

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

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

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Bharat Road Network Limited (the "Company") for the quarter ended September 30, 2021 and year to date April 01, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. *Basis for Qualified Conclusion*
We refer note 4 of the financial results, where the Company has not recognized interest on Rs. 7,000 lakhs from July 01, 2019 onwards which is not in compliance of Ind AS 34 'Interim Financial Reporting' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax of the company for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021 has been understated by Rs. 224.96 lakhs and Rs. 447.47 lakhs respectively and the current liabilities as at September 30, 2021 has been understated by Rs. 2012.40 lakhs.



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

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


Rana Sen
Partner
Membership No.:066759



Place: Kolkata
Date: November 13, 2021
UDIN: 21066759AAAAFO2390

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

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

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of Bharat Road Network Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates for the quarter ended September 30, 2021 and year to date April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

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

Subsidiaries:

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



Associates:

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

5. Basis for Qualified Conclusion

We refer note 4 of the financial results, where the Holding Company has not recognized interest on Rs. 7,000 lakhs from July 01, 2019 onwards which is not in compliance of Ind AS 34 'Interim Financial Reporting' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021 has been understated by Rs. 224.96 lakhs and Rs. 447.47 lakhs respectively and the current liabilities as at September 30, 2021 has been understated by Rs. 2,012.40 lakhs.

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

- a) **Three subsidiaries, whose unaudited interim financial results / financial information reflect total assets of Rs. 2,08,084.15 lakhs as at September 30, 2021, total revenues of Rs. 5,879.24 lakhs and Rs. 10,570.33 lakhs, total net loss after tax of Rs. 2,269.78 lakhs and Rs. 6,071.23 lakhs, total comprehensive loss of Rs. 2,269.78 lakhs and Rs. 6,071.23 lakhs, for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021 respectively, and net cash outflows of Rs. 1,194.85 lakhs for the period from April 01, 2021 to September 30, 2021, as considered in the statement which have been reviewed by their respective independent auditors.**
- b) **Four associates, whose unaudited interim financial results/financial information reflects Group's share of net profit after tax of Rs. 91.60 lakhs and net profit after tax Rs. 696.93 lakhs and Group's share of total comprehensive income of Rs. 91.60 lakhs and total comprehensive income of Rs. 696.93 lakhs for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021 respectively, as considered in the statement whose interim financial results and other financial information have been reviewed by their respective independent auditors.**

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

7. The accompanying Statement includes the unaudited interim financial result / financial information in respect of:

- a) **One associate, whose interim financial result / financial information reflect the Group's share of net profit of Rs. Nil and Rs. Nil and the Group's share of total comprehensive income of Rs Nil and Rs. Nil for the quarter ended September 30, 2021, and for the period from April 01, 2021 to September 30, 2021, respectively as considered in the Statement whose interim financial result / financial information have not been reviewed by its auditor.**



This unaudited interim financial result / financial information referred in paragraph 7 (a) above have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this Associate is based solely on such unaudited interim financial result / financial information. According to the information and explanations given to us by the Management, this interim financial result / financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors referred to in paragraph 6 (a) and 6 (b) and the financial result / financial information certified by the Management referred to in paragraph 7 (a) above.

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

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


Rana Sen
Partner
Membership No.: 066759



Place: Kolkata
Date: November 13, 2021
UDIN: 21066759AAAAFP5177

Statement of Unaudited Standalone Financial Results for the Quarter and Half year ended September 30, 2021 and Unaudited Consolidated Financial Results for the quarter and Half year ended September 30, 2021

