

FINANCIAL STATEMENT
2016-2017

HCC CONCESSIONS LIMITED

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Independent Auditor's Report

To the Members of HCC Concessions Limited,

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **HCC Concessions Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules made thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.



We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Ind AS financial statements.

Basis for Qualified Opinion

The Company has given loans to its wholly owned subsidiaries, namely, Narmada Bridge Tollway Limited (NBTL) and Badarpur Faridabad Tollway Limited (BFTL) amounting to ₹ 2710.00 lacs and ₹ 13534.18 lacs respectively. It also carries non - current investments of ₹ 5.00 lacs in NBTL and ₹ 9800.00 lacs in BFTL. The above mentioned wholly owned subsidiaries have negative networth resulting from accumulated losses exceeding their share capital. BFTL also has given notice to National Highway Authority of India (NHAI) of its intention to issue termination notice pursuant to concession agreement. For the reasons given in Note No. 5 (a & b) the company considers all the investments and the loans given (including interest ₹ 1701.50 lacs thereon) as good and recoverable. However, we are unable to obtain sufficient appropriate evidence about the carrying amount of these investments and the loans given and consequently we are unable to determine whether any adjustments to these amounts are necessary.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Basis for Qualified Opinion paragraph above, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the financial position of the company as at March 31, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.



Emphasis of Matter

Attention is drawn to Note no. 5 (c) of notes to accounts of Ind AS financial statement. On 31st March 2017, National Highway Authority of India (NHAI) has served notice of termination of contract in respect of one of the subsidiary namely Raiganj Dalkhola Highways Limited (RDHL) for the reasons mentioned in the note, the said subsidiary doesn't envisage any loss arising out of the termination in respect of the cost incurred on the project. Consequentially the Company doesn't envisage any impairment in respect of investment of ₹ 13415.00 lacs made in the said subsidiary.

Our opinion is not modified in respect of this matter.

Other Matter

The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2016 and 31 March 2015 in accordance with {Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended)} on which we issued auditor's reports to the shareholders of the Company dated April 26, 2016 and April 27, 2015 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;
 - (e) as stated in Basis for Qualified Opinion paragraph, in our opinion, if the wholly owned subsidiaries

and the joint venture of the Company continue to make losses, it may have an adverse effect on the recovery of investments made and loans given to these entities;

- (f) on the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- (h) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements;
 - ii. the management of the Company does not envisage material foreseeable losses in any of its long-term contracts. The company does not have any derivative contracts;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. the Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer note 11 to the standalone Ind AS financial statement.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W


Satish Kelkar

Partner

Membership No: 38934

Place: Mumbai

Date: April 25, 2017

Annexure - A to the Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the standalone Ind AS financial statements for the year ended on March 31, 2017, of **HCC Concessions Limited**)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There are no immovable properties in the books of the Company and accordingly sub clause (c) of clause (i) of the Order is not applicable.
- (ii) In the absence of inventories, clause (ii) of the Order is not applicable to Company.
- (iii) The Company has granted loans to three bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, no stipulation is made with regard to payment of interest.
 - (c) In the absence of stipulation with regard to payment of interest, we are unable to comment on the overdue interest amounts in respect of the loan granted to a bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees and security provided, provisions of section 185 and 186 of the Companies Act, 2013 where applicable have been complied with.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 or the Companies (Acceptance of Deposit) Rules 2014 or the directives issued by the Reserve Bank of India apply.
- (vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.

- (vii) (a) According to the records of the Company, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at March 31, 2017 for a period of more than six months from the date on which they became payable.
- (b) According to the information and explanation given to us and based on the records of the Company, the dues of income tax, sales tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute, are as follows:

Nature of Statute	Nature of Dues	Amount (Rs in lacs.)	Period to which amount relates	Forum where disputes pending
Income Tax Act, 1961	Income Tax	64.90	2103-14	CIT(Appeals)
		2,35.50	2012-13	CIT(Appeals)
		90.87	2010-11	CIT(Appeals)

- (viii) The company has not defaulted in repayment of principal and interest to financial institutions, banks, government or dues to Debenture holders.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.
- (xi) In absence of any managerial personnel, no managerial remuneration is paid and therefore the provisions of clause 3 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year under review in compliance with requirements of section 42 of the Companies Act,

2013 and the amounts raised have been used for the purpose for which the funds were raised.

- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No: 100186W



Satish Kelkar
Partner
Membership No.: 38934

Place: Mumbai
Date: April 25, 2017

Annexure-B to Auditor's report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **HCC Concessions Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K. S. Aiyar & Co.**Chartered Accountants**

ICAI Firm Registration No: 100186W

**Satish Kelkar****Partner**

Membership No.: 38934

Place: Mumbai**Date:** April 25, 2017

HCC Concessions Ltd

Balance Sheet as on 31st March, 2017

(All amounts are in ₹ lakhs, unless stated otherwise)

	Note	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	47.00	133.31	169.94
Financial Assets				
Investments	5	86,188.54	81,905.02	78,807.97
Loans	6	8,701.01	7,080.01	23,978.60
Non-current Tax assets (net)	7	711.98	841.75	618.64
Other non - current assets	8	-	75.39	75.61
Non-current assets classified as held for sale	5	470.50	470.50	1,810.00
Total Non Current Assets		96,119.03	90,505.98	1,05,460.76
Current assets				
Financial Assets				
Investments	9	542.41	-	-
Trade receivables	10	639.00	914.80	914.80
Cash and cash equivalents	11	72.41	2,292.44	5.47
Loans	12	57.72	57.72	57.72
Other financial asset	13	3,444.81	7,281.85	8,192.59
Other current assets	14	146.08	63.87	124.36
Total Current Assets		4,902.43	10,610.68	9,294.94
Total Assets		1,01,021.46	1,01,116.66	1,14,755.71
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	341.37	341.37	312.16
Other equity				
Equity component of Compulsorily Convertible Cumulative Preference shares	16	42,025.33	42,025.33	41,672.76
Reserves and Surplus	17	54,974.89	54,909.42	59,241.35
Total Equity		97,341.59	97,276.12	1,01,226.27
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Other financial liabilities	18	2,058.43	2,237.59	1,046.54
Provisions	19	59.36	41.78	52.96
Current Liabilities				
Financial Liabilities				
Borrowings	20	259.00	-	1,990.00
Other financial liabilities	21	1,112.25	1,397.77	10,202.46
Provisions	22	83.46	110.24	147.28
Employee benefit obligations	23	11.66	9.85	11.89
Other current liabilities	24	95.71	43.31	78.31
Total Equity and Liabilities		1,01,021.46	1,01,116.66	1,14,755.71

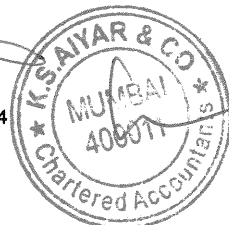
The accompanying notes are an integral part of the financial statements.

Arjun Dhawan
Director

As per our report of even date attached

For K.S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Satish Kelkar
Partner
Membership No.:38934



Kiran Ashok Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Kumar Singh
Company Secretary

Praveen Sood
Director

Sridevi Ramanujam Iyengar
Director

Place: Mumbai
Date:

12 5 APR 2017.

Place: Mumbai
Date:

25 APR 2017

HCC Concessions Ltd
Statement of Profit and Loss for the Year ended 31st March, 2017
 (All amounts are in ₹ lakhs, unless stated otherwise)

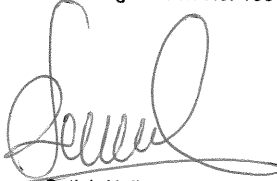
	Note	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from Operations	25	1,500.00	961.07
Other Income	26	1,050.64	2,226.26
Total Income (I)		2,550.64	3,187.33
Expenses			
Employee benefits expense	27	706.52	565.97
Finance costs	28	45.21	988.95
Depreciation and amortization expense	29	86.31	36.62
Other expenses	30	811.43	1,511.77
Total expenses (II)		1,649.47	3,103.31
Profit / (loss) before exceptional items and tax. III (I - II)		901.17	84.01
Exceptional Items(IV)	31	835.70	8,615.99
Profit / (loss) before tax.V (III -IV)		65.47	(8,531.98)
Tax expense (VI)			
Current tax		-	-
MAT Credit taken		-	-
Profit/(Loss) for the period. VII(V- VI)		65.47	(8,531.98)
Earnings per equity share of Rs. 10 each :	32		
Basic earnings per share		1.91	(249.94)
Diluted earnings per share		1.91	(249.94)

The accompanying notes are an integral part of the financial statements.

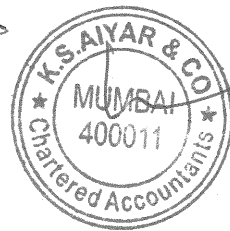
Arjun Dhawan
Director

As per our report of even date attached

For K.S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W



Satish Kelkar
Partner
Membership No.:38934

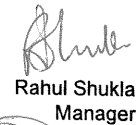




Kiran Ashok Kakkar
Chief Financial Officer

Praveen Sood
Director

Sridevi Ramanujam Iyengar
Director



Rahul Shukla
Manager



Ravindra Kumar Singh
Company Secretary

Place: Mumbai
Date:

125 APR 2017,



Place: Mumbai
Date:

25 APR 2017

HCC Concessions Ltd
Cash flow statement for the year ended 31st March, 2017
(All amounts are in ₹ lakhs, unless stated otherwise)

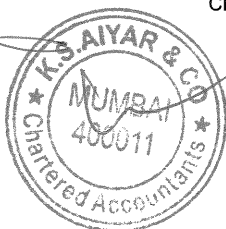
	Year ended 31 March 2017	Year ended 31 March 2016
A Cash Flow from operating activities		
Profit before income tax including discontinued operations	65.47	(8,531.98)
Adjustments for		
Add:		
Depreciation and amortisation expenses	86.31	36.62
Finance costs	45.21	988.95
Loss on assets sold or discarded	-	1,313.12
Less:		
Interest received	(854.10)	(2,106.27)
Profit on sale of investment	(17.39)	(4.61)
Corporate guarantee commission income	(179.16)	(115.38)
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	275.80	-
(Increase)/decrease in other financial assets	3,340.35	(3,791.10)
(Increase)/decrease in other non-current assets	-	0.22
(Increase)/decrease in Non-current Tax assets (net)	129.77	-
(Increase)/decrease in other current assets	(96.68)	60.49
Decrease / (increase) in short-term loans and advances	1,049.29	(1,421.86)
Increase/(decrease) in other financial liabilities-Current	(63.22)	(6,131.57)
Increase/(decrease) in short term provisions	(24.97)	(39.08)
Increase/(decrease) in long term provisions	17.58	(11.19)
Increase/(decrease) in other non-current liabilities	(179.16)	1,191.05
Increase/(decrease) in other current liabilities	52.41	(35.01)
Cash generated from operations	3,647.52	(18,597.60)
Income taxes paid	129.77	(223.11)
Net cash inflow from operating activities	3,777.29	(18,820.71)
B Cash flow from investing activities:		
Loans and advances recovered from related parties	(1,621.00)	16,496.59
Proceeds from sale of investments	17.39	4.61
Sale (Purchase) of current investments	(542.41)	-
Purchase of non-current investments	(4,283.53)	(1,355.55)
Loss on sale of non-current investment	-	(1,313.12)
Interest received	440.74	8,345.36
Net cash outflow from investing activities	(5,988.82)	22,177.90
C Cash flow from financing activities		
Repayment of long term borrowings	-	29.21
Proceeds from issuance of equity share capital	-	5,813.35
Proceeds from premium on issuance of equity share capital	-	352.58
Liability converted into Inter corporate deposit	259.00	-
Proceeds from share application money	-	(1,613.30)
Repayment of short term borrowings	-	(3,084.99)
Conversion of Inter-Corporate Deposit into share capital	-	(1,990.00)
Interest paid	(267.50)	(577.06)
Net cash inflow (outflow) from financing activities	(8.50)	(1,070.22)
Net increase/(decrease) in cash and cash equivalents	(2,220.03)	2,286.97
Add: Cash and cash equivalents at the beginning of the financial year	2,292.44	5.47
Cash and cash equivalents at the end of the year	72.41	2,292.44
Reconciliation of Cash Flow statements as per the cash flow statement		
Cash Flow statement as per above comprises of the following	31 March 2017	31 March 2016
Cash and cash equivalents	72.41	2,292.44
Bank overdrafts	-	-
Balances as per statement of cash flows	72.41	2,292.44

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For K.S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Satish Kelkar
Partner
Membership No.:38934



Kiran Ashok Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Kumar Singh
Company Secretary

Arjun Dhawan
Director

Praveen Sood
Director

Sridevi Ramanujam Iyengar
Director

Place: Mumbai
Date:

125 APR 2017.

Place: Mumbai
Date:

25 APR 2017

HCC Concessions Ltd
Notes to the financial statements for the Year ended 31st March, 2017
 (All amounts are in ₹ lakhs, unless stated otherwise)

Statement of changes in equity

	Note	Reserves and Surplus			Total
		Security premium	share Application money pending allotment	Retained Earnings	
Balance as at 1st April, 2015		61,124.32	1,613.30	(3,496.27)	59,241.35
Profit for the year				(8,531.98)	(8,531.98)
Capital Contribution					
Allotment during the year					
Other Comprehensive Income for the year		5,813.35	(1,613.30)		4,200.05
Total Comprehensive Income for the year		5,813.35	(1,613.30)	(8,531.98)	(4,331.93)
Transfer to retained earnings					
Balance as at 31st March, 2016		66,937.67	-	(12,028.25)	54,909.42
Profit for the year				65.47	65.47
Capital Contribution					
Other Comprehensive Income for the year					
Total Comprehensive Income for the year		-	-	65.47	65.47
Transfer to retained earnings					
Balance as at 31st March, 2017		66,937.67	-	(11,962.78)	54,974.89

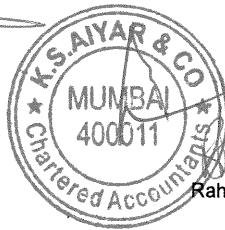
The accompanying notes are an integral part of these financial statements.


As per our report of even date attached


For K.S. Aiyar & Co.
 Chartered Accountants
 Firm Registration No. 100186W


 Satish Kelkar
 Partner

Membership No.:38934

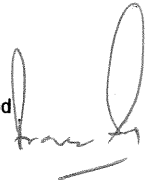


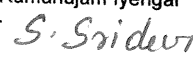

 Kiran Ashok Kakkar
 Chief Financial Officer


 Rahul Shukla
 Manager


 Ravindra Kumar Singh
 Company Secretary


 Arjun Dhawan
 Director


 Praveen Sood
 Director


 Sridevi Ramanujam Iyengar
 Director

Place: Mumbai

Date:

125 APR 2017,

Place: Mumbai

Date:

25 APR 2017

HCC Concessions Ltd

Notes to the financial statements for the year ended 31st March, 2017

(All amounts are in ₹ lakhs, unless stated otherwise)

1 Corporate information

HCC Concessions Limited is a public company domiciled in India and incorporated on 14th February, 2008 under the provisions of the Companies Act, 1956. The name of the company has been changed from "HCC Infrastructure Limited" to "HCC Concessions Limited" w.e.f. 18th October, 2010. The purpose of incorporation of this company is to carry on all types of infrastructure activities whether by its own or through subsidiaries or SPVs.

After a foreign direct investment on 29th September 2011, HCC Infrastructure Company Limited holds 85.45% share in the company.

2 Summary of significant accounting policies

(a) Basis of preparation

Ministry of Corporate affairs notified roadmap to implement Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting standards) Rules, 2015 as amended by the companies (Indian Accounting standard) Rules 2016. As per the said roadmap, the company is required to apply Ind AS commencing from financial year beginning on or after 1st April 2016. Accordingly, the financial statements of the Company have been prepared in accordance with Ind AS

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 3 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following :

- i certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- ii assets under service concession arrangement;
- iii assets held for sale - measured at fair value less cost to sell
- iv defined benefit plans - plan assets measured at fair value.

(b) Current & Non Current classification

Current Asset :

An asset shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded
- (c) It is expected to be realized within twelve months after the reporting date, or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- i (a) it is expected to be settled in the company's normal operating cycle;
- ii (b) it is held primarily for the purpose of being traded;
- iii (c) it is due to be settled within twelve months after the reporting date : or
- iv (d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification.

All other liabilities shall be classified as non-current.



(c) Property, plant and equipment:

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided as per the useful lives of the assets as per schedule II of Companies Act, 2013 using Straight Line Method (SLM).

Assets	Life of the assets (SLM)
Office equipments	5 Years
Computers(Hardware)	3 Years
Furniture & Fixtures	10 Years
Improvements on Leasehold premises are amortized over the period of lease i.e.. 9 years	

(d) Investments and other financial assets:

i) Classification:

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement:

• Amortised cost:

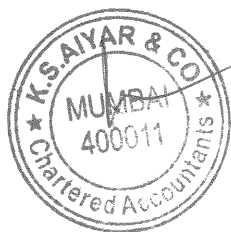
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.



(e) Equity instruments

(i) The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

(ii) Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(f) Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(g) Income Tax:

The Company does not have taxable income and hence no provision for current tax has been made.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

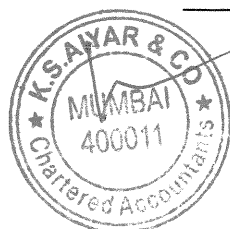
Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



(i) Segment reporting:

The Company's operations constitutes a single business segment namely "Infrastructure Development" as per Ind As 108, further the Company's operation are within single geographical segment which is India.

(j) Borrowings Cost:

- i) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
- ii) Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- iii) Other borrowing costs are expensed in the period in which they are incurred.

(k) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities. Insurance and other claims are recognized as revenue on certainty of receipt basis. Dividend income is recognized when the right to receive is established. Other items of income are accounted as and when the right to receive arises and recovery is certain.

(l) Employee benefits:

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented under current provisions in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet as the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period.

Post-employment obligations

Defined contribution plans

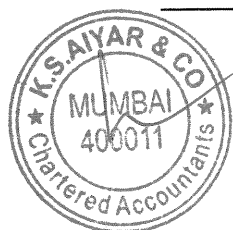
The Company pays provident fund contributions and superannuation fund as post employee benefits under defined contribution plans. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefits plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.



Defined benefit obligation:

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

Fair valuation of derivatives and other financial instruments:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgments to select a variety of methods and makes assumptions that are mainly based on market conditions existing at each balance sheet date.

(m) Provisions and Contingent Liabilities:

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

(n) Foreign currency translation:**Functional and presentation currency:**

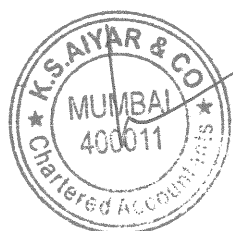
Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs (if any). All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Currently Company does not have any foreign operations.



(o) Trade receivable

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(p) Financial guarantee contract:

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

(q) Earnings per share:

Basic Earnings per share is calculated by dividing the net profit / (loss) after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity in issue during the period. Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Group by the weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

(r) Revenue Recognition:

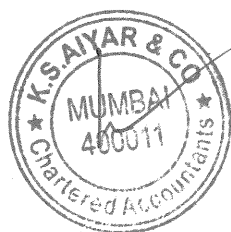
Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

Others

Dividend income is recognized when the right to receive is established. Other items of income are accounted as and when the right to receive arises and recovery is certain.

(s) Critical accounting estimates and judgements:

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are disclosed below.



3 First-time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in preparation of an opening Ind AS balance sheet at April 1, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flow is set out in the following tables and notes.

Exemptions and exceptions availed

A. Ind AS optional exemptions

The Company has elected to apply the following optional exemptions from full retrospective application of Ind AS:

Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 "Intangible Assets" and investment property covered by Ind AS 40 "Investment Properties".

Accordingly, the group has elected to measure all of its property, plant and equipment and intangible assets and investment property at their previous GAAP carrying value.

B. Exceptions from full retrospective application

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- 1) Investment in equity instruments carried at FVPL or FVOCI;
- 2) Impairment of financial assets based on expected credit loss model.

(b) Non-controlling interests

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition.

(c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the group has applied the above assessment based on facts and circumstances exist at the transition date.



C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of the transition to Ind As. The first reconciliation provides an overview of the impact on equity of the transition at 1 April 2015 and 31 March 2016.

