

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
BHARAT ROAD NETWORK LIMITED**

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Bharat Road Network Limited ("the Company") for the Quarter and Nine Months ended 31st December, 2017("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016 and amendment thereto.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, and amendment thereto including the manner in which it is to be disclosed, or that it contains any material misstatement. However, we draw attention to Note No. 9 to the statement regarding treatment of investments in Special Purpose Vehicles as Qualifying Asset which is based on the legal opinion and capitalization of directly attributable borrowing costs incurred in respect thereof. Our opinion is neither a reservation, nor a qualification or an adverse remark in respect of this matter.

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

Firm Registration No. 000756N



Neeraj Bansal

Partner

Membership No. 095960

Place: New Delhi

Date: 14th February 2018



BRNL

BHARAT ROAD NETWORK LIMITED

REGD OFFICE: 5B, North East Block 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046

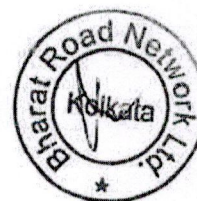
CIN: L45203WB2006PLC112235

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

Statement of Standalone Unaudited Financial Results for the Quarter and Nine months ended December 31, 2017

Sl. No.	Particulars	(Rs. In Lakh)					
		Quarter ended			Nine Months ended		
		Dec 31, 2017	Sept 30, 2017	Dec 31, 2016	Dec 31, 2017	Dec 31, 2016	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
I	Revenue from operations	300.00	1,406.40	558.10	2,064.57	1,108.10	
II	Other Income	1,842.29	54.55	55.92	1,917.97	296.05	
III	Total income (I+II)	2,142.29	1,460.95	614.02	3,982.54	1,404.15	
IV	Expenses						
	Employee benefits expense	177.62	166.30	141.17	508.42	297.92	
	Finance Costs	322.46	140.33	211.96	565.79	837.67	
	Depreciation and amortization expense	1.22	0.46	0.32	2.10	0.65	
	Other expenses	111.64	48.34	135.17	219.02	182.51	
	Total expenses (IV)	612.94	355.43	488.62	1,295.33	1,318.75	
V	Profit/(Loss) before exceptional items and tax (III-IV)	1,529.35	1,105.52	125.40	2,687.21	85.40	
VI	Exceptional items	-	-	-	-	-	
VII	Profit/(Loss) before tax (V-VI)	1,529.35	1,105.52	125.40	2,687.21	85.40	
VIII	Tax expense						
	Current tax	441.00	320.00	28.01	776.95	28.00	
	Deferred tax	(0.37)	(1.09)	13.40	(15.00)	8.04	
IX	Net Profit/(Loss) for the period (VII-VIII)	1,088.72	786.61	83.99	1,925.26	49.36	
X	Other Comprehensive Income						
	i) Items that will not be reclassified to profit or loss	-	-	(40.53)	-	(24.32)	
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	13.40	-	8.04	
XI	Total Comprehensive Income for the period (IX+X)	1,088.72	786.61	56.86	1,925.26	33.08	
XII	Paid-up Equity share capital (Face value of Rs. 10/- each)	8,395.00	8,395.00	5,465.00	8,395.00	5,465.00	
XIII	Earnings per equity share (of Rs. 10/-each) (not annualised):						
	a) Basic (Rs.)	1.30	1.31	0.23	2.91	0.26	
	b) Diluted (Rs.)	1.30	1.31	0.23	2.91	0.26	

See accompanying notes to the financial results



Notes:-

- 1) The above results for the quarter and nine months ended 31st December, 2017 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th February, 2018. Limited Review of the financial results for the quarter and nine months ended 31st December 2017, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the Statutory Auditors of the Company.
- 2) The Company has adopted Indian Accounting Standards (IND AS) from 1st April, 2017, the date of transition being 1st April, 2016. Accordingly, these financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013. The transition balance sheet as at 1st April, 2016 and as at 31st March, 2017 would be finalised and will be subject to audit at the time of annual financial statements for the year ended 31st March, 2018.
- 3) The format for unaudited quarterly results as prescribed vide SEBI circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with the requirements of SEBI circular dated 5th July, 2016 and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
- 4) Results for the year ended 31st March, 2017 under Ind-AS has not been given as the Company has availed the exemption provided by SEBI Circular dated 5th July, 2016.
- 5) Reconciliation of Net Profit for the quarter/nine months ended 31st December, 2016 under applicable Generally Accepted Accounting Principles (referred to as "Previous GAAP") with the Net Profit as reported in these financial results under Ind AS is presented below:

