FINANCIAL STATEMENT
2017-2018

HCC INFRASTRUCTURE COMPANY LTD

K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of HCC Infrastructure Company Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **HCC Infrastructure Company Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2018, 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 the 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 and 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 Ind AS 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 audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018 and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 36 in the standalone Ind AS Financial Statements which indicate that the accumulated losses of the Company have exceeded its equity by ₹ 1,00,242.16 lacs The Company has incurred current loss of ₹ 19,492.42 lacs. Despite negative net worth of the company, the standalone Ind AS financial statements have been prepared on going concern basis for the reasons mentioned in the aforesaid note. The appropriateness of the same basis is inter alia dependent upon Company's ability to generate higher fair market value of its investment in joint venture, namely HCC Concessions Limited and ongoing incubation of other infrastructure businesses which will create further value for the Company. These conditions, along with other matters as set forth in Note 36, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matte

Other Matter

Trade receivable (more than 6 months) of ₹13.46 lacs denote dues from Lavasa Corporation Limited, fellow subsidiary. The balance confirmation for the same is not available from the party.

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) 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 (including other comprehensive income), the statement Cash Flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

(d) 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) The matter described under the Emphasis of Matters paragraph, in our opinion, may have an adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director 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 Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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 Company does not have any pending litigations as on 31st March 2018 which can have impact on its financial position;

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.

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

Satish Kelkar
Partner
Membership No: 38934

Place: Mumbai
Date: May 2, 2018

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, 2018, of **HCC Infrastructure Company 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 absence of inventories, clause (ii) of the Order is not applicable to Company.

(iii) The Company has granted loan to one body 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 body 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 body 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 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, duty of customs, duty of excise, Value Added Tax, Goods and Service 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, 2018 for a period of more than six months from the date on which they became payable.

(b) According to the records of the Company, there are no dues of income tax, sales tax, service tax, custom duty, excise duty, Goods and Service Tax and cess which have not been deposited on account of any dispute.

(viii) Based on our audit procedure and as per information and explanations given by management, the Company has defaulted in repayment of dues to Yes Bank in respect of interest and principal liabilities as per the following details:

Amount of Interest (₹ in lacs)	Period of Delay (In Days)
59.00	0 to 90 days
30.38	91 to 180 days
91.74	181 to 365 days

Amount of Principle (₹ in lacs)	Period of Delay (In Days)
1250.00 (*)	181 to 365 days

(*) Out of above ₹ 64.08 lacs are paid on or before the balance sheet date.

(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) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence clause 3 (xiv) is not applicable to the Company.

(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 has been established to carry on all types of infrastructure activities whether on its own or through subsidiaries or

SPV's. As the principle business of the company is not financing activity, 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: May 2, 2018

Annexure B 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")

We have audited the internal financial controls over financial reporting of **HCC Infrastructure Company Limited** ("the Company") as of 31 March 2018 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 standalone 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 2018, 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 K. Kelkar
Partner
Membership No.: 38934

Place: Mumbai
Date: May 2, 2018

HCC Infrastucture Company Limited
Balance Sheet as on 31st March 2018
(All amounts are in ₹ lakhs, unless stated otherwise)

Particulars	Note	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	0.24	0.92
Financial Assets			
Investments	4	86,722.73	86,722.73
Other Financial Assets	5	-	0.14
Non-current Tax assets (net)	6	225.15	191.39
Total		**86,948.11**	**86,915.18**
Current assets			
Inventories			
Financial Assets			
Trade receivables	7	387.53	320.88
Cash and cash equivalents	8	13.71	694.29
Loans	9	6,331.68	4,003.66
Other financial asset	10	1,157.78	555.16
Other current assets	11	61.19	60.85
Total		**7,951.90**	**5,634.84**
Total Assets		**94,900.01**	**92,550.02**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	25.00	25.00
Other equity	13		
Capital contribution	A	297.76	297.76
Capital Reserve on Merger	B	604.00	604.00
Reserves and Surplus	C	(101,168.92)	(81,676.51)
Share Capital Suspense Account	D	-	1.00
Total		**(100,242.16)**	**(80,748.74)**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	14	68,476.83	68,801.69
Other financial liabilities	15	426.25	527.61
Provisions	16	7.60	4.18
Total		**68,910.67**	**69,333.48**
Current Liabilities			
Financial Liabilities			
Borrowings	17	99,300.66	83,075.79
Other financial liabilities	18	26,867.60	20,835.03
Provisions	19	12.16	11.34
Other current liabilities	20	51.08	43.12
Total		**126,231.50**	**103,965.28**
Total		**195,142.17**	**173,298.76**
Total Equity and Liabilities		**94,900.01**	**92,550.02**

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

K.S. AIYAR & CO. Mumbai-11. Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

HCC Infrastucture Company Limited
Statement of Profit and Loss for the year ended 31st March 2018
(All amounts are in ₹ lakhs, unless stated otherwise)

	Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
	Revenue from Operations	21	720.00	615.00
	Other Income	22	725.03	227.98
	Total Income		**1,445.03**	**842.98**
	Expenses			
	Employee benefits expense	23	39.77	48.13
	Finance costs	24	20,845.59	17,948.24
	Depreciation and amortization expense	25	0.68	0.78
	Other expenses	26	51.05	63.90
	Total expenses		**20,937.08**	**18,061.05**
	Profit / (loss) before exceptional items and tax		**(19,492.05)**	**(17,218.07)**
	Exceptional items		-	-
	Profit / (loss) before tax		**(19,492.05)**	**(17,218.07)**
	Tax expense (VI)			
	Current tax		-	-
	Profit/(Loss) for the year		**(19,492.05)**	**(17,218.07)**
	Other Comprehensive Income			
a	Items not to be reclassified subsequently to profit or loss			
	- Gain/(Loss) on fair value of defined benefit plans as per actuarial valuation		(0.36)	-
	- Income Tax Effect on above		-	-
b	Items to be reclassified subsequently to profit or loss		-	-
	Other Comprehensive Income for the year		**(0.36)**	**-**
	Total Comprehensive Income for the year (A + B)		**(19,492.41)**	**(17,218.07)**
	Earnings per equity share of Rs. 10 each :	27		
	Basic earnings per share		(7,796.82)	(6,887.23)
	Diluted earnings per share		(7,796.82)	(6,887.23)

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

K.S. AIYAR & CO. Mumbai-11. Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

HCC Infrastucture Company Limited

Cash flow statement for the year ended 31st March 2018

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

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
A Cash Flow from operating activities		
Profit before income tax including discontinued operations	(19,492.05)	(17,218.07)
Adjustments for		
Add:		
Changes in Reserve	-	(2,296.22)
Depreciation and amortisation expenses	0.68	0.78
Finance costs	20,460.01	17,460.36
Other Borrowing Cost	1.30	0.32
Unwinding of Discounted Value of Long Term Inter Corporate Deposit	384.14	338.45
Amortization of corporate Guarantee	0.14	149.11
Less:		
Interest received	(623.67)	(123.09)
Profit on sale of investment	(0.18)	(49.92)
Corporate guarantee commission income	(101.36)	(100.86)
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	(66.66)	(293.29)
(Increase)/decrease in other current assets	(0.34)	587.79
Increase/(decrease) in other financial liabilities-Current	14,169.76	12,947.62
Increase/(decrease) in other financial liabilities-Non-Current	-	411.72
Increase/(decrease) in short term provisions	0.82	2.27
Increase/(decrease) in long term provisions	3.42	0.94
Increase/(decrease) in other current liabilities	7.96	32.91
	14,743.96	11,850.82
Cash generated from operations		
Income taxes paid	(33.75)	(33.29)
Net cash inflow (outflow) from operating activities	**14,710.20**	**11,817.54**
B Cash flow from investing activities:		
Proceeds from sale of investments	0.18	49.92
Sale (Purchase) of current investments (Net)	-	929.69
Purchase of non-current investments	-	(411.73)
Inter Corporate Deposit taken from related parties	(2,328.03)	(4,003.66)
Interest received	21.05	63.00
Net cash inflow (outflow) from investing activities	**(2,306.79)**	**(3,372.77)**
C Cash flow from financing activities		
Proceeds from Inter corporate deposit	1,924.87	18,223.37
Repayment of Long term borrowings	(64.08)	(12,000.00)
Repayment of Inter Corporate Deposit Non Current	(710.00)	(107.45)
Interest Paid/Converted into Loan	(14,234.78)	(14,471.61)
Net cash inflow (outflow) from financing activities	**(13,083.99)**	**(8,355.69)**
Net increase/(decrease) in cash and cash equivalents	(680.58)	89.08
Add: Cash and cash equivalents at the beginning of the financial year	694.29	605.21
Cash and cash equivalents at the end of the year	**13.71**	**694.29**
Reconciliation of Cash Flow statements as per the cash flow statement		
Cash Flow statement as per above comprises of the following	**31 March, 2018**	**31 March 2017**
Cash and cash equivalents	13.71	693.51
Add: Cash and cash equivalents acquired on amalgamation	-	0.78
Balances as per statement of cash flows	**13.71**	**694.29**