Sl. No.	Particulars	Standalone				Consolidated				(Rs. in Lakhs)		
		Quarter ended		Half Year ended		Quarter ended		Half Year ended				
		Sept 30, 2021	June 30, 2021	Sept 30, 2020	Sept 30, 2021	Sept 30, 2020	June 30, 2021	Sept 30, 2020	Sept 30, 2020		Year Ended March 31, 2021	
I	Revenue from operations	2,168.41	3,151.13	272.13	5,319.54	525.95	1,910.05	5,695.61	4,475.77	10,171.38	8,392.75	20,951.99
II	Other Income	19.82	384.87	(590.64)	404.49	458.30	1,188.51	206.80	603.30	810.10	1,806.82	3,543.80
III	Total Income (I+II)	2,188.23	3,535.80	(318.51)	5,724.03	984.25	3,098.56	5,902.41	5,079.07	10,981.48	10,199.57	24,495.79
IV	Expenses											
	EPC Cost	-	-	-	-	-	-	381.90	384.03	765.93	362.88	2,002.91
	Construction expenses	1,499.44	2,760.74	99.99	4,260.18	99.99	938.10	1,499.44	2,760.74	4,260.18	99.99	938.10
	Employee benefits expense	77.14	96.87	64.56	174.01	128.00	250.34	334.12	347.35	681.47	615.15	1,352.19
	Finance Costs	681.26	656.87	605.06	1,338.13	951.15	2,202.38	4,529.83	4,522.36	9,051.19	12,187.53	16,715.07
	Depreciation and amortization expense	1.50	1.61	0.96	3.11	1.93	4.13	1,101.08	791.00	1,892.08	1,606.59	3,948.15
	Impairment on Investment in Associate	1,088.17	-	-	1,088.17	-	-	-	-	-	-	-
	Other expenses	1,657.22	423.04	1,177.18	2,080.26	1,335.89	3,424.99	2,225.89	933.13	3,159.02	3,037.60	11,976.49
	Total expenses (IV)	5,004.73	3,939.13	3,947.77	8,943.86	2,516.96	6,819.94	10,072.26	9,736.61	19,810.87	17,909.75	36,932.91
V	Profit/(Loss) before exceptional items and tax (III-IV)	(2,816.50)	(403.33)	(2,266.28)	(3,219.83)	(1,532.71)	(3,721.38)	(4,169.85)	(4,659.54)	(8,829.39)	(7,710.18)	(12,437.12)
VI	Exceptional items	-	-	-	-	-	-	-	-	-	-	-
VII	Profit/(Loss) before tax (V-VI)	(2,816.50)	(403.33)	(2,266.28)	(3,219.83)	(1,532.71)	(3,721.38)	(4,169.85)	(4,659.54)	(8,829.39)	(7,710.18)	(12,437.12)
VIII	Tax expense	125.47	80.65	(122.54)	206.12	-	(33.95)	125.47	80.65	206.12	-	(33.11)
IX	Current tax	(834.22)	(187.63)	(537.41)	(1,021.85)	(445.59)	(598.30)	(834.22)	(187.63)	(1,021.85)	(445.59)	(598.30)
X	Deferred tax	(2,107.75)	(296.35)	(1,606.33)	(2,404.10)	(1,087.12)	(3,089.13)	(3,461.10)	(4,552.56)	(8,013.66)	(7,264.59)	(11,805.71)
XI	Share of Profit/(Loss) of Associates	(2,107.75)	(296.35)	(1,606.33)	(2,404.10)	(1,087.12)	(3,089.13)	(3,461.10)	(4,552.56)	(8,013.66)	(7,264.59)	(11,805.71)
XII	Profit/(Loss) for the period/year after share of Profit/(Loss) of associates (IX+X)	(2,107.75)	(296.35)	(1,606.33)	(2,404.10)	(1,087.12)	(3,089.13)	(3,461.10)	(4,552.56)	(8,013.66)	(7,264.59)	(11,805.71)
XIII	Other Comprehensive Income											
	Items that will not be reclassified to profit or loss											
	- Remeasurement of the defined benefit plans	2.16	2.07	7.65	4.23	7.82	7.65	2.16	2.07	4.23	7.82	23.83
	- Share of Profit / (Loss) of Associates	(0.54)	(0.52)	(1.14)	(1.06)	(2.28)	(1.93)	(0.54)	(0.52)	(1.06)	(2.28)	15.21
	- Income tax relating to items that will not be reclassified to Profit/(Loss)	1.62	1.55	2.77	3.17	5.54	5.72	1.62	1.55	3.17	5.54	(1.93)
XIV	Total Other Comprehensive Income for the period/year (XII)	(2,106.13)	(294.80)	(1,403.56)	(2,400.93)	(1,081.56)	(3,083.41)	(3,368.15)	(3,945.68)	(7,313.83)	(8,111.78)	(11,844.61)
XV	Profit/(loss) for the period/year attributable to: Owners of the Company											
	-Non-controlling interest											
XVI	Total Comprehensive Income/ (loss) for the period/year attributable to: Owners of the Company											
	-Non-controlling interest											
XVII	Other Comprehensive Income/ (loss) for the period/year attributable to: Owners of the Company											
	-Non-controlling interest											
XVIII	Total Comprehensive Income/ (loss) for the period/year attributable to: Owners of the Company											
	-Non-controlling interest											
XIX	Other equity											
	106,136.76											
	Earnings per equity share (of Rs. 10/- each) (not annualised)											
	a) Basic (Rs.)	(2.51)	(0.35)	(2.86)	(2.86)	(1.29)	(3.68)	(4.01)	(4.70)	(8.72)	(9.67)	(14.15)
	b) Diluted (Rs.)	(2.53)	(0.35)	(2.86)	(2.86)	(1.29)	(3.68)	(4.01)	(4.70)	(8.72)	(9.67)	(14.15)