The following reconciliations are providing details of the impact of the transition on:

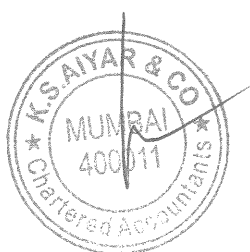
- I. Equity at 1 April 2015
- II. Equity at 31st March 2016
- III. Net income 31st March 2016

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Equity as at April 1, 2015

(Rs in lacs)

	Notes to 1st time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		169.94	-	169.94
Financial Assets				
Investments	1(b)&1(c)	66,873.43	11,934.54	78,807.97
Loans		35,614.60	(11,636.00)	23,978.60
Other financial assets		7,186.73	(7,186.73)	-
Non-current Tax assets (net)		-	618.64	618.64
Other non-current assets		1,308.56	(1,232.95)	75.61
Non-current assets classified as held for sale	3	-	1,810.00	1,810.00
Current assets				
Trade receivables		829.65	85.15	914.80
Cash and cash equivalents		5.47	(0.00)	5.47
Loans		2,381.07	(2,323.35)	57.72
Other financial assets		-	8,192.59	8,192.59
Current Tax Assets (Net)		376.20	(376.20)	-
Other current assets		125.48	(1.12)	124.36
TOTAL		1,14,871.13	(115.43)	1,14,755.70
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		41,984.91	(41,672.76)	312.16
Other Equity	1(a)	60,487.35	40,426.76	1,00,914.11
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Other financial liabilities	1(b)	-	1,046.54	1,046.54
Provisions		52.96	-	52.96
Current liabilities				
Financial Liabilities				
Borrowings		1,990.00	-	1,990.00
Other financial liabilities		10,118.42	84.04	10,202.46
Other current liabilities		78.33	(0.02)	78.31
Provisions		159.17	-	159.17
TOTAL		1,14,871.13	(115.43)	1,14,755.70



II. Reconciliation of Equity as at March 31, 2016

	Notes to 1st time adoption	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		133.31	-	133.31
Financial Assets				
Investments	1(b)&1(c)	65,807.91	16,097.11	81,905.02
Loans		18,914.55	(11,834.54)	7,080.01
Other financial assets				
Non-current Tax assets (net)		-	841.75	841.75
Other non-current assets		2,336.09	(2,260.70)	75.39
Non-current assets classified as held for sale	3	-	470.50	470.50
Current assets				
Trade receivables		913.68	1.12	914.80
Cash and cash equivalents		2,292.44	(0.00)	2,292.44
Bank Balances other than Cash and cash equivalents			-	
Loans		7,363.56	(7,305.84)	57.72
Other financial assets		1,242.48	6,039.37	7,281.85
Current Tax Assets (Net)		-	-	
Other current assets		13.05	50.83	63.87
TOTAL		99,017.06	2,099.58	1,01,116.64
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		42,366.70	(42,025.33)	341.37
Other Equity	1(a)	55,048.54	41,886.21	96,934.75
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Other financial liabilities	1(b)	-	2,237.59	2,237.59
Provisions		41.78	-	41.78
Current liabilities				
Other financial liabilities		1,441.08	(43.31)	1,397.77
Other current liabilities		-	43.31	43.31
Provisions		118.97	1.12	120.09
Current Tax Liabilities (Net)			-	
TOTAL		99,017.06	2,099.59	1,01,116.66



III. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

	Notes to 1st time adoption	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
Revenue from Operations		961.07	-	961.07
Other Income	1(b)	2,110.88	115.38	2,226.26
Total		3,071.95	115.38	3,187.33
Expenses				
Employee benefits expense		565.97	(0.00)	565.97
Finance costs		988.95	0.00	988.95
Depreciation and amortization expense		36.62	-	36.62
Other expenses		1,511.77	(0.00)	1,511.77
Total		3,103.31	(0.00)	3,103.31
Profit before exceptional items and tax		(31.36)	115.38	84.01
Exceptional Items		9,607.49	(991.50)	8,615.99
Profit before tax		(9,638.86)	1,106.88	(8,531.98)
Tax expense				
Current tax			-	-
MAT Credit taken			-	-
Deferred tax charge/(credit)			-	-
Profit for the year (A)		(9,638.86)	1,106.88	(8,531.98)
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans		-	-	-
Equity instruments through Other Comprehensive Income				
Income tax relating to items that will not be reclassified to profit or loss				
Remeasurements of net defined benefit plans				
Equity instruments through Other Comprehensive Income				
Items that will be reclassified to profit or loss				
Debt instruments through Other Comprehensive Income				
Income tax relating to items that will be reclassified to profit or loss				
Debt instruments through Other Comprehensive Income				
Other Comprehensive Income for the year (B)		-	-	-
Total Comprehensive Income for the year (A+B)		(9,638.86)	1,106.88	(8,531.98)



Notes to first time adoptions

1 Investments and Corporate guarantee issued

(a) Investment in preference shares of subsidiaries are classified as Investment in Equity component Under Ind AS 32, defines an equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. An instrument can be generally be classified as equity under Ind AS 32 if and only if :

- 1) The issuer has an unconditional right to avoid delivering cash or another financial instrument, or
- 2) If it is settled through own equity instruments, it is for an exchange of a fixed amount of cash for a fixed number of the entity's own equity instruments.

Investment in preference shares of subsidiaries are classified as Investment in Equity component and issuer has no contractual obligation for dividend payment unless the Board declares and is approved by the Shareholders.

(b) Guarantees in relation to loans are provided by parent Company for no compensation, the fair values need to account as an Investment, accordingly it has accounted as Investment in subsidiary and second effect in other financial liability.

(c) Subordinated debt is quasi equity as it is part of total project cost which needs to be financed by the company. Further, cash flow on account of repayment of sub-debt will not be withdrawn till end of period and will be repayable at the discretion of the company. As Sub debt is to be paid at the discretion of the company and it evidences a residual interest of Sponsors in the assets of the company after deduction all of its liabilities, it satisfies the definition of a puttable equity instrument. Hence, as on transition date, Subordinated debt has been classified into Equity.

2 Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2016.

3 Non-current assets classified as held for sale

Ind AS 105 Non Current Assets Held for Sale and Discontinued Operations requires disposal group to be identified as held for sale if the carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is considered highly probable. and measures the asset at the lower of

Carrying Amount

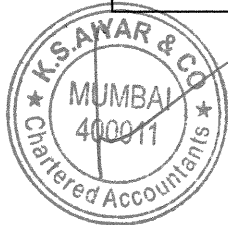
Fair value less cost to sell



HCC Concessions Ltd
Notes to the financial statements for the Year ended 31st March, 2017
 (All amounts are in ₹ lakhs, unless stated otherwise)

4 Property, Plant and Equipment

Particulars	Leasehold Improvements	Computers	Office equipment	Furniture & Fixtures	Total
Gross Block					
Balance as at 1st April 2015	182.735	21.49	26.93	130.75	361.91
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-
Balance as at 31st March 2016	182.74	21.49	26.93	130.75	361.91
Balance as at 1st April 2016	182.74	21.49	26.93	130.75	361.91
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-
Balance as at 31st March 2017	182.74	21.49	26.93	130.75	361.91
Accumulated Depreciation					
Balance as at 1st April 2015	89.68	21.24	23.21	57.84	191.97
Additions	20.30	0.19	3.02	13.11	36.62
Disposals	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-
Balance as at 31st March 2016	109.98	21.44	26.23	70.95	228.59
Balance as at 1st April 2016	109.98	21.44	26.23	70.95	228.59
Additions	20.30	0.05	0.42	13.08	33.86
Disposals	52.45	-	-	-	52.45
Reclassification as held for sale	-	-	-	-	-
Balance as at 31st March 2017	182.74	21.49	26.65	84.03	314.90
Net Block					
Balance as at 1st April 2015	93.06	0.24	3.72	72.92	169.94
Balance as at 31st March 2016	72.76	0.05	0.71	59.81	133.31
Balance as at 31st March 2017	-	-	0.28	46.73	47.00



Foot Note :

Badarpur Faridabad Tollway Ltd.(negative net worth of ₹ 316,60.56) and Narmada Bridge Tollway Ltd. (negative net worth of ₹ 35,05.06) are engaged in the business of building infrastructure on BOT basis. These BOT projects take beyond 15-20 years to unlock their true potential. The revenue will be higher only in later years. These businesses also generate captive construction contracts to the ultimate holding company.

(a) Badarpur Faridabad Tollway Limited

Badarpur Faridabad Tollways Limited (BFTL), subsidiary of the Company has issued notice vide letter dated 31st March 2017 to National Highway Authority of India of its intention to issue termination notice pursuant to the article 34.8 of the Concession Agreement (CA) due to imposition of Environmental compensation charges and other restrictions on commercial vehicles entering into Delhi, in accordance with the Supreme Court orders and vehicular traffic has reduced significantly, causing substantial loss to the revenue of the company.

Due to Force Majeure event occurs , BFTL has issued this notice and has granted 15 days time to the Authority to make a representation, if any, pursuant to Article 34.8 of CA Subsequently, the NHAI vide letter dated 12.04.2017 has refuted the contents of Company's notice. The next course of action will be decided by the Company at appropriate.

In view of the strong case , Management doesn't envisage any impairment in it's investments made in BFTL

Narmada Bridge Tollway Limited

(b) Incase of Narmada Bridge Tollway Limited, the Company is financially supported by holding Company and will be supported in future also to discharge its obligations. The Company is in process of evaluating the possibilities to claim the amount from NHAI. In view of above the management is confident of continuity of business and views the entity as a going concern despite the negative net-worth.

Raiganj Dalkhola Highways Limited

(c) Raiganj Dalkhola Highways Limited (RDHL), subsidiary of the Company has received a notice from National Highways Authority of India (NHAI) for termination of contract of the road construction project. RDHL has not accepted the contention of NHAI as the requisite land to carry out the desired work was not made available and hence the delays are on account of default by NHAI. RDHL has taken up the matter for reconsideration as well as issued a notice of arbitration as per terms of the contract and is confident of recovering entire cost incurred on the project. The company therefore doesn't envisage any impairment in it's investment made in RDHL

(d) The Company has pledged following equity shares held by it in the BOT SPVs for securing project finance loans of respective BOT SPVs :-

Name of BOT SPV	As at March 31, 2017		As at March 31, 2016	
	No of Equity shares pledged	% of BOT SPVs equity	No of Equity shares pledged	% of BOT SPVs equity
Badarpur Faridabad Tollway Ltd	490.00	50.00%	430.00	43.88%
Baharampore -Farakka Highways Ltd.	224.40	49.87%	224.40	49.87%
Farakka- Raiganj Highways Ltd.	249.90	49.98%	249.90	49.98%
Raiganj- Dalkhola Highways Ltd.	79.56	26.52%	79.56	26.52%

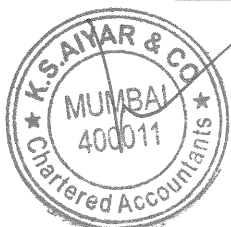
Undertaking relating to project financing of BOT SPVs:

a) The Company has furnished the following documents to the lenders towards the compliance of restructuring package sanctioned for BOT SPV namely Badarpur Faridabad Tollway Ltd (BFTL) :

1. Corporate guarantee , guarantying the obligations arising out of the loans given to BFTL, and
2. Undertaking for infusion of funds in BFTL as envisaged under the restructuring package.

b) The Company along with Hindustan Construction Company Limited, the ultimate holding company has given an undertaking to banks/financial institutions who have lent monies on project finance basis to the following BOT SPVs; to provide / arrange for funds to meet cost over run, if any, as per limits given below:

Name of BOT SPV	Initial limit for funding cost overrun upto(Rs in Lakhs)	Subsequent funding for cost overrun over initial limit
Baharampore -Farakka Highways Ltd.	4,518.85	25% of the amount of cost overrun in excess of Rs.. 45,18.85/-
Farakka- Raiganj Highways Ltd.	5,545.40	25% of the amount of cost overrun in excess of Rs. 55,45.40/-
Raiganj- Dalkhola Highways Ltd.	2,951.55	25% of the amount of cost overrun in excess of Rs..29,51.55/-



c) The Company has following commitment to invest /lend following funds into / to BOT SPVs as at 31st March, 2017 at a date in future :

Name of BOT SPV	Subscription to Preference Shares	Subordinate Loan
Badarpur Faridabad Tollway Limited	-	897.82
Total	-	897.82

6 Loans

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Loans to related party			
Nirmal BOT Limited	-	-	3,150.00
Dhule Palesner Tollway Limited	-	-	16,270.32
Farakka Raiganj Highways Limited	5,931.00	4,310.00	-
Sub total(i)	5,931.00	4,310.00	19,420.32
Advance for buy back of shares			
Hindustan Construction Company Limited	2,770.01	2,770.01	4,558.28
Sub total(ii)	2,770.01	2,770.01	4,558.28
Non-current total (i+ii)	8,701.01	7,080.01	23,978.60

Name of Company	Nature and interest rate	Amount in Rs	Purpose	Repayment
Farakka Raiganj Highways Limited	Subordinate Loan@10.75%	5,931.00	Promoter's contribution for project finance	To be repaid after restricted payment clause satisfied and Debt Equity ratio maintained
Hindustan Construction Company Limited	Advance consideration for purchase of shares	2,770.01	Advance for buy back of share	To be adjusted on transfer of shares to HCC Concessions Ltd
Total		8,701.01		

The Company has entered into call Option agreements with its ultimate holding company for purchase /sale of its current and future equity investments in the following BOT SPV's at book value, subject to necessary approvals and consents to the extent required :-

Name of BOT SPV	No. of shares(In lakhs)	Rs in lakhs
Baharampore -Farakka Highways Limited	117.00	1,170.00
Farakka -Raiganj Highways Limited	130.00	1,300.00
Raiganj-Daikhola Highways Limited	30.00	300.00
Dhule Palesner Tollway Limited	0.00	0.01
Total	277.00	2,770.01

7 Non-current Tax assets (net)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening Balance	841.75	618.64	618.64
(Net of provision of Rs 24,044,132(previous year Rs 24,044,132)			
Add: Current tax Payable for the year	-	223.11	179.97
Less: Taxes paid	129.77	-	179.97
Closing Balance	711.98	841.75	618.64



8 Other Non current assets

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Security Deposit	-	75.39	75.61
Total	-	75.39	75.61

9 Current Investments

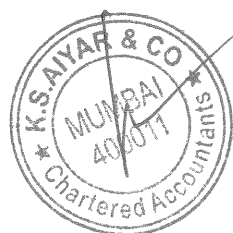
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investments in Mutual Funds			
Fair value through profit or loss			
Unquoted			
Investment in Mutual fund 2,07,575.597 (March 31, 2016: Nil, April 1, 2015: Nil) units in Birla Sunlife Mutual Fund growth plan@ Rs 261.1876 per unit	542.41	-	-
Total (Mutual Funds)	542.41	-	-
Total Current Investments			
Aggregate amount of quoted investments and Market value thereof			
Aggregate amount of unquoted investments	542.41	-	-
Aggregate amount of impairment in value of investments			

10 Trade receivables

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(Unsecured unless otherwise stated)			
Considered good			
Related parties	639.00	913.68	913.68
Other party	-	1.12	1.12
Total	639.00	914.80	914.80

11 Cash and cash equivalents

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	0.10	0.01	3.80
Balances with Banks			
In current accounts	72.31	1,992.43	1.67
Term deposits with original maturity of less than three months	-	300.00	-
Total	72.41	2,292.44	5.47
There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.			
The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 as provided in the table below :			
Particulars	SBN	Other denominated Notes	Total
Closing Cash in Hand as on 8th November 2016	0.55	0.03	0.58
Add : Permitted Receipts	-	-	-
Add : Bank withdrawal receipts	-	0.20	0.20
Less : Permitted Payments	-	0.07	0.07
Less : Amount Deposited in Banks	0.55	-	0.55
Closing Cash in Hand as on 30th December 2016	-	0.15	0.15



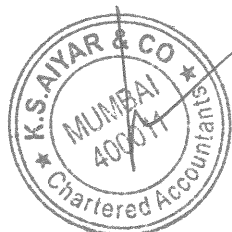
HCC Concessions Ltd

Notes to the financial statements for the Year ended 31st March, 2017

(All amounts are in ₹ lacs, except per share data and unless stated otherwise)

15 Equity share capital

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015			
Authorised						
200,000,000 (March 31, 2016: 200,000,000) equity shares of Rs.10/-	20,000.00	20,000.00	20,000.00			
Issued, subscribed and fully paid up						
34,13,702 (March 31, 2016: 34,13,702) equity shares of Rs.10/- each	341.37	341.37	312.16			
	<u>341.37</u>	<u>341.37</u>	<u>312.16</u>			
a) Reconciliation of number of shares						
	No of Shares (In lakhs)	Amount				
Equity Shares :						
Balance as at the 1 April 2015	31.22	312.16				
Add: Issued during the year	2.92	29.21				
Balance as at the 31 March 2016	<u>34.14</u>	<u>341.37</u>				
Add: Issued during the year	-	-				
Balance as at the 31 March 2017	<u>34.14</u>	<u>341.37</u>				
b) Rights, preferences and restrictions attached to shares						
The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.						
During the year ended 31st March, 2016, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (31st March 2015: Rs. Nil).						
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.						
c) Details of equity shares held by holding / ultimate holding company						
Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No of shares	% of Shareholding	No of shares	% of Shareholding	No of shares	% of Shareholding
Equity shares of Rs 10/- each fully paid						
HCC Infrastructure Company Limited, Holding Company	29,17,151	85.45%	29,17,151	85.45%	26,67,515	85.45%
Xander Investment Holding XXVI Limited	4,96,551	14.55%	4,96,551	14.55%	4,54,059	14.55%
Total	<u>34,13,702</u>	<u>100.00%</u>	<u>34,13,702</u>	<u>100.00%</u>	<u>31,21,574</u>	<u>100.00%</u>
d) Details of shareholders holding more than 5% shares in the company						
Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No of shares	% of Shareholding	No of shares	% of Shareholding	No of shares	% of Shareholding
(i) Equity shares of Rs.10 each fully paid						
HCC Infrastructure Company Limited, Holding Company	29,17,151	85.45%	29,17,151	85.45%	26,67,515	85.45%
Xander Investment Holding XXVI Limited	4,96,551	14.55%	4,96,551	14.55%	4,54,059	14.55%
(ii) 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPs) of Rs.10 each fully paid						
HCC Infrastructure Company Limited, Holding Company	28,59,85,361	68.05%	28,59,85,361	68.05%	28,59,85,361	68.05%
Xander Investment Holding XXVI Limited	13,42,67,956	31.95%	13,42,67,956	31.95%	13,42,67,956	31.95%



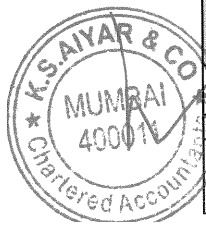
16 Compulsorily convertible cumulative preference shares (CCCPS)

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
Face value of CCCPS issued	42,025.33		42,025.33		41,672.76	
Equity component of CCCPS	42,025.33		42,025.33		41,672.76	
0.001% Compulsorily Convertible Cumulative Preference shares:						
	Nos	₹	Nos	₹	Nos	₹
At the beginning of the year	4,202.53	42,025.33	4,167.28	41,672.76	4,167.28	41,672.76
Issued during the year	-	-	35.26	352.58	-	-
Outstanding at the end of the year	4,202.53	42,025.33	4,202.53	42,025.33	4,167.28	41,672.76
Terms of conversion/ redemption of CCCPS						
During the year ended 31st March, 2017, the company issued Rs. (31st March 2016: Rs. Nil) number of 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of Rs. 10 each fully paid-up and they carry cumulative dividend @ 0.001% p.a.						
The 0.001% CCCPS are compulsorily convertible as per following terms and conditions :-						
a) Each 200, 0.001% CCCPS shall be converted into 1 equity share, subject to adjustments set forth in the Shareholders Agreement dated August 9th 2011.						
b) 0.001% CCCPS shall be convertible at any time after the Closing Date, at the sole option of the Investor at the Conversion Ratio.						
c) 0.001% CCCPS shall be compulsorily convertible at the earlier of						
i) Qualified IPO or						
ii) 10 years from date of their issuance or						
iii) as set forth in the Shareholders Agreement dated August 9, 2011						
In the event of liquidation of the company before conversion/ redemption of 0.001% CCCPS, the holders of 0.001% CCCPS will have priority over equity shares in the payment of dividend and repayment of capital.						