Particulars	(Rs. In lakh)	
	Quarter ended Dec 31, 2016 [Unaudited]	Nine Months ended Dec 31, 2016 [Unaudited]
Net Profit /(Loss) as per Previous GAAP (after tax)	56.86	33.08
Add/(Less) - Effect of transition to Ind AS		
(i) Impact due to change in employee benefit expenses	(40.53)	(24.32)
(ii) Deferred tax gain on remeasurement of employee benefit expenses	13.40	8.04
Net impact of Ind AS adjustments	(27.13)	(16.28)
Net Profit /(Loss) as reported under Ind AS	29.73	16.80
Other Comprehensive Income (net of tax)	27.13	16.28
Total Comprehensive Income as reported under Ind AS	56.86	33.08

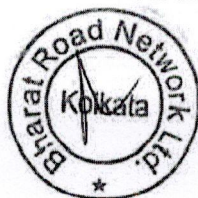
- 6) The equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), w.e.f. 18th September, 2017. Pursuant to Initial Public offering (IPO), 29,300,000 equity shares of Rs. 10/-each were allotted at a premium of Rs. 195/- per share. The details of utilisation of IPO proceeds are as follows :

Particulars	Objects of the issue as per prospectus	(Rs. In lakh)	
		Utilisation till Dec 31, 2017	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	-
General corporate purposes (Including IPO related expenses)	17,692.70	11,941.92	5,750.78
Total Net Proceeds	60,065.00	54,314.22	5,750.78

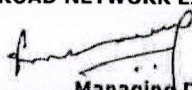
* Unutilised IPO proceeds as at 31st December, 2017 are temporarily invested in deposits with scheduled bank and Commercial Paper with Public Financial Institution amounting to Rs.2,750.56 Lakh and Rs.3,000.22 Lakh respectively.

- 7) IPO related expenses aggregating to Rs.2,684.36 lakh incurred upto 31st December, 2017 has been adjusted against Securities Premium Account.
- 8) The company is primarily engaged in a single business segment of purchase, own, build, develop, design, operate, transfer road and related services. Hence, segment reporting is not applicable.
- 9) The Company has invested in various road projects through associates and subsidiaries (SPVs). These investments have been made on a long term basis with an objective to earn returns and capital appreciation after the commencement of commercial operations of the respective Projects. Based on a legal opinion, the Company has treated these investments in SPVs as "Qualifying Asset". As per Indian Accounting Standard (Ind AS) 23 on 'Borrowings Costs' 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 the SPVs as part of the cost of investments.

Accordingly, as at 31st December, 2017 total borrowing cost capitalised to Non current Investment amounts to Rs.15,889.60 Lakhs including Rs. 643.95 Lakhs for nine months ended 31st December, 2017 (Rs.3,128.45 Lakhs for nine months ended 31st December, 2016) and Rs.8.38 Lakhs for the quarter ended 31st December 2017 (Rs.742.18 Lakhs for quarter ended 31st December, 2016).
- 10) Interim dividend of Re.0.50 (5%) per Equity Share of Rs.10 each as declared in previous Board Meeting for the Financial Year 2017-18 has been paid during the quarter. Total unpaid amount with respect to this is Rs.0.18 Lakhs, which is kept in separate unpaid Dividend Account.
- 11) The figures of previous periods have been regrouped / reclassified wherever necessary to conform to current periods classification.