Please see accompanying notes to the financial results



BHARAT ROAD NETWORK LIMITED

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Statement of Unaudited Standalone and Consolidated Assets and Liabilities

		(Rs. in Lakhs)			
Particulars	Standalone		Consolidated		
	As at Sept 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)	As at Sept 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)	
I. ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	32.48	34.82	151.75	160.32	
(b) Investment Property	-	-	4.85	4.85	
(c) Goodwill on Consolidation	-	-	5,946.28	5,405.27	
(d) Other Intangible Assets	0.52	0.68	158,617.74	160,496.77	
(e) Intangible Asset Under Development	-	-	14,803.66	13,222.19	
(f) Financial Assets					
(i) Investments	105,545.60	108,492.58	33,053.36	34,811.37	
(ii) Loans	5,428.95	5,428.95	5,436.95	5,434.28	
(ii) Other financial assets	-	-	20,688.49	20,688.49	
(g) Other Non-Current Assets	-	-	9,337.57	9,111.93	
(h) Deferred Tax Asset (Net)	1,102.19	81.40	1,078.56	57.77	
Total Non-Current Assets	112,109.74	114,038.43	249,119.21	249,393.24	
Current Assets					
(a) Financial Assets					
(i) Investments	-	-	4,050.63	7,814.86	
(ii) Trade Receivables	595.35	786.87	13,814.26	13,519.95	
(iii) Cash and Cash Equivalents	205.77	141.06	3,310.00	4,440.14	
(iv) Bank Balance other than Cash and Cash Equivalents	950.81	1,250.81	950.81	1,250.81	
(v) Loans	13,330.28	13,052.12	15,040.87	14,640.82	
(vi) Other Financial Assets	21,221.74	20,825.58	21,472.68	21,113.80	
(b) Current Tax Assets (Net)	66.31	217.77	332.85	476.85	
(c) Other Current Assets	85.97	143.20	1,366.43	1,631.46	
Total Current Assets	36,456.23	36,417.41	60,338.53	64,888.69	
Total Assets	148,565.97	150,455.84	309,457.74	314,281.93	
II. EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	8,395.00	8,395.00	8,395.00	8,395.00	
(b) Other Equity	103,735.82	106,136.76	73,713.37	80,239.48	
Attributable to Owners of the Parent	112,130.82	114,531.76	82,108.37	88,634.48	
Non-Controlling Interests			9,666.41	10,508.95	
Total Equity	112,130.82	114,531.76	91,774.78	99,143.43	
Liabilities					
Non - Current Liabilities					
(a) Financial liabilities					
(i) Borrowings	19,651.00	19,651.00	137,657.59	141,279.65	
(ii) Other financial liabilities	3,484.45	2,163.26	18,503.38	14,462.77	
(b) Provisions	31.88	32.24	5,362.52	6,173.05	
Total Non-Current Liabilities	23,167.33	21,846.50	161,523.49	161,915.47	
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	4,614.54	5,865.74	-	-	
(ii) Trade payables					
-Total outstanding dues of micro enterprise and small enterprise	-	-	-	-	
-Total outstanding dues of creditors other than micro enterprise and small enterprise	393.54	134.62	393.54	134.62	
(iii) Other Financial Liabilities	8,206.85	7,979.36	55,646.70	52,825.30	
(b) Other Current Liabilities	50.98	95.95	110.91	254.78	
(c) Provisions	1.91	1.91	8.32	8.33	
Total Current Liabilities	13,267.82	14,077.58	56,159.47	53,223.03	
Total Equity and Liabilities	148,565.97	150,455.84	309,457.74	314,281.93	



