIN: 06547361

Naresh Mathur

Company Secretary

Bajrang K Choudhary

Managing Director

DIN: 00441872

Jai Prakash Shaw

Chief Financial Officer

Place : Kolkata

## Cash Flow Statement for the year ended March 31, 2019

		(₹ in lakhs)	
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018	
<b>A. Cash Flow from Operating Activities</b>			
Net Profit Before Tax	2,034.08	4,051.66	
Adjustments for:			
Depreciation and Amortisation Expense	4.70	3.25	
Finance Costs	4,395.44	872.51	
Interest Income	(2,422.92)	(1,752.43)	
Interest on income tax refund	(2.74)	(9.45)	
Net (gain/loss) on Fair Valuation of Investments	(3,968.99)	(1,076.14)	
Other Income	-	(246.00)	
<b>Operating Profit before Working Capital Changes</b>	<b>39.57</b>	<b>1,843.40</b>	
Increase/(Decrease) in Trade Payables, other liabilities and provisions	(5,846.36)	465.25	
Decrease/(Increase) in trade receivables, loans, advances and other assets	3,981.52	(3,426.82)	
<b>Cash generated from/(used in) Operating activities</b>	<b>(1,825.27)</b>	<b>(1,118.17)</b>	
Direct Taxes paid (Net of refunds)	(661.42)	(413.55)	
<b>Net Cash flow from/(used in) Operating Activities</b>	<b>(2,486.69)</b>	<b>(1,531.72)</b>	
<b>B. Cash Flow from Investing Activities</b>			
Payments for Fixed Assets (including Intangible Assets)	(0.69)	(15.97)	
Inter Corporate Deposits given	(9,000.00)	-	
Repayment of Inter Corporate Deposits given	9,000.00	-	
Increase in Investments	(8,469.56)	(38,207.60)	
Unsecured loans to Associates/Subsidiaries	11,575.60	(15,188.45)	
Interest received	4,455.52	390.01	
<b>Net Cash flow from/(used in) Investing activities</b>	<b>7,560.87</b>	<b>(53,022.01)</b>	
<b>C. Cash Flow from Financing Activities</b>			
Proceeds from issuance of share capital (Net of share issue expenses)	-	57,283.90	
Repayment of long term borrowings	(1,300.00)	(7,568.28)	
Proceeds from long term borrowings	-	6,173.00	
Proceeds from/(Repayment of) short term borrowings (Net)	-	(300.00)	
Interest paid	(3,626.96)	(1,733.68)	
Dividend including dividend distribution tax paid	(506.03)	(505.45)	
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(5,432.99)</b>	<b>53,349.49</b>	
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(358.82)</b>	<b>(1,204.24)</b>	
Opening Cash and Cash Equivalents (Refer Note No. 6)	367.38	1,571.62	
<b>Closing Cash and Cash Equivalents (Refer Note No.6)</b>	<b>8.56</b>	<b>367.38</b>	

### Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS -7 "Statement of Cash Flow".
- Interest paid is inclusive of and Investments is exclusive of interest capitalized Rs.147.43 lakhs (March 31, 2018: ₹ 649.01 lakhs). Similarly, interest of ₹ Nil (March 31, 2018: ₹ 254.81 lakhs) earned on advances and adjusted with borrowing costs, has been included in interest received to the extent realized during the year.
- During the year, loan given aggregating to ₹ 5,147.00 lakhs have been converted into investments in Warrant.

The accompanying notes 1 to 33 are an integral part of the Financial Statements.

As per our report of even date

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

Neeraj Bansal  
Partner  
Membership No.095960

Place : Kolkata  
Date : May 28, 2019

For and on behalf of the Board of Directors

Tuk Tuk Ghosh Kumar  
Director  
DIN: 06547361

Naresh Mathur  
Company Secretary

Bajrang K Choudhary  
Managing Director  
DIN: 00441872

Jai Prakash Shaw  
Chief Financial Officer  
Place : Kolkata

## Statement of Changes in Equity as at March 31, 2019

### (A) Equity Share Capital

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended March 31, 2018	5,465.00	2,930.00	8,395.00
For the year ended March 31, 2019	8,395.00	-	8,395.00

### (B) Other Equity

(₹ in lakhs)

Particulars	Reserve and Surplus		Items of Other Comprehensive Income	Total Other Equity
	Securities Premium Reserve	Retained Earnings	Remeasurements of the defined benefit plans	
<b>Balance as of April 1, 2017</b>	<b>51,667.14</b>	<b>193.23</b>	<b>(32.42)</b>	<b>51,827.95</b>
Profit for the year	-	2,891.80	-	2,891.80
Other comprehensive income	-	-	(5.27)	(5.27)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>2,891.80</b>	<b>(5.27)</b>	<b>2,886.53</b>
Premium received on issue of shares	57,135.00	-	-	57,135.00
Interim Dividends (FY 2017-18 : ₹ 0.50 per share)	-	(505.45)	-	(505.45)
Utilized for share issue expenses	(2,781.10)	-	-	(2,781.10)
<b>Balance as of March 31, 2018</b>	<b>106,021.04</b>	<b>2,579.58</b>	<b>(37.69)</b>	<b>108,562.93</b>
Profit for the year	-	1,427.80	-	1,427.80
Other comprehensive income for the year	-	-	0.30	0.30
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>1,427.80</b>	<b>0.30</b>	<b>1,428.10</b>
Dividends (FY 2018-19 : ₹ 0.50 per share)	-	(506.03)	-	(506.03)
<b>Balance as of March 31, 2019</b>	<b>106,021.04</b>	<b>3,501.35</b>	<b>(37.39)</b>	<b>109,485.00</b>

#### Securities Premium Reserves

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

#### Retained Earnings

The reserve represent the cumulative profits of the Company and effects of remeasurements of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 33 are an integral part of the Financial Statements.

As per our report of even date

For S. S. Kothari Mehta & Co.

Chartered Accountants  
Firm Registration No. 000756N

Neeraj Bansal

Partner

Membership No.095960

Place : Kolkata

Date : May 28, 2019

For and on behalf of the Board of Directors

Tuk Tuk Ghosh Kumar

Director

DIN: 06547361

Naresh Mathur

Company Secretary

Bajrang K Choudhary

Managing Director

DIN: 00441872

Jai Prakash Shaw

Chief Financial Officer

Place : Kolkata

## Notes to the Financial Statements for the year ended March 31, 2019

### 1. Company Overview and Significant Accounting Policies

#### (A) Corporate Information

BRNL is domiciled and incorporated in India and its shares are quoted on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') w.e.f. 18th September, 2017. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

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.

#### (B) i) Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorised have been considered for the purpose of preparation of these financial statements.

#### ii) Recent accounting pronouncements

**Ind AS 116 Leases :** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
  - Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
  - An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

The Company is evaluating the requirement of amendment and impact on financial statements. The effect on adoption is expected to be insignificant.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

## Notes to the Financial Statements for the year ended March 31, 2019

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

The effect on adoption of Ind AS 19 would be insignificant in the standalone financial statements

### (C) Significant Accounting Policies

#### 1.1 Basis of Preparation

The financial Statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortised cost at the end of each reporting period.

Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

#### 1.2 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability

Level 3 : inputs for the asset or liability which are not based on observable market data.

#### 1.3 Property Plant and Equipment (PPE)

- (i) Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation. Carrying value of PPE on the date of transition has been considered to be deemed cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- (ii) All project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP).
- (iii) Depreciation on property plant and equipment commences when the assets are ready for their intended use.

## Notes to the Financial Statements for the year ended March 31, 2019

- (iv) Depreciation on PPE is provided on the straight-line method over the useful lives of the respective asset as specified in Part C of Schedule II to Companies Act, 2013. The useful life of assets considered for depreciation as above are as follows:

Category	Useful life (years)
Computers	3, 6 years
Furniture & fixtures	10 years
Office equipments	5 years

- (v) The residual values, useful lives and method of depreciation of assets are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Cost of leasehold lands are amortised under the straight line method over the related lease period.
- (vii) Assets constructed/acquired in relation to assets taken on operating lease are amortised over the primary period of lease.

### 1.4 Intangible Assets

#### Recognition and initial measurement

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages has been allocated / amortised over a period of 6 years on straight line basis

### 1.5 Derecognition of Tangible and Intangible Assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss

### 1.6 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

### 1.7 Leases

Leases are classified as finance leases whenever in terms of the lease all the risks and rewards incidental to the ownership of an asset are substantially transferred to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct cost of the lessee is added to the amount recognized as an asset. Each Lease payment is apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease arrangement are structured to increase in the payments in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

### 1.8 Investments in Subsidiaries, Associates and Joint Ventures

The Company's investment in the equity shares of its subsidiaries, associates & joint ventures are recognised at cost. The company has



## Notes to the Financial Statements for the year ended March 31, 2019

electd to apply previous GAAP carrying amount of its equity investment in subsidiaries, associates & joint ventures as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries, associates & joint ventures are recognized at fair value.

### 1.9 Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non current.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

#### (i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

#### (ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### (iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, the principal is considered to be fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

#### (v) Financial Assets or Liabilities at Fair value through profit or loss (FVTPL)

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

## Notes to the Financial Statements for the year ended March 31, 2019

### (vi) Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value (except equity investment in subsidiary, associates and joint ventures). For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable if the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

### 1.10 Financial guarantee contracts

Financial guarantee contracts other than those which are in the nature of Insurance are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

### 1.11 Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

### 1.12 De-recognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

### 1.13 Inventories

Inventories are valued at lower of cost or net realisable value

Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realisation.

### 1.14 Foreign Currency Transactions

#### Presentation currency:

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

## Notes to the Financial Statements for the year ended March 31, 2019

### Transactions and balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

### 1.15 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

### 1.16 Post-employment, long term and short term employee benefits

#### Defined contribution plans

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

#### Defined benefit plans

##### Gratuity (Unfunded)

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

##### Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

## Notes to the Financial Statements for the year ended March 31, 2019

### Short Term Employee Benefits

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

### 1.17 Revenue Recognition

#### Service Revenue

Revenue from services is recognized in the period in which services are rendered. It is measured at fair value of consideration received or receivable for the services rendered. 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

For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

#### Other Income

Other Income is recognized when right to receive is established.

### 1.18 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest rate method except to the extent attributable to qualifying asset which are capitalized to the cost of the related assets. A qualifying asset is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

### 1.19 Income Tax

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

### 1.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting

## Notes to the Financial Statements for the year ended March 31, 2019

attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 1.21 Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The areas involving critical judgement are as follows:

#### i) Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

#### ii) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

#### iii) Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate.

#### iv) Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### v) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

## Notes to the Financial Statements for the year ended March 31, 2019

### 2. PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2019

(₹ in lakhs)

Particulars	Furniture and Fixtures	Computers	Office Equipments	Total
<b>Cost</b>				
Balance at April 1, 2018	3.33	5.18	10.78	19.29
Additions during the year	-	0.69	-	0.69
Disposals & other adjustments	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>3.33</b>	<b>5.87</b>	<b>10.78</b>	<b>19.98</b>
<b>Accumulated depreciation</b>				
Balance at April 1, 2018	0.18	2.18	1.42	3.78
Depreciation expense for the year	2.16	1.79	0.33	4.28
Disposals & other adjustments	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>2.34</b>	<b>3.97</b>	<b>1.75</b>	<b>8.06</b>
<b>Carrying amount</b>				
Balance at April 1, 2018	3.15	3.00	9.36	15.51
Additions during the year	-	0.69	-	0.69
Depreciation expense	2.16	1.79	0.33	4.28
Disposals & other adjustments	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>0.99</b>	<b>1.90</b>	<b>9.03</b>	<b>11.92</b>
<b>Net book value as at March 31, 2019</b>	<b>0.99</b>	<b>1.90</b>	<b>9.03</b>	<b>11.92</b>
<b>Net book value as at March 31, 2018</b>	<b>3.15</b>	<b>3.00</b>	<b>9.36</b>	<b>15.51</b>

As at March 31, 2018

(₹ in lakhs)

Particulars	Furniture and Fixtures	Computers	Office Equipments	Total
<b>Cost</b>				
Balance at April 1, 2017	-	2.88	1.08	3.96
Additions during the year	3.33	2.30	9.70	15.33
Disposals & other adjustments	-	-	-	-
<b>Balance at March 31, 2018</b>	<b>3.33</b>	<b>5.18</b>	<b>10.78</b>	<b>19.29</b>
<b>Accumulated depreciation</b>				
Balance at April 1, 2017	-	0.77	0.13	0.90
Depreciation expense for the year	0.18	1.41	1.29	2.88
Disposals & other adjustments	-	-	-	-
<b>Balance at March 31, 2018</b>	<b>0.18</b>	<b>2.18</b>	<b>1.42</b>	<b>3.78</b>
<b>Carrying amount</b>				
Balance at April 1, 2017	-	2.11	0.95	3.06
Additions during the year	3.33	2.30	9.70	15.33
Depreciation expense	0.18	1.41	1.29	2.88
Disposals & other adjustments	-	-	-	-
<b>Balance at March 31, 2018</b>	<b>3.15</b>	<b>3.00</b>	<b>9.36</b>	<b>15.51</b>
<b>Net book value as at March 31, 2018</b>	<b>3.15</b>	<b>3.00</b>	<b>9.36</b>	<b>15.51</b>
<b>Net book value as at March 31, 2017</b>	<b>-</b>	<b>2.11</b>	<b>0.95</b>	<b>3.06</b>



## Notes to the Financial Statements for the year ended March 31, 2019

### 3. OTHER INTANGIBLE ASSETS

As at March 31, 2019

(₹ in lakhs)

Particulars	Computer Software	Total
<b>Cost</b>		
As at April 1, 2018	2.47	2.47
Additions during the year	-	-
Disposals & other adjustments	-	-
<b>Balance as at March 31, 2019</b>	<b>2.47</b>	<b>2.47</b>
<b>Accumulated depreciation</b>		
Balance at April 1, 2018	0.54	0.54
Amortisation expense for the year	0.42	0.42
Disposals & other adjustments	-	-
<b>Balance as at March 31, 2019</b>	<b>0.96</b>	<b>0.96</b>
<b>Carrying amount</b>		
Balance at April 1, 2018	<b>1.93</b>	<b>1.93</b>
Additions during the year	-	-
Amortisation expense	0.42	0.42
Disposals & other adjustments	-	-
<b>Balance as at March 31, 2019</b>	<b>1.51</b>	<b>1.51</b>
<b>Net book value as at March 31, 2019</b>	<b>1.51</b>	<b>1.51</b>
<b>Net book value as at March 31, 2018</b>	<b>1.93</b>	<b>1.93</b>

As at 31st March, 2018

(₹ in lakhs)

Particulars	Computer Software	Total
<b>Cost</b>		
As at April 1, 2017	1.83	1.83
Additions during the year	0.64	0.64
Disposals & other adjustments	-	-
<b>Balance at March 31, 2018</b>	<b>2.47</b>	<b>2.47</b>
<b>Accumulated depreciation</b>		
Balance at April 1, 2017	0.17	0.17
Amortisation expense for the year	0.37	0.37
Disposals & other adjustments	-	-
<b>Balance at March 31, 2018</b>	<b>0.54</b>	<b>0.54</b>
<b>Carrying amount</b>		
Balance at April 1, 2017	1.66	1.66
Additions during the year	0.64	0.64
Amortisation expense	0.37	0.37
Disposals & other adjustments	-	-
<b>Balance at March 31, 2018</b>	<b>1.93</b>	<b>1.93</b>
<b>Net book value as at March 31, 2018</b>	<b>1.93</b>	<b>1.93</b>
<b>Net book value as at March 31, 2017</b>	<b>1.66</b>	<b>1.66</b>

## Notes to the Financial Statements for the year ended March 31, 2019

### 4. NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	Face Value Rs.	As at March 31, 2019		As at March 31, 2018	
		Nos.	Rs. in lakhs	Nos.	Rs. in lakhs
<b>I) Investments in Unquoted Equity Instruments Fully paid <sup>A,C,D</sup></b>					
<b>a) In Subsidiaries (at cost unless stated otherwise)</b>					
Solapur Tollways Pvt. Ltd.	10	5,00,000	90.66	4,95,100	80.26
Orissa Steel Expressway Pvt. Ltd.	10	4,65,34,600	7,155.37	4,65,34,600	7,155.37
Guruvayoor Infrastructure Pvt Ltd.(cease to be associate and became subsidiary w.e.f. March 28, 2018) <sup>E</sup>	10	12,49,98,606	16,144.21	12,49,98,606	16,144.21
<b>b) In Associates (at cost unless stated otherwise)</b>					
Kurukshetra Expressway Pvt. Ltd. <sup>C</sup>	10	5,10,86,910	11,445.94	5,10,86,910	11,445.94
Ghaziabad Aligarh Expressway Pvt. Ltd.	10	7,56,60,000	15,424.58	7,56,60,000	15,424.58
Shree Jagannath Expressways Pvt. Ltd.	10	5,91,48,000	11,216.70	5,91,48,000	11,216.70
Mahakaleshwar Tollways Pvt. Ltd.	10	4,99,95,000	1,499.85	4,99,95,000	1,499.85
			<b>62,977.31</b>		<b>62,966.91</b>
<b>II) Investment in Unquoted Unsecured Optionally Convertible Debentures Fully paid <sup>A,B</sup></b>					
<b>a) In Subsidiaries (at fair value through profit or loss)</b>					
Solapur Tollways Pvt. Ltd.	10	6,58,20,000	7,379.43	6,58,20,000	6,586.45
Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. March 28, 2018)	10	5,71,29,700	7,029.85	5,71,29,700	6,192.27
<b>b) In Associates (at fair value through profit or loss)</b>					
Kurukshetra Expressway Pvt. Ltd. <sup>F</sup>	10	9,31,43,600	12,234.83	9,31,43,600	9,319.84
Mahakaleshwar Tollways Pvt. Ltd. <sup>G</sup>	10	2,93,76,600	5,006.46	2,93,76,600	2,940.14
			<b>31,650.57</b>		<b>25,038.70</b>
<b>III. In Unquoted Warrants Fully paid <sup>A</sup></b>					
<b>a) In Subsidiaries (at cost)</b>					
Solapur Tollways Pvt. Ltd. <sup>H</sup>	10	22,78,90,000	22,989.02	17,64,20,000	17,704.51
<b>b) In Associates (at fair value through profit or loss)</b>					
Ghaziabad Aligarh Expressway Pvt. Ltd.	10	4,81,88,780	6,369.18	4,81,88,780	5,689.98
			<b>29,358.20</b>		<b>23,394.49</b>
<b>Aggregate amount of Unquoted Investments (I+II+III)</b>			<b>1,23,986.08</b>		<b>1,11,400.10</b>
<b>Aggregate amount of impairment in the value of investments</b>			-		-

<sup>A</sup> Refer Note 27.4

<sup>B</sup> 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 of the respective subsidiaries & associates after servicing their respective Senior Lenders.

<sup>C</sup> Investment in Equity Shares of Kurukshetra Expressway Pvt. Ltd. includes 1,36,70,530 shares, which are in the process of transfer in the name of the Company as on 31st March, 2019

<sup>D</sup> The Company has pledged its following investments of various SPVs aggregating to ₹ 89,095.51 Lakhs as at 31st March, 2019 (As at 31st March 2018: ₹ 26,268 Lakhs, in favour of lenders for term loan facilities availed by respective SPVs :

## Notes to the Financial Statements for the year ended March 31, 2019

Particulars	As at March 31, 2019			As at March 31, 2018		
	Shares	Unsecured Optionally Convertible Debentures	Warrant	Shares	Unsecured Optionally Convertible Debentures	Warrant
Solapur Tollways Pvt. Ltd.	500,000	-	-	252,501	-	-
Orissa Steel Expressway Pvt. Ltd.	17,125,238	-	-	17,125,238	-	-
Kurukshetra Expressway Pvt. Ltd.	51,086,910	93,143,600	-	16,911,420	-	-
Ghaziabad Aligarh Expressway Pvt. Ltd	75,660,000	-	48,188,780	38,586,600	-	-
Shree Jagannath Expressways Pvt. Ltd	59,148,000	-	-	30,165,480	-	-
Guruvayoor Infrastructure Pvt Ltd	124,998,606	57,129,700	-	42,218,106	-	-
Mahakaleshwar Tollways Pvt. Ltd.	49,995,000	29,376,600	-	25,497,450	-	-

- <sup>E</sup> During the previous year 2017-18, the Company has acquired further 24.99% stake in the equity shares of Guruvayoor Infrastructure Private Limited (GIPL) in addition to the 49% stake in the equity shares already held by the Company. Consequently GIPL became subsidiary of the Company w.e.f March 28, 2018 with 73.99% stake in equity shares.
- <sup>F</sup> Include ₹ 1,788.99 Lakhs paid during the year towards purchase of right to collect interest on Unsecured Optionally Convertible Debenture for the holding period for which the instruments were held by the transferor.
- <sup>G</sup> Include ₹ 1,533.09 Lakhs paid during the year towards purchase of right to collect interest on Unsecured Optionally Convertible Debenture for the holding period for which the instruments were held by the transferor.
- <sup>H</sup> Increase in Warrant is on account of conversion of Loan into Warrant ₹ 5,147.00 Lakhs (5,14,70,000 Units)

During the year, Company has given Corporate Guarantee of ₹ 107,500.00 Lakhs to the lender of the Subsidiaries and Associates for the financial assistance availed by them.

### 5. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, considered good</b>		
Trade Receivables	1,008.69	4,328.81
<b>Total</b>	<b>1,008.69</b>	<b>4,328.81</b>

### 6. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Balances with Banks</b>		
In current accounts	7.88	367.20
Unclaimed Dividend Account	0.68	0.18
<b>Total</b>	<b>8.56</b>	<b>367.38</b>

### 7. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Earmarked balances with Banks</b>		
Fixed deposits with banks (Up to 12 months maturity) (Under Lien with banks as margin money against Bank Guarantee)	-	300.65
<b>Total</b>	<b>-</b>	<b>300.65</b>

## Notes to the Financial Statements for the year ended March 31, 2019

### 8. LOANS-CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, considered good</b>		
Loan to related parties (Refer Note No. 28.1)	4,915.35	17,483.42
Inter corporate deposits given to related party (Refer Note No. 28.1)	3,030.97	2,038.50
Security Deposit	5.44	311.04
<b>Total</b>	<b>7,951.76</b>	<b>19,832.96</b>

### 9. OTHER FINANCIAL ASSET - CURRENT

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued and due on loan (Includes due from related parties) (Refer Note No. 28.1)	-	2,059.78
Interest accrued but not due on loans to related parties (Refer Note No. 28.1)	117.66	79.92
Interest accrued on Fixed Deposit	-	10.72
Advance to Suppliers and Others	250.33	252.50
<b>Total</b>	<b>367.99</b>	<b>2,402.92</b>

### 10. (i) CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Tax deducted at source and advance tax	1,381.45	-
Less: Provision for taxation	(1,342.90)	-
<b>Total</b>	<b>38.55</b>	<b>-</b>

### 10. (ii) CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for taxation	-	907.44
Less: Tax deducted at source and advance tax	-	717.29
<b>Total</b>	<b>-</b>	<b>190.15</b>

### 11. OTHER CURRENT ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
(Advances other than capital advances)		
Advance to Suppliers and Others	0.32	5.50
Balance with Statutory Authorities	7.22	54.21
Prepaid Expenses	1.62	2.43
<b>Total</b>	<b>9.16</b>	<b>62.14</b>

## Notes to the Financial Statements for the year ended March 31, 2019

### 12. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
<b>(a) Authorised</b>				
Equity shares of par value ₹ 10/- each	10,00,00,000	10,000.00	10,00,00,000	10,000.00
		<b>10,000.00</b>		<b>10,000.00</b>
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of par value ₹ 10/- each fully paid up	8,39,50,000	8,395.00	8,39,50,000	8,395.00
		<b>8,395.00</b>		<b>8,395.00</b>

#### (c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At the beginning of the year	8,39,50,000	8,395.00	5,46,50,000	5,465.00
Add:- Issued during the year	-	-	2,93,00,000	2,930.00
At the end of the year	8,39,50,000	8,395.00	8,39,50,000	8,395.00

- (d) Pursuant to Initial Public Offering (IPO), the Company has issued 2,93,00,000 equity shares of ₹ 10 each at a premium of ₹ 195/- per share in financial year 2017-18. The equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), w.e.f. 18th September, 2017. The details of utilization of IPO proceeds are as follows:

Particulars	Net proceeds as per Prospectus
	₹ in lakhs
Gross proceeds of the Issue	60,065.00
Less: Estimated issue related expenses	3,281.10
<b>Net Proceeds</b>	<b>56,783.90</b>
Add: Saving in issue related expenses	199.64
<b>Total</b>	<b>56,983.54</b>

#### Utilisation of Issue proceeds

Particulars	Objects of the issue as per prospectus	Utilisation till March 31, 2018	Amount pending Utilisation
STPL sponsor investment	5,147.00	5,147.00	-
Acquisition of the sub-ordinate debt in the form of unsecured loan/ OCPIDs/ Warrants/ OCDs, advanced in the identified SPVs	37,225.30	37,225.30	-
Issue related expenses (net of saving of Rs.199.64 lakhs)	3,081.46	3,081.46	-
General corporate purposes (Including saving in issue related expenses of ₹199.64 lakhs)	14,611.24	14,611.24	-
<b>Total</b>	<b>60,065.00</b>	<b>60,065.00</b>	<b>-</b>

- (e) During the FY 2017-18, IPO related expenses aggregating to ₹ 3,081.46 lakhs incurred upto March 31, 2018 has been adjusted against Securities Premium Account.
- (f) During financial year 2016-17, the Company has issued 1,80,00,000 equity shares of Rs. 10 each at par on right basis and 2,66,50,000 equity shares of ₹10 each at a premium of ₹ 195/- per share on private placement basis, whereby outstanding equity shares of the Company as on March 31, 2017 increased to 5,46,50,000.

The Company has neither issued bonus shares or bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash during five years immediately preceding current reporting period.

#### (g) The rights, preferences and restrictions attached to each class of equity shares 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.

## Notes to the Financial Statements for the year ended March 31, 2019

### (h) Shareholders holding more than 5% of the equity shares in the Company :

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares held	% of holding	No. of shares held	% of holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	2,09,50,000	24.96%	20,950,000	24.96%
Srei Infrastructure Finance Limited	1,66,30,000	19.81%	16,630,000	19.81%
OSPL Infradeal Pvt. Ltd.	-	-	9,520,000	11.34%
Predicate Consultant Pvt. Ltd.	95,20,000	11.34%	-	-
Srei Venture Capital Trust A/c-Infrastructure Project Development Fund	70,49,800	8.40%	7,049,800	8.40%
Vistar Financiers Pvt. Ltd.	64,82,806	7.72%	6,384,806	7.61%
GMR Business and Consultancy LLP	44,82,872	5.34%	-	-

- (i) On May 28, 2019, the Board of Directors has recommended dividend of ₹ 0.50 (5%) per Equity Share of ₹ 10 each for the Financial Year ended March 31, 2019, subject to prior permission of SEBI in terms of ad interim order dated March 14, 2019 and approval of the shareholders in the upcoming Annual General Meeting.

### 13. OTHER EQUITY

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>(a) Securities premium reserve</b>				
Balance as per last account	106,021.04		51,667.14	
Add:- Premium received on issue of shares (refer note 12(f))	-		57,135.00	
Less:- Utilized for share issue expenses (refer note 12 (e))	-		2,781.10	
Closing balance		106,021.04		106,021.04
<b>(b) Retained earnings</b>				
Balance as per last account	2,579.58		193.23	
Add: Net Profit for the Year	1,427.80		2,891.80	
Less: Dividend Payout	(419.75)		(420.00)	
Less: Corporate Dividend Tax	(86.28)		(85.45)	
Closing Balance		3,501.35		2,579.58
<b>(c) Other Comprehensive Income</b>				
Balance as per last account	(37.69)		(32.42)	
Add: Other comprehensive income for the year	0.30		(5.27)	
Closing balance		(37.39)		(37.69)
<b>Total</b>		<b>109,485.00</b>		<b>108,562.93</b>

### 14. (i) BORROWINGS - NON CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Carried at amortized cost</b>		
<b>Secured</b>		
Term Loan from Financial Institutions	7,000.00	8,300.00
<b>Total</b>	<b>7,000.00</b>	<b>8,300.00</b>

### Repayment Schedule as at March 31, 2019

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year	
<b>Secured Term Loan</b>					
Term Loan*	-	-	7,000.00	-	7,000.00
	-	-	<b>7,000.00</b>	-	<b>7,000.00</b>



## Notes to the Financial Statements for the year ended March 31, 2019

### Repayment Schedule as at March 31, 2018

(₹ in lakhs)

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year	
<b>Secured Term Loan</b>					
Term Loan*	-	7,000.00	-	-	7,000.00
Term Loan**	1,300.00	-	-	-	1,300.00
	<b>1,300.00</b>	<b>7,000.00</b>	-	-	<b>8,300.00</b>

\* Rupee term loan is 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. Charge is yet to be created.