As per our report of even date attached

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

K.S. AIYAR & CO. Mumbai-11. Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

Place: Mumbai
Date:

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

HCC Infrastucture Company Limited
Statement of changes in equity as at 31st March 2018
(All amounts are in ₹ lakhs, unless stated otherwise)

Equity share capital

as at 1 April 2016	25.00
changes in equity share capital	-
as at 31 March 2017	25.00
changes in equity share capital	-
as at 31 March 2018	25.00

Other Equity

	Equity Component of Financial Instruments	Reserves & Surplus			Items of Other Comprehensive Income	
	Capital Contribution - Corporate Guarantee	Share Capital Suspense	Capital Reserve on Merger	Retained Earnings	Net Gain/(Loss) on Fair Value of defined Benefit Plans	Total
Balance as at 1st April, 2016	**297.76**	-	-	**(61,558.22)**	-	**(61,260.45)**
Loss for the year				(17,218.07)	-	(17,218.07)
Other Comprehensive Income for the year	-	-	-	-		-
Total Comprehensive Income for the year	-	-	-	**(17,218.07)**	-	(17,218.07)
Acquired through Business Combination	-	-	604.00	(2,900.22)	-	(2,296.22)
Share Capital Pending for Allotment	-	1.00	-	-	-	1.00
Transfer to retained earnings	-	-	-	-	-	-
Balance as at 1st April, 2017	**297.76**	**1.00**	**604.00**	**(81,676.51)**	-	**(80,773.74)**
Loss for the year	-	-	-	(19,492.05)	-	(19,492.05)
Capital Contribution	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	(0.36)	(0.36)
Total Comprehensive Income for the year	-	-	-	**(19,492.05)**	**(0.36)**	(19,492.41)
Transfer to retained earnings	-			-	-	-
Balance as at 31st March, 2018	**297.76**	**1.00**	**604.00**	**(101,168.56)**	**(0.36)**	**(100,266.16)**

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

K.S. AIYAR & CO. Mumbai-11. Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

1 Corporate information

HCC Infrastructure Company Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is a 100% subsidiary of Hindustan Construction Company Limited (HCC). Shares of Its holding company are listed on two stock exchanges in India. The purpose of incorporation of this Company is to carry on all types of infrastructure activities whether on its own or through subsidiaries or SPV's. The company acquired 100% of issued share capital of Pune Paud Toll Road Company Limited, a step down subsidiary of HCC in a scheme of amalgamation approved by NCLT w.e.f from 1st April 2016.

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
In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

IndAS115:
Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. The new revenue standard is applicable to the Company from 1 April 2018.
The Company is evaluating the requirement of the amendment and the impact on the financial statements

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:
(a) it is expected to be settled in the company's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within twelve months after the reporting date : or
(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.

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(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

(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.

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(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.

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(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.

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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 employments 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 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.

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 discount 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.

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(n) Foreign currency translation:

Functional and presentation currency:
Items included in the financial statements of the Company 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
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.

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(s) Business Combinations - Common Control Transactions

Business Combinations involving entities that are controlled by the group are accounted for using the pooling of Interest Method as follows:

i The assets and liabilities of the combining entities are reflected at their carrying amounts.

ii No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are made only to harmonise accounting policies.

iii The financial information in the financial statements in respect of prior periods is restated as if business combination had occurred from the beginning of the preceding period in financial statements, irrespective of the actual date of combination. However, where the business combination has occured after that date, the prior period information is restated only from that

iv The balance of retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

v The identity of reserves are preserved and the reserves of the transferor become the reserves of the transferree.

vi The difference, if any, between the amounts recorderd as share capital issued plus any additional consideration in form of cash or other assets and the amount of share capital of the transferror is transferred to capital reserve and is presented separately from other capital reserves.

(t) 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.

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

3 Property, Plant and Equipment

Particulars	Computers	Office equipment	Total
Gross Block			
Balance as at 1st April 2016	2.19	0.49	2.68
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March 2017	**2.19**	**0.49**	**2.68**
Balance as at 1st April 2017	2.19	0.49	2.68
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March 2018	**2.19**	**0.49**	**2.68**
Accumulated Depreciation			
Balance as at 1st April 2016	0.68	0.29	0.98
Depreciation for the year	0.63	0.15	0.78
Balance as at 31st March 2017	**1.32**	**0.44**	**1.76**
Balance as at 1st April 2017	1.32	0.44	1.76
Depreciation for the year	0.63	0.05	0.68
Balance as at 31st March 2018	**1.95**	**0.49**	2.44
Net Block			
Balance as at 31st March 2017	**0.87**	**0.05**	**0.92**
Balance as at 31st March 2018	**0.24**	**0.00**	**0.24**

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

4 **Non-current investments**

Particulars	As at March 31, 2018	As at March 31, 2017
Investment in subsidiaries		
Unquoted		
i. Equity instruments		
In subsidiary Companies		
50,000 (31 March 2017: 50,000) Equity shares of ₹10 each at par and 28,67,151(31st March,2017: 28,67,151) Equity Shares of ₹ 10 each fully paid-up in HCC Concessions Limited, issued at premium of ₹1990/- per share.	57,348.02	57,348.02
500,000 (31 March 2017: 500,000) Equity shares of ₹10 each fully paid-up in HCC Power Limited	50.00	50.00
500,000 (31 March 2017: 500,000) Equity shares of ₹10 each fully paid-up in Dhule Palesner Operations & Maintenance Ltd.	50.00	50.00
50,000 (31 March 2017: 50,000) Equity shares of ₹10 each fully paid-up in HCC Operations & Maintenance Ltd.	5.00	5.00
Investment in Equity (Equity Component of preference shares)	28,598.54	28,598.54
285,985,361 (31 March 2017: 285,985,361) 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPs) of ₹10 each fully paid-up in HCC Concessions Limited (HCL)		
These share are compulsorily convertible as per following terms and condition :- a) Each 200 CCCPs shall be converted to 1 equity share, subject to adjustments set forth in the Shareholders Agreement dated August 9th 2011. b) CCCPs shall be convertible at any time after the Closing Date, at the sole option of the Investor at the Conversion Ratio. c) 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 d) Under normal circumstances, the CCPS held by the Company and Xander Investment Holding XXVI Limited (the Investor) shall simultaneously and compulsorily convert into such number of equity shares so as to maintain shareholding of the Company and the Investor in HCC Infrastructure Company Limited in 85.45%: 14.55% ratio.		
Investment in Equity(Corporate Guarantee given to subsidiaries)	671.17	671.17
Total	**86,722.73**	**86,722.73**

5 **Other Financial Assets**

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured unless otherwise stated)		
Non-current		
Considered good		
Corporate Gurantee given to Banks by Fellow Subsidiary	-	0.14
Non-current total (A)	**-**	**0.14**

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

6 **Non-current Tax assets (net)**

Particulars	As at March 31, 2018	As at March 31, 2017
Non-current Tax assets (net)		
Prepaid taxes (Net of provisions)	225.15	191.39
Closing Balance	**225.15**	**191.39**

7 **Trade receivables**

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured unless otherwise stated)		
Trade receivable from related party(Ref note no 31)	387.53	320.88
Total	**387.53**	**320.88**

8 **Cash and cash equivalents**

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with Banks(FD)	-	592.78
In current accounts	13.71	101.51
Total	**13.71**	**694.29**

