



NATIONAL HIGHWAYS AUTHORITY OF INDIA

(An Autonomous Body under the Ministry of Road Transport & Highways, Government of India)

(Constituted on June 15, 1989 by an Act of Parliament - The National Highways Authority of India Act, 1988)

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PUBLIC ISSUE BY NATIONAL HIGHWAYS AUTHORITY OF INDIA ("NHAI" OR "ISSUER" OR "AUTHORITY") OF TAX FREE SECURED REDEEMABLE NON CONVERTIBLE BONDS OF FACE VALUE OF ₹ 1,000 EACH IN THE NATURE OF DEBENTURES HAVING TAX BENEFITS UNDER SECTION 10 (15) (iv) (h) OF THE INCOME TAX ACT, 1961, AS AMENDED ("BONDS") NOT EXCEEDING AN AGGREGATE AMOUNT OF ₹ 10,00,000 LACS ("SHELF LIMIT") BY WAY OF ISSUANCE OF BONDS IN ONE OR MORE TRANCHE IN THE FISCAL YEAR 2012 (EACH A "TRANCHE ISSUE", AND TOGETHER ALL TRANCHE ISSUES UP TO THE SHELF LIMIT, "ISSUE"). EACH TRANCHE ISSUE WILL BE OFFERED BY WAY OF A TRANCHE PROSPECTUS CONTAINING, INTER ALIA, THE TERMS AND CONDITIONS OF SUCH TRANCHE ISSUE ("TRANCHE PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THIS SHELF PROSPECTUS OF THE ISSUE ("SHELF PROSPECTUS"). THIS SHELF PROSPECTUS TOGETHER WITH THE RELEVANT TRANCHE PROSPECTUS FOR A SPECIFIC TRANCHE ISSUE SHALL CONSTITUTE THE "PROSPECTUS".

ADDENDUM TO THE SHELF PROSPECTUS DATED DECEMBER 13, 2011

This addendum is supplemental to, forms part of and should be read in conjunction with, the Shelf Prospectus dated December 13, 2011 filed by NHAI with the designated stock exchange, BSE limited ("BSE").

This is an addendum in connection with providing NHAI an option to make allotment to Category III applicants either on first cum first serve basis or proportionate basis, rather than only first cum first serve basis, as is provided in the Shelf Prospectus. A suitable disclosure of the desired method for allocation to Category III shall be finalised in the respective tranche prospectus(es).

The relevant extracts in the Shelf Prospectus that stands revised are as below:

- i. The following language appearing on Page 1, Page 27 (under Issue Closing Date) and Page 40 (under Issue Programme) stands revised:

"Further, Allotment shall be on first cum first serve basis with NHAI having the discretion to close the Issue early irrespective of whether any of the Portion(s) are fully subscribed."

Revised language:

"Further, Allotment shall be on first cum first serve basis with NHAI having the discretion to close the Issue early irrespective of whether or not any of the Portion(s) are fully subscribed. However, NHAI reserves the discretion to make allotment to category III on either proportionate basis or first cum first serve basis as finalised in respective Tranche Prospectus."

- ii. The following language appearing under clause (a)(iii) under Basis of Allotment on page 152, stands deleted:

Allotments, in consultation with the Designated Stock Exchange, shall be made on a first-come first-serve basis, based on the date of submission of each application to the Bankers to the Issue, in each Portion subject to the Allocation Ratio.

- iii. Reference to "on first cum first serve basis within each Portion" on Page 152, clause (b) under Basis of Allotment, stands deleted.

- iv. The following language shall be inserted as a fresh clause under Basis of Allotment on Page 152-153:

The above procedure of Basis of Allotment is applicable for allotment made to all applicants on first cum first serve basis. If allotment is to be made to category III on a proportionate basis in a particular tranche, the relevant clauses including (c) and (e) under Basis of Allotment on pages 152-153 shall be modified accordingly in the respective Tranche Prospectus. In case of proportionate allotment, all valid applications received from category III till the date of closure of the Issue shall be treated at par and shall be considered for allotment on a proportionate basis.

- v. The following language appearing on Page 28, 124 and Page 137 in connection with Security shall stand revised:

"The Bonds shall rank pari passu inter se, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of pari passu charge on the immovable properties situated at Ahmedabad and exclusive first charge on fixed assets of NHAI, being highway project comprising of all superstructure including highway lightings, road barriers and dividers, bridges, culverts and all other super structures constructed on national highways entrusted to NHAI to the extent of 100% of the amounts outstanding in respect of the Bonds at any time. The mode of creation of security shall be by way of mortgage and the security creation requires prior approval and authorization by the Central Government as owner of the land. The NOC for the same has been received from the Central Government. The claims of the Bond holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements and shall rank pari passu to the claims of the secured creditors of NHAI."

Revised Language:

"The Bonds shall rank pari passu inter se, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first pari passu charge on the immovable properties situated at Ahmedabad and first charge on fixed assets of NHAI (as reflected in the Balance Sheet for the financial year ended March 31, 2011), being highway project comprising of all superstructure including highway lightings, road barriers and dividers, bridges, culverts and all other super structures constructed on national highways except those under the Surat-Manor Tollway Project entrusted to NHAI to the extent of 100% of the amounts outstanding in respect of the Bonds at any time. The mode of creation of security shall be by way of mortgage and the security creation requires prior approval and authorization by the Central Government as owner of the land. The NOC for the same has been received from the Central Government. The claims of the Bond holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements and shall rank pari passu to the claims of the secured creditors of NHAI."

References to "Basis of Allotment" and "Security" elsewhere in the Prospectus should be read as above. All other terms, as appearing in the Shelf Prospectus shall be construed as they are defined in the said Shelf Prospectus.

For and on behalf of
National Highways Authority of India

Sd/-
Chairman

Place : New Delhi
Date : December 22, 2011

PRESSMAN