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


Managing Director
Place of Signature : Kolkata
Dated:- 14th February, 2018

**BHARAT ROAD NETWORK LIMITED**

REGD OFFICE: 5B, North East Block 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046

CIN: L45203WB2006PLC112235

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

Extract of Standalone Unaudited Financial Results for the Quarter and Nine months ended December 31, 2017

Sl. No.	Particulars	Quarter ended		Nine months ended Dec 31, 2017
		Dec 31, 2017	Dec 31, 2016	
		[Unaudited]	[Unaudited]	[Unaudited]
1)	Total Income from operations	300.00	558.10	2,064.57
2)	Net Profit /(Loss) for the period (before tax and exceptional items)	1,529.35	125.40	2,687.21
3)	Net Profit /(Loss) for the period before tax (after exceptional items)	1,529.35	125.40	2,687.21
4)	Net Profit /(Loss) for the period after tax (after exceptional items)	1,088.72	83.99	1,925.26
5)	Total Comprehensive Income for the period [comprising Profit/ (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	1,088.72	56.86	1,925.26
6)	Equity Share Capital	8,395.00	5,465.00	8,395.00
7)	Earnings per share (of Rs. 10/- each) (not annualised):			
	a) Basic (Rs.)	1.30	0.23	2.91
	b) Diluted (Rs.)	1.30	0.23	2.91

Notes:

- The above results for the quarter and nine months ended 31st December, 2017 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th February, 2018. Limited Review of the financial results for the quarter and nine months ended 31st December 2017, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the Statutory Auditors of the Company.
- The above is an extract of the detailed format of Standalone Unaudited Financial Results for quarter and nine months ended 31st December, 2017 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
The full format of Standalone Unaudited Financial Results are available on the Stock Exchange website i.e. (www.bseindia.com & www.nseindia.com) and Company's website (www.brnl.in).
- The Company has adopted Indian Accounting Standards (IND AS) from 1st April, 2017, the date of transition being 1st April, 2016. Accordingly, these financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013. The transition balance sheet as at 1st April, 2016 and as at 31st March, 2017 would be finalised and will be subject to audit at the time of annual financial statements for the year ended 31st March, 2018.
- Reconciliation of Net Profit for the quarter/nine months ended 31st December, 2016 under applicable Generally Accepted Accounting Principles (referred to as "Previous GAAP") with the Net Profit as reported in these financial results under Ind AS is presented below:

Particulars	(Rs. In lakh)
	Quarter ended Dec 31, 2016
Net Profit /(Loss) as per Previous GAAP (after tax)	[Unaudited] 56.86
Add/(Less) - Effect of transition to Ind AS	
(i) Impact due to change in employee benefit expenses	(40.53)
(ii) Deferred tax gain on remeasurement of employee benefit expenses	13.40
Net impact of Ind AS adjustments	(27.13)
Net Profit /(Loss) as reported under Ind AS	29.73
Other Comprehensive Income (net of tax)	27.13
Total Comprehensive Income as reported under Ind AS	56.86

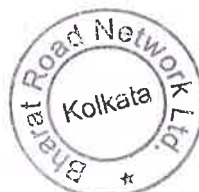
- The equity shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), w.e.f. 18th September, 2017. Pursuant to Initial Public offering (IPO), 29,300,000 equity shares of Rs. 10/- each were allotted at a premium of Rs. 195/- per share. The details of utilisation of IPO proceeds are as follows :

Utilisation of Issue proceeds

Particulars	Objects of the issue as per prospectus	Utilisation till Dec 31, 2017	(Rs. In lakh)
			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	-
General corporate purposes (Including IPO related expenses)	17,692.70	11,941.92	5,750.78
Total Net Proceeds	60,065.00	54,314.22	5,750.78

* Unutilised IPO proceeds as at December 31, 2017 are temporarily invested in deposits with scheduled bank and Commercial Paper with Public Financial Institution amounting to Rs.2,750.56 Lakh and Rs.3,000.22 Lakh respectively.

- Interim dividend of Re.0.50 (5%) per Equity Share of Rs.10 each as declared in previous Board Meeting for the Financial Year 2017-18 has been paid during the quarter. Total unpaid amount with respect to this is Rs.0.18 Lakhs, which is kept in separate unpaid Dividend Account.
- The figures of previous periods have been regrouped / reclassified wherever necessary to make them comparable with those of the current period.

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

Managing Director

Place of Signature : Kolkata
Date : 14th February, 2018