9 **Loans**

Particulars	As at March 31, 2018	As at March 31, 2017
Other Financial Assets-Current		
Loans to related parties (Refer Note 31)	-	-
Inter Corpoarte Deposit to related party(Refer note 31)	6,331.68	4,003.66
Total	**6,331.68**	**4,003.66**

Name of Company	Rate of interest	As at March 31, 2018	As at March 31, 2017
HCC Concessions Ltd	11%	-	259.00
HCC Real Estate Ltd	13%	2,035.00	1,950.00
HCC Power Ltd	11%	4,296.68	1,794.66
Total		**6,331.68**	**4,003.66**

10 **Other financial asset**

Particulars	As at March 31, 2018	As at March 31, 2017
Considered good		
Interest receivable ICD from related party (Refer note 31)	1,157.78	552.39
Interest receivable FD	-	2.77
Current total (B)	**1,157.78**	**555.16**

11 **Other current assets**

Particulars	As at March 31, 2018	As at March 31, 2017
Other Receivables	40.38	40.38
Balance with Government Authorities	0.06	0.04
Loans to related parties (Refer Note 31)	20.42	20.29
Prepaid expenses	0.33	0.15
Total	**61.19**	**60.85**

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12 Equity share capital

Particulars	As at March 31, 2018	As at March 31, 2017
Authorised		
14,990,000 (March 31, 2017: 14,990,000) equity shares of ₹10/- each	1,499.00	1,499.00
10,000 (March 31, 2017: 10,000) 0.1% Non - Cumulative Redeemable Preference Shares of ₹10/- each	1.00	1.00
Issued, subscribed and fully paid up		
250,000 (March 31, 2017: 250,000) equity shares of ₹10/- each	25.00	25.00
	25.00	**25.00**

a Reconciliation of number of shares

Particulars	Equity		Prefernce	
	No of Shares In Lacs	Amount	No of Shares In Lacs	Amount
Shares :				
Balance as at the 1 April 2016	**2.50**	**25.00**	-	-
Add: Issued during the year	-	-	-	-
Balance as at the 1st April 2017	**2.50**	**25.00**	-	-
Add: Issued during the year	-	-	0.10	1.00
Balance as at the 31st March 2018	**2.50**	**25.00**	**0.10**	**1.00**

b Rights, preferences and restrictions attached to Equity shares

The company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

During the year ended 31st March, 2018, the amount of per share dividend recognized as distributions to equity shareholders was ₹Nil (31 March 2017: ₹ 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 Rights, preferences and restrictions attached to Preference shares

i The Preference Shares shall carry a dividend of 0.1% per annum. These are non cumulative and non convertible.

ii Redemption of Preference Shares would be done as decided by the Board of Directors of HICL at any time after the period of 6 (six) months and prior to the period of 20 (twenty) years from the date of issue of preference shares

iii The Preference Shares shall have no voting rights

iv The Preference Shares will not be listed on any Stock Exchanges unless required by any extant regulations

v In the event of liquidation of the company before conversion/ redemption of 0.1% NCPS, the holders of 0.1% NCPS will have priority over equity shares in the payment of dividend and repayment of capital.

d Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	As at March 31, 2018	As at March 31, 2017
Hindustan Construction Company Limited(HCC), the holding company 250,000 (31 March 2017: 250,000) equity shares of ₹10 each fully paid	25.00	25.00
HCC Real Estate Limited 10,000 (March 31, 2017: 10,000) 0.1% Non - Cumulative Redeemable Preference Shares of Rs.10/- each	1.00	1.00

e Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: Nil

f Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of shares In Lacs	% of Shareholding	No of shares In Lacs	% of Shareholding
Equity shares of Rs 10/-				
Hindustan Construction Company Limited	2.5	100%	2.5	100%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

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

13 Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017
Capital reserve	297.76	297.76
Capital Reserve on Merger	604.00	604.00
Retained Earnings	(101,168.92)	(81,676.51)
Share Capital Suspense Account	-	1.00
Total	**(100,267.16)**	**(80,773.74)**

A Capital contribution

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	297.76	297.76
Capital Contribution (corporate guarantee)	-	-
Less: Transferred to general reserve	-	-
Closing Balance	**297.76**	**297.76**

B Capital Reserve on Merger

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	604.00	-
Capital Reserve on Merger	-	604.00
Less: Transferred to general reserve	-	-
Closing Balance	**604.00**	**604.00**

C Reserves and Surplus

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(81,676.51)	(61,558.22)
Add: Profit for the year	(19,492.05)	(17,218.07)
Add : Acquired through Business Combination	-	(2,900.22)
Add: Other comprehensive income for the period	(0.36)	-
Closing Balance	**(101,168.92)**	**(81,676.51)**

D Share Capital Suspense Account

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	1.00	-
Add: Share Capital Pending for Allotment	-	1.00
Less : Share Alloted	(1.00)	-
Closing Balance	-	**1.00**

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

14 Non Current Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
Inter Corporate deposit * (Refer Note 31)	68,475.83	68,801.69
Liability Component of Compound Financial Instruments # 10,000 0.1% Non - Cumulative Redeemable Preference Shares of ₹10/- each HCC Real Estate Limited	1.00	-
Unsecured - total	68,476.83	68,801.69
Total non current borrowings	**68,476.83**	**68,801.69**

The Company has issued 10,000 , 0.1% Non - Cumulative Redeemable Preference Shares of ₹10/- each to HCC Real Estate Limted. Redemption of Preference Shares would be done as decided by the Board of Directors of teh company at any time after the period of 6 (six) months and prior to the period of 20 (twenty) years from the date of issue of preference shares

***Inter Corporate Deposit from related parties:**

Name of Company	Repayment terms	Rate of interest	As at March 31, 2018	As at March 31, 2017
Hindustan Construction Company Limited	Based on mutually agreed terms	12.50%	65,246.22	65,956.22
HCC Real Estate Limited	Based on mutually agreed terms	12.50%	3,229.62	2,845.48
Total			68,475.83	68,801.70

15 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Corporate Guarantee (Refer Note no-31)	426.25	527.61
Total	**426.25**	**527.61**

16 Provisions

Particulars	As at March 31, 2018	As at March 31, 2017
Provisions		
Non Current		
Leave Encashment	4.27	1.73
Gratuity	3.33	2.45
total	**7.60**	**4.18**

17 Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
From Related Parties		
Inter Corporate deposit * (Refer Note no-31)	99,300.66	83,075.79
Total	**99,300.66**	**83,075.79**
* Repayable within 1 year		

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18 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Current maturities of long-term debt (Refer Foot Note)	1,185.92	912.65
Interest accrued and due on borrowings (ICD) to related parties(Refer note 31)	23,651.89	17,930.13
Interest accrued but not due(Term loan)	-	15.00
Interest accrued and due on borrowings (Term loan)	181.13	-
Payables to related party (Refer note 31)	136.91	259.24
Due to employees	4.42	13.65
Other payables	1,707.34	1,704.35
Total	**26,867.60**	**20,835.03**

Foot Note

A Nature of Security and terms of repayment

Nature of Security

Term Loan availed from Bank outstanding of ₹ 1185.92 Lakhs are secured by second charge on entire assets of the Company (including moveable and immovable, fixed assets and current assets), excluding investments, both present and future.

Terms of Repayment

Loans are repayable in 5 years commencing from January 1st, 2014 in equal quarterly repayment. Rate of Interest @ 12.5% p.a. (31st March 2017 12.5% p.a.)

Term Loan availed from Bank are secured by

a) Residual charge over identified receivables of Hindustan Construction Company Limited of ₹ 62,616 lakhs

b) Irrevocable & unconditional corporate guarantee of ₹ 20,000 Lakhs given by Hindustan Construction Company Limited for securing the loan along with applicable interest,

c) An irrevocable and unconditional undertaking given by Hindustan Construction Company Limited, HCC Infrastructure Company Limited to Yes Bank Ltd with respect to liquidity events conditions ,conditions related to accelerated repayments.

d) A pledge by the Company of 636,100 equity shares and 56,006,020 0.001% Compulsory Convertible Cumulative Preference shares held by it in HCC Concessions Limited, a subsidiary, in favour of Yes Bank Limited for securing the loan of ₹ 20,000 lakhs along with applicable interest.

e) Irrevocable & unconditional corporate guarantee of Charosa Wineries Limited for securing the loan of ₹ 20,000 lakhs along with applicable interest.