\*\* Rupee term loan is secured by way of first pari passu charge on all cash flows and all moveable assets of the Borrower (both present and future), by the way of hypothecation under the Deed of Hypothecation and Demand Promissory Note for the principal and the Interest payments/repayment and other monies in relation to the Loan facility. Interest to be compounded monthly and paid quarterly in arrears at the end of June, September, December and March of each year @ SBR-5.75% per annum.

### 14(ii) BORROWINGS - CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Carried at amortized cost</b>		
<b>Unsecured: -</b>		
Loan from Financial Institution (NBFC)	5,000.00	5,000.00
<b>Total</b>	<b>5,000.00</b>	<b>5,000.00</b>

#### Terms of repayment of Unsecured Current borrowing:

The Company had received an amount of ₹ 5,000.00 lakhs from Religare Finvest Limited in the year 2016-17. Principal loan amount of ₹ 5,000.00 lakhs as at March 31, 2019 (as at March 31, 2018: ₹ 5,000.00 lakhs) was repayable at the end of one year (i.e. December 14, 2017) from the date of disbursement, which remained unpaid as on March 31, 2019 along with due interest of ₹ 448.46 lakhs. (As at March 31, 2018: ₹ 166.44 lakhs) The loan carries interest @ 12.50% per annum payable quarterly.

An application has been filed against the Company, under section 7 of the Insolvency and Bankruptcy Code, 2016, by Religare Finvest Limited, claiming to be a financial creditor, before the Hon'ble National Company Law Tribunal, Kolkata Bench for initiation of Corporate Insolvency Resolution Process against the Company, claiming ₹ 5,130.14 lakhs.

As the matter is sub-judice, the Company has not provided interest from Oct 1st, 2018 onwards. The Company is in the process to take necessary steps to address the matter.

### 15(i) PROVISIONS - NON CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits (refer note 27.1)		
- Gratuity	54.81	67.59
- Leave encashment	23.31	28.64
- Sick leave availment	9.09	13.05
<b>Total</b>	<b>87.20</b>	<b>109.28</b>

### 15(ii) PROVISION - CURRENT

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Provision for employee benefits (refer note 27.1)</b>		
- Gratuity	1.45	1.70
- Leave encashment	0.55	6.60
- Sick leave availment	2.39	2.99
<b>Total</b>	<b>4.39</b>	<b>11.29</b>

## Notes to the Financial Statements for the year ended March 31, 2019

## 16. DEFERRED TAX LIABILITIES (NET)

As at March 31, 2019

(₹ in Lakhs)

Particulars	Opening Balance	Recognized in Profit or Loss	Reclassified from equity to Profit or Loss	Recognized in other comprehensive income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>					
Depreciation and Amortization	0.60	(0.42)	-	-	0.18
Fair valuation gain/(loss) on Investments	313.37	1,155.77	-	-	1,469.14
<b>Tax effect of items constituting deferred tax assets</b>					
MAT Credit entitlement	-	435.46	-	-	435.46
Carry forward losses and Un-absorbed depreciation	-	362.00	-	-	362.00
Provision for Gratuity and Leave encashment	20.18	(1.48)	-	(0.13)	18.57
Disallowance u/s 43B	-	188.55	-	-	188.55
<b>Net deferred tax liability</b>	<b>293.79</b>	<b>170.82</b>	<b>-</b>	<b>0.13</b>	<b>464.74</b>

As at March 31, 2018

Particulars	Opening Balance	Recognized in Profit or Loss	Reclassified from equity to Profit or Loss	Recognized in other comprehensive income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>					
Depreciation and Amortization	0.56	0.04	-	-	0.60
Fair valuation gain/(loss) on Investments	-	313.37	-	-	313.37
<b>Tax effect of items constituting deferred tax assets</b>					
Provision for Gratuity	0.56	17.45	-	2.17	20.18
<b>Net deferred tax liability</b>	<b>-</b>	<b>295.96</b>	<b>-</b>	<b>(2.17)</b>	<b>293.79</b>

## 17. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
A. Total outstanding dues of micro enterprises and small enterprises	-	-
B. Total outstanding dues of creditors other than micro enterprises and small enterprises	64.89	356.33
<b>Total</b>	<b>64.89</b>	<b>356.33</b>

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 micro, small or medium enterprise. Consequently the amount paid / payable to these parties during the year ending on 31st March, 2019 is Nil (Previous Year: Nil).

## 18. OTHER FINANCIAL LIABILITIES- CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due on Borrowings	-	0.43
Interest accrued and due on Borrowings	1,081.92	166.44
<b>Other Payables</b>		
Payable against Investment Purchased*	-	7,152.29
Liability for expenses	11.93	14.97
Salaries and other payroll dues	113.94	43.42
Other Payable (include ₹ 208.69 lakhs payable to related party refer note 28.1)	1,480.71	-
<b>Total</b>	<b>2,688.50</b>	<b>7,377.55</b>

\* The dues are with respect to purchase of equity shares and optionally convertible debentures of Guruvayoor Infrastructure Private Limited

## Notes to the Financial Statements for the year ended March 31, 2019

### 19. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Others</b>		
Unclaimed Dividend	0.68	0.18
TDS Payable	170.92	110.70
PF Payable	3.47	5.18
Profession Tax Payable	-	0.02
GST Payable	19.43	-
<b>Total</b>	<b>194.50</b>	<b>116.08</b>

### 20. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Sale of Services</b>		
Revenue from Toll Operations	352.60	-
Consultancy Services	700.00	3,333.41
<b>Total</b>	<b>1,052.60</b>	<b>3,333.41</b>

### 21. OTHER INCOME

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest on Loan	2,400.03	1,800.14
Less:- Adjusted with corresponding Interest expenses	-	(254.81)
	<b>2,400.03</b>	<b>1,545.33</b>
Interest on Commercial Paper	-	83.32
Interest on Fixed Deposit with Bank	22.89	123.78
Interest on Income Tax refund	2.74	9.45
Net gain/(loss) on Fair Valuation of Investments	3,968.99	1,076.14
Miscellaneous Income	-	246.00
<b>Total</b>	<b>6,394.65</b>	<b>3,084.02</b>

### 22. EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries, wages, bonus and allowances	437.99	627.43
Contribution to Provident & Other funds	25.55	28.44
Staff welfare expenses	7.42	8.21
<b>Total</b>	<b>470.96</b>	<b>664.08</b>

### 23. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest expense	4,542.87	1,521.52
Less:- Capitalized to Investments (refer note 27.4)	(147.43)	(649.01)
<b>Total</b>	<b>4,395.44</b>	<b>872.51</b>

### 24. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation on property, plant and equipment (refer note 2)	4.28	2.88
Amortization on Other intangible assets (refer note 3)	0.42	0.37
<b>Total</b>	<b>4.70</b>	<b>3.25</b>

## Notes to the Financial Statements for the year ended March 31, 2019

### 25. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Legal & Professional Fees	108.53	565.71
Toll Operation Expense	163.79	-
Travelling and Conveyance	127.39	147.46
Rent, Rates & Taxes	32.64	31.47
Repairs & Maintenance- Others	8.10	8.01
Communication Expenses	7.94	8.86
Advertisement & Publicity	2.25	1.56
Membership & Subscription	13.09	6.60
Demat Charges	-	2.37
Business Promotion Expense	4.81	6.08
Corporate Social Responsibility Expenses (refer note 28.2)	25.00	5.00
Tender Fees	0.62	2.45
Insurance Premium	1.73	1.69
Payment to Auditor :		
- Fees for Statutory Audit & Limited Reviews	15.00	9.00
- Other Services (Certification etc.)	1.93	0.16
Director's Sitting Fees	17.75	16.85
Printing & Stationery	9.12	7.41
Bank Charges	0.87	4.70
Miscellaneous Expenses	1.51	0.55
<b>Total</b>	<b>542.07</b>	<b>825.93</b>

### 26. INCOME TAX EXPENSES

(₹ in Lakhs)

#### i) Income tax recognized in profit or loss

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current tax		
- Tax for earlier year	-	0.43
- Current Tax	435.46	863.47
<b>Total Current Tax</b>	<b>435.46</b>	<b>863.90</b>
Deferred tax	170.82	295.96
<b>Total Deferred Tax</b>	<b>170.82</b>	<b>295.96</b>
<b>Total</b>	<b>606.28</b>	<b>1,159.86</b>

#### ii) Income tax recognized in OCI

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Deferred Tax on remeasurements of defined benefit plans	(0.13)	2.17
<b>Total deferred tax relating to OCI items</b>	<b>(0.13)</b>	<b>2.17</b>

#### iii) Reconciliation of tax expense and accounting profit

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Accounting profit before tax from continuing operations	2,034.08	4,051.66
Income tax expenses calculated @ 29.12% (2017-18 : 28.84%)	592.32	1,168.50
Net Effect of expenses not allowable as deduction	7.33	0.05
Other differences	6.63	(8.69)
<b>Total</b>	<b>606.28</b>	<b>1,159.86</b>

## Notes to the Financial Statements for the year ended March 31, 2019

### 27. OTHER DISCLOSURES

#### 27.1 Defined Benefit Plans/Long Term Compensated Absences :

##### 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.

##### Defined Benefit Plans:

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment 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:

(₹ in Lakhs)

Sl. No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
<b>I</b>	<b>Change in Defined Benefit Obligations (DBO)</b>				
	Present Value of DBO at beginning of the year	69.29	46.77	35.24	26.35
	Current Service Cost	7.30	11.74	6.94	7.75
	Interest cost	4.34	3.34	1.96	1.57
	Curtailment cost / (credit)	-	-	-	-
	Settlement cost / (credit)	-	-	-	-
	Past service Cost -Plan amendments	-	-	-	-
	Acquisitions	-	-	-	-
	Actuarial Losses / (Gains) - experience	(0.87)	11.30	(1.54)	9.41
	Actuarial Losses / (Gains) - demographic assumptions	-	-	-	-
	Actuarial Losses / (Gains) - financial assumptions	0.45	(3.86)	0.17	(1.18)
	Benefits Paid	(24.26)	-	(18.92)	(8.67)
	Employee contribution	-	-	-	-
	Other Adjustments	-	-	-	-
	<b>Present Value of DBO</b>	<b>56.25</b>	<b>69.29</b>	<b>23.85</b>	<b>35.24</b>
<b>II</b>	<b>Net assets / (liability) recognized in Balance Sheet</b>				
	Present value of Defined Benefit Obligation	(56.25)	(69.29)	(23.85)	(35.24)
	Fair value of plan assets	-	-	-	-
	Funded status [Surplus/(Deficit)]	(56.25)	(69.29)	(23.85)	(35.24)
	Unrecognized past service cost	-	-	-	-
	Net asset/ (liability) recognized in Balance Sheet	(56.25)	(69.29)	(23.85)	(35.24)
	<b>Current Asset / (Liability)</b>	<b>(1.44)</b>	<b>(1.70)</b>	<b>(0.55)</b>	<b>(6.60)</b>
	<b>Non Current Asset / (Liability)</b>	<b>(54.81)</b>	<b>(67.59)</b>	<b>(23.30)</b>	<b>(28.64)</b>
<b>III</b>	<b>Components of Employer Expenses</b>				
	Current Service cost	7.30	11.74	6.94	7.75
	Past service Cost- Plan amendments	-	-	-	-
	Curtailment cost / (credit)	-	-	-	-
	Settlement cost / (credit)	-	-	-	-
	Interest cost	4.34	3.34	1.96	1.57
	Actuarial Losses / (Gains)	-	-	(1.37)	8.24
	<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>11.64</b>	<b>15.08</b>	<b>7.53</b>	<b>17.56</b>

**Notes to the Financial Statements** for the year ended March 31, 2019

(₹ in Lakhs)

Sl. No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
	<b>Defined benefit plans (As per actuarial valuation)</b>				
	<b>Re-measurements recognised in Other Comprehensive Income</b>				
	Actuarial Losses / (Gains) - experience	(0.87)	11.30	(1.54)	9.41
	Actuarial Losses / (Gains) - demographic assumptions	-	-	0.17	
	Actuarial Losses / (Gains) - financial assumptions	0.45	(3.86)	(1.37)	(1.18)
	<b>Total Re-measurements recognised in Other Comprehensive Income</b>	<b>(0.42)</b>	<b>7.44</b>	<b>-</b>	<b>-</b>
	<b>Total expenses recognised in the Statement of Profit &amp; Loss and Other Comprehensive income</b>	<b>11.22</b>	<b>22.52</b>	<b>7.53</b>	<b>17.56</b>
<b>IV</b>	<b>Actuarial Assumptions</b>				
	Discount Rate	7.50%	7.60%	7.50%	7.60%
	Expected return on plan assets	NA	NA	NA	NA
	Salary Escalation	10%	10%	10%	10%
	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 Directors : 65 yrs	Employees: 60 yrs Directors : 65 yrs	Employees: 60 yrs Directors : 65 yrs	Employees: 60 yrs Directors : 65 yrs
<b>V.</b>	<b>Expected benefits payments for the year ending</b>	<b>DBO as at March 31, 2019</b>		<b>DBO as at March 31, 2018</b>	
		<b>Gratuity</b>	<b>Leave</b>	<b>Gratuity</b>	<b>Leave</b>
	March 31, 2019	-	-	1.77	6.84
	March 31, 2020	1.49	0.57	2.35	6.95
	March 31, 2021	2.00	0.75	2.70	4.03
	March 31, 2022	2.17	0.84	3.12	2.46
	March 31, 2023	2.29	2.75	3.46	2.60
	March 31, 2024	3.57	1.35	-	-
	March 31, 2024 to March 31, 2028	-	-	45.04	25.59
	March 31, 2025 to March 31, 2029	63.71	29.52	-	-
<b>VI.</b>	<b>Weighted average duration of defined benefit obligations :</b>	9 Years	8 Years	13 Years	8 years
<b>VII</b>	<b>Accrued Benefit Obligation at 31 March 2019</b>	<b>35.01</b>	<b>12.29</b>	<b>41.04</b>	<b>19.95</b>
<b>VIII</b>	<b>Sensitivity Analysis</b>	<b>DBO as at March 31, 2019</b>		<b>DBO as at March 31, 2018</b>	
		<b>Gratuity</b>	<b>Leave</b>	<b>Gratuity</b>	<b>Leave</b>
	Discount Rate + 100 basis points	(7.60)	(6.80)	(7.75)	(2.37)
	Discount Rate - 100 basis points	8.50	7.50	8.94	2.72
	Salary Increase Rate +1%	5.20	7.30	4.45	2.63
	Salary Increase Rate -1%	(4.60)	(6.70)	(4.45)	(2.35)



## Notes to the Financial Statements for the year ended March 31, 2019

Method used for sensitivity analysis: The Sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time.

(₹ in lakhs)

Sl. No.	Particulars	Sick Leave Benefit	
		Year ended March 31, 2019	Year ended March 31, 2018
<b>Assets/ Liabilities</b>			
1	Defined Benefit Obligation	11.48	16.04
2	Fair Value of Plan Assets	-	-
3	Current Asset / (Liability)	(2.39)	(2.99)
4	Non Current Asset / (Liability)	(9.09)	(13.05)
<b>Actuarial Assumptions</b>			
1	Discount Rate	7.50%	7.60%
2	Expected return on plan assets	NA	NA
3	Salary Escalation	10%	10%
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

### IX 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.22. The remeasurement of the net defined benefit liability are included in Other Comprehensive Income.
- The expected contribution for defined benefit plan for the next financial year is not available and hence not disclosed.

### 27.2 Earnings per Share:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
a) Profit/(Loss) after Tax (₹ in lakh)	1,427.80	2,891.80
b) Weighted average number of Ordinary Equity Shares outstanding used as the denominator for computing Basic Earnings per Share (Nos.)*	8,39,50,000	7,06,24,521
c) Weighted average number of Potential Equity Shares (Nos.)	-	-
d) Weighted average number of Equity Shares outstanding used as the denominator for computing Diluted Earnings per Share (Nos.)	8,39,50,000	7,06,24,521
e) Nominal value of Equity Share per share (₹)	10.00	10.00
f) Basic Earnings per Share (₹) (a/b)	1.70	4.09
g) Diluted Earnings per Share (₹) (a/d)	1.70	4.09

\* During the Financial year 2017-18, 2,93,00,000 numbers of equity shares were issued on September 14, 2017 pursuant to Initial Public Offering (IPO). Weighted average number of equity shares has been calculated on a pro-rata basis for the purpose of earning per share.

### 27.3 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 requirements of Accounting Standard (Ind AS-108) on operating segment. Further, the Company operates only in India, hence additional information under geographical segments is also not applicable. The Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

Total revenue includes revenue from three external customers exceeding 10% of Total revenue aggregating to ₹ 5,797.69 lakhs (Previous year: four of the external customers aggregating to ₹ 5,849.86 lakhs).

## Notes to the Financial Statements for the year ended March 31, 2019

**27.4** 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 Indian Accounting Standard (Ind AS) 23 on 'Borrowings Costs', Indian Accounting Standard (Ind AS) 28 on 'Investments in Associates' and in accordance with the accounting concept of 'Matching costs and revenues', the Company has capitalized borrowing cost incurred on funds borrowed exclusively for investments in SPVs as part of the cost of investments.

Accordingly, as at March 31, 2019 total borrowing cost capitalized to Non current Investment amounts to ₹16,042.10 Lakhs including ₹ 147.43 Lakhs for the year ended March 31, 2019 (₹ 649.01 Lakhs for year ended March 31, 2018).

### 27.5 Contingent liabilities & Commitments

₹ in lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Guarantees</b>		
- Bank Guarantees	-	300.65
<b>Other Commitment</b>		
-On account of Purchase of shares of Guruvayoor Infrastructure Pvt Ltd.	4,933.00	-

## 28. OTHER DISCLOSURES

### 28.1 Related Party disclosures

#### (I) Related Parties:

Sl. No.	Name of the Party & Nature of relationship
<b>A</b>	<b>Subsidiaries</b>
	Solapur Tollways Pvt. Ltd.
	Orissa Steel Expressway Pvt. Ltd.
	Guruvayoor Infrastructure Pvt. Ltd.(cease to be associate and became subsidiary w.e.f. March 28, 2018)
<b>B</b>	<b>Associates</b>
	Kurukshetra Expressway Pvt. Ltd.
	Ghaziabad Aligarh Expressway Pvt. Ltd.
	Shree Jagannath Expressways Pvt. Ltd.
	Mahakaleshwar Tollways Pvt. Ltd.
<b>C</b>	<b>Key Management Personnel (KMP)</b>
	Brahm Dutt (Chairman, Non-executive and Independent Director)*
	Bajrang K Choudhary (Managing Director w.e.f. November 1, 2016)
	Pradeep Singh (Non-executive and Independent Director)
	Atanu Sen (Non-executive and Independent Director)
	Dr. (Ms.) Tuk Tuk Ghosh Kumar (Non-executive and Independent Director)
	Naresh Mathur (Company Secretary)
	Asim Tewari (Chief Operating Officer)**
	Sanjay Banka (Chief Financial Officer)***
	Amogh Harihar Gore (Chief Financial Officer)****
	Jai Prakash Shaw (Chief Financial Officer)*****

\* Mr. Brahm Dutt ceased to be Chairman w.e.f January 4, 2019.

\*\* Mr. Asim Tewari ceased to be COO of the Company w.e.f April 30, 2018.

\*\*\* Mr. Sanjay Banka ceased to be CFO of the Company w.e.f August 14, 2018.

\*\*\*\* Mr. Amogh Harihar Gore was appointed as CFO of the Company w.e.f 15th August, 2018. He ceased to be CFO of the Company w.e.f 14th November, 2018

\*\*\*\*\* Mr. Jai Prakash Shaw was appointed as CFO of the Company w.e.f 20th April, 2019

## Notes to the Financial Statements for the year ended March 31, 2019

### (ii) Summary of Transactions with Related Parties

The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms. Outstanding balances at the year end will be settled as per terms of respective transactions.

(₹ in lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	Year ended March 31, 2019	Year ended March 31, 2018
<b>(A) Subsidiaries :</b>			
Solapur Tollways Pvt. Ltd.	<b>Transactions :</b>		
	Unsecured loan Converted in Warrant	5,147.00	-
	Income from Consultancy fee	700.00	700.00
	Reimbursement of expenses	400.00	-
	Unsecured loan given	11,990.89	5,147.00
	Repayment of Unsecured Loan	11,827.67	-
	Corporate guarantee given to lender of subsidiary	32,000.00	-
	Cost of Investment pledged as collateral for loan taken by Subsidiary (247,499 Shares)	49.73	-
	<b>Balance due:</b>		
	Unsecured loan given balance	163.22	5,147.00
	Warrants - Purchase Cost	22,789.00	17,642.00
	Investment in Optionally Convertible Debenture - Purchase Cost	6,582.00	6,582.00
	Cost of Investment pledged as collateral for loan taken by Subsidiary (5,00,000 Shares)	90.66	40.93
	Corporate guarantee given to lender of subsidiary	32,000.00	-
	Trade Receivable	-	638.75
Orissa Steel Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Inter Corporate Deposit given	388.16	-
	Interest Income on ICD given	375.37	305.78
	Interest Capitalized with Loan	604.30	-
	Income from Consultancy fee (excluding indirect tax)	-	200.00
	<b>Balance due:</b>		
	Inter Corporate Deposit Balance	3,030.97	2,038.50
	Cost of Investment pledged as collateral for loan taken by Subsidiary	2,633.25	2,633.25
	Interest Accrued and due	-	304.21
	Interest Accrued but not due (Net of TDS)	117.66	79.92
Trade Receivable	732.11	732.11	
Guruvayoor Infrastructure Pvt Ltd (cease to be associate and became subsidiary w.e.f 28th March, 2018)	<b>Transactions :</b>		
	Reimbursement of Expenses (Including GST)	100.00	-
	Interest Income	1,988.54	-
	Income from Toll Revenue	403.67	-
	Unsecured Loan given	3,940.95	-
	Repayment of Unsecured Loan	3,940.95	-
	Cost of Investment pledged as collateral for loan taken by subsidiary (8,27,80,500 shares)	10,691.53	-
	Cost of Investment pledged as collateral for loan taken by subsidiary (5,71,29,700 units of OCD)	7,029.85	-
	Corporate guarantee given to lender of subsidiary	15,000.00	-
	Advance received	243.95	-
	Advance refunded	40.51	-
	<b>Balance due:</b>		
	Trade receivable	42.65	285.41
	Advance received (Cr.)	203.45	-
	Interest Accrued and due	-	1,331.46
Investment in Optionally Convertible Debenture - Purchase Cost	5,712.97	5,712.97	
Corporate guarantee given to lender of subsidiary	15,000.00	-	
Cost of Investment pledged as collateral for loan taken by subsidiary (12,49,98,606 shares)	16,144.21	5,452.68	
Cost of Investment pledged as collateral for loan taken by subsidiary (5,71,29,700 units of OCD)	7,029.85	-	

**Notes to the Financial Statements** for the year ended March 31, 2019

Name of the related party	Nature of Transaction & Outstanding Balances	Year ended March 31, 2019	Year ended March 31, 2018
<b>(B) Associates :</b>			
Kurukshetra Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Demand loan given	936.87	2,907.81
	Repayment of Demand Loan	4,813.00	-
	Cost of Investment pledged as collateral for loan taken by associate (3,41,75,490 shares)	7,656.96	-
	Cost of Investment pledged as collateral for loan taken by associate (9,31,43,600 units of OCD)	12,234.83	-
	Corporate guarantee given to lender of associate	8,000.00	-
	<b>Balance due:</b>		
	Demand loan given balance	45.03	3,921.16
	Investment in Optionally Convertible Debenture	9,314.36	9,314.36
	Corporate guarantee given to lender of associate	8,000.00	-
	Cost of Investment pledged as collateral for loan taken by associate (9,31,43,600 units of OCD)	12,234.83	-
	Cost of Investment pledged as collateral for loan taken by associate (5,10,86,910 shares)	11,445.94	3,788.98
Ghaziabad Aligarh Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Income from Consultancy fee (excluding indirect tax)	-	200.00
	Unsecured loan given	3,320.60	4,570.50
	Repayment of Unsecured Loan	3,765.00	-
	Cost of Investment pledged as collateral for loan taken by associate (4,81,88,780 units of warrants)	6,369.18	-
	Cost of Investment pledged as collateral for loan taken by associate (3,70,73,400 shares)	7,558.04	-
	Corporate guarantee given to lender of associate	13,000.00	-
	<b>Balance due:</b>		
	Trade Receivable (Net of TDS)	216.00	216.00
	Unsecured loan receivable	4,707.10	5,151.50
	Warrants - Purchase Cost	4,818.88	4,818.88
	Corporate guarantee given to lender of associate	13,000.00	-
Cost of Investment pledged as collateral for loan taken by associate (4,81,88,780 units of warrants)	6,369.18	-	
Cost of Investment pledged as collateral for loan taken by associate (7,56,60,000 shares)	15,424.58	7,866.54	
Shree Jagannath Expressways Pvt. Ltd.	<b>Transactions :</b>		
	Income from Consultancy fee (excluding indirect tax)	-	1,832.16
	Unsecured loan given	1,885.40	-
	Repayment of Unsecured Loan	1,885.40	-
	Cost of Investment pledged as collateral for loan taken by Associate (2,89,82,520 shares)	5,496.18	-
	Corporate guarantee given to lender of associate	27,500.00	-
	Accrued interest received	424.11	-
	Advance received	5.24	-
	<b>Balance due:</b>		
	Trade Receivable	0.13	1,978.74
	Corporate guarantee given to lender of associate	27,500.00	-
	Interest Accrued and due (net of TDS)	-	424.11
Advance received (Cr.)	5.24	-	
Cost of Investment pledged as collateral for loan taken by associate (5,91,48,000 shares)	11,216.70	5,720.52	

## Notes to the Financial Statements for the year ended March 31, 2019

Name of the related party	Nature of Transaction & Outstanding Balances	Year ended March 31, 2019	Year ended March 31, 2018
Mahakaleshwar Tollways Pvt. Ltd. (Associate w.e.f. 28th Oct, 2016)	<b>Transactions :</b>		
	Unsecured loan given	5,200.00	-
	Repayment of Unsecured Loan	8,463.76	-
	Cost of Investment pledged as collateral for loan taken by Associate (2,44,97,550 Shares)	734.93	-
	Cost of Investment pledged as collateral for loan taken by Associate (2,93,76,600 Units of OCD)	5,006.46	-
	Corporate guarantee given to lender of Associate	12,000.00	-
	<b>Balance due:</b>		
	Unsecured loan balance	-	3,263.76
	Investment in Optionally Convertible Debenture	2,937.66	2,937.66
	Corporate guarantee given to lender of Associate	12,000.00	-
	Cost of Investment pledged as collateral for loan taken by Associate (2,93,76,600 Units of OCD)	5,006.46	-
	Cost of Investment pledged as collateral for loan taken by Associate (4,99,95,000 Shares)	1,499.85	764.92
Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. 28th March, 2018)	<b>Transactions :</b>		
	Reimbursement of Expenses (excluding indirect tax)	-	52.20
	Interest Income	-	1,479.40
	Income from Consultancy fee (excluding indirect tax)		299.60
<b>(C) Key Management Personnel :</b>		<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
<b>Transactions:</b>			
Short-term employee benefits		221.62	211.76
Post-employment benefits*		4.90	3.66
Other long-term employee benefits*		7.35	7.47
Director's Sitting Fees		17.75	16.85
<b>Balance due:</b>			
Short-term employee benefits		77.05	19.89
Post-employment benefits*		-	-
Other long-term employee benefits*		-	-
Director's Sitting Fees		1.50	-

\*Post-employment benefits and other long-term benefits is being disclosed based on actual payment made on retirement/ resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

**28.2** The Company has contributed and expensed ₹ 25.00 lakhs (March 31, 2018 ₹ 5.00 Lakhs) against the total contributable amount of ₹ 22.43 Lakhs (March 31, 2018 ₹ 1.23 Lakhs) for the year ended March 31, 2019 in accordance with section 135 of Companies Act, 2013 to trust/social organization.

