

**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 Six Months ended 30<sup>th</sup> September, 2018 ("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 5<sup>th</sup> July, 2016.

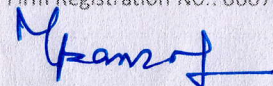
This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

However, we draw attention to Note 4 of the financial results 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: November 14, 2018

**BHARAT ROAD NETWORK LIMITED**

Regd. Office: 5th Floor, 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046  
CIN: L45203WB2006PLC112235

Email : cs@brnl.in, Website: www.brnl.in , Telephone No. +91 33 6602 3609, Fax No. +91 33 6602 3243

**Statement of Unaudited Standalone Financial Results for the Quarter and Six months ended 30-09-2018**

Sl. No.	Particulars	Quarter ended			Half year ended		(Rs. In Lakh)
		Sept 30, 2018 (Unaudited)	June 30, 2018 (Unaudited)	Sept 30, 2017 (Unaudited)	Sept 30, 2018 (Unaudited)	Sept 30, 2017 (Unaudited)	Year Ended March 31, 2018 (Audited)
I	Revenue from operations						
II	Other Income	335.00	175.00	1,406.40	510.00	1,764.57	3,333.41
III	<b>Total income (I+II)</b>	<b>1,810.40</b>	<b>1,744.83</b>	<b>1,406.40</b>	<b>510.00</b>	<b>1,764.57</b>	<b>3,333.41</b>
IV	<b>Expenses</b>	<b>2,145.40</b>	<b>1,919.83</b>	<b>1,460.95</b>	<b>3,555.23</b>	<b>1,840.25</b>	<b>6,417.43</b>
	Employee benefits expense						
	Finance Costs	132.17	130.52	166.30	262.69	330.80	664.08
	Depreciation and amortization expense	1,115.84	694.62	140.33	1,810.46	243.33	872.51
	Other expenses	1.21	1.19	0.46	2.40	0.88	3.25
	<b>Total expenses (IV)</b>	<b>1,77.86</b>	<b>68.11</b>	<b>48.34</b>	<b>245.97</b>	<b>107.38</b>	<b>825.93</b>
V	<b>Profit/(Loss) before exceptional items and tax (III-IV)</b>	<b>1,427.08</b>	<b>894.44</b>	<b>355.43</b>	<b>2,321.52</b>	<b>682.39</b>	<b>2,365.77</b>
VI	Exceptional items	718.32	1,025.39	1,105.52	1,743.71	1,157.86	4,051.66
VII	<b>Profit/(Loss) before tax (V-VI)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
VIII	<b>Tax expense</b>	<b>718.32</b>	<b>1,025.39</b>	<b>1,105.52</b>	<b>1,743.71</b>	<b>1,157.86</b>	<b>4,051.66</b>
	Current tax						
	Deferred tax	154.50	217.70	320.00	372.20	335.95	863.90
IX	<b>Profit/(Loss) for the period (VII-VIII)</b>	<b>120.77</b>	<b>80.92</b>	<b>(1.09)</b>	<b>201.69</b>	<b>(14.63)</b>	<b>295.96</b>
X	<b>Other Comprehensive Income</b>	<b>443.05</b>	<b>726.77</b>	<b>786.61</b>	<b>1,169.82</b>	<b>836.54</b>	<b>2,891.80</b>
	i) Items that will not be reclassified to profit or loss						
	- Remeasurement of the defined benefit plans	(1.15)	(1.69)	-	(2.84)	-	(7.44)
	ii) Income tax relating to items that will not be reclassified to profit or loss	0.07	0.49	-	0.56	-	2.17
	<b>Total Other Comprehensive Income</b>	<b>(1.08)</b>	<b>(1.20)</b>	<b>-</b>	<b>(2.28)</b>	<b>-</b>	<b>(5.27)</b>
XI	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>441.97</b>	<b>725.57</b>	<b>786.61</b>	<b>1,167.54</b>	<b>836.54</b>	<b>2,886.53</b>
XII	<b>Paid-up Equity share capital</b> (Face value of Rs. 10/- each)	8,395.00	8,395.00	8,395.00	8,395.00	8,395.00	8,395.00
XIII	<b>Other equity excluding revaluation reserves</b>						
XIV	<b>Earnings per equity share</b> (of Rs. 10/-each) (not annualised):						1,08,562.93
	a) Basic (Rs. )	0.53	0.86	1.31	1.39	1.46	4.09
	b) Diluted (Rs. )	0.53	0.86	1.31	1.39	1.46	4.09