17 Reserves & Surplus

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital reserve	-	-	-
Share application money pending allotment	-	-	1,613.30
Security premium	66,937.67	66,937.67	61,124.32
Retained Earnings	(11,962.78)	(12,028.25)	(3,496.27)
Total reserves and surplus	54,974.89	54,909.42	59,241.35
Capital reserve*			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	-	-	-
Capital Contribution (corporate guarantee)	-	-	-
Less: Transferred to general reserve	-	-	-
Closing Balance	-	-	-
Securities premium			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	66,937.67	61,124.32	61,124.32
Add: Allotment during the year	-	5,813.35	-
Closing Balance	66,937.67	66,937.67	61,124.32
Share application			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	-	1,613.30	1,613.30
Less: Allotted during the year	-	(1,613.30)	-
Closing Balance	-	-	1,613.30
Surplus in the Statement of Profit and Loss			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	(12,028.25)	(3,496.27)	(3,496.27)
Add: Profit for the year	65.47	(8,531.98)	-
Closing Balance	(11,962.78)	(12,028.25)	(3,496.27)

Capital Reserve: The Companies Act, 2013 requires the Company to create capital reserve based on statutory requirement. This is not available for distribution of dividend but can be utilised for issuing bonus shares.



HCC Concessions Ltd
Notes to the financial statements for the Year ended 31st March, 2017
 (All amounts are in ₹ lakhs, unless stated otherwise)

18 Other financial liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Corporate Guarantee On behalf of of related parties (Refer note 34)	2,058.43	2,237.59	1,046.54
Total	2,058.43	2,237.59	1,046.54

19 Provisions

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non Current			
Provision for employee benefits			
Leave encashment	23.62	16.15	21.32
Gratuity (Refer note 35)	35.74	25.63	31.64
Total	59.36	41.78	52.96

20 Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured			
Inter Corporate deposit from related party(Refer note 34)	259.00	-	1,990.00
Total	259.00	-	1,990.00

21 Other financial liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Current maturities of long-term debt	-	-	3,084.99
(b) Interest Accrued and due on ICD from related parties(Refer note -34)	497.41	719.70	307.82
(c) Payables to related party(Refer note 34)	190.81	390.32	2,402.37
(d) Due to employees	119.36	24.87	28.68
(e) Other payables	304.67	262.88	4,378.60
Total	1,112.25	1,397.77	10,202.46

22 Provisions

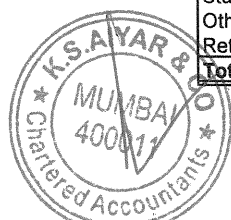
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Provisions for other expenses	83.46	110.24	147.28
Total	83.46	110.24	147.28

23 Employee benefit obligations

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Provision for employee benefits			
Gratuity (Refer note no 35)	0.67	0.52	0.55
Leave encashment	5.81	4.39	5.82
Sick leave	5.18	4.94	5.52
Total	11.66	9.85	11.89

24 Other current liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Statutory Dues	70.17	17.70	78.33
Other creditor	-	0.07	-
Retention deposit payable	25.54	25.54	(0.02)
Total	95.71	43.31	78.31



HCC Concessions Ltd
Notes to the financial statements for the Year ended 31st March, 2017
(All amounts are in ₹ lakhs, unless stated otherwise)

25 Revenue from Operations

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of Services		
SPV management fees from related party(Refer note 34)	1,500.00	578.00
Advisory fees from related party(Refer note 34)	-	383.07
Total	1,500.00	961.07

26 Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income		
From related party	740.72	1,351.86
Others	92.86	135.22
Interest payable written off	-	617.20
Gain on Fair valuation of current investments	6.96	3.98
Net gain/loss on sale of investments	10.43	0.63
Commission on Corporate Guarantee given	179.16	115.38
Miscellaneous Income	20.51	1.99
Total	1,050.64	2,226.26

27 Employee benefits expense

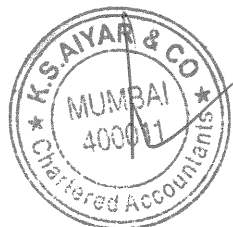
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and wages	663.77	506.13
Contribution to provident funds and other funds	26.16	28.89
Workmen and Staff welfare expenses	16.59	30.95
Total Employee benefits expense	706.52	565.97

28 Finance costs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expense on Term Loans	-	575.76
Interest expense on Inter corporate deposit	43.86	411.98
Other borrowing costs	1.35	1.21
Finance costs expensed in Profit or Loss	45.21	988.95

29 Depreciation and amortization expense

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on Property, Plant and Equipment	33.86	36.62
Amortisation	52.45	
Total Depreciation and amortisation expense	86.31	36.62



30 Other expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit expenses	8.55	8.25
Travelling	56.44	77.03
Service tax written off	-	77.46
Director Sitting Fees	2.81	3.60
Postage, Telephone and Fax	15.16	12.22
Common service charges	392.29	404.77
Rates & Taxes	13.96	-
Legal, Professional and Consultancy Charges	61.20	150.31
Security expenses	9.25	8.26
Miscellaneous Expenses	29.16	29.89
Insurance Charges	-	0.52
Stationary and Printing Charges	3.81	4.45
Electricity charges	4.51	7.10
Rent	126.95	152.53
Telephone Charges	0.08	-
Repairs and Maintenance	0.66	511.88
Write off -of trade receivable	1.12	-
Write off -of interest receivable	39.47	-
Housekeeping and Maintenance	46.01	63.52
Total other expenses	811.43	1,511.77
Details of payment to auditors		
Statutory Audit fees	7.05	7.05
Tax audit fees	0.50	0.50
Others	1.00	0.70
Total payments to auditors	8.55	8.25

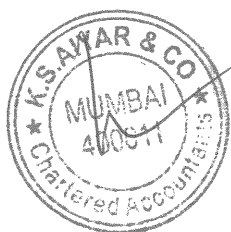
31 Exceptional Items

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Loss on sale of investment(stake sale)	-	1,313.12
Write off -Sub debt Interest	-	7,302.88
Proceeds against stake sale of subsidiary written off	835.70	-
Total exceptional income	835.70	8,615.99

32 Basic & Diluted EPS

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Basic & Diluted EPS (*)		
Profit/ (loss) after tax	65.47	(8,531.98)
Less : Dividends on convertible preference shares & tax thereon	(0.32)	(0.32)
Net profit/ (loss) for calculation of EPS	65.16	(8,532.29)
Number of equity shares for calculating basic EPS	34,13,702	34,13,702
Basic & Diluted EPS	1.91	(249.94)

(*) In calculating Diluted EPS, the anti dilutive impact of CCCPS conversion into equity shares has been ignored in terms of Ind AS 33



HCC Concessions Ltd**Notes to the financial statements for the Year ended 31st March, 2017**

(All amounts are in ₹ lakhs, unless stated otherwise)

33 Financial risk management

The companies activities exposes it to market risk, liquidity risk and credit risk.

This note explains the source of risk which the entity is exposed to and how the entity is manage the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Market risk — foreign exchange	-	-	-
Market risk — interest rate	-	-	-
Liquidity risk	Trade Payables and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Company's risk management is carried out by a project finance team and treasury team group under policies approved by board of directors. Company treasury identifies, evaluates and hedges financial risk in close co-operation with the group's operating units. The Management of the Company provides written principles for overall risk management, as well as policies covering specific areas, such as , interest rate risk, and credit risk, use of derivative financial instrument and non-derivative financial instrument, and investments of excess liquidity.

(a) Credit Risk

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost.

(b) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the group in accordance with practice and limits set by the group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.



Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

As At March-2017

	Less than 3 months	3 months to 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Non-derivatives						
Borrowings	-	-	-	-	-	-
Other Financials liabilities	-	-	-	-	2,058.43	2,058.43
Trade and other payables	-	-	-	-	-	-
Other Current liabilities	95.71	-	-	-	-	95.71
Total non-derivatives	95.71	-	-	-	2,058.43	2,154.14
Derivatives (N.A)						
	-	-	-	-	-	-
Total	95.71	-	-	-	2,058.43	2,154.14

As At March-2016

	Less than 3	3 months to 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Non-derivatives						
Borrowings	-	-	-	-	-	-
Other Financials liabilities	-	-	-	-	2,237.59	2,237.59
Trade and other payables	-	-	-	-	-	-
Other Current liabilities	43.31	-	-	-	-	43.31
Total non-derivatives	43.31	-	-	-	2,237.59	2,280.90
Derivatives (N.A)						
	-	-	-	-	-	-
Total	43.31	-	-	-	2,237.59	2,280.90

As At April-2015

	Less than 3	3 months to 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Non-derivatives						
Borrowings	-	-	-	-	-	-
Other Financials liabilities	-	-	-	-	1,046.54	1,046.54
Trade and other payables	-	-	-	-	-	-
Other Current liabilities	78.31	-	-	-	-	78.31
Total non-derivatives	78.31	-	-	-	1,046.54	1,124.85
Derivatives (N.A)						
	-	-	-	-	-	-
Total	78.31	-	-	-	1,046.54	1,124.85



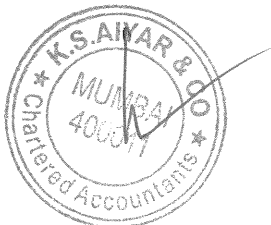
HCC Concessions Ltd

34 Notes to the financial statements for the Year ended 31st March, 2017

(All amounts are in ₹ lakhs, unless stated otherwise)

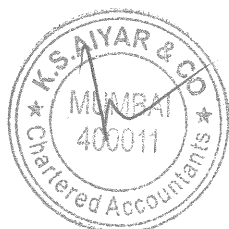
Transactions with Related Parties:		2016-17	2015-16	2014-15
(A) Nature of Relationship and Name of Related Party				
Ultimate Holding Company	Hindustan Construction Company Limited			
Holding Company	HCC Infrastructure Company Ltd.			
Subsidiaries	Baharampore-Farakka Highways Ltd. Farakka-Raiganj Highways Ltd. Badarpur Faridabad Tollways Ltd. Raiganj-Dalkhola Highways Ltd. Narmada Bridge Tollway Ltd Nirmal BOT Ltd(Upto 23.12.2015)			
Fellow subsidiaries	Dhule Palesner Operations & Maintenance Ltd. HCC Power Limited HCC Operations and Maintenance Ltd. Pune Paud Toll Road Co. Ltd. Vikhroli Corporate Park Limited(Till 10.07.2015) HCC Energy Limited			
Associate Companies	Nirmal BOT Ltd.(With effect from 24.12.2015) Dhule Palesner Tollway Limited(Upto 28.10.2015)			

(B) Nature of Transactions				
Rendering of Services				
Nirmal BOT Ltd	Associate Companies	-	20.00	120.00
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	78.00	156.00
Baharampore-Farakka Highways Ltd	Subsidiary	600.00	623.07	193.33
Farakka-Raiganj Highways Ltd	Subsidiary	600.00	240.00	170.00
Raiganj-Dalkhola Highways Ltd	Subsidiary	300.00	-	100.00
	Total	1,500.00	961.07	739.33
Financial Income				
Hindustan Construction Company Limited	Ultimate Holding Company	6.35	6.37	16.04
Nirmal BOT Ltd	Associate Companies	-	63.17	378.00
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	897.32	1,768.30
Farakka-Raiganj Highways Ltd	Subsidiary	522.34	109.27	-
Raiganj-Dalkhola Highways Ltd	Subsidiary	212.04	-	-
Narmada Bridge Tollway Ltd	Subsidiary	-	275.74	247.52
	Total	740.73	1,351.87	2,409.86
Commission on Corporate Guarantee given				
Baharampore-Farakka Highways Ltd	Subsidiary	35.69	8.92	-
Farakka-Raiganj Highways Ltd	Subsidiary	49.09	12.27	-
Badarpur Faridabad Tollway Ltd	Subsidiary	94.38	94.19	-
	Total	179.17	115.39	
Interest on ICD				
Hindustan Construction Company Limited	Ultimate Holding Company	34.49	231.73	-
HCC Infrastructure Company Ltd	Holding Company	9.37	180.24	191.16
	Total	43.86	411.97	191.16



(All amounts are in ₹ lakhs, unless stated otherwise)

Transactions with Related Parties:		2016-17	2015-16	2014-15
Investment made during the year (Equity & CCCPS and other equity)				
Equity shares				
Badarpur Faridabad Tollway Ltd	Subsidiary	9,800.00	9,800.00	8,600.00
Nirmal BOT Ltd	Associate Companies	470.50	470.50	1,810.00
Dhule Palesner Tollway Limited.	Integrated Joint Ventures	-	-	889.52
Baharampore-Farakka Highways Ltd	Subsidiary	3,330.00	3,330.00	3,330.00
Farakka Raiganj Highways Limited	Subsidiary	3,700.00	3,700.00	3,700.00
Raiganj-Dalkhola Highways Ltd	Subsidiary	2,700.00	2,700.00	2,700.00
Narmada Bridge Tollway Limited	Subsidiary	5.00	5.00	5.00
Preference shares				
Baharampore-Farakka Highways Ltd	Subsidiary	17,225.30	17,225.30	17,225.30
Farakka Raiganj Highways Limited	Subsidiary	20,022.10	20,022.10	20,022.10
Raiganj-Dalkhola Highways Ltd	Subsidiary	10,715.00	8,206.51	7,251.51
Investment in Equity(Corporate Guarantee given to subsidiaries)				
Baharampore-Farakka Highways Ltd		550.01	550.01	
Farakka Raiganj Highways Limited		756.41	756.41	
Badarpur Faridabad Tollway Ltd		1,140.54	1,140.54	1,140.54
Investment in other Equity(Sub debt)				
Badarpur Faridabad Tollway Ltd	Subsidiary	13,534.18	11,759.15	11,636.00
Narmada Bridge Tollway Limited	Subsidiary	2,710.00	2,710.00	2,308.00
	Total	86,659.05	82,375.53	80,617.97
Vendor Account/outstanding for other services				
Hindustan Construction Company Limited	Ultimate Holding	190.81	386.07	2,145.43
HCC Aviation Ltd	Fellow subsidiaries	-	-	100.54
Vikhroli corporate park Limited	Fellow subsidiaries	-	-	72.38
Baharampore-Farakka Highways Ltd	Subsidiary	-	-	22.47
Farakka-Raiganj Highways Ltd	Subsidiary	-	-	22.47
Nirmal BOT Ltd	Associate Companies	-	-	24.47
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	-	14.61
HCC Operations&Maintenance Ltd	Fellow subsidiaries	-	4.25	-
	Total	190.81	390.32	2,402.37
Payable for interest on common service charges				
Hindustan Construction Company Limited	Ultimate Holding Company	-	231.66	-
	Total	-	231.66	-
Sundry Debtors				
Raiganj-Dalkhola Highways Ltd	Subsidiary	-	913.68	913.68
Baharampore-Farakka Highways Ltd	Subsidiary	248.00	-	-
Farakka-Raiganj Highways Ltd	Subsidiary	391.00	-	-
	Total	639.00	913.68	913.68
Other receivable				
HCC Infrastructure Company Ltd	Holding Company	-	0.63	-
Badarpur Faridabad Tollway Ltd	Subsidiary	25.14	1,102.35	-
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	3.85	5.50
HCC Operations&Maintenance Ltd	Fellow subsidiaries	-	-	4.08
Baharampore-Farakka Highways Ltd	Subsidiary	42.05	37.49	-
Farakka-Raiganj Highways Ltd	Subsidiary	38.00	35.39	-
Raiganj-Dalkhola Highways Ltd	Subsidiary	29.72	4.59	-
HCC Power Ltd	Fellow subsidiaries	-	-	0.02
Dhule Palesner Operation and Miantenance Ltd	Fellow subsidiaries	-	-	0.02
Narmada Bridge Tollway Ltd	Subsidiary	253.01	252.92	5.73
	Total	387.92	1,437.22	15.35



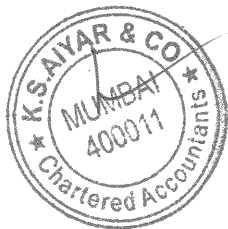
(All amounts are in ₹ lakhs, unless stated otherwise)

Transactions with Related Parties:		2016-17	2015-16	2014-15
Subordinate Loans(Given)				
Nirmal BOT Ltd	Associate Companies	-	-	3,150.00
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	-	16,270.32
Farakka-Raiganj Highways Ltd	Subsidiary	5,931.00	4,310.00	-
	Total	5,931.00	4,310.00	19,420.32
Advance for buy back of shares				
Hindustan Construction Company Limited	Ultimate Holding Company	2,770.01	2,770.01	4,558.28
	Total	2,770.01	2,770.01	4,558.28
Interest receivable on subordinate loans /ICD				
Hindustan Construction Company Limited	Ultimate Holding Company	259.94	253.59	247.67
Badarpur Faridabad Tollway Ltd	Subsidiary	1,066.13	1,066.13	1,066.13
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	-	6,534.76
Nirmal BOT Ltd	Associate Companies	-	-	(31.07)
Farakka-Raiganj Highways Ltd	Subsidiary	620.68	98.34	-
Raiganj Dalkhola Highways Ltd	Subsidiary	63.83	-	-
Narmada Bridge Tollway Ltd	Subsidiary	635.47	635.47	359.76
	Total	2,646.05	2,053.53	8,177.25
Advance Share Application Money- Preference Shares				
Raiganj-Dalkhola Highways Ltd	Subsidiary	-	2,508.49	-
	Total	-	2,508.49	-
Inter Corporate Deposits-Taken				
HCC Infrastructure Company Ltd	Holding Company	259.00	-	1,990.00
	Total	259.00	-	1,990.00
Inter Corporate Deposit(ICD)-Given				
Hindustan Construction Company Limited	Ultimate Holding Company	57.72	57.72	57.72
	Total	57.72	57.72	57.72



HCC Concessions Ltd
34 Notes to the financial statements for the Year ended 31st March, 2017
 (All amounts are in ₹ lakhs, unless stated otherwise)

Transactions with Related Parties:		2016-17	2015-16	2014-15
Interest payable on ICD				
HCC Infrastructure Company Ltd	Holding Company	497.41	488.04	307.82
Hindustan Construction Company Limited	Ultimate Holding Company	-	231.66	-
	Total	497.41	719.70	307.82
Equity Share Capital				
HCC Infrastructure Company Ltd	Holding Company	291.72	291.72	266.75
	Total	291.72	291.72	266.75
Share Application Money				
HCC Infrastructure Company Ltd	Holding Company	-	-	1,613.30
	Total	-	-	1,613.30
Share Premium				
HCC Infrastructure Company Ltd	Holding Company	57,056.30	57,056.30	53,082.35
	Total	57,056.30	57,056.30	53,082.35
CCCPS Capital				
HCC Infrastructure Company Ltd	Holding Company	28,598.54	28,598.54	28,598.54
	Total	28,598.54	28,598.54	28,598.54
Corporate Guarantee issued on our behalf				
Hindustan Construction Company Limited	Ultimate Holding Company	-	-	10,000.00
	Total	-	-	10,000.00
Corporate Gaurantee(Given to related party)				
Baharampore-Farakka Highways Ltd	Subsidiary	505.40	541.09	-
Farakka-Raiganj Highways Ltd	Subsidiary	695.06	744.15	-
Badarpur Faridabad Tollway Ltd	Subsidiary	857.97	952.35	1,046.54
	Total	2,058.43	2,237.59	1,046.54
Transactions during the Financial year, 2016-17:				
Other equity during the year				
Badarpur Faridabad Tollway Ltd	Subsidiary	1,775.03	123.15	-
	Total	1,775.03	123.15	-
Receipt from Sub debt repayment				
Nirmal BOT Ltd	Associate Companies	-	3,150.00	-
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	16,270.32	-
	Total	-	19,420.32	-
Shares buy back(Dhule Palesner Tollway Ltd)				
Hindustan Construction Company Limited	Ultimate Holding	-	1,788.27	-
	Total	-	1,788.27	-



(All amounts are in ₹ lakhs, unless stated otherwise)

Transactions with Related Parties:		2016-17	2015-16	2014-15
Expenses incurred on behalf of other Companies				
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	-	74.11
Baharampore-Farakka Highways Ltd	Subsidiary	4.56	36.73	6.26
Farakka-Raiganj Highways Ltd	Subsidiary	0.69	39.81	77.25
Raiganj-Dalkhola Highways Ltd	Subsidiary	0.23	4.58	0.99
	Total	5.48	81.12	158.61
Investment in Equity shares				
Badarpur Faridabad Tollway Ltd	Subsidiary	-	1,200.00	-
	Total	-	1,200.00	-
Sale of Investment in Equity shares				
Nirmal BOT Ltd	Associate Companies	-	2,331.00	-
Dhule Palesner Tollway Ltd	Integrated Joint Ventures	-	889.52	-
	Total	-	3,220.52	-
Investment in Preference shares				
Raiganj-Dalkhola Highways Ltd	Subsidiary	2,508.49	955.00	-
	Total	2,508.49	955.00	-
Allotment of Equity shares				
HCC Infrastructure Company Ltd	Holding Company	-	24.96	-
	Total	-	24.96	-
Sub debt given during year				
Farakka Raiganj Highways Ltd	Subsidiary	1,621.00	4,310.00	-
	Total	1,621.00	4,310.00	-
Inter Corporate Deposit taken during the year				
HCC Infrastructure Company Limited	Holding Company	259.00	-	-
	Total	259.00	-	-