B Continuing Default in repayments of Overdues to Yes Bank :

i) Overdue Interest amounting to ₹ 181.13 Lakhs for the period March 2017 to March 2018.

ii) Principal Overdue amounting to ₹ 1185.92 Lakhs since April 2017

19 Provisions

Particulars	As at March 31, 2018	As at March 31, 2017
Provisions		
Leave Encashment	0.21	0.95
Gratuity	0.07	0.05
Provisions for Expenses	11.88	10.34
Total	**12.16**	**11.34**

20 Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Other current liabilities		
Statutory Dues	51.08	43.12
Total	**51.08**	**43.12**

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

21 Revenue from Operations

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from Operations		
Operation & Maintanance fees	720.00	615.00
Total	**720.00**	**615.00**

22 Other Income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income	623.11	71.64
Fair value gain/(loss) - Net gain/loss on sale of investments	0.18	49.92
Commission income on Corporate Guarantee given to Bank on loans taken by Subsidiaries	101.36	100.86
Reversal of previous year provisions	-	4.03
Miscellaneous Income	0.38	1.53
Total	**725.03**	**227.98**

23 Employee benefits expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	37.32	45.93
Contribution to provident funds and other funds	1.80	1.55
Workmen and Staff welfare expenses	0.64	0.65
Total	**39.77**	**48.13**

24 Finance costs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expense on Term Loans	516.74	747.37
Interest expense on ICDs	19,943.27	16,712.99
Unwinding of Discounted Value of Long Term Inter Corporate Deposit	384.14	338.45
Other borrowing costs	1.30	0.32
Amortisation of Corporate Guarantee	0.14	149.11
Total	**20,845.59**	**17,948.24**

25 Depreciation and amortization expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on Property, Plant and Equipment	0.68	0.78
Total	**0.68**	**0.78**

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26 Other expenses

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Audit expenses	4.14	4.07
Travelling	0.61	3.81
Director Sitting Fees	0.80	1.81
Postage, Telephone and Fax	0.80	0.98
Legal, Professional and Consultancy Charges	43.04	51.27
Printing & Stationery Expenses	0.01	0.03
Miscellaneous Expenses	1.66	1.94
Total	**51.05**	**63.90**

Details of payment to auditors

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Details of payment to auditors		
Statutory Audit fees	2.25	2.25
Tax audit fees	0.25	0.23
Others		
Fees for other audit related services	1.64	1.59
Total	**4.14**	**4.07**

27 Earnings per share (EPS)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Earnings per share (EPS)		
The following reflects the profit and share data used in the basic(diluted not applicable) EPS computations:		
Loss for the year	(19,492.05)	(17,218.07)
Number of equity shares in calculating basic EPS (In Lakhs)	2.50	2.50
Basic EPS	**(7,796.82)**	**(6,887.23)**

28 Contingent Liabilities

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Corporate guarantee given by HCC Infrastructure Company Limited (Holding Company) in favour of Bank HCC Operation and Maintenance Limited	8,800.00	8,800.00
Disputed matter with Maharashtra VAT Authority.(Pursuant to amalgamation of Pune Paud Toll Road Company Limited)	4.50	4.50

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29 Contingent Asset

Company has received an Arbitration Award amounting to Rs 2,802 Lakhs (includes interest of Rs 215 Lakhs) on 08.01.2017 against various claims filed by the Company to the PWD for compensation. The award is unanimous and the amount of Rs 2802 Lakhs has to be paid by the PWD to the Company on or before 31.03.2017. In case of failure, the PWD shall be liable to pay interest @12% per annum to the Company with effect from 08.01.2017 till the date of payment.
Out of the above, all right,title and interest, benefits, claims and demands of Rs. 11700 Lakhs of the Company under the Arbitration Award and to Arbiration Award Receivables is being charged and hypothecated by the company as first pari passu Security Interest in favour of Debenture Trustee for Debentures Issued to Lavssa Corporation Limited.

30 Business Combination

Summary of Acquisition

i Pursuant to the Scheme of Amalgamation, merger of Pune Paud Toll Road Company Limited ('PPTRCL'), with the Company as sanctioned by the National Company Law Tribunal, Mumbai Bench on 22nd December 2017 all the assets and liabilities of PPTRCL were transferred to and vested in the Company with effect from 1st April 2016, the appointed date. The certified copy of order was filed with Registrar of Companies (ROC) at Mumbai on 15th March 2018 which is the effective date. Accordingly the Scheme has been given effect to from 1st April 2016.

ii The approved scheme has been accounted under the "Pooling of Interest Method" as prescribed under Ind AS 103- "Business Combination". as detailed below:

a As per the approved scheme, all the assets and liabilities including reserves of the undertaking of PPTRCL are recorded in the books of the Company at their carrying values.

b The Company has to discharge the purchase consideration by way of Issuance and allotment of 10,000 fully paid up Preference Shares of ₹ 10/- each of the company to Equity Shareholders of PPTRCL collectively, in proportion to the paid up value of shares held by them in PPTRCL.

c Equity shares held by the Company in PPTRCL stand cancelled. Accordingly 60,50,000 equity shares of ₹ 10 each, amounting to ₹ 605,00,000 have been cancelled.

d The difference between the purchase consideration and carrying value of assets and liabilities including reserves transferred is accounted as Capital Reserve.

e The authorized share capital of the company shall automatically stand increased without any further act, instrument or deed on the part of the company including payment of stamp duty and fees payable to Registrar of Companies, amounting to ₹ 15,00,00,000/- (Rupees Fifteen Crores Only). Further, such incremental authorized share capital of the Company shall be re-classified into ₹ 14,99,00,000 comprising 1,49,90,000 Equity Shares of ₹ 10/- each, and ₹ 1,00,000 comprising of 10,000 0.1% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each.

f Upon the Scheme becoming effective, PPTRCL stands dissolved without winding up pursuant to the provisions of Section 232 of the Companies Act, 2013.

The assets and liabilities recognised as a result of the acquisition are as follows:

Particulars	Carrying Amount
Prepaid Taxes (Net of Provisions)	2.73
Trade receivables	13.46
Cash & Cash Equivalents	8.70
Loans	129.00
Other financial asset	70.13
Retained Earnings	2,900.22
Inter Corporate Deposit taken	(2,507.03)
Other financial liabilities	(8.84)
Provisions	(2.84)
Other Current Liabilities	(0.53)
Net Identifiable assets acquired	**605.00**

Calculation of Capital Reserve

Particulars	Amount
Consideration Transferred	1.00
Less : Net Identifiable assets acquired	(605.00)
Capital Reserve on Merger	**(604.00)**

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31 **Notes to the financial statements for the year ended 31st March, 2018**

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

Transactions with Related Parties:		**FY 2017-18**	**FY 2016-17**
(A) Nature of Relationship and Name of Related Party			
Holding Company	Hindustan Construction Company Limited		
Joint venture	HCC Concessions Limited		
Subsidiaries	HCC Power Limited		
	Dhule Palesner Operations & Maintenance Limited		
	HCC Operation and Maintenance Ltd.		
Subsidiaries of Joint ventures	Narmada Bridge Tollway Ltd		
	Badarpur Faridabad Tollway Ltd		
	Baharampore-Farakka Highways Ltd		
	Farakka-Raiganj Highways Ltd		
	Raiganj-Dalkhola Highways Ltd		
Step down subsidiary	HCC Energy Limited		
Fellow subsidiaries	HCC Real Estate Limited		
	Charosa Wineries Ltd.		
Independent Director	Rajas Doshi (upto 16.10.2017)		
	Anil Singhvi (upto 09.09.2017)		