BHARAT ROAD NETWORK LIMITED

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Statement of Unaudited Standalone and Consolidated Cash Flow

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	Half year ended Sept 30, 2021 (unaudited)	Half year ended Sept 30, 2020 (unaudited)	Half year ended Sept 30, 2021 (unaudited)	Half year ended Sept 30, 2020 (unaudited)
A. Cash Flow from Operating Activities				
Net Profit/ (loss) Before Tax	(3,219.83)	(1,532.71)	(8,132.73)	(8,562.91)
Adjustments for:				
Depreciation and Amortization Expense	3.11	1.93	1,892.08	1,606.59
Finance Costs	1,338.13	951.15	9,052.19	12,187.53
Interest Income	(27.79)	(448.68)	(93.06)	(1,093.77)
Liability no longer required, written back	-	(8.37)	-	(8.37)
Impairment on Investment in Associate	1,088.17	-	-	-
Interest on income tax refund	(4.44)	-	(6.24)	-
Bad Debt	-	0.13	-	0.13
Sundry balance written off	-	0.13	-	0.13
Net (gain)/loss on Fair Valuation of Investments	1,858.81	1,055.28	1,723.04	807.91
Operating Profit before Working Capital Changes	1,036.16	18.86	4,435.28	4,937.24
Increase/(Decrease) in Trade Payables, other liabilities and provisions	1,766.49	(11,320.33)	3,557.02	(6,721.42)
Decrease/(Increase) in trade receivables, loans, advances and other assets	(125.52)	(3.16)	(1,634.27)	(611.85)
Cash generated from/(used in) Operating activities	2,677.13	(11,304.63)	6,358.03	(2,396.03)
Direct Taxes paid (Net of refunds)	(50.22)	(37.65)	(62.12)	(61.17)
Net Cash flow from/(used in) Operating Activities	2,626.91	(11,342.28)	6,295.91	(2,457.20)
B. Cash Flow from Investing Activities				
Payment for purchase of Property, plant and equipment including Other Intangible Assets and Capital Advances (Net)	(0.61)	(10.44)	(1,693.82)	204.58
(Increase)/Decrease in Investments	-	2,937.66	4,224.84	4,091.32
Proceeds from/(Investment In) Bank Deposits	300.00	-	300.00	-
Advance payment for Purchase of Investment in Subsidiary	-	(7,641.00)	-	(7,641.00)
Loan taken/(given)	-	-	(402.72)	(2,976.90)
Unsecured loans (given)/repayment to/by Associates/Subsidiaries	(278.16)	(1,511.01)	-	-
Interest received	5.90	24.03	1,258.48	245.62
Net Cash flow from/(used in) Investing activities	27.13	(6,200.76)	3,686.78	(6,076.38)
C. Cash Flow from Financing Activities				
Proceeds from / (Repayment) of long term borrowings	-	18,891.00	(1,817.86)	20,409.54
Proceeds from/(Repayment of) short term borrowings (net)	(1,251.20)	(131.30)	-	-
Increase/(Decrease) in Goodwill on consolidation	-	-	(541.01)	(484.18)
Interest paid	(1,338.13)	(0.28)	(8,753.96)	(9,844.18)
Net Cash Flow from/(used in) Financing Activities	(2,589.33)	18,759.42	(11,112.83)	10,081.18
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	64.71	1,216.38	(1,130.14)	1,547.60
Opening Cash and Cash Equivalents	141.06	3.75	4,440.14	2,408.15
Closing Cash and Cash Equivalents	205.77	1,220.13	3,310.00	3,955.75



Notes:-

- 1) The above standalone financial results for the quarter and half year ended September 30, 2021 and consolidated financial results for the quarter and half year ended September 30, 2021 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 13, 2021. Limited Review of these Financial Results for the quarter and half year ended September 30, 2021 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 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.
- 3) The Company has invested in various road projects through associates and subsidiaries (SPVs). These investments have been made on a long term basis with an objective to earn returns and capital appreciation after the commencement of commercial operations of the respective Projects. 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.
- 4) The Company had received an amount of Rs.7000 lakhs from IL&FS group-IL & FS Financial Services Ltd. (IL & FS) in the financial year 2016-17. The Company also has a receivable of Rs 11,419 lakhs from IL & FS group -IL & FS Transportation Networks Limited (ITNL), hence the Company has initiated appropriate measures for set off of this payable and recovery of the balance amount.