35 Gratuity and other post-employment benefit plans

a) Defined contribution plan

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Contribution to provident fund and other funds	26.16	28.89	-
Total	26.16	28.89	-

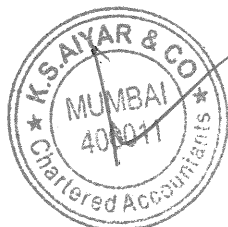
a) Defined benefit plan

The Company has a defined benefit plan (Gratuity) for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of INR 1,000,000/-. The said gratuity plan is funded.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Gratuity	35.74	25.63	31.64
Total	35.74	25.63	31.64

The following tables summaries the amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Opening defined benefit liability / (assets)	26.15	32.19	21.57
Net employee benefit expense recognised in the employee cost			
Current service cost			
Past service cost	4.75	6.21	5.09
Interest cost on benefit obligation	2.10	(0.18)	(1.45)
(Gain) / losses on settlement	4.64	2.57	2.01
Net benefit expense	11.50	(6.04)	4.97
Amount recorded in Other Comprehensive Income (OCI)			
Measurement during the period due to :			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
Actuarial loss / (gain) arising from change in financial assumptions			
Actuarial loss / (gain) arising on account of demographic assumptions			
Experience (gains)/losses			
Amount recognized in OCI	-	-	-
Benefits payments from plan	(1.23)	-	-
Closing net defined benefit liability / (asset)	36.42	26.15	32.19



Fair Value

Opening fair value of plan assets

Net employee benefit expense recognised in the employee cost

Interest cost / (income) on plan asset

(Gain) / losses on settlement

Net benefit expense**Amount recorded in Other Comprehensive Income (OCI)**

Measurement during the period due to :

Return on plan assets, excluding amounts included in interest expense/(income)

Actuarial loss / (gain) arising from change in financial assumptions

Actuarial loss / (gain) arising on account of demographic assumptions

Experience (gains)/losses

Asset ceiling not recognised as an asset

Amount recognized in OCI

Employer contributions/premiums paid

Benefits Paid

Assets acquired / (settled)

Closing fair value of plan assets**HCC Concessions Ltd****Notes to the financial statements for the Year ended 31st March, 2017**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
The net (liability)/asset disclosed above relates to funded plan is as follows:			
Present value of unfunded obligations	36.42	26.15	32.19
Fair value of plan assets	-	-	-
Amount not recognised as an asset (asset ceiling)	-	-	-
	36.42	26.15	32.19
Net liability is bifurcated as follows :			
Current	0.67	-	0.55
Non-current	35.74	26.15	31.64
Total	36.41	26.15	32.19
Discount rate	7.29%	8.04%	8.04%
Expected rate of return on plan assets (p.a.)	N.A.	N.A.	N.A.
Salary escalation rate (p.a.)	8.00%	8.00%	8.00%
Mortality pre-retirement	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
<u>A quantitative analysis for significant assumption is as shown below:</u>			
Assumptions -Discount rate			
Sensitivity Level			
Impact on defined benefit obligation +1 in % increase	(4.40)	(4.40)	(4.40)
Impact on defined benefit obligation -1 in % decrease	5.21	5.21	5.21
Assumptions -Future salary increases			
Sensitivity Level			
Impact on defined benefit obligation +1 in % increase	5.12	5.12	5.12
Impact on defined benefit obligation -1 in % decrease	(4.41)	(4.41)	(4.41)
The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:			
Within the next 12 months (next annual reporting period)			
Between 2 and 5 years	3.41	3.41	3.41
Between 6 and 9 years	8.54	8.54	8.54
For and Beyond 10 years	-	-	-
Total expected payments	11.95	11.95	11.95
The average duration of the defined benefit plan obligation at the end of the reporting period	15.00	15.00	15.00



HCC Concessions Ltd

Notes to the financial statements for the Year ended 31st March, 2017

(All amounts are in ₹ lakhs, unless stated otherwise)

Note 36- Fair value measurements

(a) Significance of financial instruments

Classification of financial instruments

	As at 31st March, 2017	As at 31st March, 2016	As at 1 April, 2015
Financial assets			
At amortised Cost			
Investments	86,188.54	81,905.02	78,807.97
Loans	8,701.01	7,080.01	23,978.60
Inter corporate deposit	57.72	57.72	57.72
Interest receivable on ICDs	2,646.05	2,053.53	8,177.24
Receivables from related parties	387.91	1,437.22	15.35
Share application money	-	2,508.50	-
Cash and Cash equivalent	72.41	2,292.44	5.47
Trade receivable	639.00	914.80	914.80
Others	410.84	1,282.60	-
At Fair value through profit & loss			
Investment in mutual fund	542.41	-	-
Total financial assets	99,645.91	99,531.84	1,11,957.15
Financial liabilities			
At amortised Cost			
Bank Borrowings	-	-	3,084.99
Inter corporate deposit	259.00	-	1,990.00
Interest on Term loans	497.41	719.70	307.82
Corporate guarantee	2,058.43	2,237.59	1,046.54
Payable to related party	190.81	390.32	2,402.37
Dues to employees	119.36	24.87	28.68
Others payable	304.67	262.88	4,378.60
Total financial liabilities	3429.68	3635.36	13239.00

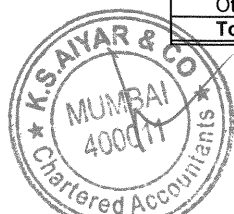
Note 37 - Fair value Hierarchy

(a) Fair value hierarchy - Recurring fair value measurements

	As at 31st March, 2017	As at 31st March, 2016	As at 1 April, 2015
Financial assets			
At Fair value through profit & loss			
Level 1			
Mutual fund Investments	542.41	-	-
Total financial assets	542.41	-	-

(b) Fair value hierarchy - Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	As at 31st March, 2017	As at 31st March, 2016	As at 1 April, 2015
Financial assets			
Level 3			
Investments	86,188.54	81,905.02	78,807.97
Loans	8,701.01	7,080.01	23,978.60
Inter corporate deposit	57.72	57.72	57.72
Interest receivable on ICDs	2,646.05	2,053.53	8,177.24
Receivables from related parties	387.91	1,437.22	15.35
Share application money	-	2,508.50	-
Cash and Cash equivalent	72.41	2,292.44	5.47
Trade receivable	639.00	914.80	914.80
Others	410.84	1,282.60	-
Total financial assets	99,103.48	99,531.84	1,11,957.15
Financial liabilities			
Level 3			
Bank Borrowings	-	-	3,084.99
Inter corporate deposit	259.00	-	1,990.00
Interest on Term loans	497.41	719.70	307.82
Corporate guarantee	2,058.43	2,237.59	1,046.54
Payable to related party	190.81	390.32	2,402.37
Dues to employees	119.36	24.87	28.68
Others payable	304.67	262.88	4,378.60
Total financial liabilities	3429.68	3635.36	13239.00



Recognised fair value measurements

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for borrowings, Preference shares included in level 3

(c) Fair value of financial assets and liabilities measured at amortised cost

	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Financial assets			
Carrying value of financial assets at amortised cost			
Corporate guarantee	-	-	-
Total Financial assets at amortised cost	-	-	-
Fair value of financial assets carried at amortised cost			
Corporate guarantee	-	-	-
Total Fair value of financial assets at amortised cost	-	-	-
Financial liabilities			
Carrying value of financial liabilities at amortised cost			
Bank borrowings	-	-	3,084.99
ICDs	259.00	-	1,990.00
Corporate guarantee	2,058.43	2,237.59	1,046.54
Total	2,317.43	2,237.59	6,121.53
Fair value of financial liabilities carried at amortised cost			
Bank borrowings	-	-	-
ICDs	-	-	-
Corporate guarantee	-	-	-
Total	-	-	-
The carrying value amounts of loans, inter corporate deposit, interest receivable on ICDs, share application money, fixed deposits, interest accrued on deposits, cash and cash equivalents, trade receivable, bank borrowings, interest accrued but not due, corporate guarantee, payable to related party, dues to employees and other payable approximate their fair value due to their short term nature.			
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.			



38 Contingent Liabilities

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Corporate guarantee given by HCC Concessions Limited (Holding Company) in favour of Bank		
Badarpur Faridabad Tollway Limited(For entire obligation to lenders)	50,748.96	48,142.73
Baharampore Farakka Highways Limited	18,387.00	18,387.00
Farakka Raiganj Highways Limited	25,287.00	25,287.00
B. Income tax liability that may arise in respect of matter which is in appeal		
Financial year 2010-11-Penalty order (*)	90.87	106.91
Financial year 2011-12	-	292.69
Financial year 2012-13	235.50	277.06
Financial year 2013-14	64.91	-
C. Notice from NHAI for recovery of damages due to delay in completion of overlay(#)	1,055.39	-

(*) Income tax liability which may arise for Nirmal BOT Limited. (As per share purchase agreement, the Company has given indemnification to Highway Concessions One Private Limited for tax liability arising for period prior to initial closing)

(#) Nirmal BOT Ltd has received notice from NHAI levying damages for alleged delay in completion of Major maintenance work(As per share purchase agreement, the Company has given indemnification to Highway Concessions One Private Limited for third party claim)

39 Expenses incurred in foreign currencies

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Foreign Subscription & Periodicals	18.31	17.90
Travelling	4.93	6.17
Total	23.24	24.07

40 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

There have been no transactions during the year with Micro & Small Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Hence, reporting details of Principal and Interest does not arise.

41 Previous years figures

Figures for the previous year has been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current period

As per our report of even date attached

For K.S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Satish Kelkar
Partner
Membership No.:38934



Kiran Ashok Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Kumar Singh
Company Secretary

Arjun Dhawan
Director

Praveen Sood
Director

Sridevi Ramanujam Iyengar
Director

Place: Mumbai
Date:

125 APR 2017

Place: Mumbai
Date:

25 APR 2017

F-7 Laxmi Mills
Shakti Mills Lane (Off Dr E Moses Rd)
Mahalaxmi Mumbai 400 011 India
Tel : 91 22 2493 2502 / 6655 1770
Fax : 91 22 6655 1774
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Mail@KSAiyar.com

Independent Auditor's Report

To the Members of HCC Concessions Limited,

Report on the Consolidation Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of HCC Concessions Limited, ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated financial position of the Group as at 31 March 2017, and their consolidated financial performance including other comprehensive income, their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters:

- a. Note No. 7 (ii) to the consolidated Ind AS financial statements, in case of Raiganj – Dalkhola Highways Limited (RDHL), National Highway Authority of India (NHAI) has served notice of termination of contract to the Company on 31st March, 2017 due to delay in re-start of work at project. For the reasons mentioned in the note, as per terms of the contract the Company is confident of being entitled to claims from Arbitration or



termination benefits exceeding possible loss. Hence no provision for such loss is considered necessary.

- b. Note No. 34 to the consolidated Ind AS financial statements, in case of Raiganj – Dalkhola Highways Limited (RDHL), the company has received supplementary bills for claim/project cost compensation for EPC claim of ₹ 54893.08 lacs from Hindustan Construction Company, its ultimate holding Company and the EPC contractor for the project. As per policy adopted by the company these claims will be recognized only after approval and receipt of the same from National Highway Authority of India. In view of this the claim has been disclosed as a contingent liability
- c. the company has given interest free mobilization advance of ₹ 9000.00 lacs to Hindustan Construction Company Limited, its ultimate holding company, in its capacity as sub-contractor for carrying out the project. The said amount is outstanding for more than 3 years due to delay in the project.

Our opinion is not modified in respect of above matters.

Other Matter

1. We did not audit the financial statement of certain subsidiaries included in the consolidated Ind AS financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹ 303,470.19 lacs and net assets (after eliminating intra-group transactions) of ₹ 22,512.92 lacs as at 31 March 2017, total revenues (after eliminating intra-group transactions) of ₹ 61,403.56 lacs and net cash inflows amounting to ₹ 6369.34 lacs for the year ended on that date. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion on the consolidated financial statements of the Group for the period then ended to the extent they relate to the financial statements not reviewed by us as stated in this paragraph is based solely on the review reports of the other auditors.
2. The company had prepared separate sets of consolidated financial statements for the year ended 31 March 2016 and 31 March 2015 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) included in these consolidated financial statements, on which we issued auditor's reports dated April 26, 2016 and April 27, 2015 respectively. These separate sets of consolidated financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements.



Report on Other Legal and Regulatory Requirements

As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
- (e) The matters described under the Emphasis of Matters paragraph, in our opinion, may have an adverse effect on the functioning of the Group;
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure - A; and
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note no. 34 to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts where the group envisages material foreseeable losses requiring provision;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding companies and subsidiary Companies.



- iv. These consolidated financial statements have made requisite disclosures as to holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 by the Holding Company and its subsidiary companies incorporated in India. Based on the audit procedures performed and taking into consideration the information and explanations given to us and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the Holding Company and its subsidiary companies, in our opinion, these are in accordance with the books of accounts maintained by the respective companies - Refer note 14 to the consolidated Ind AS financial statement..

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W


Satish Kelkar
Partner
Membership No: 38934

Place: Mumbai

Date: April 25, 2017

Annexure-A to Auditors report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the **HCC Construction Company Limited** ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

We did not audit the IFCOFR insofar as it relates to four subsidiary companies, which are companies incorporated in India, whose financial statements / financial information reflect total assets (after eliminating intra-group transactions) of ₹ 3,03,470.19 lacs as at 31st March, 2017, total revenues (after eliminating intra-group transactions) of ₹ 61,403.56 lacs and net cash flows amounting to ₹ 6369.35 lacs for the year ended on that date. Our report on the adequacy and



K. S. AIYAR & CO

CHARTERED ACCOUNTANTS

operating effectiveness of the IFCOFR for the Holding Company and its subsidiary companies, which are companies incorporated in India, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiaries, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W



Satish Kelkar

Partner

Membership No: 38934

Place: Mumbai

Date: April 26, 2017

HCC Concessions Limited
Consolidated Balance Sheet as on 31st March, 2017
 (All amounts are in Rs. lakhs, unless stated otherwise)

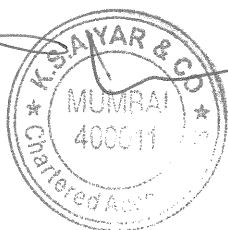
	Note	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	300.35	501.65	327.48
Investment Property	5	44.91	44.91	44.91
Other Intangible assets	6	220,718.36	105,116.03	111,559.65
Intangible assets under development	7	62,695.96	151,161.59	121,117.54
Financial Assets				
Loans	8a	2,770.01	2,770.01	19,530.87
Other Financial Assets	9a	2,090.74	2,269.88	1,052.75
Non-current Tax assets (net)	10	1,205.87	1,271.75	1,023.22
Other non - current assets	11a	23,405.94	10,975.79	11,558.80
Total Non Current Assets		313,232.14	274,111.60	266,215.24
Current assets				
Financial Assets				
Investments	12	585.70	16.12	2,341.51
Trade receivables	13	1,846.22	10.82	6.13
Cash and cash equivalents	14	2,095.51	7,352.31	1,153.43
Loans	8b	5,054.51	11,136.13	2,333.88
Other financial asset	9b	12,233.52	6,750.99	7,369.07
Other current assets	11b	253.76	199.30	225.23
		22,069.21	25,465.67	13,429.24
Non Current Assets classified as held for sale	15	470.50	470.50	1,810.00
Total Current Assets		22,539.71	25,936.17	15,239.24
Total Assets		335,771.85	300,047.78	281,454.48
EQUITY AND LIABILITIES				
Equity share capital	17	341.37	341.37	312.16
Instruments entirely Equity in Nature	18	42,025.33	42,025.33	41,672.76
Other equity	19	(5,106.43)	5,173.42	14,575.53
Equity attributable to equity holders of the parent		37,260.27	47,540.12	56,560.44
Non Controlling interests		110.28	982.26	1,983.95
Total Equity		37,370.55	48,522.38	58,544.40
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	20a	207,273.57	181,581.33	168,098.96
(ii) Other financial liabilities	21a	3,599.99	2,722.50	1,502.20
Provisions	22a	11,229.13	5,732.38	1,957.41
Total Non Current Liabilities		222,102.69	190,036.21	171,558.57
Current Liabilities				
Financial Liabilities				
(i) Borrowings	20b	259.00	-	1,990.00
(ii) Trade payables	23	1,159.20	1,997.77	454.40
(iii) Other financial liabilities	21b	73,148.92	57,695.45	47,800.69
Provisions	22b	1,238.28	923.77	638.27
Other current liabilities	24	493.21	872.20	468.16
Total Current Liabilities		76,298.61	61,489.19	51,351.52
Total Equity and Liabilities		335,771.85	300,047.78	281,454.48

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For K.S. Aiyar & Co.
 Chartered Accountants
 Firm Registration No. 100186W

Satish Kelkar
 Partner
 Membership No.:38934



Arjun Dhawan
 Director

Praveen Sood
 Director

Sridevi Iyengar
 Director

Kiran Kakkar
 Chief Financial Officer

Rahul Shukla
 Manager

Ravindra Singh
 Company Secretary

Place: Mumbai
 Date:

25 APR 2017

Place: Mumbai
 Date:

25 APR 2017

HCC Concessions Limited

Consolidated statement of Profit and Loss for the year ended 31st March, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

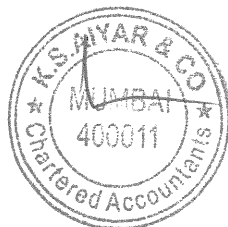
	Note	For the year ended March 31, 2017	For the year ended March 31, 2016
Continuing Operations			
Income			
Revenue from Operations	25	62,693.64	50,495.36
Other Income	26	360.18	2,192.06
Total Income		63,053.81	52,687.43
Expenses			
Construction cost	27	37,896.39	35,451.68
Employee benefits expense	28	768.09	637.48
Finance costs	29	13,326.15	11,022.60
Depreciation and amortization expense	30	8,564.91	6,514.39
Other expenses	31	13,298.58	10,386.37
Total expenses		73,854.12	64,012.53
Profit / (loss) before share of (profit)/loss of an associate and a joint venture, exceptional items and tax from continuing operations		(10,800.31)	(11,325.10)
Share of (profit)/loss of an associate and a joint venture		-	3,880.80
Profit / (loss) before exceptional items and tax from continuing operations		(10,800.31)	(15,205.90)
Exceptional Items	32	350.29	(602.05)
Profit / (loss) before tax from continuing operations		(11,150.60)	(14,603.85)
Tax expense			
Current tax		1.23	-
Profit/(Loss) for the year from continuing operations		(11,151.83)	(14,603.85)
Discontinued Operations			
Profit/ (Loss) for the year for discontinued operations (after tax)		-	-
Profit/(Loss) for the year		(11,151.83)	(14,603.85)
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		(11,151.83)	(14,603.85)
Attributable to:			
Equity holders of the parent		(10,279.85)	(13,602.16)
Non-controlling interest		(871.98)	(1,001.69)
Earnings per equity share of Rs. 10 each (for continuing operation):	33		
Basic earnings per share		(301.14)	(398.47)
Diluted earnings per share		(301.14)	(398.47)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For K.S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Satish Kelkar
Partner
Membership No.:38934



Arjun Dhawan
Director

Praveen Sood
Director

Sridevi Iyengar
Director

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date:

25 APR 2017

Place: Mumbai
Date:

25 APR 2017

HCC Concessions Limited
Consolidated cashflow statement for the year ended 31st March, 2017
(All amounts are in Rs. lakhs, unless stated otherwise)