## Notes to the Financial Statements for the year ended March 31, 2019

### 29. FINANCIAL INSTRUMENT RELATED DISCLOSURES

#### i) Capital Management

The primary objective of company's capital management is to support its road projects (SPVs) and provide adequate capital to its business for growth and creation of sustainable stakeholder value. The company's capital comprises of share capital and retained earnings attributable to equity shareholders. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. Breaches in meeting the financial covenants would permit the lenders to call loans and borrowings or charge some penal interest. The Company, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. In order to maintain or adjust the capital structure, the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and year ended March 31, 2018.

Pursuant to the Initial Public Offer (IPO) the Company has issued 2,93,00,000 equity shares of ₹ 10/- each at a premium of ₹ 195/- per share aggregating to ₹ 60,065.00 Lakhs in FY 2017-18.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Borrowings	12,000.00	13,300.00
Less: Cash and cash equivalent	8.56	367.38
<b>Net Debt (A)</b>	<b>11,991.44</b>	<b>12,932.62</b>
<b>Total Equity</b>	<b>1,17,880.00</b>	<b>1,16,957.93</b>
<b>Total Equity plus Net Debt (B)</b>	<b>1,29,871.44</b>	<b>1,29,890.55</b>
Gearing ratio (A/B)	<b>0.09</b>	<b>0.10</b>



## Notes to the Financial Statements for the year ended March 31, 2019

### 29. Financial Instrument related disclosures (Cond...)

#### ii) Financial instruments- Accounting, Classification and Fair Value Measurement

##### A. Accounting classification and fair values

(₹ in lakhs)

31st March 2019	Carrying Value				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets Non Current</b>								
Investments	38,019.75	-	-	<b>38,019.75</b>	-	-	38,019.75	<b>38,019.75</b>
<b>Financial Assets Current</b>								
Trade receivables	-	-	1,008.69	<b>1,008.69</b>	-	-	1,008.69	<b>1,008.69</b>
Cash and cash equivalents	-	-	8.56	<b>8.56</b>	8.56	-	-	<b>8.56</b>
Loans	-	-	7,951.76	<b>7,951.76</b>	-	-	7,951.76	<b>7,951.76</b>
Other Financial Assets	-	-	367.99	<b>367.99</b>	-	-	367.99	<b>367.99</b>
<b>Total Financial Assets</b>	<b>38,019.75</b>	<b>-</b>	<b>9,337.00</b>	<b>47,356.75</b>	<b>8.56</b>	<b>-</b>	<b>47,348.19</b>	<b>47,356.75</b>
<b>Financial liabilities Non Current</b>								
Borrowings	-	-	7,000.00	<b>7,000.00</b>	-	-	7,000.00	<b>7,000.00</b>
<b>Financial liabilities Current</b>								
Borrowings	-	-	5,000.00	<b>5,000.00</b>	-	-	5,000.00	<b>5,000.00</b>
Trade payables	-	-	64.89	<b>64.89</b>	-	-	64.89	<b>64.89</b>
Other financial liabilities	-	-	2,688.50	<b>2,688.50</b>	-	-	2,688.50	<b>2,688.50</b>
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>14,753.39</b>	<b>14,753.39</b>	<b>-</b>	<b>-</b>	<b>14,753.39</b>	<b>14,753.39</b>

31st March, 2018	Carrying Value				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets Non Current</b>								
Investments	30,728.68	-	-	<b>30,728.68</b>	-	-	30,728.68	<b>30,728.68</b>
<b>Financial Assets Current</b>								
Trade receivables	-	-	4,328.81	<b>4,328.81</b>	-	-	4,328.81	<b>4,328.81</b>
Cash and cash equivalents	-	-	367.38	<b>367.38</b>	367.38	-	-	<b>367.38</b>
Bank Balance Other than Cash and Cash Equivalents	-	-	300.65	<b>300.65</b>	300.65	-	-	<b>300.65</b>
Loans	-	-	19,832.96	<b>19,832.96</b>	-	-	19,832.96	<b>19,832.96</b>
Other Financial Assets	-	-	2,402.92	<b>2,402.92</b>	-	-	2,402.92	<b>2,402.92</b>
<b>Total Financial Assets</b>	<b>30,728.68</b>	<b>-</b>	<b>27,232.72</b>	<b>57,961.40</b>	<b>668.03</b>	<b>-</b>	<b>57,293.37</b>	<b>57,961.40</b>
<b>Financial liabilities Non Current</b>								
Borrowings	-	-	8,300.00	<b>8,300.00</b>	-	-	8,300.00	<b>8,300.00</b>
<b>Financial liabilities Current</b>								
Borrowings	-	-	5,000.00	<b>5,000.00</b>	-	-	5,000.00	<b>5,000.00</b>
Trade payables	-	-	356.33	<b>356.33</b>	-	-	356.33	<b>356.33</b>
Other financial liabilities	-	-	7,377.55	<b>7,377.55</b>	-	-	7,377.55	<b>7,377.55</b>
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>21,033.88</b>	<b>21,033.88</b>	<b>-</b>	<b>-</b>	<b>21,033.88</b>	<b>21,033.88</b>

##### B. Measurement of fair values

The table shown above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## Notes to the Financial Statements for the year ended March 31, 2019

### C. Valuation techniques

#### The following methods and assumptions were used to estimate the fair values

- 1) Fair value of the cash and short term deposits, current loans and advances and other current financial liabilities, short term borrowing and other similar items approximate their carrying value largely due to short term maturities of these instruments.
- 2) Long-term receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 3) The fair value of unquoted instruments and long-term borrowings is estimated by discounting future cash flows using rates currently available for debt of similar terms, credit risk and remaining maturities.

### iii) Financial Risk Management

The company's principal financial liabilities comprises of borrowings and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include investments in equity and debt instruments, loans (advances to related parties), trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk.

The company's board of directors has the overall responsibility for the establishment and oversight of the company's risk management framework. This note presents information about the risks associated with its financial instruments, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

#### Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Company's exposure to credit risk primarily relates to cash and cash equivalent, investments in equity and debt instruments, loans & other financial assets and accounts receivable.

The Company monitors and limits its exposure to credit risk on a continuous basis. Credit Risk on cash and cash equivalents is limited as the Company generally invest in deposits with nationalized banks. Investments in debt securities consist of investment in subsidiaries/associates. Loans are primarily provided to subsidiaries/associates and are in the nature of short-term as the same is repayable on demand.

The Company's credit risk associated with accounts receivable is managed through periodically review the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

The Company's financial assets which are exposed to credit risk are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in Debt Securities	31,650.57	25,038.70
Investment in Warrant	6,369.18	5,689.98
Trade and other receivables	1,008.69	4,328.81
Cash and cash equivalents and other bank balance	8.56	668.03
Loans & Other Financials Asset	8,319.75	22,235.88
<b>Total</b>	<b>47,356.75</b>	<b>57,961.40</b>

#### Impairment losses

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade and other receivables (measured under life time excepted credit loss model)		
Opening balance	-	-
Provided during the year	-	-
Reversal of provision	-	-
Unwinding of discount	-	-
Closing balance	-	-

## Notes to the Financial Statements for the year ended March 31, 2019

### Trade Receivables Ageing analysis

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Not due	-	-
Up to 3 months	42.65	1,342.91
3-6 months	-	324.00
More than 6 months	966.04	2,661.90
<b>Total</b>	<b>1,008.69</b>	<b>4,328.81</b>

No significant changes in estimation techniques or assumptions were made during the reporting period.

### Liquidity risk

The company is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The company has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the company's liquidity risk, the company's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.

### Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting year:

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Term Loan facilities	-	25,700.00

### Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

(₹ in lakhs)

As at March 31, 2019	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings	5,000.00	7,000.00	-	12,000.00
Trade payables	64.89	-	-	64.89
Other financial liabilities	2,688.50	-	-	2,688.50
	<b>7,753.39</b>	<b>7,000.00</b>	-	<b>14,753.39</b>

(₹ in lakhs)

As at March 31, 2018	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings	5,000.00	7,000.00	1,300.00	13,300.00
Trade payables	356.33	-	-	356.33
Other financial liabilities	7,377.55	-	-	7,377.55
	<b>12,733.88</b>	<b>7,000.00</b>	<b>1,300.00</b>	<b>21,033.88</b>

### Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The company manages its interest rate risk by regular monitoring and taking necessary actions as are necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

#### a) Interest rate risk exposure

(₹ in lakhs)

	March 31, 2019	March 31, 2018
Variable rate borrowings	-	1300.00

#### b) Sensitivity analysis Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

Impact on profit.

	Impact on profit (₹ in lakhs)	
	March 31, 2019	March 31, 2018
Interest rates - increase by 70 basis points	-	9.10
Interest rates - decrease by 70 basis points	-	9.10

## Notes to the Financial Statements for the year ended March 31, 2019

**30.** The Company has made an application to the Reserve Bank of India to grant Certificate of Registration to commence the business of a Non-Deposit taking Systematically Important Core Investment Company (NDSI-CIC) on March 28, 2019 along with the audited Financials as at December 31, 2018 as the Company's financial income comprised more than 50% of its total income, its financial assets in the form of investments in equity shares, debt and loans to group companies exceeded 90% of its Net Assets and investments in equity shares (including instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue) in group companies to more than 60% of its Net Assets. The Reserve Bank of India, vide their letter dated April 12, 2019 has asked to apply afresh on the basis of the audited financial statement of the company and all its group companies as on March 31, 2019.

**31.** Securities and Exchange Board of India (SEBI) in its ad interim order dated March 14, 2019, issued under Section 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992 and Regulation 11 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003, in the matter of Religare Enterprises Limited, against twenty - five (25) Noticees including the Company (Noticee no. 4), has directed the Company not to dispose of or alienate any of their assets or divert any funds, except for meeting expenses of day-to-day business operations, without the prior permission of SEBI.

The Company, vide its letter dated May 02, 2019 has replied to the said SEBI order and has denied that the company has committed any violation of the concerning provisions of the SEBI Act, 1992 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003. The matter is pending.

**32.** The Company has entered into a Share Purchase Agreement (SPA) dated 4th May, 2019 with a Purchaser, for sale of its entire stake in Ghaziabad Aligarh Expressway Pvt Ltd (GAEPL), an "associate" of the Company.

The proposed transaction is subject to prior permission of SEBI in terms of ad-interim order dated March 14, 2019 and other applicable regulatory and other approvals and certain conditions, more specifically laid down in the SPA. The Equity value of the proposed transaction is subject to adjustments of debt and other capital and operational costs at closing date and hence, net consideration receivable is not ascertainable at this stage.

The valuation date for sale as per the SPA is December 31, 2018. Impact if any, on profit/loss with respect to sale of its stake in GAEPL will be adjusted on closure of the transaction.

**33.** The financial statements were approved for issue by the Board of Directors and authorize for issue on 28th May, 2019.

As per our report of even date

**For S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
*Partner*  
Membership No.095960

Place : Kolkata  
Date : May 28, 2019

**For and on behalf of the Board of Directors**

**Tuk Tuk Ghosh Kumar**  
*Director*  
DIN: 06547361

**Naresh Mathur**  
*Company Secretary*

**Bajrang K Choudhary**  
*Managing Director*  
DIN: 00441872

**Jai Prakash Shaw**  
*Chief Financial Officer*  
Place : Kolkata

## Independent Auditor's Report

To

**The Members of Bharat Road Network Limited**  
**Report on the Consolidated Financial Statements**

### Qualified opinion

We have audited the accompanying consolidated financial statements of Bharat Road Network Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its share of loss of its associate companies, which comprise the consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the impact of the matter as described in the basis for qualified opinion paragraph*, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated loss and consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

*We refer note no - 19 (ii) of the consolidated financial statements, where the Holding Company has not recognized interest on Rs. 5,000 lakhs for the year ended March 31, 2019 which is not in compliance of Ind AS 1, 'Presentation of Financial statements' read with Ind AS 109 'Financial Instruments'. Due to this, profit before tax of the Company for the year ended March 31, 2019 has been overstated by Rs. 311.64 lakhs and the current liabilities has been understated by the same amount.*

### Key Audit Matters

Key audit matters (KAM) are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters (KAM) –

Sl. No.	Key Audit Matter	Auditor's Response
1	<p>The Holding Company has entered into a Share Purchase Agreement (SPA) dated May 4, 2019 with a Purchaser, for sale of its entire stake in Ghaziabad Aligarh Expressway Pvt. Ltd. (GAEPL), an "associate" of the Holding Company.</p> <p>The proposed transaction is subject to prior permission of SEBI in terms of ad-interim order dated March 14, 2019 and other applicable regulatory and other approvals and certain conditions, more specifically laid down in the SPA. The Equity value of the proposed transaction is subject to adjustments of debt and other capital and operational costs at closing date and hence, net consideration receivable is not ascertainable at this stage.</p> <p>The valuation date for sale as per the SPA is December 31, 2018. Impact if any, on profit/loss w.r.t sale of its stake in GAEPL will be adjusted on closure of the transaction.</p> <p>Refer Note – 37.6 of the consolidated financial statement.</p>	<p>Based on the SPA, the said transaction is subject to various regulatory approvals which is pending as on date. The impact of the said transaction on the Consolidated financials of the Company is not ascertainable as on date and will be adjusted on the closure of the transaction.</p>

2	Investments in Optionally Convertible Debentures and Share warrant of subsidiaries and associates amounting to Rs. 38,019.75 lakhs considered as financial assets. Refer Note - 8 of the consolidated financial statement.	We have reviewed the projections, related information and explanations and additionally considered the valuation report of a registered valuer appointed by the Holding company.
3	Non-Recognition of Premium paid to MPRDC by an associate Company, Mahakaleshwar Tollways Private Limited (MTPL): As per the Concession Agreement for the Project executed with MPRDC, the available balance in the Escrow Account needs to be withdrawn every month as per the order specified in the Escrow Agreement dated February 23, 2010. During the year, the revenue of MTPL was insufficient for payment of Premium to MPRDC as per the said specified order of withdrawal under Escrow Agreement. Therefore, no provision has been made in the books of accounts towards premium for the year. Refer Note - 37.3 of the consolidated financial statement.	We have considered and relied on the Auditors Report issued by the Auditors of MTPL and have taken the management view thereon. As explained by the management that, since Concession Agreement does not provide for accrual of premium if the project revenue is insufficient for its payment. Therefore, no provision has been made in the books of accounts towards premium for the year.
4	Claim Assignment made by a subsidiary Company Orissa Steel Expressways Private Limited (OSEPL) in favour of the lender against settlement of financial dues as on September 29, 2018. Refer Note- 19(i)(B) of the consolidated financial statement.	We have considered and relied on the Auditors Report issued by the Auditors of OSEPL wherein it is stated that they have reviewed the assignment agreement entered between the lender and OSEPL to settle financial dues and the terms contained therein. Auditors of OSEPL have also obtained additional document from OSEPL management containing clarification and confirmation from lender (Assignee) that the assignment comprises of first cash flows equivalent to the aggregate of finance dues of Rs. 12,968 lakhs and recompensates amount which shall include all the interest, penalty and other sums foregone by the lender under the Loan Agreement. Further, they have also verified OSEPL's accounting treatment of long term borrowing amount transferred to amount payable under short term financial liabilities.

### Emphasis of Matter

Attention is invited to Note 33.4 of the Consolidated financial statements regarding investments by the Holding company in Special Purpose Vehicles formed as per concession agreement and guideline 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 not modified in respect of the said matter.

### Other Matters

We did not audit the financial statements/financial information of three Subsidiary Companies included in these Consolidated financial Statements whose financial statements reflect total assets of Rs. 2,16,906.86 lakhs as at March 31, 2019, total revenues of Rs. 40,915.28 lakhs, total net loss after tax of Rs. 2,067.78 lakhs and total comprehensive loss of Rs. 2,072.07 lakhs for the year ended March 31, 2019, as considered in the Consolidated Financial Statements. The Consolidated financial statements included in the statement also include the Group's share of net loss after tax of Rs.2,238.06 lakhs and total comprehensive loss of Rs. 2,231.97 lakhs for the year ended March 31, 2019 as considered in the Consolidated

Financial Statements in respect of four Associate Companies. The Financial Statements of the subsidiary companies and the associate companies have been audited by other auditors whose reports have been furnished to us by the Management, 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, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors.

### Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including annexures to Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the records, information and explanation provided, we have nothing to report in this regard.

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its Associates in accordance with the Ind AS and accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group and of its Associates are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its Associates 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 consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its Associates are responsible for assessing the ability of the Group and its Associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its Associates are also responsible for the overseeing the financial reporting process.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its Associates have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associates to express an opinion on the consolidated financial statements.



Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters, communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b. *Except for the possible effects of the matters described in the basis for qualified opinion paragraph*, 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 reports of the other Auditors;
  - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements;
  - d. In our opinion, *except for the effects of the matters described in the basis for qualified opinion paragraph*, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133

of the Act read with relevant rules issued thereunder;

- e. With respect to the adequacy of the internal financial controls over financial reporting of the Group and its Associates incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- f. On the basis of the written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

As per the information and explanation given to us and on the basis of our examination of the records, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- h. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Associate companies. Refer Note 33.5 to the consolidated financial Statements.
  - ii) The Group and its Associate companies has made provisions in its Consolidated Financial Statements, as required under the applicable law or Indian accounting standards, for material foreseeable losses on long term contracts including derivative contracts;
  - iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Group and its Associate companies.

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
Partner  
Membership No. 095960

Place: Kolkata  
Date: May 28, 2019

## **Annexure A to the Independent Auditor's Report to the members of BHARAT ROAD NETWORK LIMITED (Company) dated May 28, 2019**

### **Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(e) of 'Report on Other Legal and Regulatory Requirements' section of our report referred above**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of BHARAT ROAD NETWORK LIMITED (hereinafter referred to as "Holding Company") and its subsidiary companies and associate companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 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 of the Subsidiary Companies and Associate Companies, which are Companies incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the holding company, its subsidiary companies and its associate companies, which are companies incorporated in India.

#### **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 and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the holding company, its subsidiary companies and its associate companies

which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at March 31, 2019, 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.

**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 three subsidiary companies and four associate companies, which are companies

incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

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

For **S. S. Kothari Mehta & Co.**

*Chartered Accountants*

Firm Registration No. 000756N

**Neeraj Bansal**

*Partner*

Membership No. 095960

Place: Kolkata  
Date: May 28, 2019

## Consolidated Balance Sheet as at March 31, 2019

Particulars	Note No.	(₹ in lakhs)	
		As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, plant and equipment	4	125.36	140.28
(b) Investment Property	5	4.85	4.85
(c) Goodwill on Consolidation		3,487.66	2,547.57
(d) Other Intangible Assets	6	83,301.72	86,648.22
(e) Intangible Asset Under Development	7	79,699.78	54,158.33
(f) Financial Assets			
(i) Investments	8	45,698.18	42,269.65
(ii) Loans	9 (i)	3.96	3.13
(iii) Other	10 (i)	24,210.40	23,960.48
(g) Other Non-Current Assets	11 (i)	11,991.91	6,605.53
<b>Total Non-Current Assets</b>		<b>248,523.82</b>	<b>216,338.04</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Investments	12	6,567.59	13,888.32
(ii) Trade Receivables	13	9,858.95	10,374.44
(iii) Cash and Cash Equivalents	14	2,919.15	1,222.11
(iv) Bank Balance Other than Cash and Cash Equivalents	15	-	300.65
(v) Loans	9 (ii)	26,229.94	12,677.61
(vi) Other Financial Assets	10 (ii)	620.16	993.86
(b) Current Tax Assets (Net)	16 (i)	193.39	104.36
(c) Other Current Assets	11 (ii)	1,620.38	1,045.59
<b>Total Current Assets</b>		<b>48,009.56</b>	<b>40,606.94</b>
<b>Total Assets</b>		<b>296,533.38</b>	<b>256,944.98</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	17	8,395.00	8,395.00
(b) Other Equity	18	92,768.15	97,933.66
<b>Attributable to Owners of the Parent</b>		<b>101,163.15</b>	<b>106,328.66</b>
Non-Controlling Interests		10,665.28	11,194.93
<b>Total Equity</b>		<b>111,828.43</b>	<b>117,523.59</b>
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19 (i)	131,043.71	95,447.52
(ii) Other Financial Liabilities	20 (i)	1,485.81	1,250.38
(b) Provisions	21 (i)	1,136.47	720.91
(c) Deferred Tax Liabilities (Net)	22	488.37	318.88
<b>Total Non-Current Liabilities</b>		<b>134,154.36</b>	<b>97,737.69</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19 (ii)	5,000.00	5,000.00
(ii) Trade Payables			
-Total outstanding dues of micro enterprise and small enterprise		-	-
-Total outstanding of other than micro enterprise and small enterprise	23	64.92	356.36
(iii) Other Financial Liabilities	20 (ii)	44,977.18	34,666.90
(b) Other Current Liabilities	24	501.07	1,457.40
(c) Provisions	21 (ii)	7.42	12.89
(d) Current Tax Liabilities (Net)	16 (ii)	-	190.15
<b>Total Current Liabilities</b>		<b>50,550.59</b>	<b>41,683.70</b>
<b>Total Equity and Liabilities</b>		<b>296,533.38</b>	<b>256,944.98</b>

The accompanying notes 1 to 38 are an integral part of the Consolidated Financial Statements.

As per our report of even date

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

Neeraj Bansal  
Partner  
Membership No.095960

Place : Kolkata  
Date : May 28, 2019

For and on behalf of the Board of Directors

Tuk Tuk Ghosh Kumar  
Director  
DIN: 06547361

Naresh Mathur  
Company Secretary

Bajrang K Choudhary  
Managing Director  
DIN: 00441872

Jai Prakash Shaw  
Chief Financial Officer  
Place : Kolkata

## Consolidated Statement of Profit and Loss for the year ended March 31, 2019

			(₹ in lakhs)	
Particulars	Notes	2018-19	2017-18	
I Revenue from operations	25	40,140.75	15,320.49	
II Other income	26	4,805.28	9,751.37	
III <b>Total income (I+II)</b>		<b>44,946.03</b>	<b>25,071.86</b>	
IV <b>Expenses:</b>				
EPC Cost		12,836.93	7,342.27	
Employee benefits expense	27	1,364.89	890.54	
Finance costs	28	20,482.13	4,385.71	
Depreciation and amortisation expense	29	3,370.20	42.56	
Other expenses	30	8,402.41	2,670.90	
<b>Total expenses (IV)</b>		<b>46,456.56</b>	<b>15,331.98</b>	
V <b>Profit/(Loss) from operation before Share of Profit / (Loss) of Associates and exceptional items (III-IV)</b>		<b>(1,510.53)</b>	<b>9,739.88</b>	
VI Share of Profit / (Loss) of Associates		(2,238.06)	(6,267.84)	
VII <b>Profit/(Loss) before tax (V+VI)</b>		<b>(3,748.59)</b>	<b>3,472.04</b>	
VIII <b>Tax expense</b>	31			
Current tax		435.46	863.90	
Deferred Tax		169.37	293.54	
<b>Total tax expense</b>		<b>604.83</b>	<b>1,157.44</b>	
IX <b>Profit/(loss) for the year (VII-VIII)</b>		<b>(4,353.42)</b>	<b>2,314.60</b>	
X <b>Other Comprehensive income</b>	32			
(i) Items that will not be reclassified to profit or loss				
-Remeasurement of defined benefit plans		(3.86)	(5.82)	
-Share of other comprehensive income in associate		6.09	(1.01)	
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.14)	2.16	
<b>Total Other Comprehensive Income/(loss) for the year</b>		<b>2.09</b>	<b>(4.67)</b>	
XI <b>Total Comprehensive Income/(loss) for the year (IX+X)</b>		<b>(4,351.33)</b>	<b>2,309.93</b>	
XII <b>Profit/(Loss) for the year</b>				
Attributable to:				
Owners of the parent		(3,825.77)	2,330.76	
Non-controlling interests		(527.65)	(16.16)	
XIII <b>Other comprehensive income/(Loss) for the year</b>				
Attributable to:				
Owners of the parent		2.85	(4.67)	
Non-controlling interests		(0.76)	-	
XIV <b>Total comprehensive income/(Loss) for the year</b>				
Attributable to:				
Owners of the parent		(3,822.93)	2,326.09	
Non-controlling interests		(528.41)	(16.16)	
XV <b>Earnings per equity share (of Rs. 10/- each):</b>	33.2			
a) Basic (Rs.)		(5.19)	3.28	
b) Diluted (Rs.)		(5.19)	3.28	

The accompanying notes 1 to 38 are an integral part of the Consolidated Financial Statements.

As per our report of even date

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

Neeraj Bansal  
Partner  
Membership No.095960

Place : Kolkata  
Date : May 28, 2019

For and on behalf of the Board of Directors

Tuk Tuk Ghosh Kumar  
Director  
DIN: 06547361

Naresh Mathur  
Company Secretary

Bajrang K Choudhary  
Managing Director  
DIN: 00441872

Jai Prakash Shaw  
Chief Financial Officer  
Place : Kolkata

## Consolidated Cash Flow Statement for the year ended March 31, 2019

		(₹ in lakhs)	
Particulars		Year Ended March 31, 2019	Year Ended March 31, 2018
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit Before Tax	(3,748.59)	3,472.04
	Adjustments for:		
	Depreciation and Amortisation Expense	3,370.20	42.56
	Finance Costs	20,482.13	4,385.71
	Interest Income	(453.77)	(1,449.18)
	Interest on income tax refund	(3.14)	(9.45)
	Net gain/(loss) on Fair Valuation of Investments	(4,338.11)	(8,046.69)
	<b>Operating Profit before Working Capital Changes</b>	<b>15,308.72</b>	<b>(1,605.01)</b>
	Increase/(Decrease) in Trade Payables, other liabilities and provisions	13,649.92	26,827.68
	Decrease/(Increase) in trade receivables, loans, advances and other assets	1,341.10	(10,447.00)
	<b>Cash generated from/(used in) Operating activities</b>	<b>30,299.74</b>	<b>14,775.67</b>
	Direct Taxes paid (Net of refunds)	(714.64)	(454.88)
	<b>Net Cash flow from/(used in) Operating Activities</b>	<b>29,585.10</b>	<b>14,320.79</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Payments for Property, plant and equipment (including Intangible Assets and Intangible assets under Development)	(32,048.02)	(14,360.25)
	Acquisition adjustment of subsidiary	-	(86,781.76)
	Loan taken/(given)	(12,648.46)	(11,273.77)
	(Increase)/ Decrease in Investments	7,398.60	7,921.19
	Investment in fixed deposits	300.65	(300.65)
	Interest received	521.46	1,684.03
	<b>Net Cash flow from/(used in) Investing activities</b>	<b>(36,475.77)</b>	<b>(103,111.21)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from issuance of share capital (net of share issue expenses)	-	57,283.90
	Increase/(Decrease) in Goodwill on consolidation	(940.09)	(34.57)
	Proceeds from long term borrowings	33,131.26	48,542.30
	Repayment of warrant	-	(16,592.00)
	Proceeds from/(Repayment of) short term borrowings (net)	-	(300.00)
	Interest paid	(23,097.43)	(305.07)
	Dividend including dividend tax paid	(506.03)	(505.45)
	<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>8,587.71</b>	<b>88,089.11</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>1,697.04</b>	<b>(701.31)</b>
	Opening Cash and Cash Equivalents (Refer Note No.14)	1,222.11	1,923.42
	<b>Closing Cash and Cash Equivalents (Refer Note No.14)</b>	<b>2,919.15</b>	<b>1,222.11</b>

### Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS -7 "Statement of Cash Flow".
- Interest paid is inclusive of and Investments is exclusive of interest capitalized Rs.147.43 lakhs (March 31, 2018: Rs. 649.01 lakhs). Similarly, interest of Rs. Nil (March 31, 2018: Rs. 254.81 lakhs) earned on advances and adjusted with borrowing costs, has been included in interest received to the extent realized during the year.
- During the year, loan given aggregating to Rs. 5147.00 lakhs have been converted into investments in Warrant.

The accompanying notes 1 to 38 are an integral part of the Consolidated Financial Statements.