Transactions with Related Parties:		**FY 2017-18**	**FY 2016-17**
(B) Nature of Transactions			
Rendering of Services			
HCC Operation and Maintenance Ltd.	Subsidiary	720.00	615.00
Total		**720.00**	**615.00**
Financial Income			
HCC Concessions Limited	Joint venture	3.67	9.37
HCC Power Limited	Subsidiary	363.60	57.76
HCC Real Estate Limited	Fellow subsidiary	244.20	3.34
Total		**611.46**	**70.47**
Interest expenses on ICD			
Hindustan Construction Company Limited	Holding Company	15,833.28	14,113.99
HCC Concessions Limited	Joint venture	22.06	-
Dhule Palesner Operations & Maintenance Limited	Subsidiary	1,074.10	700.01
HCC Operation and Maintenance Ltd.	Subsidiary	38.44	48.88
HCC Real Estate Ltd	Fellow Subsidiary	-	101.75
HCC Real Estate Ltd (Pursuant to Amalgamation)	Fellow Subsidiary	384.14	338.45
HCC Energy Limited	Subsidiary	2,975.40	1,748.34
Charosa Wineries Ltd.	Fellow Subsidiary	-	-
Total		**20,327.41**	**17,051.44**
Commission on Corporate Guarantee given			
HCC Operation and Maintenance Ltd.	Subsidiary	43.13	42.92
HCC Power Limited	Subsidiary	58.23	57.94
Total		**101.36**	**100.86**
Finance cost on Corporate Guarantee taken			
Hindustan Construction Company Limited	Holding Company	-	99.50
Charosa Winneries Limited	Fellow Subsidiary	0.14	49.61
		0.14	**149.11**
Director Sitting Fees			
Rajas Doshi	Independent Director	0.40	-
Anil Singhvi	Independent Director	0.40	-
		0.80	**-**

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31 Notes to the financial statements for the year ended 31st March, 2018

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

Transactions with Related Parties:		FY 2017-18	FY 2016-17
Investment made (Equity & CCCPS and other equity)			
Equity shares			
HCC Concessions Limited	Joint venture	57,348.02	57,348.02
HCC Power Limited	Subsidiary	50.00	50.00
Dhule Palesner Operations & Maintenance Limited	Subsidiary	50.00	50.00
HCC Operation and Maintenance Ltd.	Subsidiary	5.00	5.00
Preferrence shares			
HCC Concessions Limited	Joint venture	28,598.54	28,598.54
Investment in other Equity (Corporate Guarantee)			
HCC Operation and Maintenance Ltd.	Subsidiary	259.44	259.44
HCC Power Limited	Subsidiary	411.72	411.72
Total		**86,722.72**	**86,722.72**
Vendor Account/outstanding for other services			
Hindustan Construction Company Limited	Holding Company	39.69	259.24
HCC Operation and Maintenance Ltd.	Subsidiary	96.36	-
HCC Concessions Ltd	Joint venture	0.87	-
Total		**136.91**	**259.24**
Sundry Debtors			
HCC Operation and Maintenance Ltd.	Subsidiary	387.53	307.42
Lavasa Corporation Limited	Fellow Subsidiary		13.46
Total		**387.53**	**320.88**
Interest payable on ICD			
Hindustan Construction Company Limited	Holding Company	15,722.45	14,079.85
Dhule Palesner Operations & Maintenance Limited	Subsidiary	1,921.58	872.34
HCC Concessions Limited	Joint venture	20.62	-
HCC Operation and Maintenance Ltd.	Subsidiary	844.80	807.90
HCC real estate Ltd	Fellow Subsidiary	270.31	270.31
HCC Energy Limited	Subsidiary	4,830.30	1,857.88
Charosa Wineries Ltd.	Fellow Subsidiary	41.83	41.83
Total		**23,651.89**	**17,930.13**
Loans and advance to related party			
Badarpur Faridabad tollway limited	Subsidiaries of Joint ventures	20.01	20.01
Baharampore Farakka Raiganj Highway Limited	Subsidiaries of Joint ventures	0.25	0.25
Farakka Raiganj Highway Limited	Subsidiaries of Joint ventures	0.16	0.03
Total		**20.42**	**20.29**
ICD Given(Given)			
HCC Concessions Limited	Joint venture	-	259.00
HCC Power Limited	Subsidiary	4,296.68	1,794.66
HCC Real Estate Limited	Fellow Subsidiary	2,035.00	1,950.00
Total		**6,331.68**	**4,003.66**
Interest receivable on subordinate loans /ICD			
HCC Concessions Ltd	Joint venture	500.71	497.41
HCC Power Ltd	Subsidiary	409.89	51.98
HCC Real estate Ltd	Fellow Subsidiary	247.18	3.01
Total		**1,157.78**	**552.39**
Inter Corporate Deposits-Taken(Current)			
Hindustan Construction Company Limited	Holding Company	62,893.48	46,479.48
Dhule Palesner Operations & Maintenance Limited	Subsidiary	9,497.90	8,972.32
HCC Concessions Limited	Joint venture	300.00	-
HCC Operation and Maintenance Ltd.	Subsidiary	335.73	377.03
HCC Energy Limited	Subsidiary	26,273.55	27,246.96
Total		**99,300.66**	**83,075.79**

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

Transactions with Related Parties:		**FY 2017-18**	**FY 2016-17**
Inter Corporate Deposits-Taken(Non-Current)			
Hindustan Construction Company Limited	Holding Company	65,246.22	65,956.22
HCC Real Estate Limited	Fellow Subsidiary	3,229.62	2,845.48
Total		**68,475.83**	**68,801.70**
Corporate Guarantee issued on our behalf			
Charosa Wineries Ltd.	Fellow Subsidiary	-	0.14
Total		**-**	**0.14**
Corporate Gaurantee(Given to related party)			
HCC Operation and Maintenance Ltd.	Subsidiary	130.69	173.82
HCC Power Limited	Subsidiary	295.56	353.79
Total		**426.25**	**527.61**
Share Capital			
Equity Share Capital			
Hindustan Construction Company Limited	Holding Company	25.00	25.00
Total		**25.00**	**25.00**
Debt Component of Compound Financial Instruments			
HCC Real Estate Limited	Fellow Subsidiary	1.00	-
Total		**1.00**	**-**

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

32 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.

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

Credit Risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss to the company. The maximum exposure of the financial assets are contributed by trade receivables, cash and cash equivalents and receivable from group companies.

Credit risk on trade receivables is limited as the customers of the company mainly consists of group companies having good credit worthisness.
Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with Banks and financial institution with high credit ratings.

(b) Market Risk - Interest rate risk

The exposure of the Company's borrowing is linked to 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 31.03.2018	As at 31.03.2017
Variable rate borrowings	168,962.41	152,790.14
Total borrowings	**168,962.41**	**152,790.14**

The Company has not entered into any interest rate swap agreement.

(ii) Sensitivty 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 31.03.2018	As at 31.03.2017
Interest rates - increase by 0.50 basis points	(804.38)	(708.90)
Interest rates - decrease by 0.50 basis points	804.38	708.90

(c) 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 in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates.

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

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-2018

	Less than 1 Year	1 to 2 Years	3 to 5 Years	Over 5 Years	Total
Non-derivatives					
Borrowings	100,486.58	-	-	68,476.83	168,963.41
Other Financials liabilities	25,783.55	205.26	119.11	-	26,107.92
Total non-derivatives	**126,270.13**	**205.26**	**119.11**	**68,476.83**	**195,071.33**
Derivatives (N.A)	-	-	-	-	-
Total	**126,270.13**	**205.26**	**119.11**	**68,476.83**	**195,071.33**

As At March-2017

	Less than 1 Year	1 to 2 Years	3 to 5 Years	Over 5 Years	Total
Non-derivatives					
Borrowings	83,988.44	-	-	68,801.69	152,790.14
Other Financials liabilities	20,023.73	204.25	221.99	-	20,449.97
Total non-derivatives	**104,012.18**	**204.25**	**221.99**	**68,801.69**	**173,240.11**
Derivatives (N.A)	-	-	-	-	-
Total	**104,012.18**	**204.25**	**221.99**	**68,801.69**	**173,240.11**

33 Net Debt Reconciliation

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Cash and Cash Equivalents	13.71	694.29
Non Current Borrowings (including current maturities)	(69,662.75)	(69,714.35)
Current Borrowings	(99,300.66)	(83,075.79)
Interest Payable	(23,833.02)	(17,945.13)
Net Debt	**(192,782.71)**	**(170,040.97)**