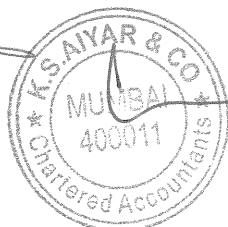
Particulars	Note	Year ended 31 March 2017	Year ended 31 March 2016
A Cash Flow from operating activities			
Profit before income tax including discontinued operations		(10,279.85)	(13,602.16)
Adjustments for			
Add:			
Depreciation and amortisation expenses		8,564.91	6,514.39
Finance costs		13,326.15	11,022.60
Exceptional items		350.29	(602.05)
Less:			
Dividend received		(72.52)	(210.89)
Interest received		(155.38)	(1,788.47)
Profit on sale of investment		(69.76)	(9.48)
Surplus on sale of fixed assets		-	(0.63)
Gain on fair valuations		(8.53)	-
Change in operating assets and liabilities			
(Increase)/decrease in trade receivables		(1,835.40)	(4.69)
(Increase)/decrease in other financial assets		(5,303.38)	6,703.82
(Increase)/decrease in other non-current assets		(12,430.15)	173.81
(Increase)/decrease in other current assets		(54.46)	25.92
Increase/(decrease) in trade payables		(1,188.85)	1,543.37
Increase/(decrease) in other financial liabilities		14,899.72	10,852.29
Increase/(decrease) in provisions		5,811.26	4,060.47
Increase/(decrease) in other current liabilities		(378.99)	404.04
Cash generated from operations		11,175.07	25,082.35
Income taxes paid		65.88	(248.53)
Net cash inflow from operating activities		11,240.95	24,833.82
B Cash flow from investing activities:			
Purchase of property, plant and equipment/ intangible assets		(35,500.32)	(30,288.34)
Share of non-controlling interests		(871.98)	(1,001.69)
Investment in equity shares of a subsidiary		0.00	(7,904.92)
Proceeds/Purchase from sale/purchase of investments		(491.29)	2,334.87
Assets held for sale		(0.00)	1,339.50
Long term deposits		-	16,760.86
Short term deposits		6,081.62	(8,802.26)
Interest received		155.38	1,788.47
Dividend received		72.52	210.89
Net cash outflow from investing activities		(30,554.07)	(25,562.61)
C Cash flow from financing activities			
Repayment of long term borrowings		25,692.24	13,482.37
Repayment of short term borrowings		259.00	(1,990.00)
Securities premium		-	5,813.35
Interest paid		(11,894.92)	(10,759.83)
Share Allotment Investment in Preference Share		-	352.57
Share Allotment Investment in Equity Share		-	29.21
Net cash inflow (outflow) from financing activities		14,056.32	6,927.67
Net increase/(decrease) in cash and cash equivalents		(5,256.80)	6,198.88
Add: Cash and cash equivalents at the beginning of the financial year		7,352.31	1,153.43
Cash and cash equivalents at the end of the year		2,095.51	7,352.31
Reconciliation of Cash Flow statements as per the cash flow statement			
		31 March 2017	31 March 2016
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		2,095.51	7,352.31
Balances as per statement of cash flows			

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For K.S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W


Satish Kelkar
Partner
Membership No.:38934





Arjun Bhawan
Director


Kiran Kakkar
Chief Financial Officer

Praveen Sood
Director


Rahul Shukla
Manager


Sridevi Iyengar
Director

Ravindra Singh
Company Secretary

Place: Mumbai
Date:

25 APR 2017

Place: Mumbai
Date:

25 APR 2017

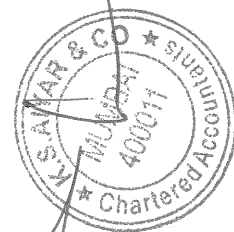
HCC Concessions Limited
Consolidated Statement of changes in equity
(All amounts are in Rs. lakhs, unless stated otherwise)

	Equity Share Capital		Instruments entirely Equity in Nature				Other Equity				Total
	Equity Share Capital	312.16	Capital Contribution		Reserves & Surplus		Total attributable to owners of the Company	Non Controlling Interest	1,983.95		
			Compulsory Convertible Preference Shares	Share Application Money Pending Allotment	Securities premium	Retained Earnings					
Balance as at 1st April, 2015		312.16	41,672.76	1,613.30	61,124.32	(48,162.09)	56,560.44	1,983.95	58,544.40		
Profit for the year						(13,602.16)	(13,602.16)		(13,602.16)		
Capital Contribution				(1,613.30)			(1,613.30)		(1,613.30)		
Minority Interest Share Transfer During the Year	29.21	29.21	352.57		5,813.35		6,195.13		6,195.13		
Other Comprehensive Income for the year								(1,001.69)	(1,001.69)		
Total Comprehensive Income for the year		29.21	352.57	(1,613.30)	5,813.35	(13,602.16)	(9,020.32)	(1,001.69)	(10,022.02)		
Balance as at 31st March, 2016		341.37	42,025.33	-	66,937.67	(61,764.25)	47,540.12	982.26	48,522.38		
Profit for the year						(10,279.85)	(10,279.85)		(10,279.85)		
Capital Contribution											
Minority Interest Share Transfer During the Year								(871.98)	(871.98)		
Other Comprehensive Income for the year											
Total Comprehensive Income for the year						(10,279.85)	(10,279.85)	(871.98)	(11,151.83)		
Balance as at 31st March, 2017		341.37	42,025.33	-	66,937.67	(72,044.10)	37,260.27	110.28	37,370.55		

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W



Satish Kelkar
Partner
Membership No.:38934

Arjun Dhawan
Director

Praveen Sood
Director

Sridevi Iyengar
Director

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 25 APR 2017

Place: Mumbai
Date: 25 APR 2017

HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

1 Corporate information

HCC Concessions Limited is a public company domiciled in India and incorporated on 14th February, 2008 under the provisions of the Companies Act, 1956. The name of the company has been changed from "HCC Infrastructure Limited" to "HCC Concessions Limited" w.e.f. 18th October, 2010. The purpose of incorporation of this company is to carry on all types of infrastructure activities whether by its own or through subsidiaries or SPVs.

After a foreign direct investment on 29th September 2011, HCC Infrastructure Company Limited holds 85.45% share in the company.

2 Summary of significant accounting policies

(a) Basis of preparation

Ministry of Corporate affairs notified roadmap to implement Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting standards) Rules, 2015 as amended by the companies (Indian Accounting standard) Rules 2016. As per the said roadmap, the company is required to apply Ind AS commencing from financial year beginning on or after 1st April 2016. Accordingly, the financial statements of the Company have been prepared in accordance with Ind AS

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 3 for information on how the Company has adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following :

- i certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- ii assets under service concession arrangement;
- iii assets held for sale - measured at fair value less cost to sell
- iv defined benefit plans - plan assets measured at fair value.

(b) Current & Non Current classification

Current Asset :

An asset shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded
- (c) It is expected to be realized within twelve months after the reporting date, or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- i (a) it is expected to be settled in the company's normal operating cycle;
- ii (b) it is held primarily for the purpose of being traded;
- iii (c) it is due to be settled within twelve months after the reporting date : or
- iv (d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification.

All other liabilities shall be classified as non-current.

(c) Principles of consolidation and equity accounting:

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Interests in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

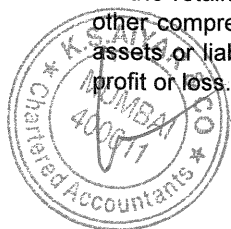
When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

(iv) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or adopt equity accounting for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(d) **Critical accounting estimates and judgements:**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

(e) **Government grant**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment (if any) are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(f) **Accounting of intangible assets under Service Concession arrangement:**

Company has Toll Road Concession rights where it Designs, Build, Finances, Operates and transfer (DBFOT) infrastructure used to provide public service for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

These arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Company receives a right (a license) to charge users of the public service. The financial asset model is used when the Company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Company performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

i **Intangible asset model:**

The Company recognises an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible asset received as Consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition by reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs, less accumulated amortisation.

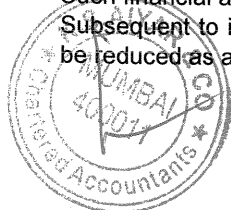
ii **Amortization of concession intangible assets:**

Amortization is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

iii **Financial Asset Model:**

The Company recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from grantor for the construction or upgrade services provided. Such financial assets are measured at fair value on initial recognition and classified as loans and receivables.

Subsequent to initial recognition, the financial assets are measured at amortised cost. Under this model financial asset will be reduced as an when grant has received from grantor.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

(g) Investment property:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Transition to Ind AS:

Company has classified its freehold lands under Investment property which were earlier classified as Fixed Asset under previous GAAP.

(h) Property, plant and equipment:

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided as per the useful lives of the assets as per schedule II of Companies Act, 2013 using Straight Line Method (SLM).

(i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a Financial Assets

i) Initial Recognition

In the case of financial assets not recorded at fair value through profit or loss, financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

ii) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective rate interest ("EIR") method. Impairment gains or losses arising on these assets are recognised in Statement of Profit and Loss.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through other comprehensive income ("OCI") if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

Financial asset not measured at amortised cost or at fair value through OCI is carried at fair value through profit or loss.

iii) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

iv) De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control

b Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii) Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

2) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial Liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

(j) Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

(k) Income Tax:

i Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

The Company does not have taxable income and hence no provision for current tax has been made.

ii Deferred Tax

Deferred Tax Asset shall be recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(l) Segment reporting:

The Company's operations constitutes a single business segment namely "Infrastructure Development" as per Ind As 108, further the Company's operation are within single geographical segment which is India.

(m) Borrowings Cost:

i) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

ii) Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

iii) Other borrowing costs are expensed in the period in which they are incurred.

(n) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities.

Toll revenue

The income from toll revenue from operations of the facility is accounted on receipt basis.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

Contract revenue (construction contracts)

Contract revenue associated with the construction of road are recognized as revenue by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bears to the estimated total contract costs. Margin on Contract Cost has not been considered since the company has given back to back the contract to its ultimate holding company i.e. Hindustan Construction Company Limited.

Contract cost includes costs that relate directly to the specific contract and allocated costs that are attributable to the construction of the toll roads. Cost that cannot be attributed to the contract activity such as general administration costs are expensed as incurred and classified as other operating expenses.

Others

Insurance and other claims are recognized as revenue on certainty of receipt basis.

Dividend income is recognized when the right to receive is established. Other items of income are accounted as and when the right to receive arises and recovery is certain.

(o) Employee benefits:

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented under current provisions in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet as the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period.

Post-employment obligations

Defined contribution plans

The Company pays provident fund contributions and superannuation fund as post employee benefits under defined contribution plans. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefits plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

Defined benefit obligation:

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

Fair valuation of derivatives and other financial instruments:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgments to select a variety of methods and makes assumptions that are mainly based on market conditions existing at each balance sheet date.

(p) Provisions and Contingent Liabilities:

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liability is disclosed in the case of :

- a) a present obligation arising from a past event, when it is not probable that an outflow of resources will happen to settle the obligation
- b) a possible obligation, unless the probability of outflow of resources is remote.

Contingent asset are disclosed (if any), where an inflow of economic benefits are probable.

(q) Foreign currency translation:

Functional and presentation currency:

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transactions and balances:

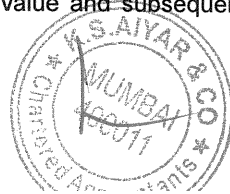
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs (if any). All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Currently Company does not have any foreign operations.

(r) Trade receivable

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

(s) Financial guarantee contract:

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

Other Financial Asset - Financial guarantee contract:

Under Ind AS, the financial guarantee given by a holding company to lender on behalf of the Company for its borrowings are recognised initially at fair value which is subsequently amortised as an interest expense to the Statement of Profit and Loss. This transaction was not recorded under the previous GAAP.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee.

(t) Earnings per share:

Basic Earnings per share is calculated by dividing the net profit / (loss) after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity in issue during the period. Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Group by the weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

(u) Non-current assets (or disposal groups) held for sale and discontinued operations:

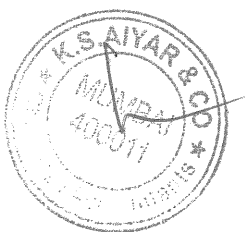
Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.



HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

3 First-time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in preparation of an opening Ind AS balance sheet at April 1, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flow is set out in the following tables and notes.

Exemptions and exceptions availed

A. Ind AS optional exemptions

The Company has elected to apply the following optional exemptions from full retrospective application of Ind AS:

(a) Business combinations

Ind AS 101 provides an exemption for all transactions qualifying as business combinations, not to restate any business combinations under Ind AS103, occurring before the transition date.

The group has elected to apply this exemption.

(b) Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 "Intangible Assets" and investment property covered by Ind AS 40 "Investment Properties".

Accordingly, the group has elected to measure all of its property, plant and equipment and intangible assets and investment property at their previous GAAP carrying value.

(c) Joint Venture

Ind AS 101 provides an exemption for changing from proportionate consolidation to the equity method. As per the exemption, when changing from proportionate consolidation to the equity method, an entity should recognise its investment in the joint venture at transition date to Ind AS. That initial investment should be measured as the aggregate of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any goodwill arising from acquisition. The balance of the investment in joint venture at the date of transition to Ind AS, determined in accordance with the above is regarded as the deemed cost of the investment at initial recognition.

The group has elected to apply this exemption for its joint venture.

B. Exceptions from full retrospective application

The group has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- 1) Investment in equity instruments carried at FVPL or FVOCI;
- 2) Impairment of financial assets based on expected credit loss model.

(b) Non-controlling interests

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition.

(c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Consequently, the group has applied the above assessment based on facts and circumstances exist at the transition date.

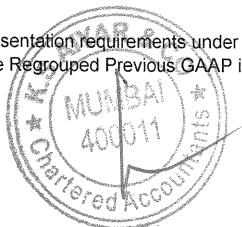
C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of the transition to Ind As. The first reconciliation provides an overview of the impact on equity of the transition at 1 April 2015 and 31 March 2016.

The following reconciliations are providing details of the impact of the transition on:

- I. Equity at 1 April 2015
- II. Equity at 31st March 2016
- III. Net income 31st March 2016

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.



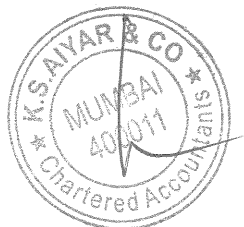
HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

I. Reconciliation of Equity as at April 1, 2015

(Rs in lacs)

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	11	22,439.14	(22,111.66)	327.48
Investment Property	11	-	44.91	44.91
Goodwill		388.41	(388.41)	-
Other Intangible assets	5	170,815.77	(59,256.12)	111,559.65
Intangible assets under development	5	161,458.72	(40,341.18)	121,117.54
Financial Assets				
Investments	1	-	-	-
Loans		-	19,530.87	19,530.87
Other financial assets	2	30,314.93	(29,262.18)	1,052.75
Non current tax assets (Net)		-	1,023.22	1,023.22
Other non-current assets		8,533.63	3,025.18	11,558.80
Current assets				
Financial Assets				
Investments	3	4,146.46	(1,804.95)	2,341.51
Trade receivables		1,991.70	(1,985.57)	6.13
Cash and cash equivalents		2,529.34	(1,375.91)	1,153.43
Loans		3,514.64	(1,180.76)	2,333.88
Other financial assets		-	7,369.07	7,369.07
Other current assets		464.60	(239.37)	225.23
Non-current assets classified as held for sale	12		1,810.00	1,810.00
TOTAL		406,597.36	(125,142.88)	281,454.48
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	6	41,984.91	(41,672.76)	312.16
Instruments entirely Equity in Nature	6	-	41,672.76	41,672.76
Other Equity	2	77,407.27	(62,831.74)	14,575.53
Share application money pending allotment		1,613.30	(1,613.30)	-
Noncontrolling interest		20,377.14	(18,393.19)	1,983.95
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	4	205,366.16	(37,267.20)	168,098.96
Other financial liabilities	1	1,250.15	252.05	1,502.20
Provisions	8	2,651.38	(693.97)	1,957.41
Deferred tax liabilities (Net)		-	-	-
Other non-current liabilities		-	-	-
Current liabilities				
Financial Liabilities				
Borrowings		1,990.00	-	1,990.00
Trade payables		-	454.40	454.40
Other financial liabilities	1	51,631.45	(3,830.76)	47,800.69
Other current liabilities		-	468.16	468.16
Provisions		2,325.59	(1,687.32)	638.27
Current Tax Liabilities (Net)		-	-	-
TOTAL		406,597.36	(125,142.88)	281,454.48

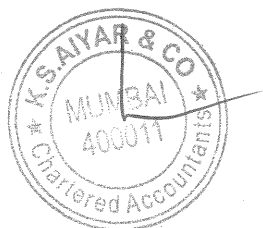


HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

II. Reconciliation of Equity as at March 31, 2016

	Notes to first time adoption	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	11	546.56	(44.91)	501.65
Investment Property	11		44.91	44.91
Other Intangible assets	5	151,457.85	(46,341.83)	105,116.03
Intangible assets under development	5	202,987.61	(51,826.03)	151,161.59
		-	-	-
Financial Assets				
Investments	1	94.24	(94.24)	-
Loans		14,291.67	(11,521.66)	2,770.01
Other financial assets	2	-	2,269.88	2,269.88
Non current tax assets			1,271.75	1,271.75
Other non-current assets		536.16	10,439.63	10,975.79
Current assets				
Inventories			-	-
Financial Assets				
Investments	3	16.04	0.08	16.12
Trade receivables		9.70	1.12	10.82
Cash and cash equivalents		11,012.37	(3,860.06)	7,352.31
Loans		11,977.59	(841.46)	11,136.13
Other financial assets		-	6,750.99	6,750.99
Other current assets		2,663.49	(2,464.19)	199.30
Non-current assets classified as held for sale	12		470.50	470.50
TOTAL		395,593.28	(95,545.50)	300,047.78
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	6	42,366.70	(42,025.33)	341.37
Instruments entirely Equity in Nature	6		42,025.33	42,025.33
Other Equity	2	79,065.15	(73,891.73)	5,173.42
Noncontrolling interest		22,538.43	(21,556.17)	982.26
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	4	182,468.13	(886.80)	181,581.33
Other financial liabilities	1	626.98	2,095.52	2,722.50
Provisions	8	6,801.63	(1,069.25)	5,732.38
Current liabilities				
Financial Liabilities				
Trade payables		-	1,997.77	1,997.77
Other financial liabilities	1	60,801.99	(3,106.54)	57,695.45
Other current liabilities		-	872.20	872.20
Provisions		924.27	(0.51)	923.77
Current Tax Liabilities (Net)		-	-	-
TOTAL		395,593.28	(95,545.50)	300,047.78



HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

III. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016				
	Notes to first time adoption	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
Revenue from Operations		22,867.14	27,628.23	50,495.36
Other Income	1 & 3	2,428.17	(236.10)	2,192.06
Total		25,295.30	27,392.13	52,687.43
Expenses				
Construction cost	5	-	35,451.68	35,451.68
Employee benefits expense		637.48	(0.00)	637.48
Finance costs	2, 4, 5	16,811.14	(5,788.54)	11,022.60
Depreciation and amortization expense	9	5,267.47	1,246.92	6,514.39
Other expenses		13,435.73	(3,049.36)	10,386.37
Total		36,151.82	27,860.71	64,012.53
Profit before exceptional items and tax		(10,856.52)	(468.58)	(11,325.10)
Exceptional Items		2,562.06	(3,164.11)	(602.05)
Profit before tax		(13,418.59)	2,695.53	(10,723.06)
Profit for the year (A)		(13,418.59)	2,695.53	(10,723.06)
Prior period items		(17.08)	17.08	-
Profit / (loss) belong minority shareholder		(810.51)	(191.19)	(1,001.69)
Share of profit / (loss) in associates/Joint Venture	10	11.52	(3,892.32)	(3,880.80)
		804.94	(3,684.05)	(2,879.10)
Other Comprehensive Income		-	-	-
Other Comprehensive Income for the year (B)		-	-	-
Total Comprehensive Income for the year (A+B)		(12,613.64)	(988.52)	(13,602.16)

Notes to first time adoptions

1 Investments & Corporate guarantee issued

(a) Investment in preference shares of subsidiaries are classified as Investment in Equity Under Ind AS 32, defines an equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. An instrument can be generally be classified as equity under Ind AS 32 if and only if :

- 1) The issuer has an unconditional right to avoid delivering cash or another financial instrument, or
- 2) If it is settled through own equity instruments, it is for an exchange of a fixed amount of cash for a fixed number of the entity's own equity instruments.

Issuer has no contractual obligation for dividend payment unless the Board declares and is approved by the Shareholders.

(b) Guarantees in relation to loans are provided by parent Company for no consideration, the fair values need to account as an Investment, accordingly it has accounted as Investment in subsidiary and second effect is reflected under other financial liability.

(c) Subordinated debt is quasi equity as it is part of total project cost which needs to be financed by the company. Further, repayment of subdebt is entirely at the discretion of the company. As Sub debt is to be paid at the discretion of the company and it evidences a residual interest of Sponsors in the assets of the company after deduction all of its liabilities, it satisfies the definition of a puttable equity instrument. Hence, as on transition date, Subordinated debt has been classified into Equity.