As per our report of even date

**For S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
Partner  
Membership No.095960

Place : Kolkata  
Date : May 28, 2019

**For and on behalf of the Board of Directors**

**Tuk Tuk Ghosh Kumar**  
Director  
DIN: 06547361

**Naresh Mathur**  
Company Secretary

**Bajrang K Choudhary**  
Managing Director  
DIN: 00441872

**Jai Prakash Shaw**  
Chief Financial Officer  
Place : Kolkata

## Statement of Changes in Equity for the year ended March 31, 2019

### (a) Equity Share Capital

(₹ in lakhs)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended March 31, 2018	5,465.00	2,930.00	8,395.00
For the year ended March 31, 2019	8,395.00	-	8,395.00

### (b) Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus				Attributable to owners of parent	Non controlling interest (incl OCI)	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Other Comprehensive Income			
<b>Balance as of 1st April 2017</b>	-	51,667.14	(13,023.66)	(31.82)	38,611.66	3,178.19	41,789.85
<b>Changes in other equity for year ended March 31, 2018</b>							
Adjustment on consolidation	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	2,330.76	-	2,330.76	(16.16)	2,314.60
Other comprehensive income for the year	-	-	-	(4.67)	(4.67)	-	(4.67)
Non controlling interest arising on acquisition	-	-	-	-	-	8,032.90	8,032.90
Additions on acquisition of subsidiary	3,147.46	-	-	-	3,147.46	-	3,147.46
Premium received on issue of shares	-	57,135.00	-	-	57,135.00	-	57,135.00
Interim Dividends (FY 2017-18 : Rs.0.50 per share)	-	-	(505.45)	-	(505.45)	-	(505.45)
Utilized for share issue expenses	-	(2,781.10)	-	-	(2,781.10)	-	(2,781.10)
<b>Balance as at 31st March 2018</b>	<b>3,147.46</b>	<b>106,021.04</b>	<b>(11,198.35)</b>	<b>(36.49)</b>	<b>97,933.66</b>	<b>11,194.93</b>	<b>109,128.59</b>
<b>Changes in other equity for year ended 31st March 2019</b>							
Profit/(Loss) for the year	-	-	(3,825.77)	-	(3,825.77)	(527.65)	(4,353.42)
Other comprehensive income for the year	-	-	-	2.85	2.85	(0.76)	2.09
Dividend	-	-	-	-	-	-	-
Dividend distribution tax	-	-	-	-	-	-	-
Non controlling interest arising on acquisition	-	-	-	-	-	-	-
Addition during year	(836.56)	-	-	-	(836.56)	-	(836.56)
Premium received on issue of shares	-	-	-	-	-	-	-
Interim Dividends (FY 2018-19 : Rs.0.50 per share)	-	-	(506.03)	-	(506.03)	-	(506.03)
Utilized for share issue expenses	-	-	-	-	-	-	-
<b>Balance as at 31st March 2019</b>	<b>2,310.90</b>	<b>106,021.04</b>	<b>(15,530.15)</b>	<b>(33.64)</b>	<b>92,768.15</b>	<b>10,665.28</b>	<b>103,433.43</b>

#### Capital Reserve

The Reserve represents impact arising on Consolidation.



## Statement of Changes in Equity for the year ended March 31, 2019

### Notes to the consolidated financial statements (Contd....)

#### Securities Premium Reserves

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

#### Retained Earnings

The reserve represent the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 38 are an integral part of the Consolidated Financial Statements.

As per our report of even date

**For S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
*Partner*  
Membership No.095960

Place : Kolkata  
Date : May 28, 2019

**For and on behalf of the Board of Directors**

**Tuk Tuk Ghosh Kumar**  
*Director*  
DIN: 06547361

**Naresh Mathur**  
*Company Secretary*

**Bajrang K Choudhary**  
*Managing Director*  
DIN: 00441872

**Jai Prakash Shaw**  
*Chief Financial Officer*  
Place : Kolkata

## Notes to the consolidated financial statements for the year ended March 31, 2019

### 1. Company Overview

#### Corporate Information

BRNL is domiciled and incorporated in India and its shares are quoted on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') w.e.f. 18th September, 2017. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

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.

### 2. Statement of Compliance

i) The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorised have been considered for the purpose of preparation of these financial statements.

#### ii) Recent Pronouncement

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the Standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

The Company is evaluating the requirement of amendment and impact on financial statements. The effect on adoption is expected to be insignificant.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The Standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

## Notes to the consolidated financial statements for the year ended March 31, 2019

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

The effect on adoption of Ind AS 19 would be insignificant in the standalone financial statements.

### 3. Significant Accounting Policies

#### 3.1 Basis of Preparation

The financial Statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortised cost at the end of each reporting period.

Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Consolidated Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

#### Basis of Consolidation

The Consolidated Financial Statements (CFS) includes the financial statements of the Company and its subsidiaries together with the share of the total comprehensive income of associates.

Subsidiaries are entities controlled by the Group. Associates are entities over which the Group exercise significant influence but does not control. An entity / arrangement in which the Group has the ability to exercise control jointly with one or more uncontrolled entities may be a joint venture ("JV") or a joint operation ("JO"). Unlike in a JV where parties have proportionate interests in the assets and liabilities of the JV entity, parties have rights to and obligations towards specified assets and liabilities in a JO.

Control, significant influence and joint control is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements.

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

An investment in an associate or a JV is initially recognized at cost on the date of the investment, and inclusive of any goodwill/capital reserve embedded in the cost, in the Balance Sheet. The proportionate share of the Group in the net profits / losses as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount (referred as 'equity method').

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

## Notes to the consolidated financial statements for the year ended March 31, 2019

### 3.2 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability

Level 3 : inputs for the asset or liability which are not based on observable market data.

### 3.3 Property Plant and Equipment (PPE)

- (i) Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation. Carrying value of PPE on the date of transition has been considered to be deemed cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- (ii) All project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP).
- (iii) Depreciation on property plant and equipment commences when the assets are ready for their intended use.
- (iv) Depreciation on PPE is provided on the straight-line method over the useful lives of the respective asset as specified in Part C of Schedule II to Companies Act, 2013. The useful life of assets considered for depreciation as above are as follows:

Category	Useful life (years)
Computers	3, 6 years
Furniture & fixtures	10 years
Electrical Installation	10 years
Plant & Machinery	8,10 years
TMS	5 years
Office equipments	5 years

- (v) The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Cost of leasehold lands are amortised under the straight line method over the related lease period.
- (vii) Assets constructed/acquired in relation to assets taken on operating lease are amortised over the primary period of lease.

### 3.4 Intangible Assets

#### Recognition and initial measurement

#### i) Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue from the users of the public service ( road ) during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the SPVs. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the negative grants and additional concession fee payable to National Highways Authority of India ("NHAI")/State authorities, if any. Till the completion of the project, the same is recognised under intangible assets under development.

The cost incurred for work beyond the original scope per Concession Agreement (normally referred as "Change of Scope") is capitalized as intangible asset under development as and when incurred. Reimbursement in respect of such amounts from NHAI/State authorities are reduced from the carrying amount intangible assets to the extent of actual receipts.

Extension of concession period by the authority in compensation of claims made are capitalised as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

## Notes to the consolidated financial statements for the year ended March 31, 2019

Any Viability Gap Funding (VGF) in the form of equity support in connection with project construction is accounted as a receivable and is adjusted to the extent of actual receipts.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Intangible assets that are not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

### **Amortisation of intangible assets ("Toll collection rights")**

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on 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-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortised over the concession period.

### **ii) Other Intangible Assets**

Cost of computer software packages has been allocated / amortised over a period of 6 years on straight line basis

### **3.5 Derecognition of Tangible and Intangible Assets**

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

### **3.6 Impairment of Tangible and Intangible Assets**

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

### **3.7 Leases**

Leases are classified as finance leases whenever in terms of the lease all the risks and rewards incidental to the ownership of an asset are substantially transferred to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct cost of the lessee is added to the amount recognized as an asset. Each Lease payment is apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease arrangement are structured to increase in the payments in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

### **3.8 Investments in Subsidiaries, Associates and Joint Ventures**

The Company's investment in the equity shares of its associates & joint ventures is accounted for using the 'equity method' less accumulated impairment, if any. All other investments in scope of Ind AS 109 are measured at fair value.

### **3.9 Financial Assets and Liabilities**

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

## Notes to the consolidated financial statements for the year ended March 31, 2019

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non current.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

### (i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

### (ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### (iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, the principal is considered to be fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

### (v) Financial Assets or Liabilities at Fair value through profit or loss (FVTPL)

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

### (vi) Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value (except equity investment in subsidiary, associates and joint ventures). For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable if the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

## 3.10 Financial guarantee contracts

Financial guarantee contracts other than those which are in the nature of Insurance are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

## 3.11 Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

## Notes to the consolidated financial statements for the year ended March 31, 2019

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

### 3.12 De-recognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

### 3.13 Inventories

Inventories are valued at lower of cost or net realisable value

Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realisation.

### 3.14 Foreign Currency Transactions

#### Presentation currency:

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

#### Transactions and balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

### 3.15 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

### 3.16 Post-employment, long term and short term employee benefits

#### Defined contribution plans

##### Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

#### Defined benefit plans

##### Gratuity (Unfunded)

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in



## Notes to the consolidated financial statements for the year ended March 31, 2019

respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

### Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

### Short Term Employee Benefits

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

## 3.17 Revenue Recognition

### Toll Collection

Toll collections from the users of the infrastructure facility constructed by the SPVs under the Service Concession Arrangement is accounted for based on actual collection. Revenue from sale of smart cards is accounted on cash basis.

### Construction services

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the company's accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are rendered.

### Service Revenue

Revenue from services is recognized in the period in which services are rendered. It is measured at fair value of consideration received or receivable for the services rendered. 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

For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

### Other Income

Other Income is recognized when right to receive is established.

## 3.18 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest rate method except to the extent attributable to qualifying asset which are capitalized to the cost of the related assets. A qualifying asset is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

## 3.19 Income Tax

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

## Notes to the consolidated financial statements for the year ended March 31, 2019

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

### 3.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 3.21 Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The areas involving critical judgement are as follows:

#### i) Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

#### ii) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

#### iii) Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate.

#### iv) Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

## Notes to the consolidated financial statements for the year ended March 31, 2019

### v) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

### 3.22 Government Grant

Group entities may receive government grants that require compliance with certain conditions related to the entity's operating activities or are provided to the entity by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group entity will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 4. PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2019

(₹ in lakhs)

Particulars	Land	Computers	Office Equipments	Furniture and Fixtures	Electrical Installations	Plant & Machinery	TMS	Total
<b>Cost</b>								
As at April 1, 2018	13.32	10.99	31.85	15.21	0.82	69.32	38.05	<b>179.56</b>
Acquired through business combination	-	-	-	-	-	-	-	-
Additions during the year	-	3.39	3.06	0.62	0.32	1.40	-	<b>8.79</b>
<b>Balance at March 31, 2019</b>	<b>13.32</b>	<b>14.38</b>	<b>34.91</b>	<b>15.83</b>	<b>1.14</b>	<b>70.72</b>	<b>38.05</b>	<b>188.35</b>
<b>Accumulated depreciation</b>								
As at April 1, 2018	-	4.57	14.41	3.19	0.18	4.12	12.81	<b>39.28</b>
Acquired through business combination	-	-	-	-	-	-	-	-
Depreciation expense for the year	-	3.48	2.90	3.66	0.09	6.35	7.23	<b>23.71</b>
<b>Balance at March 31, 2019</b>	<b>-</b>	<b>8.05</b>	<b>17.31</b>	<b>6.85</b>	<b>0.27</b>	<b>10.47</b>	<b>20.04</b>	<b>62.99</b>
<b>Net book value as at March 31, 2019</b>	<b>13.32</b>	<b>6.33</b>	<b>17.60</b>	<b>8.98</b>	<b>0.87</b>	<b>60.25</b>	<b>18.01</b>	<b>125.36</b>
<b>Net book value as at March 31, 2018</b>	<b>13.32</b>	<b>6.42</b>	<b>17.44</b>	<b>12.02</b>	<b>0.64</b>	<b>65.20</b>	<b>25.24</b>	<b>140.28</b>

As at March 31, 2018

(₹ in lakhs)

Particulars	Land	Computer	Office Equipments	Furniture and Fixtures	Electrical Installations	Plant & Machinery	TMS	Total
<b>Cost</b>								
As at April 1, 2017	13.32	4.42	4.63	8.43	0.82	-	-	<b>31.62</b>
Acquired through business combination	-	2.51	17.52	3.45	-	63.30	38.05	<b>124.83</b>
Additions	-	4.06	9.70	3.33	-	6.02	-	<b>23.11</b>
<b>Balance at March 31, 2018</b>	<b>13.32</b>	<b>10.99</b>	<b>31.85</b>	<b>15.21</b>	<b>0.82</b>	<b>69.32</b>	<b>38.05</b>	<b>179.56</b>
<b>Accumulated depreciation</b>								
As at April 1, 2017	-	1.65	1.22	1.00	0.09	-	-	<b>3.96</b>
Acquired through business combination	-	0.64	10.70	0.94	-	3.94	12.73	<b>28.94</b>
Depreciation expense for the year	-	2.28	2.49	1.25	0.09	0.18	0.08	<b>6.38</b>
Disposal & other adjustments	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2018</b>	<b>-</b>	<b>4.57</b>	<b>14.41</b>	<b>3.19</b>	<b>0.18</b>	<b>4.12</b>	<b>12.81</b>	<b>39.28</b>
<b>Net book value as at March 31, 2018</b>	<b>13.32</b>	<b>6.42</b>	<b>17.44</b>	<b>12.02</b>	<b>0.64</b>	<b>65.20</b>	<b>25.24</b>	<b>140.28</b>
<b>Net book value as at March 31, 2017</b>	<b>13.32</b>	<b>2.77</b>	<b>3.41</b>	<b>7.43</b>	<b>0.73</b>	<b>-</b>	<b>-</b>	<b>27.66</b>

**Note:** Out of the total Depreciation expenses on Property, Plant & Equipments of Rs. 23.71 lakhs (FY 2017-18 :Rs. 6.38 lakhs), Rs.Nil (FY 2017-18 : Rs.0.71 Lakhs) has been capitalised under "Intangible assets under development" and the balance of Rs. 23.71 lakhs (FY 2017-18 : Rs. 5.67 lakhs) has been charged to the Statement of Profit and Loss for the year.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 5. INVESTMENT PROPERTY

As at March 31, 2019

(₹ in lakhs)

Particulars	Land	Total
<b>Cost</b>		
As at April 1, 2018	4.85	4.85
Additions	-	-
Acquired through business combination	-	-
<b>Balance at March 31, 2019</b>	<b>4.85</b>	<b>4.85</b>
<b>Accumulated depreciation</b>		
As at April 1, 2018	-	-
Depreciation expense for the year	-	-
<b>Balance at March 31, 2019</b>	<b>-</b>	<b>-</b>
<b>Net book value as at March 31, 2019</b>	<b>4.85</b>	<b>4.85</b>
<b>Net book value as at March 31, 2018</b>	<b>4.85</b>	<b>4.85</b>

As at March 31, 2018

(₹ in lakhs)

Particulars	Land	Total
<b>Cost</b>		
As at April 1, 2017	-	-
Additions	-	-
Acquired through business combination	4.85	4.85
<b>Balance at March 31, 2018</b>	<b>4.85</b>	<b>4.85</b>
<b>Accumulated depreciation</b>		
As at April 1, 2017	-	-
Depreciation expense for the year	-	-
<b>Balance at March 31, 2018</b>	<b>-</b>	<b>-</b>
<b>Net book value as at March 31, 2018</b>	<b>4.85</b>	<b>4.85</b>
<b>Net book value as at March 31, 2017</b>	<b>-</b>	<b>-</b>

### 6. OTHER INTANGIBLE ASSETS

As at March 31, 2019

(₹ in lakhs)

Particulars	Computer Software	Rights under service concession arrangements	Total
<b>Cost</b>			
As at April 1, 2018	4.05	95,110.47	95,114.52
Additions	-	-	-
Acquired through business combination	-	-	-
<b>Balance at March 31, 2019</b>	<b>4.05</b>	<b>95,110.47</b>	<b>95,114.52</b>
<b>Accumulated amortisation</b>			
As at April 1, 2018	1.40	8,464.90	8,466.30
Acquired through business combination	-	-	-
Depreciation expense for the year	0.78	3,345.72	3,346.50
<b>Balance at March 31, 2019</b>	<b>2.18</b>	<b>11,810.62</b>	<b>11,812.80</b>
<b>Net book value as at March 31, 2019</b>	<b>1.87</b>	<b>83,299.85</b>	<b>83,301.72</b>
<b>Net book value as at March 31, 2018</b>	<b>2.65</b>	<b>86,645.57</b>	<b>86,648.22</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

As at March 31, 2018

(₹ in lakhs)

Particulars	Computer Software	Rights under service concession arrangements	Total
<b>Cost</b>			
As at April 1, 2017	2.34	-	2.34
Additions	1.71	-	1.71
Acquired through business combination	-	95,110.47	95,110.47
<b>Balance at March 31, 2018</b>	<b>4.05</b>	<b>95,110.47</b>	<b>95,114.52</b>
<b>Accumulated amortisation</b>			
As at April 1, 2017	0.68	-	0.68
Acquired through business combination	-	8,428.73	8,428.73
Depreciation expense for the year	0.72	36.17	36.89
<b>Balance at March 31, 2018</b>	<b>1.40</b>	<b>8,464.90</b>	<b>8,466.30</b>
<b>Net book value as at March 31, 2018</b>	<b>2.65</b>	<b>86,645.57</b>	<b>86,648.22</b>
<b>Net book value as at March 31, 2017</b>	<b>1.66</b>	<b>-</b>	<b>1.66</b>

### 7. INTANGIBLE ASSETS UNDER DEVELOPMENT

As at March 31, 2019

(₹ in lakhs)

Particulars	Capital Work in progress	Total
<b>Cost</b>		
As at April 1, 2018*	54,158.33	54,158.33
Additions*	25,541.45	25,541.45
<b>Balance at March 31, 2019</b>	<b>79,699.78</b>	<b>79,699.78</b>
<b>Accumulated depreciation</b>		
As at April 1, 2017	-	-
Depreciation expense for the year	-	-
<b>Balance at March 31, 2019</b>	<b>-</b>	<b>-</b>
<b>Net book value as at March 31, 2019</b>	<b>79,699.78</b>	<b>79,699.78</b>

As at March 31, 2018

(₹ in lakhs)

Particulars	Capital Work in progress	Total
<b>Cost</b>		
As at April 1, 2017*	42,001.94	42,001.94
Additions*	12,156.39	12,156.39
<b>Balance at March 31, 2018</b>	<b>54,158.33</b>	<b>54,158.33</b>
<b>Accumulated depreciation</b>		
<b>Balance at March 31, 2018</b>	<b>-</b>	<b>-</b>
<b>Net book value as at March 31, 2018</b>	<b>54,158.33</b>	<b>54,158.33</b>
<b>Net book value as at March 31, 2017</b>	<b>42,001.94</b>	<b>42,001.94</b>

\* The above Intangible Assets under Development of Rs. 79,699.78 lakhs (Previous year Rs. 54,158.33 lakhs) 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 the Consolidated Financial Statements for the year ended March 31, 2019

### 8. NON-CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at March 31, 2019			As at March 31, 2018		
		Nos.	₹ in lakhs	₹ in lakhs	Nos.	₹ in lakhs	₹ in lakhs
<b>I) Investments in Unquoted Equity Instruments Fully paid <sup>A,C</sup></b>							
<b>a) In Associates (at cost)</b>							
Kurukshetra Expressway Pvt. Ltd. <sup>G</sup>							
Cost of acquisition (including goodwill of Rs. 1,877.89 lakhs (March 31, 2018 Rs. 1,877.89 lakhs))	10	51,086,910	11,445.94		51,086,910	11,445.94	
Add/(less) : Group Share of profit / (losses)			(11,409.49)	36.45		(9,383.38)	2,062.56
Ghaziabad Aligarh Expressway Pvt. Ltd.							
Cost of acquisition (including goodwill of Rs. 43.45 lakhs (March 31, 2018 Rs. 43.45 lakhs))	10	75,660,000	15,424.58		75,660,000	15,424.58	
Add/(less) : Group Share of profit / (losses)			(4,563.10)	10,861.48		(4,641.02)	10,783.56
Shree Jagannath Expressways Pvt. Ltd.							
Cost of acquisition (including goodwill / (capital reserve) of Rs. (619.50) lakhs (March 31, 2018 Rs. (619.50) lakhs))	10	59,148,000	11,216.70		59,148,000	11,216.70	
Add/(less) : Group Share of profit / (losses)			(620.34)	10,596.35		(611.83)	10,604.87
Mahakaleshwar Tollways Pvt. Ltd. (associate w.e.f October 28, 2016)							
Cost of acquisition (including goodwill of Rs. 2,875.85 lakhs (March 31, 2018 Rs. 2,875.85 lakhs))	10	49,995,000	1,499.85		49,995,000	1,499.85	
Add/(less) : Group Share of profit / (losses)			(906.41)	593.44		(631.14)	868.71
				<b>22,087.72</b>			<b>24,319.70</b>
<b>II) Investment in Unquoted Unsecured Optionally Convertible Debentures Fully paid <sup>A,B,C</sup></b>							
<b>a) In Associates (at fair value through profit or loss)</b>							
Kurukshetra Expressway Pvt. Ltd. <sup>E</sup>	10	93,143,600		12,234.83	93,143,600		9,319.84
Mahakaleshwar Tollways Pvt. Ltd.(Associates w.e.f October 28, 2016) <sup>F</sup>	10	29,376,600		5,006.46	29,376,600		2,940.14
				<b>17,241.29</b>			<b>12,259.98</b>
<b>III) In Unquoted Warrants Fully paid <sup>A,C</sup></b>							
<b>a) In Associates (at fair value through profit or loss)</b>							
Ghaziabad Aligarh Expressway Pvt. Ltd.	10	48,188,780		6,369.17	48,188,780		5,689.97
				<b>6,369.17</b>			<b>5,689.97</b>
<b>Aggregate amount of Unquoted Investments (I+II+III)</b>				<b>45,698.18</b>			<b>42,269.65</b>
<b>Aggregate amount of impairment in the value of investments</b>				-			-



## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 8. NON-CURRENT INVESTMENTS (contd.)

<sup>A</sup> Refer Note 33.4

<sup>B</sup> 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 at the end of every Financial Year based on the residual cash flows of the respective subsidiaries and associates after servicing their respective Senior Lenders.

<sup>C</sup> The Company has pledged its following investments of various SPVs aggregating to Rs. 63,197.54 lakhs (As at 31st March 2018: Rs.12,033.92 lakhs), in favour of lenders for term loan facilities availed by respective SPVs :

In Nos.

Particulars	As at March 31, 2019			As at March 31, 2018
	Shares	Unsecured Optionally Convertible Debentures	Warrant	Shares
Kurukshetra Expressway Pvt. Ltd.	5,10,86,910	9,31,43,600	-	1,69,11,420
Ghaziabad Aligarh Expressway Pvt. Ltd	7,56,60,000	-	4,81,88,780	3,85,86,600
Shree Jagannath Expressways Pvt. Ltd	5,91,48,000	-	-	3,01,65,480
Mahakaleshwar Tollways Pvt. Ltd.	4,99,95,000	2,93,76,600	-	2,54,97,450

<sup>D</sup> During the previous year 2017-18, the Company has acquired further 24.99% stake in the equity shares of Guruvayoor Infrastructure Private Limited (GIPL) in addition to the 49% stake in the equity shares already held by the Company. Consequently GIPL became subsidiary of the Company w.e.f March 28, 2018 with 73.99% stake in equity shares.

<sup>E</sup> Include Rs.1,788.99 Lakhs paid during the year towards purchase of right to collect interest on Unsecured Optionally Convertible Debenture for the holding period for which the instruments were held by the transferor.

<sup>F</sup> Include Rs.1,533.09 Lakhs paid during the year towards purchase of right to collect interest on Unsecured Optionally Convertible Debenture for the holding period for which the instruments were held by the transferor.

<sup>G</sup> Investment in Equity Shares of Kurukshetra Expressway Pvt. Ltd. includes 1,36,70,530 shares , which are in the process of transfer in the name of the Company as on 31st March, 2019.

<sup>H</sup> Guruvayoor Infrastructure Pvt Ltd. cease to be associate and became subsidiary w.e.f. March 28, 2018 .

<sup>I</sup> During the year, holding Company has given Corporate Guarantee of Rs. 107,500 Lakhs to the lender of the Subsidiaries and Associates for the financial assistance availed by them.

### 9. FINANCIAL ASSETS- LOANS

#### (i) Non-current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Unsecured, considered good</b>		
Security deposits	3.96	3.13
<b>Total</b>	<b>3.96</b>	<b>3.13</b>

#### (ii) Current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Unsecured, considered good</b>		
Loan to related parties (Refer Note No. 33.8)	4,752.13	12,336.42
Security deposits	5.44	311.04
Other advances	372.37	30.15
Inter Corporate Deposit	21,100.00	-
<b>Total</b>	<b>26,229.94</b>	<b>12,677.61</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 10. OTHER FINANCIAL ASSETS

#### (i) Non-current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Secured, considered good</b>		
Advance to KMC	-	904.70
(Advance given to KMC Constructions Limited is in lieu of 4 nos Bank Guarantees of Rs. 500 lakh each, aggregating to Rs. 2,000 lakh provided by KMCCL to IDFC Bank Limited on behalf of Guruvayoor Infrastructure Private Limited in lieu of creation of Debt Service Reserve Account in terms of the financing agreements executed with the secured lenders)		
<b>Unsecured, considered good</b>		
Claims (Receivable from NHAI) (Refer Note No 33.7)	24,210.40	23,055.78
<b>Total</b>	<b>24,210.40</b>	<b>23,960.48</b>

#### (ii) Current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Interest accrued and due on loan (includes due from related parties) (Refer note 33.8)	-	424.11
Interest accrued on fixed deposit	-	10.72
Security deposit	2.69	2.69
DSRA deposit	-	303.84
Advance to Suppliers and Others	250.33	252.50
Interest on ICD - Others	367.14	-
<b>Total</b>	<b>620.16</b>	<b>993.86</b>

#### 11. (i) Other Non-Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Capital advances	11,920.22	5,440.81
Others		
Security deposits	15.22	14.24
WCT /GST receivables	56.47	55.18
Deferred expense on advance to KMCIL	-	1,095.30
<b>Total</b>	<b>11,991.91</b>	<b>6,605.53</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### (ii) Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Capital advances	270.86	270.86
Advances other than capital advances		
Receivable from NHAI (Change of Scope - Signal Systems)	393.49	388.71
Interest receivable From KMCCCL (VUP Advance)	131.75	131.75
Advance to Vendors for Major Maintenance Work	5.46	5.46
Advance for COS	94.14	18.83
Other Advances	399.81	19.00
Balance with Statutory Authorities	7.22	-
GST receivable / Service tax receivable	14.48	54.21
Prepaid expenses	164.34	37.23
Unamortised borrowing costs	138.83	119.54
<b>Total</b>	<b>1,620.38</b>	<b>1,045.59</b>

### 12. INVESTMENTS- CURRENT

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Carried at fair value through profit or loss</b>		
<b>Quoted</b>		
<b>Investment in Mutual funds</b>		
IDFC Corporate Bond Fund - Direct Plan - Growth (FV -10)	-	2,685.57
IDFC-Cash Fund- - Growth - Direct Plan (FV -1000)	-	152.63
IDFC Super Saver Income-Short TermDirect Plan (FV -10)	-	494.87
IDFC Banking & PSU Debit Fund - Direct Plan Growth (FV - 10)	205.87	2,069.13
IDFC Ultra Short Term Fund - Growth -Direct Plan(FV - 10)	-	3,716.93
IDFC Credit Opportunities Fund - Direct Plan Growth (FV -10)	-	2,711.56
IDFC Bond Fund Short Term Plan-Growth (Direct) (FV -10)	362.77	-
IDFC Credit Risk Fund - Direct Plan Growth ( FV-10)	2,898.90	-
IDFC Low Duration Fund- Growth (Direct Plan) (FV -10)	3,091.73	-
IDFC super Saver Income Fund-STP Growth (FV - 10)	-	1,919.49
Union Liquid Fund Growth	8.32	138.14
<b>Total</b>	<b>6,567.59</b>	<b>13,888.32</b>
Aggregate amount of quoted investments and market value thereof;	6,567.59	13,888.32
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

### 13. TRADE RECEIVABLES

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Unsecured, considered good	9,858.95	10,374.44
<b>Total</b>	<b>9,858.95</b>	<b>10,374.44</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

## 14. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Balances with Banks		
In current accounts	2,835.00	1,143.66
Deposits with original maturity less than three months	-	-
Book overdraft	-	-
Unclaimed Dividend Account	0.68	0.18
Investment in liquid fund	0.54	0.47
Cash in hand	82.93	77.80
<b>Total</b>	<b>2,919.15</b>	<b>1,222.11</b>

## 15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Earmarked balances with Banks</b>		
Fixed deposits with banks (Upto 12 months maturity) (Under Lien with bank as margin money against Bank Guarantee)	-	300.65
<b>Total</b>	<b>-</b>	<b>300.65</b>

## 16. (i) Current Tax Assets (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Tax deducted at source and advance tax	1,536.29	104.36
Less: Provision for taxation	(1,342.90)	-
<b>Total</b>	<b>193.39</b>	<b>104.36</b>

## (ii) Current Tax Liabilities (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Provision for taxation	-	907.44
Less: Tax deducted at source and advance tax	-	(717.29)
<b>Total</b>	<b>-</b>	<b>190.15</b>

## 17. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
<b>(a) Authorised</b>				
Equity shares of par value Rs. 10/- each	100,000,000	10,000.00	100,000,000	10,000.00
		<b>10,000.00</b>		<b>10,000.00</b>
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of par value Rs. 10/- each fully paid up	83,950,000	8,395.00	83,950,000	8,395.00
		<b>8,395.00</b>		<b>8,395.00</b>

## (c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At the beginning of the year	83,950,000	8,395.00	54,650,000	5,465.00
Add:- Issued during the year	-	-	29,300,000	2,930.00
At the end of the year	83,950,000	8,395.00	83,950,000	8,395.00

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

- (d) Pursuant to Initial Public Offering (IPO), the Company has issued 29,300,000 equity shares of ₹ 10 each at a premium of ₹ 195/- per share in financial year 2017-18. The equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), w.e.f. 18th September, 2017. The details of utilisation of IPO proceeds are as follows:

Particulars	Net proceeds as per Prospectus
	₹ in lakhs
Gross proceeds of the Issue	60,065.00
Less: Estimated issue related expenses	3,281.10
<b>Net Proceeds</b>	<b>56,783.90</b>
Add: Saving in issue related expenses	199.64
<b>Total</b>	<b>56,983.54</b>

### Utilisation of Issue proceeds

Particulars	Objects of the issue as per prospectus	Utilisation till March 31, 2018	Amount pending Utilisation
STPL sponsor investment	5,147.00	5,147.00	-
Acquisition of the sub-ordinate debt in the form of unsecured loan/ OCPIDs/ Warrants / OCDs, advanced in the identified SPVs	37,225.30	37,225.30	-
Issue related expenses (net of saving of ₹199.64 lakhs)	3,081.46	3,081.46	-
General corporate purposes (Including saving in issue related expenses of ₹ 199.64 lakhs)	14,611.24	14,611.24	-
<b>Total</b>	<b>60,065.00</b>	<b>60,065.00</b>	<b>-</b>

- (e) During FY 17-18, IPO related expenses aggregating to ₹ 3,081.46 lakhs incurred upto March 31, 2018 has been adjusted against Securities Premium Account.
- (f) During financial year 2016-17, the Company has issued 18,000,000 equity shares of Rs. 10 each at par on right basis and 26,650,000 equity shares of ₹ 10 each at a premium of INR 195/- per share on private placement basis, whereby outstanding equity shares of the Company as on March 31, 2017 increased to 54,650,000.