Particulars	**Cash and Cash Equivalents**	**Non Current Borrowings (including current maturities)**	**Current Borrowings**	**Interest Payable**	**Total**
Net Debt as at 1st April 2017	**694.29**	**(69,714.35)**	**(83,075.79)**	**(17,945.13)**	**(170,040.97)**
Cash Flows (Net)	(680.58)	774.09	(1,924.87)	-	(1,831.36)
Interest Cost	-	-	-	(20,460.01)	(20,460.01)
Interest Paid	-	-	-	272.12	272.12
Other Non Cash Movements					
- Acquisition/ Disposals	-	(1.00)	(14,300.00)	14,300.00	(1.00)
- Fair Value Adjustments	-	(721.49)	-	-	(721.49)
Net Debt as at 31st March 2018	**13.71**	**(69,662.75)**	**(99,300.66)**	**(23,833.02)**	**(192,782.71)**

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

34 Fair value measurements & Fair value Hierarchy

(a) Significance of financial instruments

Classification of financial instruments

	As at March 31, 2018	As at March 31, 2017
Financial assets		
At amortised Cost - Level 3		
Investment in Subsidiary	86,722.73	86,722.73
Inter corporate deposit	6,331.68	4,003.66
Interest receivable on ICDs	1,157.78	552.39
Corporate guarantee	-	0.14
Interest accrued on fixed deposits	-	2.77
Cash and Cash equivalent	13.71	694.29
Trade receivable	387.53	320.88
Total financial assets	**94,613.43**	**92,296.85**
Financial liabilities		
At amortised Cost - Level 3		
Bank Borrowings	1,185.92	912.65
Inter corporate deposit	167,777.49	151,877.48
Interest on ICDs	23,651.89	17,930.13
Interest on Term loans	181.13	15.00
Corporate guarantee	426.25	527.61
Payable to related party	136.91	259.24
Dues to employees	4.42	13.65
Others payable	1,707.34	1,704.35
Total financial liabilities	**195,071.34**	**173,240.12**

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

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

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

	As at March 31, 2018	As at March 31, 2017
Financial assets		
Carrying value of financial assets at amortised cost		
Corporate guarantee	-	0.14
Total Financial assets at amortised cost	**-**	**0.14**
Fair value of financial assets carried at amortised cost		
Corporate guarantee	-	0.14
Total Fair value of financial assets at amortised cost	**-**	**0.14**
Financial liabilities		
Carrying value of financial liabilities at amortised cost		
Bank borrowings	1,185.92	912.65
ICDs	167,777.49	151,877.48
Corporate guarantee	426.25	527.61
	169,389.65	**153,317.74**
Fair value of financial liabilities carried at amortised cost		
Bank borrowings	1,185.92	912.65
ICDs	167,777.49	151,877.48
Corporate guarantee	426.25	527.61
Total	**169,389.65**	**153,317.74**

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.

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

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. than the contribution payable to the respective authorities.

Particulars	As at March 31, 2018	As at March 31, 2017
Contribution to provident fund and other funds	1.80	1.55
Total	**1.80**	**1.55**

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 who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salar completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of INR 1,000,0 unfunded.

Particulars	As at March 31, 2018	As at March 31, 2017
Gratuity	3.40	2.50
Total	**3.40**	**2.50**

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

Opening defined benefit liability / (assets)	2.50	1.82
Net employee benefit expense recognised in the employee cost		
Current service cost	0.35	0.29
Past service cost		0.24
Interest cost on benefit obligation	0.19	0.15
(Gain) / losses on settlement		
Net benefit expense	0.54	0.68
Amount recorded in Other Comprehensive Income (OCI)		
Measurement during the period due to :		
Actuarial loss / (gain) arising from on Obligation -Due to Change in Financial Assumptions	(0.18)	-
Actuarial loss / (gain) arising from on Obligation-Due to Experience	0.54	-
Amount recognized in OCI	0.36	-
Benefits payments from plan		
Closing net defined benefit liability / (asset)	3.40	2.50

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Mumbai-11.
Chartered Accountants

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

The net (liability)/asset disclosed above relates to funded plan is as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Present value of unfunded obligations	3.40	2.50
Fair value of plan assets	-	-
Amount not recognised as an asset (asset ceiling)		
	3.40	2.50
Net liability is bifurcated as follows :		
Current	0.07	0.05
Non-current	3.33	2.45
Total	**3.40**	**2.50**
Discount rate	7.85%	7.52%
Expected rate of return on plan assets (p.a.)	N.A.	N.A.
Salary escalation rate (p.a.)	8%	8%
Mortality pre-retirement	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	(0.47)	(0.37)
Impact on defined benefit obligation -1 in % decrease	0.57	0.44
Assumptions -Future salary increases		
Sensitivity Level		
Impact on defined benefit obligation +1 in % increase	0.57	0.44
Impact on defined benefit obligation -1 in % decrease	(0.48)	(0.37)
Assumptions -Employee Turnover		
Sensitivity Level		
Impact on defined benefit obligation +1 in % increase	(0.01)	(0.02)
Impact on defined benefit obligation -1 in % decrease	0.01	0.02
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	0.33	0.23
Between 6 and 10 years	0.55	0.38
For and Beyond 11 years	12.17	9.06
Total expected payments	**13.06**	**9.67**
The average duration of the defined benefit plan obligation at the end of the reporting period	17	18

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36 Net worth & Going Concern assumption

Particulars	As at March 31, 2018	As at March 31, 2017
The net worth of the Company is negative as the accumulated losses of the Company have exceeded the paid up share capital of the Company amounting to ₹ 25,00,000 due to losses as follows :-		
Reserves & Surplus	(100,267.16)	(80,774.74)
Capital including Share Suspense Account	26.00	26.00
Net Worth	(100,241.16)	(80,748.74)
The Management is of the view that diminution in the net worth of the Company is temporary in nature given significantly higher fair market value of its investments in down stream subsidiary company, namely HCC Concessions Limited (HCL) and ongoing incubation of other infrastructure businesses which will create further value for the Company. During the Financial year 2015-16,based on valuation done by the Independent Valuer,HCL has been valued at ₹ 2,29,814 lakhs The Company owns 85.45% Equity stake in HCL.In view of this the financial statements have been prepared on going concern basis.		

37 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.

38 Previous year figures

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

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

K.S. AIYAR & CO. Mumbai-11. Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

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Mahalaxmi Mumbai 400 011 India
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Independent Auditor's Report

To the Members of HCC Infrastructure Company Limited,

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **HCC Infrastructure Company Limited** ('the Holding Company'), it's subsidiaries (hereinafter collectively referred to as the "Group") and it's Joint Venture (including its subsidiaries), which comprise the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and 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 Ind AS 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 including its Joint Venture, 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/management of the companies included in the Group and of its Joint Venture 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 Joint Venture 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 Ind AS 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 control 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 Directors, as well as evaluating the overall presentation of the consolidated Ind AS 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 the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 the separate Ind As financial statements 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 including the Ind AS, of the consolidated state of affairs (financial position) of the Group and its Joint Venture as at 31 March 2018, and their consolidated loss (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:

i. Note 30 to the consolidated Ind AS financial statements, in case of Raiganj –Dalkhola Highways Limited (RDHL) (Company's joint venture's subsidiary), National Highway Authority of India (NHAI) has served notice of termination of contract to RDHL due to delay in re-start of work at project. For the reasons mentioned in the note, as RDHL is confident of full recovery of its claims of ₹ 36,800.00 lacs made before the Arbitration for wrong full termination of the project. In view of this the cost incurred by RDHL till 31st March, 2017 appearing under intangible assets under development amounting to ₹ 17,742.46 lacs is considered fully recoverable by the management.

ii. Note 30 to the consolidated Ind AS financial statements. RDHL has filed a claim before arbitration for wrongful termination of the project by NHAI. Also, it has filed another claim for cost incurred on the project till date of termination for which the Constitution of Arbitral Tribunal to adjudicate this claim is awaited. Management is confident of full recovery of its claims. Also, the net-worth of RDHL is positive and hence management views the entity as a Going Concern. However, these conditions along with other matters as set forth in above note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The appropriateness of assumption of going concern is critically dependent upon the Company's ability to succeed in its claim of wrongful termination before the arbitration.

iii. RDHL has given interest free mobilization advance of ₹ 9000.00 lacs to Hindustan Construction Company Limited, in its capacity as sub-contractor for carrying out the project. The said amount is outstanding for more than 3 years due to delay and subsequent wrongful termination of the project by NHAI.