2 Corporate guarantee received

Financial guarantee contracts are recognised as contingent liability under IGAAP where as in Ind As, Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued.

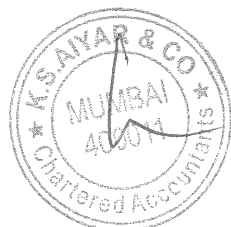
Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions, accordingly it has accounted as Capital Contribution under Other equity and second effect in other financial asset.

3 Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2016.

4 Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. The same is recognized as interest as part of the effective interest rate method over the period of the borrowing. Under Indian GAAP, these were debited to profit and loss account and when incurred.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

5 Application of service concession arrangement as per Appendix A of Ind AS 11

Appendix A of Ind AS 11 'Service Concession Arrangement' is applicable to Companies which provides guidance on accounting by the operators of public-to-private service concession arrangements under which private sector entities participate in the development, financing, operation and maintenance of infrastructure for provision of public services. Company is engaged in to Design, Finance, Build, Operate and Transfer (DFBOT) basis the toll roads including operation and maintenance thereof during the concession period. After the expiry of the concession period Company's are required to handover the infrastructure i.e. the toll roads to the grantor i.e. National Highway Authorities of India (NHA).

As per the salient feature of the concession arrangement, the operator has a two fold activity based on which revenue is recognized in the financial statements which is in line with the requirement of Appendix A of Ind AS 11.

-a construction activity in respect of its obligation to design, build and finance an asset that it makes available the grantor : revenue is recognized on a stage of completion basis in accordance with Ind AS 11 during the construction phase of the toll roads.

- an operating and maintenance activity in respect of the assets under the concession during the operational : revenue is recognized in accordance with Ind AS 18.

In return of its activities, the Company receives consideration from users of toll roads as right to receive toll for usage of toll roads in consideration for the financing and construction of the infrastructure for which an intangible assets is recognized in the financial statements. Also as per the concession arrangement if part of the project cost is covered by an unconditional right to receive payments from the grantor i.e. NHA which has been recognized as an 'Grant receivable from NHA' under the head 'financial asset' and intangible assets has been recognized to the extent of unguaranteed balance, of which the amount is dependent on the extent of use of the infrastructure.

Retrospective application of 'Service Concession arrangement' has led to change in the accounting policy of the Company as on the transition date for classification, recognition and measurement of construction of assets and maintenance obligations under the service concession arrangements.

6 Compulsory Cumulative Convertible Preference Shares

Previously under IGAAP, the Cumulative Convertible Preference Shares were classified as Share Capital. Under Ind AS 32, defines an equity instrument as any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. An instrument can be generally be classified as equity under Ind AS 32 if and only if :

1) The issuer has an unconditional right to avoid delivering cash or another financial instrument, or

2) If it is settled through own equity instruments, it is for an exchange of a fixed amount of cash for a fixed number of the entity's own equity instruments.

Company recognises separately the components of Compulsory Cumulative Convertible Preference Shares under "Instruments entirely Equity in Nature" as it has no contractual obligation for dividend payment unless the Board declares and the same is approved by the Shareholders.

7 Discounting of retention money:

Ind AS 109 requires financial instruments to be measured at fair value at initial recognition in case for financial liability not at fair value through profit or loss, however if the fair value of the financial liability at initial recognition differs from transaction price i.e. fair value of the consideration given or received than the entity shall recognize the instruments at its fair value. In the Present case Company have discounted the retention money payable in order to reflect the fair value of the retention money at initial recognition. After initial measurement subsequently the liabilities would be recognized at amortised cost. Under Indian GAAP retention money was recognized at historical cost and no discounting was required to be done under the GAAP.

8 Provisions

Under the previous GAAP, discounting of provisions was not allowed. Under Ind AS, provisions (Major maintenance repairs) are measured at discounted amounts, if the effect of time value is material. Accordingly, non-current provisions have been discounted to their present values.

9 Amortisation of Intangible Asset

Under the previous GAAP, amortisation was based on revenue method as per Schedule II of the Companies Act, 2013 . Under Ind AS 38 there is an option available for either continuation of Amortisation as per Previous GAAP or amortisation based on straight line basis over its entire life of concession period. The company has adopted amortisation on straight line basis over its life of concession period.

10 Joint Venture

Under 'Ind AS 28 Investments in Associates and Joint Ventures, a joint arrangement 'is an arrangement of which two or more parties have joint control'. Joint control 'is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the company sharing control. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Para 24 of Ind AS 111 provides that 'a joint venturer shall recognise its interest in a joint venture as an investment and shall account for that investment using the equity method in accordance with Ind AS 28, Investments in Associates and Joint Ventures.

The equity method is defined in Ind AS 28 as 'a method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss.

11 Investment property

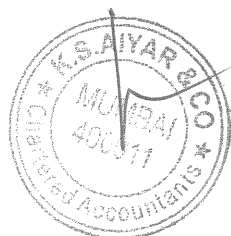
Under the previous GAAP, investment properties were presented as part of fixed assets. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

12 Non Current Assets Held for Sale

Ind AS 105 Non Current Assets Held for Sale and Discontinued Operations requires disposal group to be identified as held for sale if the carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is considered highly probable. and measures the asset at the lower of

-Carrying amount

-Fair value less cost to sell

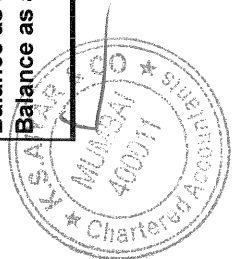


HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

4 Property, Plant and Equipment

Particulars	Freehold Land	Plant & Machinery	Leasehold Improvements	Furniture	Computers	Office equipment	Vehicles	Total
Gross Block								
Balance as at 1st April 2015	61.43	-	182.74	132.36	58.12	73.12	48.45	556.22
Additions	-	8.70	-	0.14	229.76	4.29	0.80	243.69
Disposals	-	-	-	-	(1.24)	-	-	(1.24)
Balance as at 31st March 2016	61.43	8.70	182.74	132.50	289.12	77.41	49.25	801.15
Balance as at 1st April 2016	61.43	8.70	182.74	132.50	289.12	77.41	49.25	801.15
Additions	-	19.47	-	-	(157.80)	11.39	48.98	(77.97)
Disposals	-	-	-	-	-	-	-	-
Balance as at 31st March 2017	61.43	28.17	182.74	132.50	131.31	88.79	98.23	723.17
Accumulated Depreciation								
Balance as at 1st April 2015	-	-	89.68	58.32	36.95	38.80	4.99	228.74
Depreciation for the year	-	0.42	20.30	13.26	19.20	11.44	6.13	70.76
Disposals	-	-	-	-	-	-	-	-
Balance as at 31st March 2016	-	0.42	109.98	71.58	56.15	50.25	11.13	299.50
Balance as at 1st April 2016	-	0.42	109.98	71.58	56.15	50.25	11.13	299.50
Depreciation for the year	-	1.17	72.76	13.23	19.20	8.82	8.16	123.33
Disposals	-	-	-	-	-	-	-	-
Balance as at 31st March 2017	-	1.58	182.74	84.81	75.35	59.07	19.28	422.83
Net Block								
Balance as at 31st March 2015	61.43	-	93.06	74.04	21.17	34.32	43.46	327.48
Balance as at 31st March 2016	61.43	8.28	72.76	60.92	232.97	27.16	38.13	501.65
Balance as at 31st March 2017	61.43	26.58	-	47.69	55.97	29.72	78.95	300.35



5 Investment properties

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Land			
Gross carrying amount			
Deemed cost	44.91	44.91	44.91
Total	44.91	44.91	44.91

i Estimation of fair value

The company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company consider information from a variety of sources including:

The fair values of investment properties have been determined by an accredited Independent Valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. The resulting fair value estimates for investment property are included in level 3.

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- discounted cash flow projections based on reliable estimates of future cash flows.
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

Baharampore Farakka Highways Limited

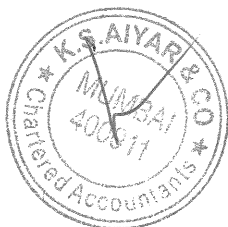
- The Fair Value of the Land as at the Balance Sheet date is Rs. 15 Lakhs
- The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge dated 3rd March,2011 and further modified dated 30th May 2016.

Farakka Raiganj Highways Limited

- The Fair Value of the Land as at the Balance Sheet date is Rs. 23.20 Lakhs
- The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge dated 3rd March,2011 and further modified dated 30th May 2016.

Raiganj Dalkhola Highways Limited

- The Fair Value of the Land as at the Balance Sheet date is Rs. 18.05 Lakhs
- The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge dated 3rd March,2011 and further modified dated 30th May 2016.



6 Intangible assets

Particulars	Amount
Gross Block	
Cost as at 1st April 2015	128,082.74
Additions	-
Disposals	-
Balance as at 31st March 2016	128,082.74
Additions	124,043.58
Disposals	-
Balance as at 31st March 2017	252,126.32
Accumulated Depreciation	
Balance as at 1st April 2015	(16,523.08)
Additions	(6,443.63)
Disposals	-
Balance as at 31st March 2016	(22,966.71)
Additions	(8,441.25)
Disposals	-
Balance as at 31st March 2017	(31,407.96)
Net Block	
Balance as at 1st April 2015	111,559.65
Balance as at 31st March 2016	105,116.03
Balance as at 31st March 2017	220,718.36

Badarpur Faridabad Tollway Ltd

Badarpur Faridabad Tollways Limited (BFTL) has issued notice vide letter dated 31st March 2017 to National Highway Authority of India of its intention to issue termination notice pursuant to the article 34.8 of the Concession Agreement (CA) due to imposition of Environmental compensation charges and other restrictions on commercial vehicles entering into Delhi, in accordance with the Supreme Court orders and vehicular traffic has reduced significantly, causing substantial loss to the revenue of the company.

Due to Force Majeure event occurs, BFTL has issued this notice and has granted 15 days time to the Authority to make a representation, if any, pursuant to Article 34.8 of CA.

Subsequently, the NHAI vide letter dated 12.04.2017 has refuted the contents of Company's notice. The next course of action will be decided by the Company at appropriate time.

7 Intangible Assets under Development

Particulars	Amount
Balance as at 1st April 2015	121,117.54
Addition	30,044.05
Capitalized	-
Balance as at 31 March 2016	151,161.59
Addition	19,620.21
Capitalized	(108,085.84)
Balance as at 31 March 2017	62,695.96

Raiganj Dalkhola Highways Limited (RDHL)

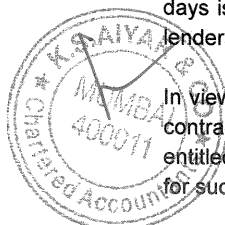
i The intangible assets under development includes borrowing cost of Rs 6,269.68 Lakhs capitalised till date. The company has viewed the delays from land acquisition in the past as temporary in nature while capitalising the interest.

ii **Termination Notice Received from National Highway Authority of India**

On 31st March 2017, NHAI has served notice of termination of contract to the RDHL due to delay in re-start of work at project. The work has stopped on account of non provision of land to carry out desired work, some portion of land thereafter has since been provided by NHAI. As the delay was on account of default from NHAI, company has taken up matter with NHAI for re-consideration as well as issued notice of Arbitration as per terms of the contract to the client. Company is quite hopeful of termination notice being called off.

Further, as per terms of the contract, Article 37.1.3, senior lenders, who have funded the contract have a right of substitution of concessionaire or curing the defect, after receipt of notice from NHAI within period of 180 days. The said curing period of 180 days is yet to expire and therefore it will be premature to consider the contract could be terminated this abruptly without senior lenders have exercised their rights available as per the contract.

In view of the above, RDHL is not required to recognize any provision on account of this notice of termination, which is beyond contractual provision. Without prejudice to the above, in case termination happens at later date, RDHL is confident of being entitled for claims from Arbitration or termination benefits, as per terms of contract exceeding possible loss hence no provision for such loss is otherwise found necessary.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

8 Financial assets - Loans

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
8a Non-current			
Loans to related parties	2,770.01	2,770.01	19,530.87
Total (A)	2,770.01	2,770.01	19,530.87
8b Current			
Loans to related parties	4,996.79	11,078.41	2,276.16
Inter Corporate Deposit	57.72	57.72	57.72
Total (B)	5,054.51	11,136.13	2,333.88
Total loans (A+B)	7,824.52	13,906.14	21,864.75

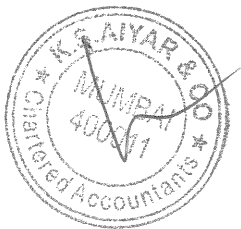
9 Other financial assets

(Unsecured unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
9a Non-current			
Considered good			
Security deposit	32.20	32.18	6.10
Other Receivables	0.11	0.11	0.11
Financial asset against Corporate Guarantee	2,058.43	2,237.59	1,046.54
Total (A)	2,090.74	2,269.88	1,052.75
9b Current			
Considered good			
Other receivable	1,368.56	1,538.95	382.27
Security deposit	3.08	3.08	3.08
Purchase Consideration receivable(On account of stake sale)	406.78	1,242.48	-
Fixed Deposit (more than 3 Months)	10,192.42	3,660.06	229.79
Interest receivable ICD	259.94	299.06	6,751.35
Interest receivable FD	2.73	7.36	2.58
Total (B)	12,233.52	6,750.99	7,369.07
Total (A+B)	14,324.26	9,020.88	8,421.82

10 Tax assets

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current Tax assets (net)			
Prepaid taxes net of provisions	1,205.87	1,271.75	1,023.22
Total	1,205.87	1,271.75	1,023.22



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

11 Other assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
11a Other non - current assets			
Balance with Government Authorities	118.59	91.46	78.93
Capital advances (Mobilisation of Advance)	23,287.34	10,884.33	11,479.88
Total (A)	23,405.94	10,975.79	11,558.80
11b Other current assets			
Other Receivables	13.05	13.05	13.05
Prepaid expenses	103.42	56.03	22.18
Supplier advance	42.35	5.01	6.02
Other Advances	0.05	0.09	0.05
Balance with Government Authorities	19.15	49.39	107.96
Security Deposit	75.74	75.74	75.96
Total (B)	253.76	199.30	225.23
Total (A+B)	23,659.70	11,175.09	11,784.03

12 Current Investments

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Investments			
Investments in Mutual Funds			
Fair value through profit or loss			
Unquoted			
Investments in Mutual fund	585.70	16.12	2,341.51
Total	585.70	16.12	2,341.51

Aggregate amount of quoted investments and Market value thereof			
Aggregate amount of unquoted investments	585.70	16.12	2,341.51
Aggregate amount of impairment in value of investments			

13 Trade receivables

(Unsecured unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Considered good			
Other parties	1,846.22	10.82	6.13
Total	1,846.22	10.82	6.13

14 Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	307.39	93.42	98.21
Balances with Banks			
In current accounts	1,788.11	4,593.89	1,055.21
Term deposits with original maturity of less than three months	-	2,665.00	-
Total	2,095.51	7,352.31	1,153.43

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.



HCC Concessions Limited**Notes to the consolidated financial statements for the year ended March 31, 2017**

(All amounts are in Rs. lakhs, unless stated otherwise)

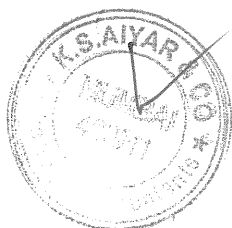
The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 as provided in the table below :

Particulars	SBN	Other denominated Notes	Total
Closing Cash in Hand as on 8th November 2016	85.73	59.18	144.91
Add : Permitted Receipts	399.29	1,473.71	1,873.00
Add : Bank withdrawal receipts	-	0.20	0.20
Less : Permitted Payments	-	0.07	0.07
Less : Amount Deposited in Banks	485.02	1,413.08	1,898.10
Closing Cash in Hand as on 30th December 2016	-	119.93	119.93

15 Non Current Asset Held for Sale

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Asset Held for Sale			
In Associate Company	470.50	470.50	-
81,90,000(31 March 2016: 81,90,000) Equity shares of Rs.10 each fully paid-up in Nirmal BOT Limited #			
In subsidiary Company	-	-	1,810.00
Nil (31 March 2016 : Nil) (31 March 2015: 31,500,000) Equity shares of Rs. 10 each fully paid-up in Nirmal BOT Limited #			
Total	470.50	470.50	1,810.00

2,33,10,000 Equity shares(74% of total shareholding) held in Nirmal BOT Limited has been sold to Highway Concessions one Private Limited through share purchase agreement between HCC Concessions Limited and Highway Concessions One Private Limited dated 23rd December,2015.



HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017
(All amounts are in Rs., unless stated otherwise)

16 Other Additional Notes
i Financial Instruments

A Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2017 were as follows:

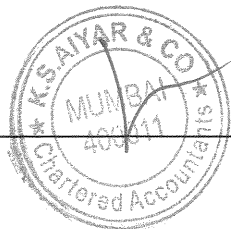
Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Total carrying value	Total fair value
		Designated upon initial recognition	Recurring		
Assets:					
Investment in Mutual Funds	-	-	585.70	585.70	585.70
Trade receivables	1,846.22	-	-	1,846.22	-
Cash and cash equivalents	2,095.51	-	-	2,095.51	-
Loans - Inter Corporate Deposit	-	-	57.72	57.72	57.72
Other Loans & Advances	7,766.80	-	-	7,766.80	-
Corporate Guarantee	2,058.43	-	-	2,058.43	2,058.43
Others financial assets	12,265.83	-	-	12,265.83	-
Liabilities:					
Bank Borrowings	207,273.57	-	-	207,273.57	207,273.57
Short Term Inter Corporate Deposits	-	-	259.00	259.00	259.00
Trade payables	1,159.20	-	-	1,159.20	-
Other financial liabilities	76,748.91	-	-	76,748.91	-

The carrying value and fair value of financial instruments by categories as at 31 March 2016 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Total carrying value	Total fair value
		Designated upon initial recognition	Recurring		
Assets:					
Investment in Mutual Funds	-	-	16.12	16.12	16.12
Trade receivables	10.82	-	-	10.82	-
Cash and cash equivalents	7,352.31	-	-	7,352.31	-
Loans - Inter Corporate Deposit	-	-	57.72	57.72	57.72
Other Loans & Advances	13,848.42	-	-	13,848.42	-
Corporate Guarantee	2,237.59	-	-	2,237.59	2,237.59
Others financial assets	6,783.29	-	-	6,783.29	-
Liabilities:					
Bank Borrowings	181,581.33	-	-	181,581.33	181,581.33
Short Term Inter Corporate Deposits	-	-	-	-	-
Trade payables	1,997.77	-	-	1,997.77	-
Other financial liabilities	60,417.95	-	-	60,417.95	-

The carrying value and fair value of financial instruments by categories as at 1 April 2015 were as follows

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Total carrying value	Total fair value
		Designated upon initial recognition	Recurring		
Assets:					
Investment in Mutual Funds	-	-	2,341.51	2,341.51	2,341.51
Trade receivables	6.13	-	-	6.13	-
Cash and cash equivalents	1,153.43	-	-	1,153.43	-
Loans - Inter Corporate Deposit	-	-	57.72	57.72	57.72
Other Loans & Advances	21,807.03	-	-	21,807.03	-
Corporate Guarantee	1,046.54	-	-	1,046.54	1,046.54
Others financial assets	8,421.82	-	-	8,421.82	-
Liabilities:					
Bank Borrowings	168,098.96	-	-	168,098.96	168,098.96
Short Term Inter Corporate Deposits	-	-	1,990.00	1,990.00	1,990.00
Trade payables	454.40	-	-	454.40	-
Other financial liabilities	49,302.89	-	-	49,302.89	-



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs., unless stated otherwise)

B Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of :

Particulars	Rs. in Lakhs					
	31 March 2017		31 March 2016		1 April 2015	
	Level 1	Level 3	Level 1	Level 3	Level 1	Level 3
Assets						
Investment in Mutual Funds	585.70		16.12		2,341.51	
Other Assets		2,116.15		2,295.31		1,104.26
Liabilities						
	-	207,532.57	-	181,581.33	-	170,088.96

ii Financial risk management

The companies activities exposes it to market risk, liquidity risk and credit risk.