The Company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash during five years immediately preceding current reporting period.

- (g) **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 Rs. 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.

- (h) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	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	8.40%	7,049,800	8.40%
Srei Infrastructure Finance Limited	16,630,000	19.81%	16,630,000	19.81%
OSPL Infradeal Pvt. Ltd.	-	-	9,520,000	11.34%
Predicate Consultant Pvt. Ltd.	9,520,000	11.34%	-	-
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	20,950,000	24.96%	20,950,000	24.96%
Vistar Financiers Pvt. Ltd.	6,482,806	7.72%	6,384,806	7.61%
GMR Business and Consultancy LLP	4,482,872	5.34%	-	-

- (i) On May 28, 2019, the Board of Directors has recommended dividend of Re. 0.50 (5%) per Equity Share of ₹ 10 each for the Financial Year ended March 31, 2019, subject to prior permission of SEBI in terms of ad interim order dated March 14, 2019 and approval of the shareholders in the upcoming Annual General Meeting.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 18. OTHER EQUITY

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>(a) Capital reserve</b>				
Balance as per last account	3,147.46		-	
Ind AS transition impact	-		-	
Add: Addition/(deduction) during the year	(836.56)		3,147.46	
Closing balance		2,310.90		3,147.46
<b>(b) Securities premium reserve</b>				
Balance as per last account	106,021.04		51,667.14	
Add:- Premium received on issue of shares (Refer Note No. 17(f))	-		57,135.00	
Less:- Utilized for share issue expenses (Refer Note No. 17(e))	-		(2,781.10)	
Closing Balance		106,021.04		106,021.04
<b>(c) Retained earnings</b>				
Balance as per last account	(11,198.35)		(13,023.66)	
Ind As Transition Impact	-		-	
Less: Adjustment on consolidation**	-		-	
Add: Net Profit for the year	(3,825.77)		2,330.76	
Less: Interim Dividend Payout	(419.75)		(420.00)	
Less: Corporate Dividend Tax	(86.28)		(85.45)	
Closing balance		(15,530.15)		(11,198.35)
<b>(d) Other Comprehensive Income</b>				
Balance as per last account	(36.49)		(31.82)	
Add: Other comprehensive income for the year	2.85		(4.67)	
Closing balance		(33.64)		(36.49)
<b>Total</b>		<b>92,768.15</b>		<b>97,933.66</b>

\*\*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 financial year 2016-17, the Company had 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 ₹ 130.86 lakhs has been adjusted with the opening balance of retained earnings during financial year 2016-17.

### 19. BORROWINGS

#### (i) Non-Current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Carried at amortized cost</b>		
<b>Secured</b>		
<b>a) Term Loan from Banks</b>	53,113.13	48,691.68
<b>b) Term Loan from Financial Institutions</b>	62,781.27	30,492.53
<b>c) Bonds/Debentures-Unquoted</b>		
i) 5000 Non- Convertible Debentures of Face Value of ₹ 89,460/- (PY 97,540/-) each issued to India Infradebt Limited. Interest rate 11%	3,917.10	4,473.00
ii) 50000 Non- Convertible Debentures of Face Value of ₹ 8,960.20/- (PY 9,772.60/-) each issued to India Infradebt Limited. Interest rate 11%	3,922.00	4,480.10
<b>Total Secured</b>	<b>123,733.50</b>	<b>88,137.31</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

<b>Unsecured</b>		
<b>d) Bonds/Debentures-Unquoted</b>		
7,31,02,100 Optionally Convertible Participative Interest bearing Debentures (OCPID) of Face Value ₹10/- each.	7,310.21	7,310.21
<b>Total Unsecured</b>	<b>7,310.21</b>	<b>7,310.21</b>
<b>Total</b>	<b>131,043.71</b>	<b>95,447.52</b>

### A) Terms of Secured Term Loan from Bank

#### I) Terms of Secured Term loan from Banks as on 31.03.2019 ₹ 25,700.92 lakhs ( as on 31.03.2018 ₹ 30,622.84 lakhs)

The Loans together with Interest, Liquidated Damages, Costs, Charges, Expenses and all other Moneys Payable are secured/ Procured by the following security Interest Except Project Assets:

1. A first charge by way of hypothecation of entire movable assets of the respective borrower SPVs, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;
2. A first charge over all accounts of the respective borrower SPVs, including the Escrow Accounts, that may be opened in accordance with the agreement, or any of the other Project Agreements and all cash flows from the Project as and when they arise, toll collections, receivables and permitted investments or other securities;
3. A first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future and a charge on the uncalled capital ;
4. A first charge on the Debt Service Reserve (DSR) and any other reserves and other bank accounts of the respective borrower SPVs wherever maintained;
5. Pledge of shares held by the Sponsor in dematerialized form on the equity share capital of the respective borrower SPVs aggregating to 51% of the total paid up equity share capital of respective borrower SPVs. The shares to be pledged shall be free from any restrictive covenants/lien or other encumbrance under any contract/arrangement including shareholder agreement/ joint venture agreement/financing arrangement with regard to pledge/transfer of the shares including transfer upon enforcement of the pledge.
6. An unconditional irrevocable, joint and several corporate guarantee from KMC and KMCIL to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of their aggregate shareholding proportion in the respective borrower SPVs along with its Associates if any.
7. An unconditional irrevocable Sponsors' Undertaking to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of its aggregate shareholding proportion along with its Associates if any.

The Shareholding Proportion for meeting the shortfall in termination payment as above is in terms of the financing documents executed with the Lenders.

II. The borrower Company shall make out a good and marketable title to its properties to the satisfaction of IDFC and comply with all such formalities as may be necessary or required for the said purpose.

**Repayment Terms :** The Term Loan is repayable in unequal 44 quarterly installments ranging from 0.05% per year of the loan amount to 18% per year of the loan amount divided equally in quarterly installments comprising in relevant related year. The final repayment date of the loan is 31st March 2025.

#### II) Terms of Secured Term loan from Banks as on 31.03.2019 ₹ 27,462.45 lakhs ( as on 31.03.2018 ₹ 18,102.37 lakhs)

1. Immovable Properties both present and future, save and except the Project Assets.
2. Assignment by way of security of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents.
3. Moveable Properties of the 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.
4. 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.
5. All Insurance Contracts/ Insurance proceeds.
6. Intangible Assets of the Company including but not limited to the Goodwill, Rights, Undertakings and Uncalled Capital present and future.
7. The Shareholder of the Company have pledged 51 % of the Equity Shares of the Company in favour of the Security Trustee for the benefit of the Lenders.

The Loan is repayable in 47 unequal quarterly Installments starting from 30th Sept 2019 ending on 31st March 2031. Currently Interest is payable monthly as per simple Interest @ 11.20 % p.a.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

## B) Secured Loan From Financial Institution

## Repayment Schedule as at March 31, 2019

(₹ in lakhs)

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year*	
<b>Secured Term Loan</b>					
Term Loan 1	-	-	7,000.00	-	7,000.00
Term Loan 4	13,065.28	1,353.76	312.86	27.08	14,758.98
Term Loan 5	9,500.00	-	-	-	9,500.00
Term Loan 6	17,763.32	-	-	-	17,763.32
Term Loan 7	9,400.00	-	-	-	9,400.00
Term Loan 8	4,386.05	-	-	-	4,386.05
	54,114.65	1,353.76	7,312.86	27.08	<b>62,808.35</b>

## Repayment Schedule as at March 31, 2018

(Rs. in lakhs)

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year*	
<b>Secured Term Loan</b>					
Term Loan 1	-	7,000.00	-	-	7,000.00
Term Loan 2	1,300.00	-	-	-	1,300.00
Term Loan 3	6,608.33	2,033.33	3,558.33	-	12,200.00
Term Loan 4	208.22	900.95	8,883.36	18.62	10,011.15
	8,116.55	9,934.28	12,441.69	18.62	<b>30,511.15</b>

\* This represents current maturities disclosed under Other Financial liabilities - current Note 20 (ii).

**Rupee term loan 1** is 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. Charge is yet to be created.

**Rupee term loan 2** is secured by way of first pari passu charge on all cash flows and all moveable assets of the Borrower (both present and future, by the way of hypothecation under the Deed of Hypothecation and Demand Promissory Note for the principal and the Interest payments/repayment and other monies in relation to the Loan facility. Interest to be compounded monthly and paid quarterly in arrears at the end of June, September, December and March of each year @ SBR-5.75% per annum.

**Rupee term loan 3** is payable in 24 equal quarterly instalments after a moratorium of 2 years from the COD or SCOD which ever is later. Interest is payable quarterly, 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 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 respective SPVs held by Bharat Road Network Limited. 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 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 company held by MBL Infrastructure Limited. Note: The Borrower SPV has assigned its rights pertaining to Claim receivables from NHAI in favour of SREI Infrastructure Finance Limited "SIFL" (Lender) to the extent of Rs.12,968 lakhs (above loan of Rs. 12,200 lakhs plus Interest dues 768 lakhs), which shall be utilized by SIFL to settle its outstanding dues. Hence the above loan has been classified as Other Financial liabilities in FY 18-19.

**Rupee Terms loan 4 is Secured on:**

1. Immovable Properties both present and future, save and except the Project Assets.
2. Assignment by way of security of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

3. Moveable Properties of the respective SPVs 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.
4. 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.
5. All Insurance Contracts/ Insurance proceeds.
6. Intangible Assets of the respective SPVs including but not limited to the Goodwill, Rights, Undertakings and Uncalled Capital present and future.
7. The Shareholder of the respective SPVs have pledged 51 % of the Equity Shares of the respective SPVs in favour of the Security Trustee for the benefit of the Lenders.

The Loan is repayable in 47 unequal quarterly Installments starting from 30th Sept 2018 ending on 31st March 2030. Currently Interest is payable monthly as per simple Interest @ 11.20 % p.a.

### Rupee Term Loan 5 :

- (1) Subservient Charge on all assets ,both present & future ;
- (2) Charge on cash flow after repayment of existing lenders ,incurring operational expenses & statutory payments; and
- (3) Pledge of unencumbered equity shares of the borrower.
- (4) Corporate Guarantee given by the Company (Parent).
- (5) Rate of Interest Fixed @ 2% p.a, Payable quarterly in arrears with yield on exit @15%. Maximum Rebate @5% p.a. on satisfactory credit record.
- (6) The Loan repayable in 6 Half Yearly installments, commencing after 10 years from the date of first disbursement.

### Rupee Term Loan 6 :

- (1) Second pari passu charge on the movable assets and current assets of the borrower (excluding Project assets as per Concession Agreement)
- (2) First pari passu charge on the pledge of the entire fully paid up unencumbered equity shares of the borrower in demat form, not less than 49% of total equity share capital of the borrower;
- (3) Second charge on the pledge of encumbered equity shares not less than 51% of fully paid up equity share capital of the borrower.
- (4) Exclusive charge on all the investments (Except investment in form of shares) including but not limited to OCDs, share warrants done by the Company (Parent) in the Borrower. (if any)
- (5) Corporate Guarantee of the Company (Parent).
- (6) Rate of Interest Fixed @ 1% p.a, Payable quarterly in arrears with yield on exit @15%. Maximum Rebate @5% p.a. on satisfactory credit record.
- (7) The Loan is repayable in 6 Half Yearly instalments, commencing after 10 years from the date of first disbursement.

### Rupee Term Loan 7:

- (1) Second pari passu charge on the movable assets and current assets of the borrower (excluding Project assets as per Concession Agreement);
- (2) First pari passu charge on the pledge of the entire fully paid up unencumbered equity shares of the borrower in demat form, not less than 49% of total equity share capital of the borrower .
- (3) Second charge on the pledge of encumbered equity shares not less than 24.98 % of fully paid up equity share capital of the borrower.
- (4) Exclusive charge on all the investments (Except investment in form of shares) including but not limited to OCDs, warrants done by the Company (Parent).
- (5) Corporate Guarantee of the Company (Parent) .
- (6) First Charge on Surplus Cash flow and receivable to be made available to the Company (Parent) by subsidiary - GIPL.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### Repayment Terms :

6. Half Yearly instalments, commencing after 10 years from the date of First Disbursement .

Rate of Interest : Fixed rate @ 2%, p.a, payable quarterly in arrears with yield on exit @15%. Maximum Rebate @5% on satisfactory credit record

### Rupee Term Loan 8:

- (1) Second pari passu charge on the movable assets and current assets of the borrower (excluding Project assets as per Concession Agreement);
- (2) First pari passu charge on the pledge of the entire fully paid up unencumbered equity shares of the borrower in demat form, not less than 49% of total equity share capital of the borrower .
- (3) Second charge on the pledge of encumbered equity shares not less than 24.98 % of fully paid up equity share capital of the borrower.
- (4) Exclusive charge on all the investments (Except investment in form of shares) including but not limited to OCDs, share warrants done by the Company (Parent).
- (5) Corporate Guarantee of the Company (Parent).
- (6) First Charge on Surplus Cash flow and receivable to be made available to the Company (Parent) by subsidiary - GIPL.

### Repayment Terms :

6. Half Yearly instalments, commencing after 10 years from the date of First Disbursement .

Rate of Interest : Fixed rate @ 1%, p.a, payable quarterly in arrears with yield on exit @15%. Maximum Rebate @5% on satisfactory credit record

### C) Terms of Issue of Secured Non Convertible Debentures (NCD):

#### Interest:

1. Interest is payable at monthly rest, on the last day of each calendar month on the Principal amount of the outstanding NCDs. The NCDs carries interest at a fixed interest rate of 11% p.a which shall fall due for reset after expiry of four years from its deemed date of allotment.
2. The rate of Interest shall include applicable interest tax or other statutory levy, if any on the principal amount of the debenture remaining outstanding each day.

#### Tenure, Conversion, Repayment and Redemption:

NCDs have been issued in Two Tranches. The Final Maturity date of NCDs shall not exceed 31st March 2025. The redemption of NCD shall take place in accordance with the Redemption Schedule annexed to the Subscription Agreement dated 27th June 2014 for the first Tranche and 06th August 2014 for the second tranche. The redemptions of the NCDs issued under both the tranches shall be in 43 structured quarterly installments with the redemption commencing from September 30, 2014 and final redemption taking scheduled on March 31, 2025.

#### Security details:

The Loans together with interest, Liquidated damages, costs, charges, expenses and all other moneys whatsoever payable by the respective borrower SPVs are secured/procured by the following security interest, except project assets to be created in favour of the lenders or the security trustee, to be appointed for the benefit of Lenders in a form and manner satisfactory to the lenders:-

1. A first charge by way of hypothecation of entire moveable assets of the respective borrower SPVs, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets both present and future.
2. A first charge over all accounts of the respective borrower SPVs including the Escrow account that may be opened in accordance with this agreements or any of the other project agreements and all cash flows from the project as and when they arise, toll collections, receivables and permitted investments or other securities.
3. A first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future and a charge on the Uncalled Capital.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

4. A first Charge on the Debt Service Reserve (DSR) and any other reserves and other bank accounts of the respective borrower SPVs wherever maintained.
5. Pledge of shares held by the sponsor in dematerialised form on the equity share capital of the respective borrower SPVs aggregating to 51% of the total paid up equity share capital of the respective borrower SPVs. The shares to be pledged shall be free from any restrictive covenants/lien or other encumbrance under any contract/arrangements including share holder agreement/joint venture agreement/financing arrangement with regard to pledge/transfer of the shares including transfer upon enforcement of the pledge.
6. An unconditional irrevocable, joint and several corporate guarantee from KMC and KMCIL to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of their aggregate shareholding proportion in the respective borrower SPVs along with its Associates if any.
7. An unconditional irrevocable Sponsors' Undertaking from SREI to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of its aggregate shareholding proportion along with its Associates if any.

The Shareholding Proportion for meeting the shortfall in termination payment as above is KMC, KMCIL and their Associates and SREI and its Associates in terms of the financing documents executed with the Lenders.

The respective borrower SPVs shall make out a good and marketable title to its properties to the satisfaction of lenders and comply with all such formalities as may be necessary or required for the said purpose.

In addition, notwithstanding anything contained herein and in the financing agreements for the Existing Facility, the terms of Tripartite Agreement shall be applicable to all the parties, including the Existing lenders, the respective borrower SPVs and various lenders' agents (Viz., escrow agent, security trustee/ debenture trustee, as may be applicable)

### **D) Terms of Unsecured Optionally Convertible Participative Interest bearing Debentures (OCPID) of Rs. 7310.21 lakhs as on 31.03.2019 (as on 31.03.2018 - Rs. 7310.21 lakhs)**

#### **Interest:**

1. The OCPID carries fixed interest of 12% p.a. However, interest along with cumulative deficit, if any, shall only accrue and be payable in the year the respective borrower SPVs has sufficient Surplus Cash Flow.
2. Variable interest will be such amount over and above the fixed interest to make the yield on the OCPID @ 16%. Total Interest means Fixed Interest + Variable Interest.
3. The total interest shall only accrue and will be payable when the respective borrower SPVs has Surplus Cashflows.
4. Final Rate of or amount of interest payable for the year shall be decided every year at the end of the Financial Year (not later than 30 days from the closure of the financial year) based on the Surplus Cash flows of the issuer subject to maximum of 16% cumulative interest.
5. Surplus Cash flows means Cash flow after making all the provisions/appropriations as per the Concession Agreement and Financing Documents to be ascertained on year to year basis.
6. Financing Documents means documents executed in respect of term Loan availed from the Senior Lender M/s IDFC Bank Limited (Previously IDFC Limited) and India Infradebt Limited.

#### **Tenure, Conversion and Redemption:**

1. Tenure of OCPID will be 10 years( Extendable for a further period of 5 years at the option of holders) from the date of Allotment.
2. 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 in proportion to the shareholding of the KMC and its Associates and SREI and its associates.

#### **Redemption Price**

OCPID will be redeemed at par. It will only be entitled for maximum 16% cumulative interest subject to availability to surplus cash flows.

#### **Right of Debenture Holders - OCPID**

The Debentureholders shall be entitled to redemption amount on the due dates. Their claims shall remain unsecured and subordinate to the claims of all other creditors. In the event of winding up, their claims will be entertained after the claims of other persons falling in the same category of claimants as per the provisions of the Companies Act, 2013 and other claimants with relation to the winding up.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

## (ii) Current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Carried at amortized cost</b>		
<b>Unsecured: -</b>		
Loan from Financial Institution (NBFC)	5,000.00	5,000.00
<b>Total</b>	<b>5,000.00</b>	<b>5,000.00</b>

**Terms of repayment of Unsecured Current borrowing:**

The Company had received an amount of Rs. 5,000.00 lakhs from Religare Finvest Limited in the year 2016-17. Principal loan amount of Rs.5,000.00 lakhs as at March 31, 2019 (as at March 31, 2018 : Rs. 5000.00 lakhs) was repayable at the end of one year (i.e. December 14, 2017) from the date of disbursement, which remained unpaid as on March 31, 2019 along with due interest of Rs 448.46 lakhs. (As at March 31, 2018 : Rs. 166.44 lakhs) The loan carries interest @ 12.50% per annum payable quarterly. An application has been filed against the Company, under section 7 of the Insolvency and Bankruptcy Code, 2016, by Religare Finvest Limited, claiming to be a financial creditor, before the Hon'ble National Company Law Tribunal, Kolkata Bench for initiation of Corporate Insolvency Resolution Process against the Company, claiming Rs. 5,130.14 lakhs. As the matter is sub-judice, the Company has not provided interest from Oct 1st, 2018 onwards. The Company is in the process to take necessary steps to address the matter.

**20. OTHER FINANCIAL LIABILITIES****(i) Non current**

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Other Payables		
Retention money payable	1,485.81	1,250.38
<b>Total</b>	<b>1,485.81</b>	<b>1,250.38</b>

**(ii) Current**

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Current maturities of long term borrowings		
i) Term Loan from banks	50.24	2,827.43
ii) Term Loan from Financial Institutions - Refer Note 19(i) B.	27.08	18.62
iii) 5000 Non- Convertible Debentures of Face Value of Rs. 97,540.00 each issued to India Infradebt Limited. Interest rate 11%	556.00	404.00
iv) 50000 Non- Convertible Debentures of Face Value of Rs. 9772.60 each issued to India Infradebt Limited. Interest rate 11%	558.00	406.20
Negative grant <sup>^</sup>	20,000.00	16,000.00
Interest accrued but not due on Borrowings	177.29	238.36
Interest accrued but not due on NCD	2.70	2.94
Interest accrued and due on Borrowings	1,571.40	4,125.39
Other Payables	1277.26	-
Creditors for capital expenses	2,794.34	1,658.09
Retention money payable	1,145.26	682.41
Liability for expenses	816.16	144.36

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

Salaries and other payroll dues	159.33	77.06
Payable against Investment purchased*	-	7,152.29
Payable to related parties	208.28	157.60
Security Deposit	51.91	50.79
Other Liabilities	759.10	721.36
Book Overdraft	9.32	-
Borrowing Cost (FV)	1,845.38	-
Payable to SREI Infrastructure Finance Ltd. (Ref Note No.19 (i): Rupee Term Loan 3)	12,968.13	-
<b>Total</b>	<b>44,977.18</b>	<b>34,666.90</b>

\* The dues are with respect to purchase of Equity shares and optionally convertible debentures of Guruvayoor Infrastructure Private Limited.

^ The Scheduled Project Completion Date (SPCD) of one of the Subsidiary project vide Supplementary Agreement dated 23.11.2009 was extended from 21.03.2009 to 21.12.2010 (i.e. for 21 months ) and subsequently Concession period was also correspondingly extended from (22.09.2006 -21.09.2026) to (22.09.2006 - 21.06.2028) i.e. also upto 21 month. Further the Subsidiary requested NHAI for deferment of 2nd & subsequent installments of Negative Grant payable to NHAI. NHAI approved Deferment of Negative Grant subject to payment of Interest on deferred amount @ Bank Rate + 2% and signing of Supplementary Agreement for having no claim on account of deferment. The Subsidiary has not accepted conditional deferment proposal of NHAI and protested against levy of interest and related supplementary agreement. The matter is still under consideration of NHAI. In the absence of agreement with NHAI, Liability for Negative Grant has been accounted for as current liability excluding Interest thereon as NHAI Project Director and Regional Office, NHAI (Chennai) has recommended for deferment of negative grant without levy of any interest to their Headquarters.

### 21. PROVISIONS

#### (i) Non-current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Provision for employee benefits (Refer Note No. 33.1)		
- Gratuity	87.86	81.97
- Leave encashment	32.96	33.01
- Sick leave availment	9.09	13.05
Provision for Major Maintenance	1006.56	592.88
<b>Total</b>	<b>1,136.47</b>	<b>720.91</b>

#### (ii) Current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
Provision for employee benefits (Refer Note No. 33.1)		
- Gratuity	3.64	2.01
- Leave encashment	0.76	6.79
- Sick leave availment	2.37	2.99
- Other benefits	0.65	1.10
<b>Total</b>	<b>7.42</b>	<b>12.89</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

## 22. DEFERRED TAX LIABILITIES (NET)

As at March 31, 2019

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>Tax effect of items constituting deferred tax liabilities</b>				
Depreciation and Amortisation	0.60	(0.42)	-	0.18
Fair valuation gain/(loss) on Investments	313.37	1155.77	-	1469.14
Expenses capitalized but allowed under taxation	25.09	(1.45)	-	23.64
<b>Tax effect of items constituting deferred tax assets</b>				
MAT Credit entitlement	-	435.46	-	435.46
Carry forward losses and Un-absorbed depreciation	-	362.00	-	362.00
Disallowance u/s 43B	-	188.55	-	188.55
Provision for Gratuity and Leave encashment	20.17	(1.48)	(0.14)	18.55
<b>Net deferred tax liability</b>	<b>318.88</b>	<b>169.37</b>	<b>0.14</b>	<b>488.37</b>

As at March 31, 2018

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>Tax effect of items constituting deferred tax liabilities</b>				
Depreciation and Amortisation	0.56	0.04	-	0.60
Fair valuation gain/(loss) on Investments	-	313.37	-	313.37
Expenses capitalized but allowed under taxation	27.51	(2.42)	-	25.09
<b>Tax effect of items constituting deferred tax assets</b>				
Provision for Gratuity	0.56	17.45	2.16	20.17
<b>Net deferred tax liability</b>	<b>27.51</b>	<b>293.54</b>	<b>(2.16)</b>	<b>318.88</b>

## 23. TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
A. Total outstanding dues of micro enterprises and small enterprises*	-	-
B. Total outstanding dues of other than micro enterprises and small enterprises	64.92	356.36
<b>Total</b>	<b>64.92</b>	<b>356.36</b>

\*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 micro, small or medium enterprise. Consequently, the amount paid / payable including interest to these parties during the year ending on 31st March 2019 is Nil (Previous Year Nil).