As per NCLAT order, these Companies have been classified under IL&FS group.

The Company, as such, has put on hold the Interest and Principal payment since September 30, 2018. The Company has not provided interest from July 01, 2019 onwards, pending the settlement of dispute. An application has been filed against the Company by IL & FS before the Hon'ble National Company Law Tribunal, Kolkata claiming their dues which is yet not admitted.

- 5) Other Expenses Includes (loss)/ gain on account of Investments mandatorily measured at Fair Value Through Profit and Loss (FVTPL).
- 6) In case of subsidiary company, Orissa Steel Expressway Private Limited (OSEPL), the project was foreclosed and handed over to National Highway Authority of India (NHAI) due to non providing of encumbrance free land, forest clearance issues etc. by NHAI.

Consequently, OSEPL invoked Arbitration on October 16, 2017 and finally Tribunal awarded Claim of Rs. 32,277 lakhs vide Award dated March 31, 2019 in favour of OSEPL. Accordingly, management of OSEPL believes that it will realise claim from respondent (NHAI) and hence Financial Statements of OSEPL 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" and disclosed under "Non Current Financial Assets".

NHAI has moved to Hon'ble High Court against the above order and the matter is sub-judice. OSEPL has received an amount of Rs 4,986 lakhs out of the award amount in FY 2020-21.

- 7) The Company has executed a Securities Purchase Agreement (SPA) dated January 20, 2021 and related transaction documents, with a Purchaser acting through its investment manager, for sale of the entirety of the Company's shareholding in Shree Jagannath Expressways Private Limited ('SJEPL'). SJEPL is an 'Associate' of the Company.

The proposed sale of shares of SJEPL is subject to applicable regulatory and other approvals and certain conditions, more specifically laid down in the SPA. The valuation date for sale as per the SPA is September 30, 2020. 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 company has recognised its share of profit of Rs. 45.95 lakhs and Rs. 101.49 lakhs for its investment in SJEPL in its consolidated financial results for the quarter and half year ended September 30, 2021 respectively. Negative / positive impact if any, of its share of profit/(loss) in SJEPL will be adjusted on closure of the transaction.

- 8) The Company has executed a Securities Purchase Agreement (SPA) dated April 1, 2021 and related transaction documents, with a Purchaser for sale of the entirety of the Company's shareholding in Ghaziabad Aligarh Expressways Private Limited ('GAEPL'). GAEPL is an 'Associate' of the Company.

The proposed sale of shares of GAEPL is subject to applicable regulatory and other approvals and certain conditions, more specifically laid down in the SPA. The valuation date for sale as per the SPA is December 31, 2020. 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 company has recognised its share of profit of Rs. 45.65 lakhs and Rs. 595.44 lakhs for its investment in GAEPL in its consolidated financial results for the quarter and half year ended September 30, 2021 respectively. Negative / positive impact if any, of its share of profit/(loss) in GAEPL will be adjusted on closure of the transaction.

- 9) Kurukshetra Expressway Pvt. Ltd. (KEPL), an associate of the Company, has Issued notice for termination of Concession agreement to NHAI on October 7, 2021 citing Kisan Andolan being agitation and protest held by farmers and other unions, as force majeure event in terms of Concession agreement. As a result of the above Protest, toll collections of KEPL got affected significantly.

In this regard, KEPL has filed a claim of Rs. 1,34,753.13 lakhs with NHAI towards termination payment in terms of Concession agreement. Accordingly the Company has recognised impairment of Rs. 1,088.17 lakhs in its Equity Investments in KEPL as at September 30, 2021.

The Company also has claims against NHAI, which are at different stages of proceedings and will continue to be legitimate even after termination of the Concession Agreement.

- 10) The Company has taken into account the possible impact of COVID - 19 pandemic in preparation of these Financial results including but not limited to Assessment of Liquidity and Going concern assumption, recoverable values of its financial and non financial Assets and impact on revenues. The Company has considered internal and external sources of information upto the date of approval of these Financial results in making estimates of possible impact. As on the reporting date management believes there is no material impact on Financial results of the Company. Management will continue to monitor any material changes in future economic conditions and the impact thereof on the Company, if any.
- 11) The figures for the corresponding previous period have been regrouped/ reclassified wherever necessary, to make them comparable.



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

Managing Director
Place of Signature : Kolkata
Date -November 13, 2021