This note explains the source of risk which the entity is exposed to and how the entity is manage the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits
Market risk — interest rate	Long term borrowings at Variable rate	Interest on Borrowings Calculation	Actively managed
Liquidity risk	Trade Payables and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Company's risk management is carried out by a project finance team and treasury team group under policies approved by board of directors. Company treasury identifies, evaluates and hedges financial risk in close co-operation with the group's operating units. The Management of the Company provides written principles for overall risk management, as well as policies covering specific areas, such as , interest rate risk, and credit risk, use of derivative financial instrument and non-derivative financial instrument, and investments of excess liquidity.

(a) Credit Risk

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost.

(b) Market Risk

Interest rate risk

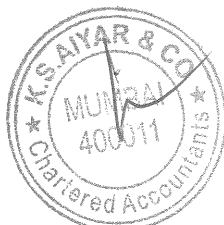
The exposure of the Company's borrowing is linked to Yes Bank base rate plus fixed spread ,base rate are subject to change in market condition to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Fixed rate borrowings			
Farakka Raiganj Highways Ltd	94,932.79	76,402.67	62,560.15
Baharampore Farakka Highways Ltd	64,770.96	54,797.12	51,539.65
Raiganj Dhalkhola Hiways LTd	8,916.55	8,893.81	8,488.15
Badarpur Faridabad Tollway ltd	47,263.69	46,956.53	46,086.77
Total borrowings	215,883.99	187,050.13	168,674.71

(ii) Sensitivity analysis

Profit or loss is sensitive to higher/lower interest income from borrowings as a result of changes in interest rates.

Impact on Profit after Tax	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Interest rates - increase by 0.50 basis points	(1,007.34)	(889.31)	(843.37)
Interest rates - decrease by 0.50 basis points	1,007.34	889.31	843.37



HCC Concessions Limited**Notes to the consolidated financial statements for the year ended March 31, 2017**

(All amounts are in Rs., unless stated otherwise)

(b) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

As At March-2017

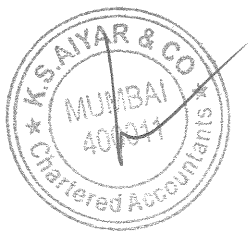
	Upto One Year	1 to 5 Years	Over 5 Years	Total
Non-derivatives				
Borrowings	2,938.42	25,161.11	181,853.45	209,952.98
Other Financials liabilities	73,148.92	1,541.56	2,058.43	76,748.91
Trade and other payables	1,159.20	-	-	1,159.20
Other Current liabilities	493.21	-	-	493.21
Total non-derivatives	77,739.76	26,702.67	183,911.88	288,354.31

As At March-2016

	Upto One Year	1 to 5 Years	Over 5 Years	Total
Non-derivatives				
Borrowings	1,158.80	19,143	162,438	182,740
Other Financials liabilities	57,695.45	484.91	2,237.59	60,417.95
Trade and other payables	1,997.77	-	-	1,997.77
Other Current liabilities	872.20	-	-	872.20
Total non-derivatives	61,724.22	19,628.01	164,675.82	246,028.05

As At April-2015

	Upto One Year	1 to 5 Years	Over 5 Years	Total
Non-derivatives				
Borrowings	5,650.75	21,981.38	148,107.57	175,739.70
Other Financials liabilities	47,800.69	455.66	1,046.54	49,302.89
Trade and other payables	454.40	-	-	454.40
Other Current liabilities	468.16	-	-	468.16
Total non-derivatives	54,373.99	22,437.05	149,154.11	225,965.14



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

17 Equity share capital

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorised			
200,000,000 (March 31, 2016: 200,000,000) equity shares of Rs.10/- each	2,000.00	2,000.00	2,000.00
Issued, subscribed and fully paid up			
34,13,702 (March 31, 2016: 34,13,702) equity shares of Rs.10/- each	341.37	341.37	312.16
	341.37	341.37	312.16

a) Reconciliation of number of shares

Particulars	No of Shares (In lakhs)	Amount
Equity Shares :		
Balance as at the 1 April 2015	31.22	312.16
Add: Issued during the year	2.92	29.21
Balance as at the 31 March 2016	34.14	341.37
Add: Issued during the year	-	-
Balance as at the 31 March 2017	34.14	341.37

b) Rights, preferences and restrictions attached to shares

Equity shares: The company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of equity shares held by holding / ultimate holding company

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No of shares	% of Shareholding	No of shares	% of Shareholding	No of shares	% of Shareholding
Equity shares of Rs 10/- each fully paid HCC Infrastructure Company Limited, Holding Company	2,917,151	85.45%	2,917,151	85.45%	2,667,515	85.45%
Xander Investment Holding XXVI Limited	496,551	14.55%	496,551	14.55%	454,059	14.55%
Total	3,413,702	100.00%	3,413,702	100.00%	3,121,574	100.00%

d) Details of Compulsorily Convertible Cumulative Preference Shares held by holding / ultimate holding company

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No of shares	% of Shareholding	No of shares	% of Shareholding	No of shares	% of Shareholding
0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of Rs.10 each fully paid						
HCC Infrastructure Company Limited, Holding Company	285,985,361	68.05%	285,985,361	68.05%	285,985,361	68.05%
Xander Investment Holding XXVI Limited	134,267,956	31.95%	134,267,956	31.95%	134,267,956	31.95%

e) Terms of conversion/ redemption of CCCPS

During the year ended 31st March, 2017, the company issued Rs. (31st March 2016: Rs. Nil) number of 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of Rs. 10 each fully paid-up and they carry cumulative dividend @ 0.001% p.a.

The 0.001% CCCPS are compulsorily convertible as per following terms and conditions :-

- Each 200, 0.001% CCCPS shall be converted into 1 equity share, subject to adjustments set forth in the Shareholders Agreement dated August 9th 2011.
- 0.001% CCCPS shall be convertible at any time after the Closing Date, at the sole option of the Investor at the Conversion Ratio.
- 0.001% CCCPS shall be compulsorily convertible at the earlier of
 - Qualified IPO or
 - 10 years from date of their issuance or
 - as set forth in the Shareholders Agreement dated August 9, 2011

In the event of liquidation of the company before conversion/ redemption of 0.001% CCCPS, the holders of 0.001% CCCPS will have priority over equity shares in the payment of dividend and repayment of capital.



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

18 Instruments entirely Equity in Nature

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Compulsory Convertible Preference Shares (Refer Note Below)	42,025.33	42,025.33	41,672.76
Total Other Equity	42,025.33	42,025.33	41,672.76

Compulsory Convertible Preference Shares

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	42,025.33	41,672.76	41,672.76
Capital Contribution	-	352.57	-
Closing Balance	42,025.33	42,025.33	41,672.76

19 Other equity

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Share Application Money Pending Allotment	-	-	1,613.30
Reserves & surplus	(5,106.43)	5,173.42	12,962.23
Total Other Equity	(5,106.43)	5,173.42	14,575.53

a Share Application Money Pending Allotment

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	-	1,613.30	1,613.30
Capital Contribution	-	(1,613.30)	-
Closing Balance	-	-	1,613.30

b Reserves and surplus

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Securities premium	66,937.67	66,937.67	61,124.32
Retained Earnings	(72,044.10)	(61,764.25)	(48,162.09)
Total reserves and surplus	(5,106.43)	5,173.42	12,962.23

(i) Securities Premium

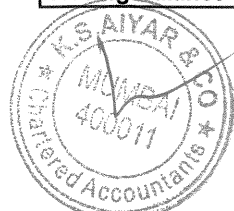
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	66,937.67	61,124.32	61,124.32
Add: allotment during the year	-	5,813.35	-
Closing Balance	66,937.67	66,937.67	61,124.32

(ii) Surplus in the Consolidated Statement of Profit and Loss

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	(61,764.25)	(48,162.09)	(48,162.09)
Add: Profit for the year	(10,279.85)	(13,602.16)	-
Closing Balance	(72,044.10)	(61,764.25)	(48,162.09)

c Non controlling interest

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	982.26	1,983.95	1,983.95
Add/ (less): Share for the year	(871.98)	(1,001.69)	-
Closing Balance	110.28	982.26	1,983.95



HCC Concessions Limited**Notes to the consolidated financial statements for the year ended March 31, 2017**

(All amounts are in Rs. lakhs, unless stated otherwise)

20 Borrowings
20a Non Current Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured			
Term loans			
From banks	181,734.38	158,228.76	148,358.85
From others	28,218.60	24,511.37	23,400.85
Secured - total	209,952.99	182,740.13	171,759.70
Total non current borrowings	209,952.99	182,740.13	171,759.70
Less: Current maturity of long term debt (note 21b)	(2,679.42)	(1,158.80)	(3,660.75)
Non current borrowings (as per Balance sheet)	207,273.57	181,581.33	168,098.96

Baharampore Farakka Highways Limited**A Rupee term Loan I**

- i The above Term Loans from Banks are Secured by way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 51% shareholding of the promoters.
The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge dated 3rd March,2011.
- ii Rupee Term Loan I carry Interest rate of 10.75% p.a
- iii Terms of Repayment : Repayable in 52 unequal consecutive quarterly instalments commencing from March 31,2016 to 31st December 2028 ranging from Rs 1,40,29,250/- to Rs 35,07,31,250/- on the repayment dates and in the percentages as mentioned in the amortization schedule as set forth in Schedule V of the Common Loan Agreement executed on 28th September,2010 and amended time to time.

B Rupee Term Loan II

- i Above term Loans are Secured by way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 51% shareholding of the promoters.
The land is under lien by way of mortgage to SBICap Trustee Company Limited by way of charge modified dated 30th May 2016.
- ii Rupee Term Loan II carry Interest rate of 11% p.a
- iii Terms of Repayment : Repayable in 52 unequal consecutive quarterly instalments commencing from June 30,2018 to 31st March 2031 ranging from Rs. 22,98,375/- to Rs. 12,18,13,875/- on the repayment dates and in the percentages as mentioned in the amortization schedule as set forth in Schedule V of the Supplemental Loan Agreement executed on 21st January 2016 and amended time to time.

Farakka Raiganj Highways Limited**A Rupee term Loan I**

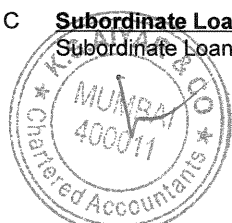
- i Above term Loans are Secured by way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 51% shareholding of the promoters.
The land is under lien by way of mortgage to SBICap Trustee Company Limited by way of charge dated 3rd March,2011.
- ii The rate of Interest is 10.75% w.e.f 2nd August 2013
- iii Terms of Repayment : Repayable in 52 unequal consecutive quarterly installments commencing from June 30,2017 to 31st March 2030 ranging from Rs. 89,59,875/- to Rs. 44,79,93,750/- on the repayment dates and in the percentages as mentioned in the amortization schedule as set forth in Schedule V of the Common Loan Agreement executed on 28th September,2010 and amended time to time.

B Rupee term Loan II

- i Above term Loans are Secured by way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 51% shareholding of the promoters.
The land is under lien by way of mortgage to SBICap Trustee Company Limited by way of charge modified dated 30th May 2016.
- ii Rupee Term Loan II carry rate of Interest of 11% p.a
- iii Terms of Repayment : Repayable in 52 unequal consecutive quarterly installments commencing from June 30,2018 to 31st March 2031 ranging from Rs. 31,60,875/- to Rs. 16,75,26,375/- on the repayment dates and in the percentages as mentioned in the amortization schedule as set forth in Schedule V of the Supplemental Loan Agreement executed on 21st January 2016 and amended time to time.

C Subordinate Loan

Subordinate Loans carry rate of Interest of 10.75% p.a. and repayable after Senior Debt



HCC Concessions Limited**Notes to the consolidated financial statements for the year ended March 31, 2017**

(All amounts are in Rs. lakhs, unless stated otherwise)

Raiganj Dalkhola Highways Limited

- i) Term Loans from Banks and IIFCL are secured by way of pari-passu first charge on all assets, both present and future, excluding the project assets as defined in the concession agreement dated 28th June,2010 and pledge of 28.22% equity shares of the company held by promoter companies.
- ii) Current rate of Interest is 10.75% p.a.
- iii) Terms of repayment : Term loans are repayable in 52 consecutive quarterly installments ranging from Rs. 10,57,875/- to Rs.7,40,51,250/- commencing from June 30,2018 on the repayment dates and at the repayment percentages as mentioned in the amortization schedule as set forth in schedule V of the common loan agreement dated 28th September,2010 and updated by letter dated 14.02.2014 and as amended from time to time and last updated by letter dated 30th June 2015.

Default in interest payment :-**Interest for the following Banks are overdue as on 31st March 2017**

Name of the Bank	Rs	
Oriental Bank of Commerce	16.70	
Indian Bank	16.75	
Vijaya Bank	10.11	
IIFCL	24.88	
Yes Bank	31.35	
Dena Bank	4.66	104.45

Badarpur Faridabad Tollway Limited

*The Company entered into the amendment to the amended and restated loan agreement dated February 22, 2013 ("Restructuring Agreement") to restructure the outstanding loan. The cut-off date for implementation of the restructuring package was July 1, 2012 and the rate of interest on the outstanding term loan was agreed at 11% p.a up to 30th June 2013 and the same is existing.

The Company is also allowed a moratorium period with principal repayment starting from 30th June 2013 and ending on 31st March -2026 varying between Rs.1,25,00,000 to Rs.19,95,00,000.

As per the terms of restructuring agreement, 47.40% of the amount of interest on the term loan for financial year 2013-14 ,41.6% for the financial year 2014-15 will be transferred to Funded Interest Term Loan (FITL), 29.5 % for the financial year 2015-16 will be transferred to Funded Interest Term Loan (FITL).and 11.8 % for the financial year 2016-17 will be transferred to Funded Interest Term Loan (FITL).The rate of interest is 10.45% p.a.(For Axis Bank rate is 10.25% with effect from 30th September,2015) .with effect from 7th October, 2015.

Loans are taken under Common Loan Agreement (CLA) and are secured By way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 4,30,00,000 shares of the promoters equity shareholding.

Particulars	Amount in Lakhs
Sub debt as on 01.04.2016	11,759.15
Addition:Sub debt infused during the period	1,775.03
Total	13,534.18

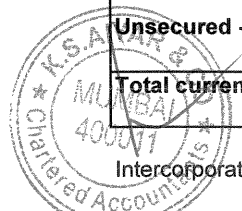
Default in Interest and Principal payment as on 31.03.2017

Name of the Bank	Interest	Principal
Canara Bank	782.58	64.50
Bank of Baroda	571.28	43.50
Oriental Bank of Commerce	853.48	63.75
Axis Bank	576.47	48.75
State Bank Of Bikaner&Jaipur	94.53	28.50
IIFCL	606.92	51.00
Total	3,485.26	300.00

20b Current Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured			
From Related Parties			
Inter Corporate deposit	259.00	-	1,990.00
Unsecured - total	259.00	-	1,990.00
Total current borrowings	259.00	-	1,990.00

Inter Corporate Deposit carry a coupon rate of 11% for a period of 365 days



HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

21 Other financial liabilities

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
21a Non Current			
Corporate Guarantee given to Subsidiaries	2,058.43	2,237.59	1,046.54
Retention (payable to HCC)	1,541.56	484.91	455.66
Total (A)	3,599.99	2,722.50	1,502.20
21b Current			
Current maturities of long-term debt	2,679.42	1,158.80	3,660.75
Interest accrued and due on borrowings (ICD)	4,188.74	2,751.50	1,545.73
Interest Accrued and due(Term loan)	84.32	-	-
Interest accrued but not due on borrowings (Term loan)	12.00	102.32	1,045.32
Advances from NHAI (refer footnote)	627.55	717.58	-
Deposit	34.59	33.92	7.65
Payable for capital expenditure	64,037.81	51,502.34	33,702.51
Payables to related party	1,089.22	1,147.90	3,924.03
Due to employees	1.01	28.83	4.52
Other payables	394.26	252.26	3,910.18
Total (B)	73,148.92	57,695.45	47,800.69
Total (A+B)	76,748.91	60,417.95	49,302.89

Foot Note

- i Payables for Capital Expenditure includes Rs. 3,482 Lakh on account of EOT Claims liability for the period January 2017 to March 2017 on the basis of best estimates.
- ii Advance from NHAI is against change of scope

22 Provisions

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
22a Non Current			
Provision for Gratuity	35.74	25.63	31.64
Provision for Leave encashment	34.62	25.48	32.66
Provision for major maintenance (Refer Footnote)	11,158.77	5,681.28	1,893.11
Total (A)	11,229.13	5,732.38	1,957.41
22b Current			
Provision for employee benefits	0.33	0.44	0.44
Gratuity	4.76	4.22	3.45
Provision for Leave encashment	3.72	3.94	3.76
Provision for sick leave	0.40	0.48	0.49
Provisions for Tax	1.23	-	-
Provisions for Expenses	1,227.84	914.69	630.13
Total (B)	1,238.28	923.77	638.27
Total (A+B)	12,467.41	6,656.15	2,595.68

Footnote

Particulars	Amount
Movements in provisions	
As at 1 April 2016	5,681.28
Charged/ (credited) to profit and loss	
Additional Provision	5,102.15
Unused Amount reversed	-
Unwinding of Discount	375.35
Utilised during the year	
As at March 2017	11,158.78

23 Trade payables

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Trade payables	1,159.20	1,997.77	454.40
Total	1,159.20	1,997.77	454.40

24 Other current liabilities

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Statutory Dues	356.40	719.71	345.51
MCD tax payable	136.81	104.33	122.65
Advance from Customers	-	48.16	-
Total	493.21	872.20	468.16



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs., unless stated otherwise)

25 Revenue from Operations

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Construction Revenue	37,896.39	35,451.68
SPV management fees	-	98.00
Toll Income	23,171.25	14,945.68
Compensation for toll suspension	1,626.00	
Total	62,693.64	50,495.36

Compensation receivable from NHA of Rs. 1626 Lakhs is on account of Suspension of Toll from 9th November 2016 to 2nd December 2016 due to demonetisation.