## 24. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Others</b>		
Unclaimed Dividend*	0.68	0.18
Statutory dues	500.39	1,457.22
<b>Total</b>	<b>501.07</b>	<b>1,457.40</b>

\* There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 25. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Revenue from operations</b>		
<b>Sale of services:</b>		
Consultancy Fees	-	2,433.41
Construction Services	26,654.49	12,739.90
Toll Collection	11,563.36	124.61
Free Passes - Government of Kerala	1,922.90	19.64
Other operating income	-	2.93
<b>Total</b>	<b>40,140.75</b>	<b>15,320.49</b>

### 26. OTHER INCOME

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
Interest on Loan	288.24	1,494.37
Less: Adjusted with corresponding Interest expenses	-	(254.81)
	<b>288.24</b>	<b>1,239.56</b>
Other Interest		
On Fixed Deposit with Bank	164.49	123.78
On Income Tax refund	3.14	9.45
On Commercial Paper	-	83.32
Received from KMCCL	-	1.44
Unwinding Interest - Secured Advance	-	1.06
Others	1.04	0.02
Fair valuation gain on investments	3,968.99	1,076.14
Gain from Mutual fund	369.12	8.46
Fair valuation gain on acquisition of subsidiary	-	6,962.09
Other Income	10.26	246.05
<b>Total</b>	<b>4,805.28</b>	<b>9,751.37</b>

### 27. EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
Salaries & Allowances	1,249.17	842.59
Contribution to Provident and Other Funds	76.21	36.30
Staff Welfare Expenses	39.51	11.65
<b>Total</b>	<b>1,364.89</b>	<b>890.54</b>

### 28. FINANCE COSTS

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
Interest expenses on borrowings	33,257.56	9,957.12
Less: Capitalised to Intangible assets under development/Claims from NHAI	(12,783.83)	(5,255.84)
Less: Capitalised to Investments (Refer note 33.4)	(147.43)	(649.01)
	<b>20,326.30</b>	<b>4,052.27</b>
Other borrowings costs	155.83	333.44
<b>Total</b>	<b>20,482.13</b>	<b>4,385.71</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

## 29. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
Depreciation on property, plant and equipments (Refer Note 4)	23.71	6.38
Less: Capitalised under "Intangible assets under development"	-	(0.71)
Amortisation on Other intangible assets (Refer Note 6)	3,346.50	36.89
<b>Total</b>	<b>3,370.20</b>	<b>42.56</b>

## 30. OTHER EXPENSES

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
Legal & Professional Fees	2,189.09	1,569.37
Travelling and Conveyance	183.72	177.70
Rent, Rates & Taxes	86.01	42.99
Repairs & Maintenance- Building	4.32	0.08
Repairs & Maintenance- Machinery	2.13	0.05
Repairs & Maintenance- Others	8.10	8.01
Membership & Subscription	13.09	6.60
Demat Charges	-	2.37
Negative Grant*	4,000.00	43.84
Business Development Expenses	4.81	6.08
Advertisement & Publicity	3.42	1.57
Insurance Premium	186.25	11.22
Payment to Auditor :		
-For Audit	22.90	12.41
-Other Services	3.71	0.06
Director's Sitting Fees	18.15	16.85
Printing & Stationery	10.47	8.76
Bank charges	1.72	5.14
Vehicle hire and maintenance expenses	150.93	42.57
Communication costs	8.38	12.46
Corporate Social Responsibility Expenses (Refer Note No. 34)	25.00	5.00
Tender Fees	0.62	2.45
Office Expenses	40.65	0.17
Power and Fuel	96.70	0.99
Provision for Major Maintenance Expenses	784.60	7.19
Route Operations and Maintenance Costs	135.72	651.55
Tolling Agency fees & Collection Expenses	298.22	4.33
General Administrative and Misc expenses	123.30	31.09
<b>Total</b>	<b>8,402.41</b>	<b>2,670.90</b>

\*Pending the execution of Supplementary Agreement with NHAI for deferment of date of commencement of 2nd and subsequent installments of Negative Grant by 21 Months (from September 21, 2014 to June 21, 2016), the liability for Negative Grant installment of Rs.4,000 lakhs, falling due in September 2018, as per the original schedule has been accounted for in Guruvayoor Infrastructure Private Limited (GIPL). In consolidation for fy 2017-18, liability of ₹ 43.84 lakhs on this account has been accounted for on prorated basis from the period GIPL became subsidiary of the Company in FY 17-18.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 31. TAX EXPENSE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
Current Tax		
-Current Tax	435.46	863.47
-Income Tax in respect of Earlier Years	-	0.43
Deferred tax (Net)	169.37	293.54
<b>Total</b>	<b>604.83</b>	<b>1,157.44</b>

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Reconciliation of Tax Expense</b>		
Profit before tax	(3,748.59)	3,472.04
Applicable tax rate	29.12%	28.84%
<b>Computed tax expense (A)</b>	<b>(1,091.59)</b>	<b>1,001.34</b>
<b>Adjustments for:</b>		
(i) Net effect of expenses not allowable for deduction	7.33	0.05
(ii) Share of loss in associate	651.72	1,807.64
(iii) Fair valuation gain on acquisition of subsidiary	-	(2,007.87)
(iv) Other differences	1037.36	356.28
<b>Net adjustments (B)</b>	<b>1,696.42</b>	<b>156.11</b>
<b>Tax Expense (A-B)</b>	<b>604.83</b>	<b>1,157.44</b>

### 32. OTHER COMPREHENSIVE INCOME

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	₹ in lakhs	₹ in lakhs
<b>Items that will not be reclassified to profit or loss</b>		
i) Remeasurements of the defined benefit plans	(3.86)	(5.82)
ii) Share of Other Comprehensive Income in Associates	6.09	(1.01)
Less: -Income tax relating to items that will not be reclassified to profit or loss	(0.14)	2.16
<b>Total</b>	<b>2.09</b>	<b>(4.67)</b>

### 33. OTHER DISCLOSURES

#### 33.1 DEFINED BENEFIT PLANS/LONG TERM COMPENSATED ABSENCES

##### Defined Contribution Plans:

The Group provides Provident Fund benefit to all employees. Under this scheme fixed contribution is made to the Regional Provident Fund Commissioner. The Group has no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits.

##### Defined Benefit Plans:

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave avilment scheme are the Group'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 the Consolidated Financial Statements for the year ended March 31, 2019

As at March 31, 2019

(₹ in lakhs)

S. No.	Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
		Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
<b>I</b>	<b>Change in Defined Benefit Obligations (DBO)</b>				
	Present Value of DBO at beginning of the year	83.98	53.15	39.80	29.03
	Adjustment on acquisition	-	7.55	-	-
	Current Service Cost	22.20	13.60	10.64	9.57
	Interest cost	5.47	3.82	2.29	1.72
	Curtailement cost / (credit)	-	-	-	-
	Settlement cost / (credit)	-	-	-	-
	Past service Cost -Plan amendments	0.22	-	-	-
	Acquisitions	-	-	-	-
	Actuarial Losses / (Gains) - experience	3.23	9.82	0.08	9.35
	Actuarial Losses / (Gains) - demographic assumptions	-	-	-	-
	Actuarial Losses / (Gains) - financial assumptions	0.64	(3.96)	0.31	0.11
	Benefits Paid	(24.26)	-	(19.40)	(9.99)
	Employee contribution	-	-	-	-
	Other Adjustments	-	-	-	-
		<b>91.50</b>	<b>83.98</b>	<b>33.72</b>	<b>39.80</b>
<b>II</b>	<b>Net assets / (liability) recognised in Balance Sheet</b>				
	Present value of Defined Benefit Obligation	91.50	83.98	33.72	39.80
	Fair value of plan assets	-	-	-	-
	Funded status [Surplus/(Deficit)]	(91.50)	(83.98)	(33.72)	(39.80)
	Unrecognized past service cost	-	-	-	-
	Net asset/ (liability) recognised in Balance Sheet	(91.50)	(83.98)	(33.72)	(39.80)
	<b>Current Asset / (Liability)</b>	<b>(3.64)</b>	<b>(2.01)</b>	<b>(0.76)</b>	<b>(6.79)</b>
	<b>Non Current Asset / (Liability)</b>	<b>(87.86)</b>	<b>(81.97)</b>	<b>(32.96)</b>	<b>(33.01)</b>
<b>III</b>	<b>Components of Employer Expenses</b>				
	Current Service cost	22.20	13.60	10.64	9.57
	Past service Cost- Plan amendments	0.22	-	-	-
	Curtailement cost / (credit)	-	-	-	-
	Settlement cost / (credit)	-	-	-	-
	Interest cost	5.47	3.82	2.29	1.72
	Actuarial Losses / (Gains)	-	-	0.39	9.47
	<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>27.89</b>	<b>17.42</b>	<b>13.32</b>	<b>20.76</b>
	<b>Re-measurements recognised in Other Comprehensive Income</b>				
	Actuarial Losses / (Gains) - experience	3.23	9.82	0.08	9.35
	Actuarial Losses / (Gains) - demographic assumptions	-	-	-	-
	Actuarial Losses / (Gains) - financial assumptions	0.64	(3.96)	0.31	0.11
	<b>Total Re-measurements</b>	<b>3.86</b>	<b>5.86</b>	<b>-</b>	<b>-</b>
	<b>Total expenses recognised in the Statement of Profit &amp; Loss and Other Comprehensive income</b>	<b>31.75</b>	<b>23.28</b>	<b>13.32</b>	<b>20.76</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

<b>IV Actuarial Assumptions</b>				
Discount Rate	7.5%-7.6%	7.6%-8%	7.50%	7.60%
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		Employees: 60 yrs	
<b>V Accrued Benefit Obligation at March 31, 2019</b>	<b>38.95</b>	<b>42.95</b>	<b>43.88</b>	<b>15.87</b>
<b>VI Sensitivity Analysis</b>				
	Year ended March 31, 2019		Year ended March 31, 2018	
	Gratuity	Leave	Gratuity	Leave
Discount Rate + 100 basis points	(30.11)	(8.14)	(16.28)	(2.94)
Discount Rate - 100 basis points	31.39	9.15	17.66	3.41
Salary Increase Rate +1%	28.02	8.89	13.14	3.13
Salary Increase Rate -1%	(27.08)	(8.03)	(12.98)	(2.76)

Method used for sensitivity analysis: The Sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time.

(₹ in lakhs)

Particulars	Sick Leave Benefit	
	Year ended March 31, 2019	Year ended March 31, 2018
<b>Assets/ Liabilities</b>		
1 Defined Benefit Obligation	11.48	16.04
2 Fair Value of Plan Assets	-	-
3 Current Asset / (Liability)	(2.39)	(2.99)
4 Non Current Asset / (Liability)	(9.09)	(13.05)
<b>Actuarial Assumptions</b>		
1 Discount Rate	7.50%	7.60%
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	

### VII 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.27. The remeasurement of the net defined benefit liability are included in Other Comprehensive Income.
- The expected contribution for defined benefit plan for the next financial year is not available and hence not disclosed.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 33.2 EARNINGS PER SHARE

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
a) Profit/(Loss) after Tax (₹ in lakh)	(4,353.42)	2,314.60
b) Weighted average number of Ordinary Equity Shares outstanding used as the denominator for computing Basic Earnings per Share (Nos.)*	83,950,000	70,624,521
c) Weighted average number of Potential Equity Shares (Nos.)	-	-
d) Weighted average number of Equity Shares outstanding used as the denominator for computing Diluted Earnings per Share (Nos.)	83,950,000	70,624,521
e) Nominal value of Equity Share per share (₹)	10.00	10.00
f) Basic Earnings per Share (₹) (a/b)	(5.19)	3.28
g) Diluted Earnings per Share (₹) (a/d)	(5.19)	3.28

\* During the Financial year 2017-18, 29300000 numbers of equity shares were issued on September 14, 2017 pursuant to Initial Public Offering (IPO).

Weighted average number of equity shares has been calculated on a pro-rata basis for the purpose of earning per share.

### 33.3 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 Group revolve around the main business. As such there are no separate reportable segments as per requirements of Accounting Standard (Ind AS- 108) on operating segment. Further, the Group operates only in India, hence additional information under geographical segments is also not applicable.

**33.4** 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 Indian Accounting Standard (Ind AS) 23 on 'Borrowings Costs', Indian Accounting Standard (Ind AS) 28 on 'Investments in Associates' 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, as at March 31, 2019 total borrowing cost capitalised to Non current Investment amounts to ₹16,042.10 lakhs including ₹ 147.43 lakhs for the year ended March 31, 2019 (₹ 649.01 lakhs for the year ended March 31, 2018).

### 33.5 CONTINGENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Claims against the Company not acknowledged as debt</b>		
- Income Tax	3.75	3.75
- Bank Guarantees	-	300.65
- National Highway Authority of India Claims	7,106.82	4,853.07
- Others	31.50	71.91

### 33.6 CAPITAL COMMITMENTS

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on Capital Account	17,699.80	33,662.54

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

**33.7** \*Orissa Steel Expressway Pvt. Ltd.(OSEPL), 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

The project as mentioned in note no. 10 (i) was awarded on 29.04.2010 by National Highway Authority of India (NHAI). However the project could not be continued due to the reasons attributable to NHAI namely non providing of encumbrance free land, forest clearance issues etc.

Due to the unavoidable situation at the Project, a joint inspection of the Project site was carried on with Independent Engineer appointed by NHAI and NHAI representatives and thereafter the project has been foreclosed and 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.

Due to delay in commencement of ISAC procedure, the Company invoked Arbitration on 16.10.2017 and nominated its Arbitrator which has been followed up by nomination of NHAI's Arbitrator and the Presiding officer duly constituted Arbitral Tribunal. This Tribunal heard claims of Claimant company (OSEPL) & Respondent (NHAI) from time to time and finally awarded Claim of Rs. 322.77 crs vide Award dated 31st March 2019 in favour of the Claimant i.e OSEPL. Accordingly Company management believes that it will realise Claim from respondent (NHAI) and hence Financial Statements of the Company 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 "Claims" disclosed under "Non Current Financial Assets".

**33.7(A)** Expenses which are not forming part of claim but incurred by Orissa Steel Expressway Pvt. Ltd.(OSEPL) a subsidiary of the company, to remain operational has been charged to Profit & Loss Account.

### 33.8 RELATED PARTY TRANSACTIONS

#### (I) Related Parties:

Sl. No.	Name of the Party & Nature of relationship
<b>A</b>	<b>Associates</b>
	Kurukshetra Expressway Pvt. Ltd.
	Ghaziabad Aligarh Expressway Pvt. Ltd.
	Shree Jagannath Expressways Pvt. Ltd.
	Guruvayoor Infrastructure Pvt. Ltd.(cease to be associate and became subsidiary w.e.f. 28th March, 2018)
	Mahakaleshwar Tollways Pvt. Ltd.
<b>B</b>	<b>Key Management Personnel (KMP)</b>
	Brahm Dutt (Chairman, Non-executive and Independent Director)*
	Bajrang K Choudhary (Managing Director w.e.f. November 1, 2016)
	Pradeep Singh (Non-executive and Independent Director)
	Atanu Sen (Non-executive and Independent Director)
	Dr. (Ms.) Tuk Tuk Ghosh Kumar (Non-executive and Independent Director)
	Naresh Mathur (Company Secretary)
	Asim Tewary (COO)**
	Sanjay Banka (Chief Financial officer)***
	Amogh Harihar Gore (Chief Financial Officer)****
	Jai Prakash Shaw (Chief Financial Officer)*****

\* Mr. Brahm Dutt ceased to be Chairman w.e.f January 4, 2019.

\*\* Mr. Asim Tewari ceased to be COO of the Company w.e.f April 30, 2018.

\*\*\* Mr. Sanjay Banka ceased to be CFO of the Company w.e.f August 14, 2018.

\*\*\*\* Mr. Amogh Harihar Gore was appointed as CFO of the Company w.e.f 15th August, 2018. He ceased to be CFO of the Company w.e.f 14th November, 2018

\*\*\*\*\* Mr. Jai Prakash Shaw was appointed as CFO of the Company w.e.f 20th April, 2019



## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### (II) Summary of Transactions with Related Parties

The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms. Outstanding balances at the year end will be settled as per terms of respective transactions.

(₹ in lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	2018-19	2017-18
<b>(A) Associates :</b>			
Guruvayoor Infrastructure Pvt. Ltd. (cease to be associate and became subsidiary w.e.f. 28th March, 2018)	<b>Transactions :</b>		
	Reimbursement of expenses (excluding indirect tax)	-	52.20
	Interest income	-	1,479.40
	Income from Consultancy fee (excluding indirect tax)	-	299.60
	<b>Balance due:</b>	-	-
Kurukshetra Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Demand loan given	936.87	2,907.81
	Repayment of Demand Loan	4,813.00	-
	Cost of Investment pledged as collateral for loan taken by associate (34,175,490 shares)	7,656.96	-
	Cost of Investment pledged as collateral for loan taken by associate (9,31,43,600 units of OCD)	12,234.83	-
	Corporate guarantee given to lender of associate	8,000.00	-
	<b>Balance due:</b>		
	Demand loan given balance	45.03	3,921.16
	Investment in Optionally Convertible Debenture	9,314.36	9,314.36
	Corporate guarantee given to lender of associate	8,000.00	-
	Cost of Investment pledged as collateral for loan taken by associate (9,31,43,600 units of OCD)	12,234.83	-
	Cost of Investment pledged as collateral for loan taken by associate (5,10,86,910 shares)	11,445.94	3,788.98
<b>(B) Associates :</b>			
Ghaziabad Aligarh Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Income from Consultancy fee (excluding indirect tax)	-	200.00
	Unsecured loan given	3,320.60	4,570.50
	Repayment of Unsecured Loan	3,765.00	-
	Cost of Investment pledged as collateral for loan taken by associate (4,81,88,780 units of warrants)	6,369.18	-
	Cost of Investment pledged as collateral for loan taken by associate (37,073,400 shares)	7,558.04	-
	Corporate guarantee given to lender of associate	13,000.00	-
	<b>Balance due:</b>		
	Trade Receivable (Net of TDS)	216.00	216.00
	Unsecured loan receivable	4,707.10	5,151.50
	Warrants - Purchase Cost	4,818.88	4,818.88
Corporate guarantee given to lender of associate	13,000.00	-	
Cost of Investment pledged as collateral for loan taken by associate (4,81,88,780 units of warrants)	6,369.18	-	
Cost of Investment pledged as collateral for loan taken by associate (7,56,60,000 shares)	15,424.58	7,866.54	

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

Shree Jagannath Expressways Pvt. Ltd.	<b>Transactions :</b>		
	Income from Consultancy fee (excluding indirect tax)	-	1,832.16
	Unsecured loan given	1,885.40	-
	Repayment of Unsecured Loan	1,885.40	-
	Cost of Investment pledged as collateral for loan taken by Associate (28,982,520 shares)	5,496.18	-
	Corporate guarantee given to lender of Associate	27,500.00	-
	Accrued interest received	424.11	-
	Advance received	5.24	
	<b>Balance due:</b>		
	Trade Receivable	0.13	1,978.74
	Corporate guarantee given to lender of Associate	27,500.00	-
	Interest Accrued and due (net of TDS)	-	424.11
	Advance received (Cr.)	5.24	-
	Cost of Investment pledged as collateral for loan taken by Associate (5,91,48,000 shares)	11,216.70	5,720.52
Mahakaleshwar Tollways Pvt. Ltd. (Associate w.e.f. 28th Oct, 2016)	<b>Transactions :</b>		
	Unsecured loan given	5,200.00	-
	Repayment of Unsecured Loan	8,463.76	-
	Cost of Investment pledged as collateral for loan taken by Associate (24,497,550 Shares)	734.93	-
	Cost of Investment pledged as collateral for loan taken by Associate (2,93,76,600 Units of OCD)	5,006.46	-
	Corporate guarantee given to lender of Associate	12,000.00	-
	<b>Balance due:</b>		
	Unsecured loan balance	-	3,263.76
	Investment in Optionally Convertible Debenture	2,937.66	2,937.66
	Corporate guarantee given to lender of Associate	12,000.00	-
	Cost of Investment pledged as collateral for loan taken by Associate (2,93,76,600 Units of OCD)	5,006.46	-
Cost of Investment pledged as collateral for loan taken by Associate (4,99,95,000 Shares)	1,499.85	764.92	

<b>(C) Key Management Personnel :</b>	<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
<b>Transactions:</b>		
Short-term employee benefits	221.62	211.76
Post-employment benefits*	4.90	3.66
Other long-term employee benefits*	7.35	7.47
Director's Sitting Fees	17.75	16.85
<b>Balance due:</b>		
Short-term employee benefits	77.05	19.89
Post-employment benefits*	-	-
Other long-term employee benefits*	-	-
Director's Sitting Fees	1.50	-

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

\*Post-employment benefits and other long-term benefits is being disclosed based on actual payment made on retirement/ resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

**33.9** On March 28, 2018, the Company has acquired further 24.99% stake in the equity shares of Guruvayoor Infrastructure Private Limited (GIPL) for a cash consideration of Rs 4739.32 Lakhs. Before such acquisition 49% stake in the equity shares of GIPL was already held by the Company. Consequently GIPL became subsidiary of the Company w.e.f March 28, 2018 with 73.99% stake in its equity shares.

Pursuant to Para 42 of Ind As 103 "Business Combination", the Company has remeasured its previously held equity interest in GIPL at its acquisition-date fair value and recognised the resulting gain of Rs 6962.09 Lakhs in Profit and Loss Account of FY 17-18. Further, the Company has measured the identifiable assets acquired and the liabilities assumed of the GIPL at their acquisition-date fair values and excess of net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed over consideration paid has been recognised as capital reserve.

**34.** The Company has contributed and expensed Rs. 25.00 lakhs (March 31, 2018 Rs 5.00 Lakhs) against the total contributable amount of Rs. 22.43 Lakhs (March 31, 2018 Rs 1.23 Lakhs) for the year ended March 31, 2019 in accordance with section 135 of Companies Act, 2013 to trust/social organization.

### 35. FINANCIAL INSTRUMENT RELATED DISCLOSURES

#### i) Capital Management

The primary objective of Group capital management is to support its road projects (SPVs) and provide adequate capital to its business for growth and creation of sustainable stakeholder value. The Group capital comprises of share capital and retained earnings attributable to equity shareholders. The Group manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and March 31, 2018.

Pursuant to the Initial Public Offer (IPO) the Holding Company has issued 29,300,000 equity shares of Rs. 10 each at a premium of Rs. 195/- per share aggregating to Rs.60,065.00 Lakhs in FY 2017-18.

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Borrowings	137,235.03	104,103.77
Less: Cash and cash equivalent	2,919.15	1,222.11
<b>Net Debt (A)</b>	<b>134,315.88</b>	<b>102,881.66</b>
<b>Total Equity</b>	<b>101,163.15</b>	<b>106,328.66</b>
<b>Total Equity plus Net Debt (B)</b>	<b>235,479.02</b>	<b>209,210.32</b>
<b>Gearing ratio (A/B)</b>	<b>0.57</b>	<b>0.49</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 35. FINANCIAL INSTRUMENT RELATED DISCLOSURES (Cond...)

#### ii) Financial instruments- Accounting, Classification and Fair Value Measurement

##### A. Accounting classification and fair values

(₹ in lakhs)

March 31, 2019	Carrying Value				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets Non Current</b>								
Investments	23,610.46	-	-	23,610.46	-	-	23,610.46	23,610.46
Loans	-	-	3.96	3.96	-	-	3.96	3.96
Other Financial Assets	-	-	24,210.40	24,210.40	-	-	24,210.40	24,210.40
<b>Financial Assets Current</b>								
Investments	6,567.59	-	-	6,567.59	6,567.59	-	-	6,567.59
Trade receivables	-	-	9,858.95	9,858.95	-	-	9,858.95	9,858.95
Cash and cash equivalents	-	-	2,919.15	2,919.15	2,919.15	-	-	2,919.15
Bank Balance Other than Cash and Cash Equivalents	-	-	-	-	-	-	-	-
Loans	-	-	26,229.94	26,229.94	-	-	26,229.94	26,229.94
Other Financial Assets	-	-	620.16	620.16	-	-	620.16	620.16
<b>Total</b>	<b>30,178.05</b>	<b>-</b>	<b>63,842.56</b>	<b>94,020.61</b>	<b>9,486.74</b>	<b>-</b>	<b>84,533.87</b>	<b>94,020.61</b>
<b>Financial liabilities Non Current</b>								
Borrowings	-	-	131,043.71	131,043.71	-	-	131,043.71	131,043.71
Other financial liabilities	-	-	1,485.81	1,485.81	-	-	1,485.81	1,485.81
<b>Financial liabilities Current</b>								
Borrowings	-	-	5,000.00	5,000.00	-	-	5,000.00	5,000.00
Trade payables	-	-	64.92	64.92	-	-	64.92	64.92
Other financial liabilities	-	-	44,977.18	44,977.18	-	-	44,977.18	44,977.18
<b>Total</b>	<b>-</b>	<b>-</b>	<b>182,571.62</b>	<b>182,571.62</b>	<b>-</b>	<b>-</b>	<b>182,571.62</b>	<b>182,571.62</b>

(₹ in lakhs)

March 31, 2018	Carrying Value				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets Non Current</b>								
Investments	17,949.95	-	-	17,949.95	-	-	17,949.95	17,949.95
Loans	-	-	3.13	3.13	-	-	3.13	3.13
Other Financial Assets	-	-	23,960.48	23,960.48	-	-	23,960.48	23,960.48
<b>Financial Assets Current</b>								
Investments	13,888.32	-	-	13,888.32	13,888.32	-	-	13,888.32
Trade receivables	-	-	10,374.44	10,374.44	-	-	10,374.44	10,374.44
Cash and cash equivalents	-	-	1,222.11	1,222.11	1,222.11	-	-	1,222.11
Bank Balance Other than Cash and Cash Equivalents	-	-	300.65	300.65	300.65	-	-	300.65
Loans	-	-	12,677.61	12,677.61	-	-	12,677.61	12,677.61
Other Financial Assets	-	-	993.86	993.86	-	-	993.86	993.86
<b>Total</b>	<b>31,838.27</b>	<b>-</b>	<b>49,532.28</b>	<b>81,370.55</b>	<b>15,411.08</b>	<b>-</b>	<b>65,959.47</b>	<b>81,370.55</b>
<b>Financial liabilities Non Current</b>								
Borrowings	-	-	95,447.52	95,447.52	-	-	95,447.52	95,447.52
Other financial liabilities	-	-	1,250.38	1,250.38	-	-	1,250.38	1,250.38
<b>Financial liabilities Current</b>								
Borrowings	-	-	5,000.00	5,000.00	-	-	5,000.00	5,000.00
Trade payables	-	-	356.36	356.36	-	-	356.36	356.36
Other financial liabilities	-	-	34,666.90	34,666.90	-	-	34,666.90	34,666.90
<b>Total</b>	<b>-</b>	<b>-</b>	<b>136,721.16</b>	<b>136,721.16</b>	<b>-</b>	<b>-</b>	<b>136,721.16</b>	<b>136,721.16</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### B. Measurement of fair values

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

### C. Valuation techniques

#### The following methods and assumptions were used to estimate the fair values

- 1) Fair value of the cash and short term deposits, current loans and advances and other current financial liabilities, short term borrowing from banks and other financial institutions and other similar items approximate their carrying value largely due to short term maturities of these instruments.
- 2) Long-term receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 3) The fair value of unquoted instruments, loans from banks/financial institution and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt of similar terms, credit risk and remaining maturities.

### iii) Financial Risk Management

The Group's principal financial liabilities comprises of borrowings and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments in equity and debt instruments, loans (advances to related parties), trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

The Group's board of directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

#### Credit Risk

The Group is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Group's exposure to credit risk primarily relates to cash and cash equivalent, investments in equity and debt instruments, loans & other financial assets and accounts receivable.

The Group monitors and limits its exposure to credit risk on a continuous basis. Credit Risk on cash and cash equivalents is limited as the Group generally invest in deposits with nationalised banks. Investments in debt securities consist of investment in subsidiaries/ associates. Loans are primarily provided to subsidiaries/associates and are in the nature of short-term as the same is repayable on demand.

The Group's credit risk associated with accounts receivable is managed through periodically review the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

The Group's financial assets which are exposed to credit risk are as follows:

	(₹ in lakhs)	
	March 31, 2019	March 31, 2018
Investment in Debt Securities	23,610.46	17,949.95
Trade and other receivables	9,858.95	10,374.44
Cash and cash equivalents and other bank balance	2,919.15	1,522.76
Loans & Other Financials Asset	51,064.46	37,635.08
<b>Total</b>	<b>87,453.02</b>	<b>67,482.23</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 35. Financial Instrument related disclosures (Contd...)

(₹ in lakhs)

	March 31, 2019	March 31, 2018
<b>Impairment losses</b>		
Trade and other receivables (measured under life time excepted credit loss model)		
Opening balance	-	-
Provided during the year	-	-
Reversal of provision	-	-
Unwinding of discount	-	-
Closing balance	-	-

(₹ in lakhs)

<b>Trade Receivables Ageing analysis</b>	March 31, 2019	March 31, 2018
Not due	-	-
Upto 3 months	-	1,336.96
3-6 months	970.49	216.00
More than 6 months	8,888.47	8,821.48
	<b>9,858.96</b>	<b>10,374.44</b>

No significant changes in estimation techniques or assumptions were made during the reporting year.