iv. The Independent Auditors of the Company's Joint venture's subsidiary, Badarpur Faridabad Tollway Limited (BFTL), in their audit report on Ind AS financial statements of BFTL for the year ended 31 March 2018, have drawn attention to the matter stated in Note 31 to the consolidated Ind AS financial statements. Net-worth of Badarpur Faridabad Toallway Limited (BFTL) is negative as on 31st March 2018 as the accumulated losses have exceeded the paid-up share capital of BFTL.
Consequent to the intention to issue termination notice issued by the BFTL vide letter dated 31.03.2017, the company issued the Termination Notice to NHAI on 01.09.2017, terminating the Concession Agreement (CA) of the Project entered into by the Company with NHAI dated 04.09.2008 due to various reasons / authority defaults mentioned therein and demanded Termination Payment of Rs.77500 lacs. The NHAI refuted the Termination initiated by Company.
NHAI, in turn, issued Suspension Notice dated 28.08.2017 and took over the project. Subsequent to its Suspension Notice, the NHAI Terminated the CA vide letter dated 23.02.2018. BFTL refuted NHAI's termination stating that NHAI's termination is invalid, as BFTL had already terminated CA vide Termination Notice dated 01.09.2017. BFTL has referred termination dispute for resolution as per Dispute Resolution Procedure (Arbitration) provided in the CA.
Based on the legal advice obtained in this respect, BFTL has represented that it is confident of recovering the amount from NHAI and therefore has accounted the same under current financial assets in its standalone Ind As financial statements.
Despite Negative net-worth, the management views the entity as going concern. These conditions indicate existence of material uncertainty that may cast significant doubt about the company's ability to continue as going concern.

v. Note No 27 to the consolidated Ind AS financial statements. The accumulated losses of the group have exceeded its equity by ₹ 1,55,765.06 lacs. The Group has incurred current loss of ₹ 20,059.93 lacs. Despite negative net worth of the group, the Consolidated Ind AS financial statements have been prepared on going concern basis for the reasons mentioned in the aforesaid note. The appropriateness of the same basis is inter alia dependent upon Group's ability to generate higher fair market value of its investment in Joint Venture, namely HCC

Concessions Limited and ongoing incubation of other infrastructure businesses which will create further value for the Group. These conditions, along with other matters as set forth in Note 27, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Our opinion is not modified in respect of matters mentioned in (i) to (v) above.

Other Matter

1. Trade receivable of ₹ 13.46 lacs denote dues from Lavasa Corporation Limited, fellow subsidiary. The balance confirmation for the same is not available from the party.

2. We did not audit the Ind AS financial statements of one subsidiary, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹5136.66 lacs and net assets (after eliminating intra-group transactions) of ₹-6662.66 lacs as at 31 March 2018, total revenues (after eliminating intra-group transactions) of ₹ 8396.89 lacs and net cash inflows amounting to ₹323.14 lacs for the year ended on that date, as considered in these consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 7414.45 lacs for the year ended 31 March 2018, in respect of four subsidiaries of joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries of joint venture, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate Ind AS financial statements and other financial information of the subsidiaries and Joint Venture, 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 and the reports of the other auditors;

   (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   (d) In our opinion, the aforesaid consolidated Ind AS 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 2018 taken on record by the Board of Directors of the Holding Company and the report of the other statutory auditors of its subsidiary companies and its Joint Venture incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and Joint Venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A';

(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 Auditor's) Rules, 2014, 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 report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and Joint Venture as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated Ind AS financial position of the Group and Joint Venture as detailed in Note 28 to the consolidated Ind AS financial statements;

ii. As stated in Note 28, 29 and 30 the group doesn't envisage material foreseeable loss in case of the long-term contract requiring provision. Except for this, the group does not have any other long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding companies, its subsidiary Companies & Joint Venture.

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

Satish Kelkar
Partner
Membership No: 38934

Place: Mumbai
Date: May 2, 2018

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 Infrastructure Company Limited** ("the Holding Company"), its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture as of and for the year ended 31 March 2018 we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary companies and its joint venture, 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, its subsidiary companies, and jointly controlled company, 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, and its jointly controlled company as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), issued by the ICAI. 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 were 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 of the Holding Company, its subsidiary companies and its jointly controlled company as aforesaid.

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 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, its subsidiary companies & joint venture, 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 2018, 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 one subsidiary company, which is company incorporated in India, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹5136.66 lacs and net assets (after eliminating intra-group transactions) of ₹-6662.66 lacs as at 31 March 2018, total revenues (after eliminating intra-group transactions) of ₹ 8396.89 lacs and net cash inflows amounting to ₹323.14 lacs for the year ended on that date; and four subsidiaries of Joint venture, which are companies incorporated in India, in respect of which, the Group's share of net loss (including other comprehensive income) is ₹ 7414.45 lacs for the year. Our report on the adequacy and operating effectiveness of the IFCOFR for the Holding Company, its subsidiary companies and joint venture, 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: May 2, 2018

HCC Infrastucture Company Limited
Consolidated Balance Sheet as on 31st March, 2018
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	Note	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	6.22	7.62
Financial Assets			
Investments	5A	29,281.35	31,538.66
Other Financial Assets	6A	0.03	0.16
Other non - current assets	7A	1,396.96	609.22
Total		**30,684.56**	**32,155.66**
Current assets			
Financial Assets			
Investments	5B	338.70	-
Trade receivables	8	480.27	399.66
Cash and cash equivalents	9A	946.12	675.97
Other Bank Balances other than above	9B	-	592.78
Loans	10	2,035.00	2,209.00
Other financial asset	6B	747.89	503.18
Other current assets	7B	343.40	142.37
Total		**4,891.38**	**4,522.96**
Total Assets		**35,575.94**	**36,678.62**
EQUITY AND LIABILITIES			
Equity share capital	11	25.00	25.00
Other equity	12		
Capital contribution	A	297.76	297.76
Capital Reserve on Merger	B	604.00	604.00
Reserves and Surplus	C	(155,790.06)	(135,730.13)
Share Capital Suspense Account	D	-	1.00
Equity attributable to owners		**(154,863.30)**	**(134,802.37)**
Non Controlling interests		-	-
Total Equity		**(154,863.30)**	**(134,802.37)**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	13A	99,505.58	103,473.36
Provisions	14A	28.87	24.15
Total		**99,534.45**	**103,497.51**
Current Liabilities			
Financial Liabilities			
Borrowings	13B	63,193.48	46,479.48
Trade payables	15	251.61	489.47
Other financial liabilities	16B	23,931.99	19,158.70
Provisions	14B	1,577.98	759.51
Other current liabilities	17	1,949.73	1,096.32
Total		**90,904.79**	**67,983.47**
Total		**190,439.24**	**171,480.98**
Total Equity and Liabilities		**35,575.94**	**36,678.62**

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

K. S. AIYAR & CO. Mumbai-11 Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

Place: Mumbai
Date: 2nd May 2018

HCC Infrastucture Company Limited
Consolidated statement of Profit and Loss for the year ended 31st March, 2018
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
Continuing Operations			
Revenue from Operations	18	7,264.55	3,640.15
Other Income	19	278.94	83.81
Total Income		**7,543.49**	**3,723.96**
Expenses			
Purchase of Stock in trade	20	18.24	21.34
Employee benefits expense	21	427.35	433.06
Finance costs	22	20,641.22	18,185.24
Depreciation	23	1.99	1.57
Other expenses	24	3,383.44	1,921.76
Total expenses		**24,472.24**	**20,562.97**
Profit / (loss) before share of (profit)/loss of an associate and a joint venture, exceptional items and tax from continuing operations		**(16,928.75)**	**(16,839.01)**
Exceptional Items	25	-	526.00
Profit / (loss) before share of (profit)/loss of an associate and a joint venture and tax from continuing operations		**(16,928.75)**	**(17,365.01)**
Tax expense			
Current tax		878.51	-
Excess Provision for Tax		-	(0.05)
MAT Credit taken		-	(0.05)
Share of Profit / (loss) of associates and joint ventures		(2,258.21)	(8,784.67)
Profit/(Loss) for the period from continuing operations		**(20,065.47)**	**(26,149.59)**
Other Comprehensive Income			
Items not to be reclassified subsequently to profit or loss			
- Gain/(Loss) on fair value of defined benefit plans as per actuarial valuation		4.64	-
- Income Tax Effect on above		-	-
- Share of OCI of Investments accounted for using Equity Method		0.90	-
Other Comprehensive Income for the year		**5.54**	-
Total Comprehensive Income for the year		**(20,059.93)**	**(26,149.59)**
Earnings per equity share of Rs. 10 each (for continuing operation):	26		
Basic earnings per share		(8,023.97)	(10,459.83)
Diluted earnings per share		(8,023.97)	(10,459.83)