26 Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income	155.38	1,788.47
Fair value gain/(loss)		
Gain on Fair valuation of current investments	8.53	-
Net gain/loss on sale of investments	69.76	9.48
Profit on sale of assets (Net)	-	0.63
Dividend	72.52	210.89
Miscellaneous Income	53.99	182.59
Total	360.18	2,192.06

27 Construction cost

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Construction cost	37,896.39	35,451.68
Total	37,896.39	35,451.68

28 Employee benefits expense

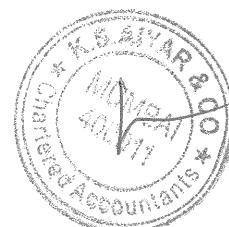
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and wages	725.34	577.64
Contribution to provident funds and other funds	26.16	28.89
Workmen and Staff welfare expenses	16.59	30.95
Total	768.09	637.48

29 Finance costs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expense on Term Loans	12,724.98	10,321.15
Interest expense on Inter Corporate Deposit	43.86	411.98
Other borrowing costs	8.29	20.11
Unwinding of retention payable	97.69	64.07
Unwinding of Major Maintenance Repairs	451.35	205.30
Total	13,326.15	11,022.60

30 Depreciation and amortization expense

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on Property, Plant and Equipment	129.55	70.76
Amortization on Intangible assets	8,435.36	6,443.63
Total	8,564.91	6,514.39



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs., unless stated otherwise)

31 Other expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit expenses	7.55	7.55
Common service expenses	392.29	404.77
Travelling	139.05	127.19
Director Sitting Fees	17.06	19.47
Postage, Telephone and Fax	15.56	12.48
Electricity expenses	299.76	261.44
Rent	126.95	152.53
Rates & Taxes	19.30	5.13
Legal, Professional and Consultancy Charges	824.17	728.22
Security expenses	9.25	8.26
SPV fees	130.65	33.34
Miscellaneous Expenses	570.62	509.79
Insurance Charges	169.95	120.90
Operations, Repairs and Maintenance	10,530.43	7,854.32
Housekeeping and Maintenance	46.01	63.52
Service tax written off	-	77.46
Total	13,298.58	10,386.37

Details of payment to auditors

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Statutory Audit fees	7.05	7.05
Tax audit fees	0.50	0.50
Others	1.00	0.70
Total	8.55	8.25

32 Exceptional Items

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest receivable written off	40.59	7,302.88
Retained amount written off	835.70	-
Profit on sale of joint venture	-	(7,904.92)
Reversal of Liabilities	(526.00)	-
Exceptional items	350.29	(602.05)

33 Earning per share

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Basic & Diluted EPS (*)		
Profit/ (loss) after tax	(10,279.85)	(13,602.16)
Less : Dividends on convertible preference shares & tax thereon	(0.32)	(0.32)
Net profit/ (loss) for calculation of EPS	(10,280.16)	(13,602.47)
Number of equity shares for calculating basic EPS	34.14	34.14
Basic & Diluted EPS	(301.14)	(398.47)



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs., unless stated otherwise)

34 Contingent Liabilities

Baharampore Farakka Highways Limited

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Contingent liability		
Sales Tax Penalty raised by Joint Commissioner of Sales Tax - West Bengal against which Company has preferred appeal.	1,738.27	1,738.27
Sales Tax (VAT) demand raised by Joint Commissioner of Sales Tax - West Bengal against which Company has filed writ petition	1,130.29	1,130.29
Sales Tax Demand raised by Joint Commissioner of Commercial Taxes - West Bengal, against which the Company has preferred appeal	1.58	-
Claims against the Company not acknowledged as debt :-		
Company (Concessionaire) has received claims from EPC Contractor i.e. Hindustan Construction Company. The same shall be paid upon receipt from the authority and subject to Board approval	37,203.81	20,149.64
Claims received from NHAI on account of maintenance obligation of existing road of Berhampore Town Portion	549.68	549.68
Claims received from NHAI on account of maintenance obligation	55.66	-
Company (Concessionaire) has received notice from National Highways Authority of India (NHAI) under Change in law, to refund revenue against the collection of Toll on overloaded vehicles to the tune of Rs 142.05 Cr (FY 2014-15 to FY 2016-17- Upto December 2016). The company has responded to the notice of NHAI that the notice is not valid as per terms of the Concession Agreement (CA) and has referred this matter to Arbitration for its resolution pursuant to terms of Clause 41.2 and 44.3 of the CA and also nominated its Arbitrator on the Arbitral tribunal.		
Company (Concessionaire) has received letter from National Highways Authority of India (NHAI) in relation to Negative Change of Scope for Stage Construction of Rs. 149.55 Cr. The company has referred this matter to Arbitration as per provisions of the Concession Agreement – the Arbitration has already commenced. If any claims arises, the same shall be recoverable from the EPC Contractor i.e. Hindustan Construction Company Ltd.		
Capital Commitment		
Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advance)	9,272.32	3,852.46

Farakka Raiganj Highways Limited

Particulars	As at March 31, 2017	As at March 31, 2016
Claims against the Company not acknowledged as debt :-		
Company (Concessionaire) has received claims from EPC Contractor i.e. Hindustan Construction Company. The same shall be paid upon receipt from the authority and subject to Board approval	39,032.40	18,643.36
Claims received from NHAI on account of maintenance obligation of existing road of Malda Town Portion	377.5	377.5
Company (Concessionaire) has received letter from National Highways Authority of India (NHAI) in relation to Negative Change of Scope for Stage Construction of Rs. 206 Lakhs. The company has referred this matter to Arbitration as per provisions of the Concession Agreement – the Arbitration has already commenced. If any claims arises, the same shall be recoverable from the EPC Contractor i.e. Hindustan Construction Company Ltd.		
Capital Commitment		
Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advance)	13,058.12	7,942.71

Raiganj Dalkhola Highways Limited

The company has received Supplementary bills for claim / Project Cost compensation for EPC Claim of Rs. 54,893.08 Lakhs (Previous Year Rs.34,196.09 Lakhs) from Hindustan Construction Company Limited, ultimate holding company and the EPC contractor for the project. As per the policy adopted by the company these claims will be recognised for only after approval and receipt of the same from National Highways Authority of India and will have no impact on the financials of the company.

The capital commitment of the Company is Rs.77,489.52 Lakhs (P.Y. Rs. 77,941.54 Lakhs)

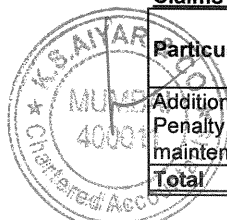
Narmada Bridge Tollway Limited

There are no reportable contingent liabilities as on balance sheet date.

Badarpur Faridabad Tollway Limited

Claims /penalty against the company not acknowledged as debt :

Particulars	As at March 31, 2017	As at March 31, 2016
Additional concessions fees demanded by NHAI but Penalty imposed by NHAI for non execution of periodic maintenance carriageway	1,036.78	564.07
Total	2,193.50	564.07



35 Gratuity and other post-employment benefit plans

a) Defined contribution plan

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Contribution to provident fund and other funds	30.15	33.06	-
Total	30.15	33.06	-

a) Defined benefit plan

The Company has a defined benefit plan (Gratuity) for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of INR 1,000,000/-. The said gratuity plan is funded.

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Gratuity	36.27	26.41	31.64
Total	36.27	26.41	31.64

The following tables summaries the amounts recognised in the balance sheet and the movements in the net defined benefit obligation over

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Opening defined benefit liability / (assets)	30.37	35.64	23.69
Net employee benefit expense recognised in the employee cost			
Current service cost	5.46	6.90	5.53
Past service cost		(0.18)	(1.45)
Interest cost on benefit obligation	2.44	2.85	2.21
(Gain) / losses on settlement	4.13	(14.83)	5.66
Net benefit expense	12.03	(5.26)	11.95
Benefits payments from plan	(1.23)	-	-
Closing net defined benefit liability / (asset)	41.18	30.37	35.64

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
The net (liability)/asset disclosed above relates to funded plan is as follows:			
Present value of unfunded obligations	41.18	30.37	35.64
Fair value of plan assets	-	-	-
Amount not recognised as an asset (asset ceiling)	41.18	30.37	35.64
Net liability is bifurcated as follows :			
Current	0.77	0.09	31.71
Non-current	40.41	30.29	3.93
Total	41.17	30.37	35.64
Discount rate	7.29%	8.04%	8.04%
Expected rate of return on plan assets (p.a.)	N.A.	N.A.	N.A.
Salary escalation rate (p.a.)	8.00%	8.00%	8.00%
Mortality pre-retirement	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
A quantitative analysis for significant assumption is as shown below:			
Assumptions -Discount rate			
Sensitivity Level			
Impact on defined benefit obligation +1 in % increase	(4.87)	(4.87)	(4.87)
Impact on defined benefit obligation -1 in % decrease	5.76	5.76	5.76
Assumptions -Future salary increases			
Sensitivity Level			
Impact on defined benefit obligation +1 in % increase	5.66	5.66	5.66
Impact on defined benefit obligation -1 in % decrease	(4.89)	(4.89)	(4.89)

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Within the next 12 months (next annual reporting period)			
Between 2 and 5 years	3.90	3.90	3.90
Between 6 and 9 years	11.59	11.59	11.59
For and Beyond 10 years			
Total expected payments	15.49	15.49	15.49
The average duration of the defined benefit plan obligation at the end of the reporting period	27.00	27.00	27.00

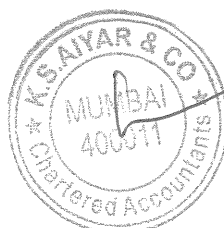


36 Related Party Disclosure

Transactions with Related Parties:	
Nature of Relationship and Name of Related Party	
Ultimate Holding Company	Hindustan Construction Company Limited
Entity Holding Joint Control	HCC Infrastructure Company Ltd.
Subsidiaries	Baharampore-Farakka Highways Ltd. Farakka-Raiganj Highways Ltd. Badarpur Faridabad Tollways Ltd. Raiganj-Dalkhola Highways Ltd. Narmada Bridge Tollway Ltd
Fellow Subsidiaries	Dhule Palesner Operations & Maintenance Ltd. HCC Power Limited HCC Operations and Maintenance Ltd. Pune Paud Toll Road Co. Ltd. Vikhroli Corporate Park Limited(Till 10.07.2015) HCC Energy Limited
Jointly Controlled Entity	Dhule Palesner Tollway Limited(Upto 28.10.2015)

Related Party Transactions

Particulars	2016-17	2015-16	2014-15
Statement of Profit/Loss for Year	25,552.73	25,752.09	26,914.30
Financial Income			
Hindustan Construction Company Limited	6.35	6.37	16.04
	6.35	6.37	16.04
Claim Expenses			
HCC Operations & Maintenance Limited	-	750.00	-
	-	750.00	-
Claims			
Hindustan Construction Company Limited	8,364.00	13,816.00	16,694.00
	8,364.00	13,816.00	16,694.00
EPC Cost including Material Supply			
Hindustan Construction Company Limited	11,800.46	8,354.43	7,968.91
	11,800.46	8,354.43	7,968.91
Exceptional Item - Reversal of Liability			
HCC Operations & Maintenance Limited	526.00	-	-
	526.00	-	-
Expenses for other services			
Hindustan Construction Company Limited	5.91	6.78	5.78
HCC Operations & Maintenance Limited	0.25	-	-
HCC Infrastructure Company Limited	-	0.01	20.01
	6.16	6.78	25.79
Expenses for technical services			
HCC Operations & Maintenance Limited	-	62.91	106.52
Finance Cost			
Hindustan Construction Company Limited	34.49	463.39	-
HCC Infrastructure Company Ltd	9.37	180.24	191.16
	43.86	643.63	191.16
I.T. Services			
Highbar Technologies Limited	23.18	0.90	0.94
Highbar Technocrat Limited	0.36	-	-
	23.54	0.90	0.94
Operations & Maintenance			
HCC Operations & Maintenance Limited	3,020.00	1,637.27	1,879.02
	3,020.00	1,637.27	1,879.02
Other Charges & Reimbursement of Expenses			
Hindustan Construction Company Limited	0.06	-	-
HCC Operations & Maintenance Limited	46.62	21.35	31.24
HCC Infrastructure Company Limited	0.24	0.72	0.68
	46.92	22.07	31.92
Repairs & Maintenance			
HCC Operations & Maintenance Limited	457.92	-	-
	457.92	-	-



HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

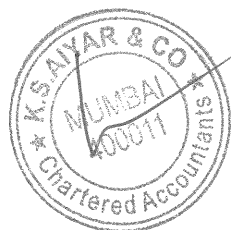
	436.78	-	-
Particulars	2016-17	2015-16	2014-15
Utility Shifting			
Hindustan Construction Company Limited	208.95	-	-
	208.95	-	-
Change of Scope Subcontracting Expenses			
Hindustan Construction Company Limited	1,115.81	-	-
	1,115.81	-	-
Subcontracting Expenses			
Hindustan Construction Company Limited	-	451.73	-
	-	451.73	-
Balance Sheet (Closing Balances as on 31st March 2017)			
Interest Receivable			
Hindustan Construction Company Limited	259.94	253.59	247.67
	259.94	253.59	247.67
Additional advance			
Hindustan Construction Company Limited	9,864.36	-	-
	9,864.36	-	-
Advance for buy back of shares			
Hindustan Construction Company Limited	2,770.01	2,770.01	4,558.28
	2,770.01	2,770.01	4,558.28
Allotment of Equity shares			
HCC Infrastructure Company Limited	-	24.96	-
	-	24.96	-
CCCPS Capital			
HCC Infrastructure Company Limited	28,598.54	28,598.54	28,598.54
	28,598.54	28,598.54	28,598.54
Claims Payable			
Hindustan Construction Company Limited	63,663.72	50,908.72	33,201.15
	63,663.72	50,908.72	33,201.15
I.T. Services			
Highbar Technocrat Limited	0.36	-	-
	0.36	-	-
ICD Given			
Hindustan Construction Company Limited	57.72	57.72	57.72
	57.72	57.72	57.72
ICD Taken			
HCC Infrastructure Company Limited	259.00	-	1,990.00
	259.00	-	1,990.00
Interest Payable			
Hindustan Construction Company Limited	-	231.66	-
HCC Infrastructure Company Limited	497.41	488.04	307.82
	497.41	719.70	307.82
Mobilisation advance			
Hindustan Construction Company Limited	13,422.98	10,884.33	11,479.88
	13,422.98	10,884.33	11,479.88
Other Advances			
Hindustan Construction Company Limited	4,856.85	10,745.14	2,160.45
	4,856.85	10,745.14	2,160.45
Other receivable			
HCC Operations & Maintenance Limited	-	-	4.08
HCC Infrastructure Company Limited	-	0.63	-
Dhule Palesner Operation and maintenance Limited	-	-	0.02
	-	0.63	4.10
Retention payable			
Hindustan Construction Company Limited	2,120.56	1,063.91	1,032.49
	2,120.56	1,063.91	1,032.49
Share Application Money Pending Allotment			
HCC Infrastructure Company Limited	-	-	1,613.30
	-	-	1,613.30
Share Capital			
Hindustan Construction Company Limited	2,770.00	2,770.00	2,770.00
HCC Infrastructure Company Limited	291.72	291.72	266.75
	3,061.72	3,061.72	3,036.75
Share Premium			
HCC Infrastructure Company Limited	57,056.30	57,056.30	53,082.35
	57,056.30	57,056.30	53,082.35



HCC Concessions Limited**Notes to the consolidated financial statements for the year ended March 31, 2017**

(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	2016-17	2015-16	2014-15
Shares buy back of Dhule Palesnar Tollway Limited			
Hindustan Construction Company Limited	-	1,788.27	-
	-	1,788.27	-
Vendor Payable			
Hindustan Construction Company Limited	292.78	482.13	3,105.11
HCC Aviation Limited	-	-	100.54
Vikhroli corporate park Limited	-	-	72.38
HCC Operations & Maintenance Limited	407.49	932.20	141.03
HCC Infrastructure Company Limited	20.29	20.01	-
Highbar Technologies Limited	0.73	0.24	0.15
Highbar Technocrat Limited	0.06	-	-
	721.35	1,434.58	3,419.20
Contingent as on 31st March 2017			
Claims not acknowledged as Debt			
Hindustan Construction Company Limited	131,129.29	72,989.09	74,231.77
	131,129.29	72,989.09	74,231.77
Corporate Guarantee given on our behalf			
Hindustan Construction Company Limited	18,073.00	-	10,000.00
	18,073.00	-	10,000.00



HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017
 (All amounts are in Rs. lakhs, unless stated otherwise)

37 Interest in other entities

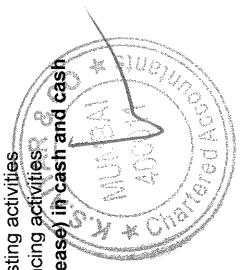
A Subsidiaries
 The Group's subsidiaries as at 31 March 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest held by the group (%)		Ownership interest held by non controlling interests (%)		Principal activities
		31 March 2017	31 March 2016	31 March 2017	31 March 2016	
Baharmpore-Farakka Highways Ltd	India	74.00	74.00	26.00	26.00	Toll management
Farakka-Raiganj Highways Ltd	India	74.00	74.00	26.00	26.00	Toll management
Raiganj-Daikhola Highways Ltd	India	90.00	90.00	10.00	10.00	Toll management
Badarpur Faridabad Tollway Limited	India	100.00	100.00	-	-	Toll management
Narmada Bridge Tollway Limited	India	100.00	100.00	-	-	Toll management
Nirmal BOT Limited (upto 22 December 2015)	India	0.00	0.00	-	-	Toll management

B Non-controlling interests (NCI)

The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra-group eliminations

Particulars	Baharmpore-Farakka Highways Ltd		Farakka-Raiganj Highways Ltd		Raiganj-Daikhola Highways Ltd	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Non-current assets	99,538.68	84,654.02	125,372.30	105,548.81	26,807.33	25,257.51
Current assets	14,931.78	13,580.34	4,378.15	1,055.90	5.42	2,884.53
Non-current liabilities	72,857.54	58,935.97	76,764.70	62,825.15	9,118.53	9,017.88
Current liabilities	27,522.76	23,407.27	27,428.68	18,946.56	4,739.18	6,111.92
Net assets	13,790.15	15,891.11	25,557.07	24,833.00	12,955.04	13,012.24
Net assets attributable to NCI	3,585.44	4,131.69	6,644.84	6,456.58	1,295.50	1,301.22
Revenue	22,932.87	21,113.65	19,599.27	19,599.27	1,513.15	5,611.23
Other Income	153.41	295.55	-	31.56	-	-
Construction Cost	9,474.09	10,241.18	26,909.15	26,909.15	1,513.15	5,611.23
Employee cost	-	-	-	-	-	-
Finance cost	5,099.14	4,704.39	3,483.44	3,483.44	12.27	-
Depreciation	3,305.44	3,311.78	2,300.56	2,300.56	-	-
Other expenses	7,308.57	6,969.47	3,135.65	3,135.65	20.07	7.04
Profit for the year	(2,100.96)	(3,817.62)	(1,230.82)	(1,230.82)	(57.20)	(7.04)
Tax expenses	-	0.05	-	-	-	-
Net profit after tax	(2,100.96)	(3,817.67)	(1,230.82)	(1,230.82)	(57.20)	(7.04)
Other comprehensive income	-	(0.05)	-	-	-	-
Total comprehensive income	(2,100.96)	(3,817.72)	(1,230.82)	(1,230.82)	(57.20)	(7.04)
Profit/(Loss) allocated to NCI	(546.25)	(992.59)	(32.34)	(8.41)	(5.72)	(0.70)
Dividend paid to NCI	-	-	-	-	-	-
OCI allocated to NCI	-	-	-	-	-	-
Total comprehensive income allocated to NCI	(546.25)	(992.59)	(32.01)	(8.41)	(5.72)	(0.70)
NCI						
Cash flow from operating activities	6,697.12	9,207.93	15,194.15	15,194.15	4,778.21	4,679.88
Cash flow from investing activities	(8,219.70)	(2,978.90)	(26,952.44)	(26,952.44)	(1,490.41)	(5,205.58)
Cash flow from financing activities	4,891.07	(1,456.87)	14,518.32	14,518.32	(69.45)	3,376.23
Net increase/(decrease) in cash and cash equivalents	3,368.49	4,772.16	2,760.03	2,760.03	(2,873.77)	2,850.53

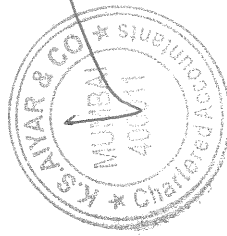


HCC Concessions Limited
Notes to the consolidated financial statements for the year ended March 31, 2017
 (All amounts are in Rs. lakhs, unless stated otherwise)

C Interest in Joint venture

Name of the entity	Name of the joint venture partner	% of ownership interest held by the Company		
		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Dhule Palesner Tollways Limited (Refer note below)	HCC Concessions Limited John Laing Investments Limited John Laing Investments Mauritius (No 1) Limited Sadbhav Engineering Limited Sadbhav Infrastructure Projects Limited	-	-	26%

The Company has disposed off its substantial stake in this entity on 29th October 2015



38 Expenses incurred in foreign currencies			
Particulars	For the year ended		For the year ended
	March 31, 2017		March 31, 2016
Foreign Subscription & Periodicals		18.31	17.90
Travelling		4.93	6.63
Total		23.24	24.53

39 **Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**
 There have been no transactions during the year with Micro & Small Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Hence, reporting details of Principal and Interest does not arise.

40 **Previous years figures**
 Figures for the previous year has been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current period

As per our report of even date attached

For K.S. Aiyar & Co.
 Chartered Accountants
 Firm Registration No. 100186W

Satish Kelkar
 Partner
 Membership No.:38934



[Signature]
 Arjun Dhawan
 Director

[Signature]
 Praveen Sood
 Director

[Signature]
 Sridevi Iyengar
 Director

[Signature]
 Kiran Kakkar
 Chief Financial Officer

[Signature]
 Rahul Shukla
 Manager

[Signature]
 Ravindra Singh
 Company Secretary

Place: Mumbai
 Date:

Place: Mumbai
 Date:

125 APR 2017

[Signature] 25 APR 2017

HCC Concessions Limited

Notes to the consolidated financial statements for the year ended March 31, 2017

(All amounts are in Rs. lakhs, unless stated otherwise)

37B Disclosure Mandated by Schedule III by way of additional information

Name of Entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit or (Loss)	
	Amount (Rs. In Lakhs)	As % of Consolidated Net Asset (%)	Amount	As % of Consolidated profit or (loss) (%)
Consolidated	37,370.55		(11,151.83)	
Parent Company				
HCC Concessions Limited	97,341.60	260.48	65.47	(0.59)
Indian Subsidiary Companies				
Baharampore Farakka Highways Limited	13,790.15	36.90	(2,100.96)	18.84
Farakka Raiganj Highways Limited	24,326.25	65.09	(1,230.83)	11.04
Raiganj Dalkhola Highways Limited	12,955.04	34.67	(57.20)	0.51
Badarpur Faridabad Tollway Limited	(16,985.84)	(45.45)	(6,912.06)	61.98
Narmada Bridge Tollway limited	(795.05)	(2.13)	4.10	(0.04)
Minority Interest in all subsidiaries	110.28	0.30	(871.98)	7.82