#### Liquidity risk

The Group is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The Group monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Group has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the Group's liquidity risk, the Group's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.

#### Financing arrangements

The Group has access to following undrawn borrowing facilities at the end of the reporting year:

(₹ in lakhs)

	March 31, 2019	March 31, 2018
Term Loan facilities	16,887.01	56,571.40

#### Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

<b>As at March 31, 2019</b>	<b>Less than 1 year</b>	<b>1-5 years</b>	<b>Over 5 Years</b>	<b>Total</b>
Borrowings	6,191.32	39,022.62	92,021.09	137,235.03
Trade payables	64.92	-	-	64.92
Other financial liabilities	43,785.86	1,485.81	-	45,271.67
	<b>50,042.10</b>	<b>40,508.43</b>	<b>92,021.09</b>	<b>182,571.62</b>
<b>As at March 31, 2018</b>	<b>Less than 1 year</b>	<b>1-5 years</b>	<b>Over 5 Years</b>	<b>Total</b>
Borrowings	8,656.25	41,030.44	55,274.17	104,960.86
Trade payables	356.36	-	-	356.36
Other financial liabilities	34,666.90	-	-	34,666.90
	<b>43,679.51</b>	<b>41,030.44</b>	<b>55,274.17</b>	<b>139,984.12</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the Group. The Group manages its interest rate risk by regular monitoring and taking necessary actions as are necessary to maintain an appropriate balance.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

(₹ in lakhs)		
a) Interest rate risk exposure	March 31, 2019	March 31, 2018
Variable rate borrowings	67,922.35	62,830.26

### b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	Impact on profit	
	March 31, 2019	March 31, 2018
Interest rates - increase by 70 basis points	475.46	439.81
Interest rates - decrease by 70 basis points	475.46	439.81

### Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in foreign exchange rate. The Group operates domestically and the business is transacted in local currencies and consequently the Group is not significantly exposed to foreign exchange risk through its sales and services.

### Price risk

Price risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market prices (other than those arises from interest rate risk or currency risk). The Group is not exposed to price risk as it has insignificant financial instruments operates domestically and the business is transacted in local currencies a (eg: investment in mutual fund).

36 In accordance with Indian Accounting Standard 110 "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 Indian Accounting Standard 28 "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 March 31, 2019	As at March 31, 2018
<b>Subsidiaries</b>			
Solapur Tollways Pvt. Ltd.	India	100.00%	99.02%
Orissa Steel Expressway Pvt. Ltd. (Became subsidiary w.e.f. 12th November, 2016)	India	59.38%	59.38%
Guruvayoor Infrastructure Pvt. Ltd. (Became subsidiary w.e.f. 28th March, 2018)	India	73.99%	73.99%
<b>Associates</b>			
Kurukshetra Expressway Pvt. Ltd.	India	49.00%	49.00%
Ghaziabad Aligarh Expressway Pvt. Ltd.	India	39.00%	39.00%
Shree Jagannath Expressways Pvt. Ltd.	India	40.00%	40.00%
Mahakaleshwar Tollways Pvt. Ltd. (w.e.f. 28th October, 2016)	India	48.00%	48.00%



## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

### 37.1 Additional Information as per Schedule III of the Companies Act, 2013

As at March 31, 2019

Name of the entity		Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated other comprehensive income	Amount (₹ in lakhs)	As % of consolidated total comprehensive income	Amount (₹ in lakhs)
<b>Parent</b>									
1	Bharat Road Network Limited	18.00%	20,130.79	56.82%	(2,473.46)	14.38%	0.30	56.84%	(2,473.16)
<b>Subsidiaries Indian:</b>									
1	Solapur Tollways Pvt. Ltd.	23.02%	25,741.17	1.43%	(62.33)	(65.17%)	(1.36)	1.46%	(63.69)
2	Orissa Steel Expressway Pvt. Ltd.	6.20%	6,929.15	0.56%	(24.51)	-	-	0.56%	(24.51)
3	Guruvyoor Infrastructure Pvt Ltd	23.50%	26,274.32	(22.34%)	972.58	(104.46%)	(2.18)	(22.30%)	970.40
<b>Minority Interests in subsidiaries</b>		9.54%	10,665.28	12.12%	(527.65)	(36.57%)	(0.76)	12.14%	(528.41)
<b>Associates (investment as per equity method)</b>									
1	Kurukshetra Expressway Pvt. Ltd.	0.03%	36.45	46.54%	(2,026.11)	0.00%	-	46.56%	(2,026.11)
2	Ghaziabad Aligarh Expressway Pvt. Ltd.	9.71%	10,861.48	(1.64%)	71.60	302.75%	6.32	(1.79%)	77.92
3	Shree Jagannath Expressways Pvt. Ltd.	9.48%	10,596.35	0.18%	(8.00)	(24.73%)	(0.52)	0.20%	(8.52)
4	Mahakaleshwar Tollways Pvt. Ltd.	0.53%	593.44	6.33%	(275.56)	13.80%	0.29	6.33%	(275.27)
<b>TOTAL</b>		<b>100.00%</b>	<b>111,828.43</b>	<b>100.00%</b>	<b>(4,353.42)</b>	<b>100.00%</b>	<b>2.09</b>	<b>100.00%</b>	<b>(4,351.33)</b>

Note: Figures are after elimination of related party transactions between entities considered for consolidation.

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

**37.3** 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 Rs. 1060.94 lakhs for the year 2018-19.

**37.4** The Company has made an application to the Reserve Bank of India to grant Certificate of Registration to commence the business of a Non- Deposit taking Systematically Important Core Investment Company (NDSI - CIC) on March 28, 2019 along with the audited Financials as at December 31, 2018 as the Company's financial income comprised more than 50% of its total income, its financial assets in the form of investments in equity shares, debt and loans to group companies exceeded 90% of its Net Assets and investments in equity shares (including instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue) in group companies to more than 60% of its Net Assets.

The Reserve Bank of India, vide their letter dated April 12, 2019 has asked to apply afresh on the basis of the audited financial statement of the company and all its group companies as on March 31, 2019.

**37.5** Securities and Exchange Board of India (SEBI) in its ad interim order dated March 14, 2019, issued under Section 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992 and Regulation 11 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003, in the matter of Religare Enterprises Limited, against twenty - five (25) Noticees including the Company (Noticee no. 4), has directed the Company not to dispose of or alienate any of their assets or divert any funds, except for meeting expenses of day-to-day business operations, without the prior permission of SEBI.

The Company, vide its letter dated May 02, 2019 has replied to the said SEBI order and has denied that the company has committed any violation of the concerning provisions of the SEBI Act, 1992 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003. The matter is pending.

**37.6** The Company has entered into a Share Purchase Agreement (SPA) dated May 4, 2019 with a Purchaser, for sale of its entire stake in

## Notes to the Consolidated Financial Statements for the year ended March 31, 2019

Ghaziabad Aligarh Expressway Pvt Ltd (GAEPL), an "associate" of the Company.

The proposed transaction is subject to prior permission of SEBI in-terms of ad-interim order dated March 14, 2019 and other applicable regulatory and other approvals and certain conditions, more specifically laid down in the SPA. The Equity value of the proposed transaction is subject to adjustments of debt and other capital and operational costs at closing date and hence, net consideration receivable is not ascertainable at this stage.

The valuation date for sale as per the SPA is December 31, 2018. Impact if any, on profit/loss with respect to sale of its stake in GAEPL will be adjusted on closure of the transaction.

- 37.7** Heavy Rain and Flood in Kerala, which started on 15th August 2018 badly affected Toll Plaza Operations of Guruvayoor Infrastructure Pvt. Ltd. (GIPL) (subsidiary company) and caused substantial damage to the Carriage Way and Toll Plaza including the Toll Management System (TMS). The loss had been intimated to the Insurance Company and claim is under process with insurance company. Meanwhile company made expenses of ₹ 213.95 lakhs till 31st March, 2019 for repair of Carriage Way, Toll Plaza including TMS Systems. This expenses will be settled against insurance claim receipt amount.
- 37.8** In case of Guruvayoor Infrastructure Pvt. Ltd. (GIPL) subsidiary company, due to Demonitisation Scheme announced by the Government of India, Toll collection was suspended for 23 Days i.e. from 9th November, 2016 to 2nd December, 2016, in accordance with the directives of National Highways Authority of India (NHAI). As per NHAI Circulars dated 29.11.2016 and 06.12.2016, the Company has raised and submitted its claim with NHAI against loss of revenue of the said period. Part of the claim has been approved and received ₹ 267.03 lakhs while balance amount is under process.
- 37.9** In case of Solapur Tollways Pvt. Ltd. (STPL) subsidiary company, Interest includes Rs.4,994 lakhs provided during the current financial year on SREI loan balance outstanding as on 30.06.2016 amounting ₹16,592 lakhs, which has been subsequently converted into Warrant dated 30.06.16
- 38.** The financial statements were approved for issue by the Board of Directors and authorise for issue on May 28, 2019.

As per our report of even date

**For S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

**Neeraj Bansal**  
*Partner*  
Membership No.095960

Place : Kolkata  
Date : May 28, 2019

**For and on behalf of the Board of Directors**

**Tuk Tuk Ghosh Kumar**  
*Director*  
DIN: 06547361

**Naresh Mathur**  
*Company Secretary*

**Bajrang K Choudhary**  
*Managing Director*  
DIN: 00441872

**Jai Prakash Shaw**  
*Chief Financial Officer*  
Place : Kolkata



**Bharat Road Network Limited**

CIN: L45203WB2006PLC112235

**Registered Office**

Vishwakarma Building

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**BHARAT ROAD NETWORK LIMITED**
**CIN:** L45203WB2006PLC112235

**Registered Office:** Vishwakarma Building,  
86C, Topsia Road (South), Kolkata – 700 046

**Tel. No.:** 033 6602 3609; **Fax No.:** 033 6602 3243

**Website:** www.brnl.in; **E-mail ID:** cs@brnl.in

**NOTICE**

**NOTICE** is hereby given that the Twelfth Annual General Meeting (AGM) of the Members of Bharat Road Network Limited will be held on Saturday, 14th December, 2019, at 11:30 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:**

1. To receive, consider and adopt -
  - a) The Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2019, together with the Reports of the Board of Directors and Auditors thereon.
  - b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2019, together with the Report of the Auditors thereon.
2. To declare Dividend of Rs. 0.50 (5%) per Equity Share for the Financial Year ended March 31, 2019.
3. To appoint a Director in place of Mr. Bajrang Kumar Choudhary (DIN: 00441872), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

4. 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 Section 152, 188, 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (Act), if any and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment, statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company, recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Bajrang Kumar Choudhary (DIN: 00441872) as the Managing Director (MD) of the Company, liable to retire by rotation, for a period of 3 (three) years with effect from 1st November, 2019, on terms and conditions as recommended by the Nomination and Remuneration Committee based on the BRNL Nomination and Remuneration Policy and other terms and conditions as set out in the draft

agreement (“Agreement”) to be entered into between the Company and Mr. Bajrang Kumar Choudhary, a copy of which is placed before the meeting, and the terms and conditions of which are set out briefly herein:

- a. **Salary:** Rs. 3,75,000/- (Rupees Three Lakhs Seventy Five Thousand only) per month with authority to the Board to fix such other higher amount as may be permissible under the provisions of the Companies Act, 2013, as amended or replaced, read with Schedule V of Act from time to time. The annual increments will be merit-based and take into account the Company’s performance.
- b. **House Rent Allowance (HRA):** HRA at the rate of 50% (fifty percent) of salary.
- c. **Special Allowance:** Rs. 4,18,213/- (Rupees Four Lakhs Eighteen Thousand Two Hundred Thirteen only) per month.
- d. **Superannuation Allowance:** Rs. 37,500/- (Rupees Thirty Seven Thousand only) per month.
- e. **Ex-gratia:** Payment of 1 (one) month’s salary per annum or such other higher sum as may be decided by the Board of Directors of the Company.
- f. **Performance Incentive:** Annual Performance incentive as per the policy of the Company and based on Performance of the Company.
- g. **Perquisites:** In addition to the aforesaid, the Managing Director shall be entitled to the following perquisites:
  - i) **Medical Reimbursement**  
Reimbursement of actual medical expenses incurred for self and family, restricted to an amount equivalent to 1 (one) month’s salary per annum.
  - ii) **Leave Travel Allowance**  
Reimbursement of actual travelling expenses, for proceeding on leave, once in a year in respect of self and family, restricted to an amount equivalent to 1 (one) month’s salary per annum.
  - iii) **Gratuity**  
Gratuity will be payable as per The Payment of Gratuity Act, 1972.
  - iv) **Leave**  
Entitled for leave with full pay or encashment thereof as per the rules of the Company.

**v) Conveyance Facilities / Allowance**

The Company will provide reimbursement of conveyance expenses upto Rs. 75,000/- per month to the Managing Director.

**vi) Personal Accident Insurance**

The Managing Director will be covered under Personal Accident Policy for which the premium will be borne by the company.

**vii) Other Perquisites**

Subject to overall ceiling on remuneration prescribed in Schedule V to the Companies Act, 2013, as amended or replaced, the Managing Director may be given any other allowances, benefits and perquisites as the Board of Directors may from time to time decide.

**vii) Incentives and Amenities**

Any incentive and amenities as per the Policy of the Company or as decided by the Board from time to time will also be paid to the Managing Director.

**Explanation:**

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

Company's contribution to Provident Fund or Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company an encashment of leave at the end of his tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

**OVERALL REMUNERATION**

The aggregate of salary, perquisites and other allowances payable to the said Managing Director in any one financial year shall not exceed the limits prescribed or to be prescribed from time to time under Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as amended or replaced by the Companies Act, 2013, as may for the time being be in force.

**MINIMUM REMUNERATION**

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director, the payment of salary, perquisites, and other allowances shall be as approved by the Board and be governed by the limits prescribed under Part II of Schedule V of the Companies Act, 2013.

The Company may, at the recommendation of the Board, increase, alter or vary the remuneration, perquisites and

other terms and conditions including monetary value thereof as set out in this agreement depending on the Company's performance.

The Managing Director shall not be paid any sitting fees for attending the meetings of the Board or Committees thereof from the date of his appointment.

In case of any dispute or difference that may arise out of the terms of appointment of the Managing Director or otherwise, the decision of the Board in this regard shall be final and binding on the Managing Director.

Though the Managing Director is initially posted at Kolkata, his services may be transferred to any other place in India as may be mutually agreed by and between the Company and the Managing Director.

Subject to provisions of the Act, the Managing Director shall, while he continues to hold office of the Managing Director, be subject to retirement by rotation, but he shall ipso facto immediately cease to be Managing Director if he ceases to hold office of Director for any cause.

However, the Managing Director reappointed as a Director of the Company immediately on retirement by rotation, shall continue to hold his office of Managing Director and such reappointment as such Director shall not be deemed to constitute a break in his appointment / service as Managing Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include any authorized Committee of the Board) be and is hereby authorized to alter and vary the terms and conditions of appointment, at any time(s) and from time to time and in such manner as the Board may deem fit subject to the overall limits of remuneration specified by this resolution and applicable laws;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its sole discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to delegate to the extent permitted by law, all or any of the powers herein conferred to any Director(s) or any Key Managerial Personnel (KMPs) of the Company."

5. 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 Section 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Act, Articles of Association of the Company, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment for the time being in force), BRNL Nomination and Remuneration Policy and the Policy on Board Diversity, Prof. Santanu Ray (holding DIN: 00642736), who was appointed as an Additional Director (Category –Independent) of the Company with effect from 30th July, 2019 and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 (five) consecutive years from 30th July, 2019;

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 197 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Prof. Santanu Ray be paid such fees, remuneration and profit linked commission as the Board of Directors of the Company (including any Committee thereof) may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.”

6. 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 Section 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Act, Articles of Association of the Company, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment for the time being in force), BRNL Nomination and Remuneration Policy and the Policy on Board Diversity, Mr. Ashok Kumar Mangotra (holding DIN: 02228858), who was appointed as an Additional Director (Category –Independent)

of the Company with effect from September 30, 2019 and who holds office upto the date of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 (five) consecutive years from 30th September, 2019;

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 197 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ashok Kumar Mangotra be paid such fees, remuneration and profit linked commission as the Board of Directors of the Company (including any Committee thereof) may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.”

7. 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 relevant provisions of Section 188 of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), approval of the Audit Committee, Company’s policy on Related Party Transactions, and subject to such approvals, consents, sanctions and permissions, as may be necessary, consent of the Shareholders of the Company be and is hereby accorded for all existing contract(s)/arrangement(s)/agreement(s)/transactions entered into by the Company in one or more tranches with its related parties as defined within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the Financial Year 2018-19, as per the details provided below and approval is sought for such contract(s)/arrangement(s)/agreement(s)/transactions proposed to be entered into by the Company with its Related Parties during the period 1st April, 2019 to 30th September, 2020 for such transactions as given hereunder, the value of which, individually or taken together with previous transaction(s), during a financial year, exceeds / may exceed 10 (ten) per cent of the Annual Consolidated Turnover of the Company, as per the last audited Financial Statements:



							(Rs. In Lakhs)
Sl. No.	Name of the Related Party(s)	Nature of Relationship	Monetary Value of RPTs during the FY 2018-19	Value of transactions entered / to be entered into by the Company with its related parties during the period 1st April, 2019 – 30th September, 2020	Material Terms and particulars of the contract / arrangement / agreement / transactions	Nature of Transactions entered / proposed to be entered into by the Company with its Related Party(s)	Any other information relevant or important for the Shareholders to take decision on the proposed resolution
i)	Solapur Tollways Private Limited	Subsidiary Company	50,287.62	10000	As per the terms of the respective contracts / arrangements / agreements / transactions entered into from time to time in the ordinary course of business and on an arms' length basis.	Sponsor/Promoter Funding in the form of secured/unsecured loan to meet the obligations cast under the Financing Documents entered into with the lenders for the Special Purpose Vehicles (SPVs) and for meeting the short term/long term funds/corporate guarantee requirements and working capital requirements, creation of pledge or any other charge for the SPVs, Sponsor Support undertakings, Inter Corporate Deposits (ICD), Investment as Sponsor or otherwise, by way of subscription towards equity capital and/or securities (debt / equity / quasi equity) of the SPV like Optionally Convertible Debentures (OCDs), Optionally Convertible Participating Interest Bearing Debentures (OCPIDs), Warrants; Project Management Consultancy (PMC); Financial Consultancy; contracts for Operations and Maintenance Services, Tolling Management Services, Claim Management Services, debt syndication, reimbursement of expenses, detailed Engineering and Design Services, Legal documentation and / or any other related party transactions approved by the Audit Committee.	None
ii)	Orissa Steel Expressway Private Limited	Subsidiary Company	1,367.83	1500			
iii)	Guruvayoor Infrastructure Private Limited	Subsidiary Company	39,398.49	1000			
iv)	Kurukshetra Expressway Private Limited	Associate Company	28,828.66	5000			
v)	Ghaziabad Aligarh Expressway Private Limited	Associate Company	30,247.82	2500			
vi)	Shree Jagannath Expressways Private Limited	Associate Company	35,310.93	2500			
vii)	Mahakaleshwar Tollways Private Limited	Associate Company	22,941.39	2500			
viii)	Transactions with any other Related Party including a Subsidiary and/or an Associate Company acquired/formed henceforth during the course of Company's business and operations.			2500			

**RESOLVED FURTHER THAT** the Board of Directors and its Committees, including any person authorised by the Board/Committee, be and is hereby authorized to -

a. negotiate, finalise, vary, amend, renew, and revise the terms and conditions of the transactions(s), including prices / pricing formula and tenure;

b. enter into, sign, execute, renew, modify and amend all agreements, documents, letters, undertaking thereof, from time to time;

c. do all such acts, matters, deeds and things and to settle any question, difficulty or doubt that may arise as may be necessary or desirable for the purpose of giving effect to this resolution."

**NOTES:**

1. **PROXIES: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF 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.

No Proxy Form shall be considered as valid on its receipt after 11:30 A.M. on Thursday, 12th December, 2019. 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.

The Proxy-holder shall prove his identity at the time of attending the Meeting. Proxies are requested to carry photo identification to the venue of the Meeting. Further, when a Member appoints a Proxy and both the Member and Proxy attend the meeting, the Proxy stands automatically revoked.

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 this 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 e-mail 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 e-mail IDs, physical copies of this Notice, 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 Fintech 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 Fintech 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 Participants.

8. **Go Green Initiative:** The Company is sending Notices for General Meetings, Financial Statements, etc., through e-mail to Members whose e-mail IDs are registered with the RTA/ Depository Participants. However, it is noticed that there are Members who have not registered their e-mail 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, if any, are requested to register their e-mail IDs with the Company's Registrar and Share Transfer Agents (RTA), i.e., Karvy Fintech Private Limited and Members holding Shares in demat mode who have still not registered their e-mail IDs are requested to register their e-mail IDs with their respective Depository Participants (DPs). Members whose e-mail IDs have undergone any change or whose IDs require any correction, may kindly update the same with their respective DPs or the RTA, as stated above.

Shareholders to whom hard copy of Annual Reports have been provided are requested to bring their copies of the Annual

Report to the Meeting. The copies of Annual Reports shall not be made available at the venue of the Meeting. Shareholders / Proxies attending the Meeting should bring the Admission Slip, duly filled, for handing over at the venue of the meeting.

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 their PAN details to the 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 Fintech Private Limited.

10. **Dividend:** Subject to the provisions of Section 123 of the Companies Act, 2013, dividend on Equity Shares for the Financial Year ended March 31, 2019, as recommended by the Board, if sanctioned at the AGM, will be electronically credited/dispached on or before Sunday, 12th January, 2020, to Shareholders holding shares of the Company as on the record date viz. Saturday, 7th December, 2019 -

- a) in respect of Shares held in electronic form, to all beneficial owners as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL);
- b) in respect of Shares held in physical form, if any, to those Members, whose names appear on the Company's Register of Members.

Members who are holding Shares in electronic form / physical form may note that bank particulars registered with their respective Depository Participants / Company or its Registrar and Share Transfer Agents (RTA) will be used by the Company for electronic credit/despatch of dividend. The Company or its Registrar and Share Transfer Agents (RTA) cannot act on any request received directly from the Members holding Shares in electronic / physical form for any change of bank particulars or bank mandates. Such changes are to be advised by the Members concerned to their respective Depository Participants / RTA. Any such changes effected by the Depository Participants / RTA will automatically reflect in the Company's subsequent records.

11. **Unclaimed Dividend:** Members are requested to note that as per Section 124 of the Companies Act, 2013, read with allied Rules, dividend not claimed within seven (7) years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Unclaimed Dividend, as per details given in the table below, will be transferred to the IEPF as per the date(s) mentioned in the table. Those Members who have not, so far, encashed their dividend warrants for any Financial Year are requested to make their claim to the Company's Registrars, Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or to the Company at its Registered Office, for payment thereof -

Sl. No.	Year	Date of Declaration of Dividend	Type	Dividend (%)	Due date for transfer to IEPF
1.	2017-18	2nd November, 2017	Interim	5	4th December, 2024
2.	2018-19	28th September, 2018	Final	5	3rd October, 2025

It may please be noted that once the unclaimed dividend is transferred to the IEPF, as mentioned above, no claims shall lie against the Company. However, claim can be made from the Fund, in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017, as may be amended, from time to time.

Please note that Section 124(6) of Companies Act, 2013 also provides that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred by the Company to IEPF. Hence, it is in the shareholders' interest to claim any uncashed dividends and for future, opt for Electronic Credit of dividend, so that dividends paid by the Company are credited to the investor's account, on time.

Further, any claimant of such shares, as mentioned above, shall be entitled to claim the transfer of shares from the IEPF, following the necessary procedures and on submission of relevant documents.

12. **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, 2013, 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 Meeting and also at the Meeting.

The Register of Directors and Key Managerial Personnel (KMP) 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 venue of the 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.

13. **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 Statement 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 vide e-mail 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., up to the date of the Meeting. Further, the documents shall also be available on the website of the Company, [www.brnl.in](http://www.brnl.in).

14. Members may also note that the Notice of the Meeting and the Annual Report for the Financial Year 2018-19 will be available on the website of the Company, [www.brnl.in](http://www.brnl.in) and also on the website of the Karvy Fintech Private Limited (Karvy), the Agency providing the e-voting facility.

**15. 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 Fintech 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 e-mail from Karvy [for Members whose e-mail IDs are registered with the Company/Depository Participant(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 e-mail. 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 demat accounts shall choose the voting process separately for each demat accounts.
  - 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(s).
  - 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 e-mail ID: [goenkamohan@gmail.com](mailto:goenkamohan@gmail.com), with a copy marked to [evoting@karvy.com](mailto: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 12th 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 Fintech Private Limited on 1800 345 4001 (toll free).
- (B) In case of Members receiving physical copy of Notice [for Members whose e-mail 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 of Sl. No. I (A) from (i) to (x) 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 the 12th AGM and the Members attending the Meeting, who have not already cast their vote by remote e-voting, shall be able to exercise their voting 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 votes cast at the AGM shall be treated as invalid.

**Other Instructions:**

- a) The remote e-voting period commences on Wednesday, 11th December, 2019 at 9:00 A.M. (IST) and ends on Friday, 13th December, 2019, 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., Saturday, 7th December, 2019, 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, only shall be entitled to avail the facility of remote e-voting as well as voting at the 12th AGM through Ballot Paper. A person who is not a Member as on the 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 Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or at Phone No. 040 – 6716 1500 or call at 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. 7th December, 2019, 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 not 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. or DP ID Client ID and PAN to generate a password.
- iii) Member may call at Karvy's Toll Free number 1800-3454-001.
- iv) Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavour to send User ID and Password to those new Members whose e-mail IDs are available.

- 16. **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.
- 17. **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, as Scrutinizer for conducting the voting process (both remote e-voting and voting at the AGM) in a fair and transparent manner.
- 18. **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 3 (three) days from the conclusion of the meeting make a consolidated Scrutinizer's Report of the total votes cast in favour 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 a person authorised by him 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 Meeting.

Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report, on the Company's website [www.brnl.in](http://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.

- 19. **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.

20. **Route Map:** A Route Map showing directions to reach to the venue of the 12th 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 Webel More.
21. **Statutory Auditors:** The Company's Statutory Auditors, Messrs S.S. Kothari Mehta & Co., Chartered Accountants having Registration No. 000756N allotted by The Institute of Chartered Accountants of India (ICAI) were appointed as Statutory Auditors of the Company for a period of 5 (five) consecutive years at the Annual General Meeting (AGM) of the Members held on December 16, 2017. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on December 16, 2017. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 07, 2018, the requirement of seeking ratification of the Members for the appointment of Statutory Auditors has been withdrawn from the Statute. In view of the above, ratification of the Members for continuance of their appointment at this AGM is not being sought. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors of the Company. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.
22. **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 AGM 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.
- Further, pursuant to the provisions of Section 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013, Prof. Santanu Ray (holding DIN: 00642736) and Mr. Ashok Kumar Mangotra (holding DIN: 02228858) are being proposed to be appointed as Independent Directors of the Company.
- 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(s) seeking re-appointment at the AGM are given below:

Name of Director	Mr. Bajrang Kumar Choudhary (DIN: 00441872)	Prof. Santanu Ray (DIN: 00642736)	Mr. Ashok Kumar Mangotra (DIN: 02228858)
Date of Birth	22/06/1968 (Age 51 years)	30/06/1949 (Age 70 years)	25/06/1953 (Age 66 years)
Date of Appointment on the Board	23/03/2011  (Designated as Managing Director of the Company, for a period of 3 years, w.e.f 1st November, 2016.  Re-appointed as the Managing Director of the Company, for a period of 3 years w.e.f 1st November, 2019)	30/07/2019	30/09/2019
Brief Resume and Expertise in specific functional areas	He is a former Chief Executive Officer - Infrastructure Project Development - Srei Infrastructure Finance Limited, 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.	He is currently the Mentor & Adviser to Chancellor, Sister Nivedita University, Kolkata. He is serving as an Independent Director across the Board of various listed Companies. In his career spanning for about 47 years, he has served diverse Corporate Entities in various capacities and has also been associated with many of them in the Advisory role. He has conducted large number of management development programs with leading corporates and published several books, research papers and articles. He has also been associated with various academic institutes viz. ICFAI Business School (IBS), Kolkata, NSHM Knowledge Campus, NSHM Business School, and B.P. Poddar Institute of Management & Technology and Techno India Group.	He has around 35 years of experience in the Higher Civil Service of India (IAS). He has also served as Joint Secretary in various Ministries and also as the Secretary to the Government of India, Ministry of Home Affairs.
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).	He is a Fellow Member of the Institute of Chartered Accountant of India (ICAI).	He has Honors Degree in Electrical Engineering from BITS, Pilani and a Post-Graduate Diploma in Public Administration.



