



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 BENEFIT 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 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"). THIS TRANCHE ISSUE BY THE ISSUER IS OF BONDS AGGREGATING TO ₹ 5,00,000 LACS WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO THE SHELF LIMIT (I.E. UP TO ₹ 10,00,000 LACS) ("TRANCHE 1 ISSUE"). THIS TRANCHE ISSUE IS BEING OFFERED BY WAY OF THIS PROSPECTUS TRANCHE-1, WHICH CONTAINS, INTER ALIA, THE TERMS AND CONDITIONS OF THE TRANCHE-1 ("PROSPECTUS TRANCHE-1"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED DECEMBER 13, 2011 FILED WITH THE DESIGNATED STOCK EXCHANGE AND SEBI (THE "SHELF PROSPECTUS"). THE SHELF PROSPECTUS TOGETHER WITH THE PROSPECTUS TRANCHE-1 DATED DECEMBER 22, 2011 SHALL CONSTITUTE THE "PROSPECTUS".

ADDENDUM TO PROSPECTUS TRANCHE – I AND FORM 2 A

1. PROPOSED ISSUE EXPENSES

The table on "Proposed Issue Expenses" as disclosed on page 22 of Prospectus Tranche – 1 shall be read as follows:

A portion of the Issue proceeds will be used towards Issue expenses. The following are the Issue expenses:

| Particulars | Amount (₹ in lacs) | Percentage of total expenses of the Issue (in %) |
|---|--------------------|--|
| Fees payable to Intermediaries | | |
| Registrar to the Issue | 15 | 0.002% |
| Legal Advisor | 25 | 0.003% |
| Debenture Trustee | 3 | 0.000% |
| Lead Managers' Fee | 80 | 0.008% |
| Advertising and Marketing | 300 | 0.030% |
| Selling Commission and Brokerage | 12,000 | 1.200% |
| Other Miscellaneous Expenses (Includes Printing and Stationery) | 77 | 0.008% |
| Total | 12,500 | 1.250% |

* The above expenses has been calculated assuming the allotment upto the Shelf Limit of ₹10, 00,000 lakhs

** As per letter no. F.No.2/31/2006-INF dated December 23, 2011 issued by Department of Economic Affairs, Ministry of Finance, the total issue expenses including advertisement, brokerage, printing, collection, canvassing charges, road shows and all other charges shall not exceed 1.25% of the Issue Size.

2. DOCUMENTS TO BE SUBMITTED BY CORPORATES AND INSTITUTIONS:

- Certified True Copy of the act/regulation under which the respective entity has been incorporated, Resolution of Board/Committee, etc authorizing the investment accompanied with specimen signatures of the authorized representative.
- Depending on the nature of entity, additional documents shall be submitted, e.g. Application by Partnership Firms should be accompanied by Partnership Deed, Application by FIs/Insurance Companies/etc should be accompanied by their SEBI/RBI/any other regulatory approval/registration, as the case may be.
- FIs application should also be accompanied by inward remittance certificate.
- Within the NRI applicants, PIO applications should also be accompanied by a copy of the PIO Card, in addition to other documents submitted by NRIs

3. TDS deduction on interest on Application Money/refund:

Applicants exempt from TDS deduction on interest on Application money/refund, etc, are required to submit the requisite documents.

4. ADDITIONAL COLLECTION CENTRES

As an addendum to Form 2A of the Application, we are including additional 5 (five) collection centres for Syndicate Bank. Investors may submit Application Form at any of the following branches: Ahmedabad: Ashram Road, Delhi: Transport Bhawan, No1 Parliament Street, Jaipur: MI Road, Chandigarh: Bank Square, Sector 17 B and Kolkata: N S Road.

5. As an addendum to Prospectus Tranche - 1, on page 30 under Other Regulatory And Statutory Disclosures, the sub heading 'Disclaimer in respect of jurisdiction' stands deleted.

6. The language appearing on Page 13, 32 and Page 45 of the Prospectus Tranche - 1 in connection with Security shall stand revised and be read as;

"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 secured against the aforesaid assets/properties".

References to, "Issue Expenses" "Disclaimer in respect of jurisdiction" and "Security" elsewhere in the Prospectus Tranche - 1 should be read as above. All other terms, as appearing in the Prospectus Tranche - 1 shall be construed as they are defined in the said Prospectus Tranche - 1.

For and on behalf of
National Highways Authority of India
Sd/-
Chairman

Place : New Delhi
Date : December 27, 2011