See accompanying notes to the financial results



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**Statement of Unaudited Standalone Assets and Liabilities****(Rs. In Lakh)**

		<b>As at Sept 30, 2018 (Unaudited)</b>	<b>As at March 31, 2018 (Audited)</b>
<b>I</b>	<b>Assets</b>		
	<b>Non-current assets</b>		
	a) Property, plant and equipment	14.01	15.51
	b) Other intangible assets	1.72	1.93
	c) Financial assets		
	(i) Investments	1,21,912.03	1,11,400.10
	d) Deferred tax assets (net)		-
	<b>Total Non-current assets</b>	<b>1,21,927.76</b>	<b>1,11,417.54</b>
	<b>Current assets</b>		
	a) Financial assets		
	(i) Trade receivables	4,598.83	4,328.81
	(ii) Cash and cash equivalents	167.47	367.38
	(iii) Bank balances other than (ii) above	100.00	300.65
	(iv) Loans	32,343.64	19,832.96
	(v) Other financial assets	791.74	2,402.92
	b) Other current assets	3.25	62.14
	<b>Total Current assets</b>	<b>38,004.93</b>	<b>27,294.86</b>
	<b>TOTAL ASSETS</b>	<b>1,59,932.69</b>	<b>1,38,712.40</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	a) Equity share capital	8,395.00	8,395.00
	b) Other equity	1,09,224.44	1,08,562.93
	<b>Total Equity</b>	<b>1,17,619.44</b>	<b>1,16,957.93</b>
	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	a) Financial liabilities		
	(i) Borrowings	34,000.00	8,300.00
	b) Provisions	110.32	109.28
	c) Deferred tax liabilities (net)	494.92	293.79
	<b>Total Non-current liabilities</b>	<b>34,605.24</b>	<b>8,703.07</b>
	<b>Current liabilities</b>		
	a) Financial liabilities		
	(i) Borrowings	5,000.00	5,000.00
	(ii) Trade payables	50.25	356.33
	(iii) Other financial liabilities	1,512.30	7,377.55
	b) Other current liabilities	958.71	116.08
	c) Provisions	11.29	11.29
	d) Current tax liabilities (Net)	175.46	190.15
	<b>Total Current liabilities</b>	<b>7,708.01</b>	<b>13,051.40</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,59,932.69</b>	<b>1,38,712.40</b>



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**Notes:-**

- 1) The above Standalone financial results for the quarter and six months ended September 30, 2018 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 14, 2018. Limited Review of these financial results for the quarter and six months ended September 30, 2018, 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, pursuant to Regulation 33(3)(b)(i) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015, has opted not to additionally submit quarterly and six monthly consolidated financial results. Accordingly the Company has presented only standalone financial results for the quarter and six months.
- 3) 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.
- 4) 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 September 30, 2018 total borrowing cost capitalised to Non current Investment amounts to Rs.15,968.58 Lakhs including Rs.37.16 Lakhs for three months ended September 30, 2018 (Rs.339.54 Lakhs for three months ended Sep 30, 2017).
- 5) 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 a default of Rs.5130.14 Lakhs. The Company is in the process to take necessary steps to address the matter.
- 6) Other Income for the quarter ended September 30, 2018 includes unrealised gain of Rs.1014.33 Lakhs arising on account of Investments mandatorily measured at Fair Value Through Profit and Loss (FVTPL).
- 7) 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 : New Delhi  
Dated:- 14th November, 2018