Name of Director	Mr. Bajrang Kumar Choudhary (DIN: 00441872)	Prof. Santanu Ray (DIN: 00642736)	Mr. Ashok Kumar Mangotra (DIN: 02228858)																																
List of outside directorship held	NIL	<ul style="list-style-type: none"> <li>● Century Plyboards (India) Limited</li> <li>● Megha Technical and Engineers Private Limited</li> <li>● Star Cement Meghalaya Limited</li> <li>● Shyam Century Ferrous Limited</li> <li>● Kariwala Industries Limited</li> <li>● Star Cement Limited</li> <li>● La Opala R G Limited</li> <li>● SKP Securities Limited</li> <li>● Genesis Exports Limited</li> </ul>	NIL																																
Names of listed entities in which the person also holds the directorship	Bharat Road Network Limited	<ul style="list-style-type: none"> <li>● Century Plyboards (India) Limited</li> <li>● Shyam Century Ferrous Limited</li> <li>● Star Cement Limited</li> <li>● La Opala R G Limited</li> <li>● SKP Securities Limited</li> <li>● Genesis Exports Limited</li> </ul>	Bharat Road Network Limited																																
Chairman/Member of the Committees of Board of Directors of the Company	<ul style="list-style-type: none"> <li>● Corporate Social Responsibility Committee – Member</li> <li>● Committee of Directors– Member</li> </ul>	<ul style="list-style-type: none"> <li>● Audit Committee – Chairman</li> <li>● Corporate Social Responsibility Committee – Member</li> <li>● Committee of Directors– Member</li> </ul>	<ul style="list-style-type: none"> <li>● Nomination and Remuneration Committee – Chairman</li> <li>● Corporate Social Responsibility Committee – Member</li> <li>● Committee of Directors– Member</li> </ul>																																
Membership / Chairmanship of Committees of other Boards	NIL	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="774 1037 812 1100">Sl. No.</th> <th data-bbox="812 1037 937 1100">Name of Company</th> <th data-bbox="937 1037 1036 1100">*Name of Committee</th> <th data-bbox="1036 1037 1105 1100">Whether Chairman (Yes/No)</th> </tr> </thead> <tbody> <tr> <td data-bbox="774 1100 812 1142">1.</td> <td data-bbox="812 1100 937 1142">Century Plyboards (India) Limited</td> <td data-bbox="937 1100 1036 1142">Audit Committee</td> <td data-bbox="1036 1100 1105 1142">No</td> </tr> <tr> <td data-bbox="774 1142 812 1205">2.</td> <td data-bbox="812 1142 937 1205">LA Opala R G Limited</td> <td data-bbox="937 1142 1036 1205">Stakeholders Relationship Committee</td> <td data-bbox="1036 1142 1105 1205">No</td> </tr> <tr> <td data-bbox="774 1205 812 1268" rowspan="2">3.</td> <td data-bbox="812 1205 937 1268" rowspan="2">Shyam Century Ferrous Limited</td> <td data-bbox="937 1205 1036 1268">Audit Committee</td> <td data-bbox="1036 1205 1105 1268">No</td> </tr> <tr> <td data-bbox="937 1268 1036 1331">Stakeholders Relationship Committee</td> <td data-bbox="1036 1268 1105 1331">Yes</td> </tr> <tr> <td data-bbox="774 1331 812 1394" rowspan="2">4.</td> <td data-bbox="812 1331 937 1394" rowspan="2">SKP Securities Limited</td> <td data-bbox="937 1331 1036 1394">Audit Committee</td> <td data-bbox="1036 1331 1105 1394">Yes</td> </tr> <tr> <td data-bbox="937 1394 1036 1457">Stakeholders Relationship Committee</td> <td data-bbox="1036 1394 1105 1457">Yes</td> </tr> <tr> <td data-bbox="774 1457 812 1499">5.</td> <td data-bbox="812 1457 937 1499">Star Cement Meghalaya Limited</td> <td data-bbox="937 1457 1036 1499">Audit Committee</td> <td data-bbox="1036 1457 1105 1499">Yes</td> </tr> <tr> <td data-bbox="774 1499 812 1583">6.</td> <td data-bbox="812 1499 937 1583">Megha Technical And Engineers Private Limited</td> <td data-bbox="937 1499 1036 1583">Audit Committee</td> <td data-bbox="1036 1499 1105 1583">Yes</td> </tr> </tbody> </table> <p data-bbox="774 1583 1105 1688">*Committee to mean Audit Committee and Stakeholders Relationship Committee of Public Limited Companies, whether listed or not.</p> <p data-bbox="774 1688 1105 1833">*Private Companies which are subsidiaries of Public Companies shall be treated as deemed public companies in terms of the provisions of Companies Act, 2013.</p>	Sl. No.	Name of Company	*Name of Committee	Whether Chairman (Yes/No)	1.	Century Plyboards (India) Limited	Audit Committee	No	2.	LA Opala R G Limited	Stakeholders Relationship Committee	No	3.	Shyam Century Ferrous Limited	Audit Committee	No	Stakeholders Relationship Committee	Yes	4.	SKP Securities Limited	Audit Committee	Yes	Stakeholders Relationship Committee	Yes	5.	Star Cement Meghalaya Limited	Audit Committee	Yes	6.	Megha Technical And Engineers Private Limited	Audit Committee	Yes	NIL
		Sl. No.	Name of Company	*Name of Committee	Whether Chairman (Yes/No)																														
		1.	Century Plyboards (India) Limited	Audit Committee	No																														
		2.	LA Opala R G Limited	Stakeholders Relationship Committee	No																														
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		4.	SKP Securities Limited	Audit Committee	Yes																														
				Stakeholders Relationship Committee	Yes																														
5.	Star Cement Meghalaya Limited	Audit Committee	Yes																																
6.	Megha Technical And Engineers Private Limited	Audit Committee	Yes																																
Shareholding in the Company	9,589 Equity Shares	NIL	NIL																																



<b>Name of Director</b>	<b>Mr. Bajrang Kumar Choudhary (DIN: 00441872)</b>	<b>Prof. Santanu Ray (DIN: 00642736)</b>	<b>Mr. Ashok Kumar Mangotra (DIN: 02228858)</b>
Relationship with other Directors, Managers and other Key Managerial Personnel (KMP)	Not related with any of the Directors and KMP of the company.	Not related with any of the Directors and KMP of the company.	Not related with any of the Directors and KMP of the company.
No. of Board Meetings attended during the Financial Year 2018-19 [out of 7 (Seven) Board Meetings held]	7 (Seven)	Not Applicable	Not Applicable
Terms and conditions of Appointment or Re-appointment	In accordance with the Agreement executed between Mr. Bajrang Kumar Choudhary and the Company.  The terms and conditions are also stated in Resolution No. 4 of the AGM Notice.	In accordance with the Letter of Appointment for Independent Directors	In accordance with the Letter of Appointment for Independent Directors
Details of remuneration sought to be paid and the remuneration last drawn	The details of Remuneration paid to Mr. Choudhary during the Financial Year 2017-18 has been disclosed in the Extract of Annual Return (MGT-9) and Corporate Governance Report of the Company.  The Remuneration to be paid to Mr. Choudhary shall be in accordance with the Agreement executed between Mr. Bajrang Kumar Choudhary and the Company. The terms and conditions of remuneration is also stated in Resolution No. 4 of the AGM Notice.	Prof. Ray shall be entitled to sitting fees for attending meetings of the Board and Committees thereof and annual commission on net profits, if any, as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time.	Prof. Ray shall be entitled to sitting fees for attending meetings of the Board and Committees thereof and annual commission on net profits, if any, as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time.

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

sd/-

**Naresh Mathur**  
**Company Secretary**  
**FCS - 4796**

Date: 10.11.2019  
Place: Kolkata

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

**Item No. 4:**

Mr. Bajrang Kumar Choudhary (DIN – 00441872) was initially appointed as the Director of the Company w.e.f. 23rd March, 2011. He was further elevated to the post of Managing Director of the Company w.e.f. 1st November, 2016 for a period of 3 years (upto 31st October, 2019) with the approval of Members of the Company in accordance with applicable provisions of Schedule V of the Companies Act 2013.

Mr. Bajrang Kumar Choudhary is a qualified Chartered Accountant with over two decades of experience in infrastructure asset management, project development, project implementation, private equity and M&A. Under his able guidance, the Company successfully completed Initial Public Offer (IPO) of its equity shares during September, 2017 and has witnessed significant growth.

Mr. Choudhary has rich and varied experience in the industry and has been involved in successfully managing the operations of the Company. It would be therefore in the interest of the Company to continue to avail of his considerable expertise for the growth of Company's Business and Operations.

Hence, considering the dedicated and meritorious services rendered by Mr. Bajrang Kumar Choudhary towards the growth of the Company and his contribution to the overall progress of the Company, and since his tenure shall end on 31st October, 2019, the Board of Directors of the Company has, at their meeting held on May 28, 2019 at the recommendation of Nomination and Remuneration Committee, re-appointed him as the Managing Director of the Company in whole time capacity, his office being liable to retire by rotation, on remuneration and other terms and conditions mentioned in the resolution for a further period of 3 (three) years beginning from November 01, 2019 till October 30, 2022 subject to approval of the Members of the Company and all such statutory approvals as may be required.

The Board of Directors of the Company considers that the

re-appointment of Mr. Bajrang Kumar Choudhary as Managing Director of the Company in whole time capacity is in the best interests of the Company.

The said resolution constitute related party transactions under the provisions of Section 188 of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers) Rules, 2014 and as per Regulation 2(1)(zc) of SEBI (Listing Regulations, 2015).

Pursuant to Section 190 of the Companies Act, 2013, a copy of the draft Agreement proposed to be entered into between the Company and Mr. Bajrang Kumar Choudhary is available for inspection without any fee by the Members at the Registered Office of the Company on all working days except, Saturday, Sunday and public holidays, between 11:00 a.m. and 1:00 p.m. upto the date of the AGM.

Mr. Bajrang Kumar Choudhary may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment and remuneration.

Mr. Bajrang Kumar Choudhary holds 9,589 equity shares of face value of Rs.10 each in the Company and is not related to other Director or Key Managerial Personnel of the Company.

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard – 2 on General Meetings, requisite particulars for Mr. Bajrang Kumar Choudhary forms part of this AGM Notice.

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

The following additional information as required under Schedule V of the Companies Act, 2013 is given below:

I.	<b>General information:</b>				
	(1)	Nature of industry	Infrastructure (Roads and Highways)		
	(2)	Date or expected date of commencement of commercial production	Not Applicable		
	(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
	(4)	Financial performance based on given indicators	<b>Standalone Financial Results:</b>		
			(Rs. In Lakh)		
			<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
			Profit / (Loss) after Tax	1427.80	2891.80
			Earnings Per Share (Rs.)	1.70	4.09
			Turnover	7447.25	6417.43
<b>Consolidated Financial Results:</b>					
(Rs. In Lakh)					
<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>			
Profit / (Loss) after Tax	1427.80	2891.80			
Earnings Per Share (Rs.)	1.70	4.09			
Turnover	7447.25	6417.43			
(5)	Foreign investments or collaborations, if any.	The Company does not have any Foreign investments or collaborations			

<b>II. Information about the appointee :</b>		
(1)	Background details	He is former Chief Executive Officer - Infrastructure Project Development - Srei Infrastructure Finance Limited, 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.
(2)	Past remuneration	The remuneration paid to Mr. Bajrang Kumar Choudhary for the FY 2018-19 was Rs. 14,180,121.
(3)	Recognition or awards	He has previously served as the "Chairman- Expert Committee on Infrastructure" of Indian Chamber of Commerce.
(4)	Job profile and his suitability	He has served as the Chief Executive Officer - Infrastructure Project Development - Srei Infrastructure Finance Limited, managing portfolio investments across Roads, Ports, Water and Economic Zones.  Considering his job profile, knowledge of various aspects relating to Company's affairs and long business experience, Mr. Bajrang Kumar Choudhary is suitable for the role of Managing Director.
(5)	Remuneration proposed	Details of the remuneration proposed to be paid to Mr. Bajrang Kumar Choudhary forms part of Resolution No. 4 of this AGM Notice.
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Bajrang Kumar Choudhary, the remuneration proposed to be paid is commensurate with the remuneration packages paid to his similar counterparts in other companies.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides the remuneration proposed to be paid, Mr. Bajrang Kumar Choudhary does not have any other pecuniary relationship directly or indirectly with the Company or relationships with any other managerial personnel.
<b>III. Other information:</b>		
(1)	Reasons of loss or inadequate profits	Your Company is engaged in highway concession business and its profitability and revenue would remain periodic depending upon the performance of our Project SPVs and its cash flows, business, results of operations and financial condition. Except, consultancy fees and fees for project management services, our Company's only material sources of revenue are and are expected to be dividends, and distributions and payments, if any, pursuant to subordinated debt advanced to the Project SPVs.  The ability of these Project SPVs to make dividend payments and to service the subordinated debt advanced by our Company is subject to traffic growth and increase in toll receipts and these are simultaneously affected by economic slowdown. While the traffic growth remains muted, due to economic slowdown, the toll revision is linked to annual adjustments and escalation over the life of the project based on the increase in the Indian wholesale price index (WPI).
(2)	Steps taken or proposed to be taken for improvement	
(3)	Expected increase in productivity and profits in measurable terms	
<b>IV. Disclosures under Corporate Governance section</b>		
(1)	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	The information and disclosures of the remuneration package of the managerial personnel has been mentioned in the Annual Report in the Corporate Governance Report
(2)	details of fixed component and performance linked incentives along with the performance criteria;	
(3)	service contracts, notice period, severance fees; and	
(4)	stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	

The Directors, therefore, recommend the Resolution to be passed as a Special Resolution by the Members.

**Item No. 5:**

Prof. Santanu Ray was appointed as an Additional Director (Category: Independent) of the Company w.e.f. July 30, 2019, pursuant to the provisions of Section 161 of the Companies Act, 2013 and on the recommendation of the Nomination and Remuneration Committee and he holds office upto the date of this Annual General Meeting.

Prof. Santanu Ray is a Fellow Member of the Institute of Chartered Accountant of India (ICAI). He is currently the Mentor & Adviser to Chancellor, Sister Nivedita University, Kolkata. He is serving as an Independent Director across the Board of various listed Companies. In his career spanning for about 47 years, he has served diverse Corporate Entities in various capacities and has also been associated with many of them in the Advisory role. He has conducted large number of management development programs with leading corporates and published several books, research papers and articles. He has also been associated with various academic institutes viz. ICFAI Business School (IBS), Kolkata, NSHM Knowledge Campus, NSHM Business School, and B.P. Poddar Institute of Management & Technology and Techno India Group.

The Company has received from Prof. Ray (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013, and (iii) Declaration of Independence pursuant to section 149 of the Companies Act, 2013

In the opinion of the Nomination and Remuneration Committee and the Board of Directors of the Company, Prof. Santanu Ray fulfils the conditions specified in the Companies Act, 2013 & rules made thereunder, for his appointment as an Independent Director of the Company. Prof. Santanu Ray shall be entitled to sitting fees for attending meetings of the Board and Committees thereof of which he is or will be a Member / Chairman and annual commission on net profits as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time provided that the same is within the overall limits specified under the relevant provisions of applicable laws.

The Board of Directors is of the opinion that the professional expertise and vast experience of Prof. Santanu Ray will be of significant value to the Company.

The Directors, therefore, recommend the Resolution to be passed as an Ordinary Resolution by the Members.

Prof. Santanu Ray and his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own 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 Meetings, requisite particulars for Prof. Santanu Ray are given at Note No. 22 of this AGM Notice.

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

**Item No. 6:**

Mr. Ashok Kumar Mangotra was appointed as an Additional Director (Category: Independent) of the Company w.e.f. 30th September, 2019, pursuant to the provisions of Section 161 of the Companies Act, 2013 and on the recommendation of the Nomination and Remuneration Committee and he holds office upto the date of this Annual General Meeting.

Mr. Mangotra has around 35 years of experience in the Higher Civil Service of India (IAS). He has Honors Degree in Electrical Engineering from BITS, Pilani and a Post-Graduate Diploma in Public Administration. He has also served as Joint Secretary in various Ministries and also as the Secretary to the Government of India, Ministry of Home Affairs.

The Company has received from Mr. Ashok Kumar Mangotra (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013, and (iii) Declaration of Independence pursuant to section 149 of the Companies Act, 2013

In the opinion of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Ashok Kumar Mangotra fulfils the conditions specified in the Companies Act, 2013 & rules made thereunder, for his appointment as an Independent Director of the Company. Mr. Ashok Kumar Mangotra shall be entitled to sitting fees for attending meetings of the Board and Committees thereof of which he is or will be a Member / Chairman and annual commission on net profits as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time provided that the same is within the overall limits specified under the relevant provisions of applicable laws.

The Board of Directors is of the opinion that the professional expertise and vast experience of Mr. Ashok Kumar Mangotra will be of significant value to the Company.

The Directors, therefore, recommend the Resolution to be passed as an Ordinary Resolution by the Members.

Mr. Ashok Kumar Mangotra and his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own 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 Meetings, requisite particulars for Mr. Ashok Kumar Mangotra are given at Note No. 22 of this AGM Notice.

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

**Item No. 7:**

Your Company is a road Build-Operate-Transfer (BOT) Company in India, focused on development, implementation, operation and maintenance of Roads/Highways projects. The Company submits proposals/bids for various projects on BOT model taking into account various parameters/factors. The technical bids and financial bids are validated considering contemporary competitive market forces. The Projects are awarded by NHAI floating the tender based

on the most competitive offer submitted by the bidders. As a thumb rule, the lowest bidder is the successful bidder.

When projects are awarded, the Company has the obligation to incorporate a Special Purpose Vehicle (SPV) as the project is mandatorily required to be executed through a SPV as per the requirement under the Concession Agreement. The SPVs are therefore related parties under the Companies Act, 2013, which may be subsidiaries, joint ventures or associate companies. The SPV draws technical, financial and project skill sets from the Company to implement the concessions / projects and therefore a significant value of the transactions that the Company enters into as part of its business activities are with related parties. Therefore, the transactions with related parties are an essential part of the business activities of the Company and its SPVs without which the Company will not be in a position to execute the projects / concessions awarded to the Company.

Further, apart from investing in/financing its SPVs, the Company perform a range of Project Management functions, including design, engineering, Engineering, Procurement and Construction (EPC) Management and quality control. The Company also provides advisory services such as Project Management Consultancy, Operation and Management of the projects during the entire life cycle of the projects, Financial Consultancy, including Debt Syndication, Refinancing and Financial Restructuring of projects. These functions and services are primarily for these SPVs.

Considering the business model and concession requirements, complexity, volume, monetary commitment and frequency of the transactions between the Company and its related parties, the Board of Directors considers it expedient and necessary to seek approval of the Shareholders for entering into and executing such transactions with related parties.

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Rules"), the Company is required to obtain consent of the Board and prior approval of the Shareholders by ordinary resolution in case certain Related Party Transactions exceed such sum as specified in such rules. The aforesaid provisions are not applicable in respect of transactions entered into by the Company in the ordinary course of business and on an arm's length basis.

Further, pursuant to Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders through Ordinary Resolution is required for all "Material" Related Party Transactions (RPTs). For this purpose, RPTs will be considered 'Material' if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Therefore, even if these Material Related Party Transactions are entered into in the ordinary course of business and on arm's length basis, consent of the Shareholders by way of ordinary resolution shall be required for ratification / approval for these Material RPTs under SEBI (LODR) Regulations, 2015.

The Annual consolidated turnover of the Company as per the last audited financial statements for the Financial Year ended 31st March, 2019 aggregates to Rs. 44,946.03 lakhs. As such, the transactions with the related parties during the Financial Year

2018-19 are material, exceeding the threshold limit as prescribed under Regulation 23 of SEBI Listing Regulations, 2015.

The transactions entered into by the Company with its related parties during the FY 2018-19 are in the ordinary course of business and at arm's length basis.

These transactions, being Related Party Transactions under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, have been approved by the Audit Committee of the Company, from time to time, as required under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Concern or interest of Directors and Key Managerial Personnel of the Company and their relatives in the aforesaid Related Parties, if any is mentioned hereunder:

Sl. No.	Name of the Related Party	Name of the Director or Key Managerial Personnel, who is related, if any	Nature of relationship in related parties
1.	Solapur Tollways Private Limited	Mr. Pradeep Singh	Director
2.	Orissa Steel Expressway Private Limited	Mr. Atanu Sen	Director
3.	Guruvayoor Infrastructure Private Limited	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Director

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

The Company expects to undergo / execute more of such transactions with its related parties during the period 1st April, 2019 to 30th September, 2020, in the course of its business, at arm's length basis and in the ordinary course of business. Currently, it cannot be ascertained if the transactions to be entered during the period 1st April, 2019 to 30th September, 2020, would exceed the threshold of 10% (ten per cent) of annual consolidated turnover as per the latest audited financial results.

The ratification / approval of the Shareholders is being sought for the transactions entered / to be entered into and carried out with the related parties, from time to time, during the period 1st April, 2019 to 30th September, 2020, within the threshold monetary limit as mentioned in the AGM Notice, as a matter of abundant caution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

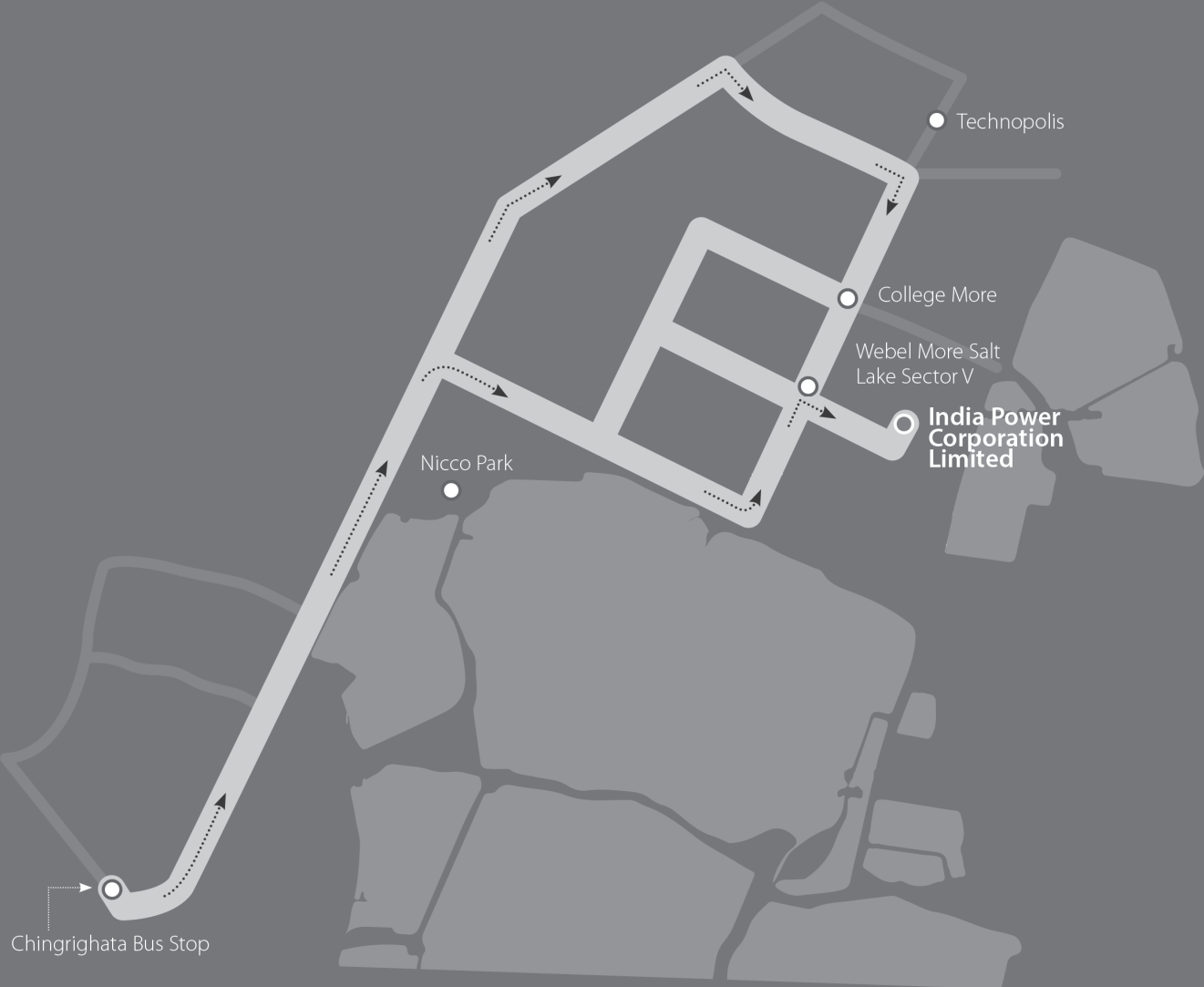
For the purpose of this resolution, all the entities falling under the definition of related parties are not required to vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.

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

sd/-  
Date: 10.11.2019  
Place: Kolkata

**Naresh Mathur**  
Company Secretary  
FCS – 4796

# Route Map for AGM





**BHARAT ROAD NETWORK LIMITED**

CIN: L45203WB2006PLC112235

**Registered Office:** Vishwakarma Building,  
86C, Topsia Road (South), Kolkata – 700 046

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

**Website:** [www.brnl.in](http://www.brnl.in) **Email:** [cs@brnl.in](mailto:cs@brnl.in)

**ATTENDANCE SLIP**

(to be handed over at the Registration Counter)

DP ID / Client ID:	<b>Sl. No.</b>
Name:	
Address:	
Joint Holder:	

I/We hereby record my/our presence at the **Twelfth Annual General Meeting** of the Company on Saturday, 14th December, 2019 at 11:30 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**

<b>EVEN (Electronic Voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD</b>
5140		

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

<b>Commencement of remote e-voting</b>	<b>End of remote e-voting</b>
From 9.00. a.m. (IST) on December 11, 2019	Up to 5.00 p.m. (IST) on December 13, 2019

The cut-off date for the purpose of remote e-voting & voting at the AGM is Saturday, December 07, 2019.





**BHARAT ROAD NETWORK LIMITED**

CIN: L45203WBw2006PLC112235

**Registered Office:** Vishwakarma Building,  
86C, Topsia Road (South), Kolkata – 700 046

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

**Website:** [www.brnl.in](http://www.brnl.in) **Email:** [cs@brnl.in](mailto: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:	L45203WB2006PLC112235
Registered office:	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:

1. Name: ..... Address: .....

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

2. Name: ..... Address: .....

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

3. Name: ..... Address: .....

E-mail Id: .....Signature: .....

as my/our proxy to attend and vote for me/us and on my/our behalf at the **Twelfth Annual General Meeting** of the Company, to be held on Saturday, 14th December, 2019 at 11:30 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
<b>ORDINARY BUSINESS</b>	
1.	Adoption of – a) The Audited Standalone Financial Statements of the Company for the

Resolution No.	Resolutions
	Financial Year ended March 31, 2019, together with the Report of the Board of Directors and Auditors thereon. b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 together with the report of the Auditors thereon.
2.	Declaration of Dividend for the Financial Year ended March 31, 2019
3.	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.
<b>SPECIAL BUSINESS</b>	
4.	Re-Appointment of Mr. Bajrang Kumar Choudhary (DIN-00441872) as the Managing Director.
5.	Appointment of Mr. Santanu Ray (DIN: 00642736) as an Independent Director of the Company.
6.	Appointment of Mr. Ashok Kumar Mangotra (DIN: 02228858) as an Independent Director of the Company.
7.	Approval of Material Related Party Transactions.

Signed this..... day of..... 2019

Signature of shareholder .....

Signature of 1st Proxy holder .....

Signature of 2nd Proxy holder .....

Signature of 3rd Proxy holder .....

AFFIX REVENUE STAMP OF NOT LESS THAN RE. 1
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**Note:**

1. 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.
2. 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.
3. Any alteration or correction made to this Proxy form must be initialed by the signatory/signatories.
4. Please affix appropriate Revenue Stamp before putting signature.
5. 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.
6. A proxy need not be a shareholder of the Company.