

BRNL | BHARAT ROAD NETWORK LIMITED

Bharat Road Network Ltd.

Our Company was incorporated as 'Bharat Road Network Limited' on December 22, 2006, at Kolkata as a public limited company under the Companies Act, 1956. Our Company received the certificate of commencement of business on August 2, 2007. For details of changes in the registered office of our Company, please refer to "History and Certain Corporate Matters" on page 171 of the RHP.

Registered Office: Mirania Gardens, 10B/1, Topsia Road (East), Kolkata – 700 046, West Bengal, India; **Tel:** +91 33 6602 3609; **Fax:** +91 33 6602 3243; **Corporate Identity Number:** U45203WB2006PLC112235; **Email:** corporate@brnl.in; **Website:** www.brnl.in; **Contact Person:** Mr. Sanjay Banka, Chief Financial Officer, Company Secretary and Compliance Officer; **Tel:** +91 33 6602 3078; **Fax:** +91 33 6602 3243; **Email:** cs@brnl.in

PROMOTERS OF OUR COMPANY: SREI INFRASTRUCTURE FINANCE LIMITED AND MAKE IN INDIA FUND

PUBLIC ISSUE OF UP TO 29,300,000 EQUITY SHARES OF FACE VALUE ₹ 10.00 EACH ("EQUITY SHARES") OF BHARAT ROAD NETWORK LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [-] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [-] PER EQUITY SHARE) AGGREGATING UP TO ₹ [-] MILLION ("ISSUE"). THE ISSUE WOULD CONSTITUTE 34.90% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Risks to Investors:

- i. Inga Capital Private Limited, one of the BRLMs, associated with the issue has handled 3 public issues in the past 3 years, out of which 1 issue closed below the Issue price on listing date. Investec Capital Services (India) Private Limited and Srei Capital Markets Limited, other BRLMs associated with the Issue have not handled any public issues of equity shares in the past 3 years.
- ii. The Price/Earnings ratio based on diluted EPS for Fiscal 2017 for the Issuer at the upper end of the Price band is Not Measurable (since EPS is negative) as compared to the average industry peer group PE ratio of 11.60.
- iii. The weighted average return on Net Worth for Fiscals 2017, 2016 and 2015 is negative. On consolidated basis it is (159.46%) and on standalone basis it is (7.29%).

ADDENDUM – NOTICE TO INVESTORS

Post filing of the RHP, a writ petition has been filed against our Company on September 1, 2017. In this regard, the Investors should note the following:

"A writ petition dated September 1, 2017 ("Writ Petition") was filed against SEBI and our Company by People's Voice ("Petitioner") before the High Court of Delhi under Article 226 of the Constitution of India seeking a writ of mandamus directing SEBI to institute an investigation into the Issue on the grounds as stated in the writ petition, inter alia, our Company not having disclosed effect of recent high court judgements against third party concessionaires where in courts have held respective toll arrangements to be unconstitutional and void. The Petitioner has also filed an application under Section 151 of Code of Civil Procedure, 1908 for grant of ad interim stay with effect of staying the Issue. The matter is currently pending before the High Court of Delhi."

This intimation should be read in conjunction with the RHP, Advertisements, Bid cum Application Forms, the abridged prospectus and other Issue related advertisements and disclosure to the Writ Petition will be included in the Prospectus to be filed by our Company with the RoC. All capitalised terms used in this Addendum shall, unless otherwise require, have the same meaning as ascribed in the RHP.

ASBA* | Simple, Safe, Smart way of Application - Make use of it !!!

*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.

Mandatory in public issues from January 01, 2016. No cheque will be accepted.

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three (3) additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLMs and the terminals of the other Syndicate Members.

This Issue is being undertaken in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") wherein the Issue constitutes 34.90 per cent of the post-Issue paid up equity share capital of our Company. The Issue is being made through the Book Building Process in accordance with Regulation 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), wherein at least 75.00% of the Issue shall be Allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs"), provided that our Company in consultation with the BRLMs (other than SCML) may allocate up to 60.00% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. The number of Equity Shares representing 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75.00% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded / unblocked forthwith. Further, not more than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not more than 10.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, shall participate in the Issue mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, please refer to the chapter "Issue Procedure" at page 378 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, unblocking of ASBA Account or for other correspondence(s) related to the Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of our Company, investors are requested to see "History and Certain Corporate Matters" on page 171 of the RHP and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see "Material Contracts and Documents for Inspection" on page 464 of the RHP.

LIABILITY OF THE MEMBERS OF OUR COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of our Company is ₹ 1,000,000,000 divided into 100,000,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up share capital of our Company before the Issue is ₹ 546,500,000 divided into 54,650,000 Equity Shares of ₹ 10 each. For details of the Capital Structure, see "Capital Structure" on the page 79 of the RHP.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The signatories to the Memorandum of Association are Ram Narayan Yadav, Surinder K. Kalra, Ramawatar Sharma, Sanjay Chaurasia, Manoj Harilalka, Bajrang Kumar Choudhary and Manoj Agarwal who together subscribed to 50,000 Equity Shares of our Company of ₹ 10 each as initial subscription.

LISTING: The Equity Shares offered in the Issue through the RHP are proposed to be listed on the BSE and the NSE. In-principle approvals of BSE and NSE for listing the Equity Shares have been received pursuant to letter No. DCS/IPO/RB/IP/863/2016-17 dated March 8, 2017 and letter No. NSE/LIST/2349 dated April 7, 2017 respectively. For the purposes of the Issue, the Designated Stock Exchange shall be BSE.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Issue or the specified securities or the offer document. Investors are advised to refer to page 360 of the RHP for the full text of the "Disclaimer Clause of SEBI".

DISCLAIMER CLAUSE OF BSE (The Designated Stock Exchange): It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer the Red Herring Prospectus for the full text of the Disclaimer clause of the BSE Limited on page 363 of the RHP.

DISCLAIMER CLAUSE OF NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the "Disclaimer clause" of the NSE on page 364 of the RHP.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specific attention of the investors is invited to the chapter "Risk Factors" on page 18 of the RHP.

For **BHARAT ROAD NETWORK LIMITED**
On behalf of the Board of Directors

Sd/
Chief Financial Officer, Company Secretary & Compliance Officer

Place: Kolkata
Date: September 5, 2017

Bharat Road Network Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a the Red Herring Prospectus with the Registrar of Companies, Kolkata. The Red Herring Prospectus is available on the website of the SEBI at www.sebi.gov.in as well as on the websites of the Book Running Lead Managers at www.ingacapital.com, www.investec.com/india.html and www.srei.com, respectively. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" of the Red Herring Prospectus at www.brnl.in, as an investment decision.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares will only be offered and sold outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act.

CONCEPT