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

K.S. AIYAR & CO. Mumbai-11 Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

Place: Mumbai
Date: 2nd May 2018

HCC Infrastucture Company Limited
Consolidated Cashflow statement for the year ended 31st March, 2018
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A Cash Flow from operating activities		
Profit before income tax including discontinued operations	(20,059.93)	(26,149.59)
Adjustments for		
Add:		
Change in Reserve	-	(2,295.22)
Depreciation and amortisation expenses	1.99	1.57
Share of Loss in Joint Venture	2,258.21	8,784.67
Amortisation of Corporate Guarantee	0.14	149.11
Finance costs	20,255.65	17,697.35
Less:		
Interest received	(261.73)	(15.35)
Reversal of Provisions	-	(14.05)
Profit on sale of investment	(5.37)	(50.74)
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	(80.61)	561.22
(Increase)/decrease in other financial assets	(244.71)	(8.08)
(Increase)/decrease in other current assets	(201.03)	(26.16)
Increase/(decrease) in trade payables	(237.85)	361.64
Increase/(decrease) in other financial liabilities	1,493.90	(1,175.72)
Increase/(decrease) in provisions	823.18	17.64
Increase/(decrease) in other current liabilities	853.41	(68.10)
	4,595.25	(2,229.79)
Cash generated from operations		
Income taxes paid	(787.74)	(325.61)
Net cash inflow from operating activities	**3,807.51**	**(2,555.40)**
B Cash flow from investing activities:		
Purchase of property, plant and equipment/ intangible assets	(0.59)	(6.77)
Payment for acquisition of share in Joint Venture	(0.90)	-
Purchase of investments in Mutual Funds	(333.33)	(1,230.00)
Proceeds from sale of investments in Mutual Funds	-	2,210.43
(Investment)/Redemption in Fixed Deposit	592.78	(328.50)
Intercorporate Deposits given during the year	-	(2,209.00)
Intercorporate Deposits given repaid during the year	174.00	-
Interest received	261.73	15.35
Net cash outflow from investing activities	693.69	(1,548.49)
C Cash flow from financing activities		
Term Loan taken during the year	-	18,500.00
Term Loan repaid during the year	(1,807.00)	(12,082.53)
Inter Corporate Deposit taken during the year - Long Term	-	2,507.03
Inter Corporate Deposit Repaid during the year - Long Term	(710.00)	(2,615.48)
Inter Corporate Deposit taken during the year - Short Term	16,714.00	14,579.48
Inter Corporate Deposit Repaid during the year - Short Term	-	(129.00)
Interest paid/Converted into Loan	(18,428.04)	(16,602.76)
Net cash inflow (outflow) from financing activities	(4,231.04)	4,156.74
Net increase/(decrease) in cash and cash equivalents	270.16	52.86
Add: Cash and cash equivalents at the beginning of the financial year	675.97	623.10
Cash and cash equivalents at the end of the year	**946.12**	**675.97**
Reconciliation of Cash Flow statements as per the cash flow statement		
Cash Flow statement as per above comprises of the following	**31 March 2018**	**31 March 2017**
Cash and cash equivalents	946.12	675.97
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

K.S. AIYAR & CO. Mumbai-1 Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

Place: Mumbai
Date: 2nd May 2018

HCC Infrastucture Company Limited
Consolidated Statement of changes in equity as at 31st March 2018
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	Equity Share Capital	Equity Component of Instrument		Reserves & Surplus		Total
		Capital Contribution	Share Capital Suspense	Capital Reserve on Merger	Retained Earnings	
Balance as at 1st April, 2016	**25.00**	**297.76**	**-**		**(106,680.33)**	**(106,357.56)**
Loss for the year	-	-	-	-	(26,149.59)	(26,149.59)
Acquired through Business Combination	-	-	-	604.00	(2,900.22)	(2,296.22)
Share Capital Pending for Allotment	-	-	1.00	-	-	1.00
Other Comprehensive Income for the year	-	-	-	-		-
Total Comprehensive Income/(Loss) for the year	-	-	1.00	604.00	(29,049.80)	(28,444.80)
Balance as at 1st April, 2017	**25.00**	**297.76**	**1.00**	**604.00**	**(135,730.13)**	**(134,802.37)**
Loss for the year	-	-	-	-	(20,059.93)	(20,059.93)
Allotment during the year	-	-	(1.00)	-	-	(1.00)
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income/(Loss) for the year	-	-	**(1.00)**	-	**(20,059.93)**	(20,060.93)
Balance as at 31st March, 2018	**25.00**	**297.76**	**-**	**604.00**	**(155,790.06)**	**(154,863.30)**

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

K. S. AIYAR & CO.
Mumbai-11
Chartered Accountants

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

8

Place: Mumbai
Date: 2nd May 2018

Place: Mumbai
Date: 2nd May 2018

HCC Infrastucture Company Limited
Notes to the consolidated financial statements for the year ended March 31, 2018
(All amounts are in Rs. lakhs, unless stated otherwise)

1 Corporate information

HCC Infrastructure Company Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is a 100% subsidiary of Hindustan Construction Company Limited (HCC). Shares of Its holding company are listed on two stock exchanges in India. The purpose of incorporation of this Company is to carry on all types of infrastructure activities whether on its own or through subsidiaries, jointly controlled entity or SPV's.

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

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

IndAS115:

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. The new revenue standard is applicable to the Company from 1 April 2018.

The Company is evaluating the requirement of the amendment and the impact on the financial statements

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.

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.

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(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 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.

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) **<u>Government grant</u>**

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.

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(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.

(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).

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(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.

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.

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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.

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 Interet 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-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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.

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(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 unsused 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.

The Company is eligible for deduction under Section 80- IA of the Income Tax Act, 1961 and the concession period of the Company's project falls within the tax holiday period as defined in Section 80-IA. Since deferred tax on timing differences between Accounting income and Taxable income that arise during the year is reversing during such tax holiday period, no deferred tax asset or liability arises and accordingly no provision is made in the accounts.

(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.

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.

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(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.

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 employments 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.

(s) **Business Combinations - Common Control Transactions**

Business Combinations involving entities that are controlled by the group are accounted for using the pooling of Interest Method as follows:

i The assets and liabilities of the combining entities are reflected at their carrying amounts.

ii No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are made only to harmonise accounting policies.

iii The financial information in the financial statements in respect of prior periods is restated as if business combination had occurred from the beginning of the preceding period in financial statements, irrespective of the actual date of combination. However, where the business combination has occured after that date, the prior period information is restated only from that date.

iv The balance of retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

v The identity of reserves are preserved and the reserves of the transferor become the reserves of the transferree.

vi The difference, if any, between the amounts recorderd as share capital issued plus any additional consideration in form of cash or other assets and the amount of share capital of the transferror is transferred to capital reserve and is presented separately from other capital reserves.

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(t) **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.

(u) **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.

(v) **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.

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HCC Infrastucture Company Limited

Notes to the consolidated financial statements for the year ended March 31, 2018

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

4 Property, Plant and Equipment

Particulars	Computers	Office equipment	Furniture & Fixtures	Total
Deemed Cost Carrying Value				
Balance as at 1st April 2016	2.19	0.49	0.86	**3.54**
Additions	6.57	0.00	0.00	**6.57**
Balance as at 31st March 2017	**8.76**	**0.49**	**0.86**	**10.11**
Balance as at 1st April 2017	8.76	0.49	0.86	**10.11**
Additions	1.24	0.00	0.00	**1.24**
Balance as at 31st March 2018	**10.00**	**0.49**	**0.86**	**11.36**
Accumulated Depreciation				
Balance as at 1st April 2016	0.68	0.29	0.14	1.12
Depreciation for the year	1.09	0.15	0.14	1.38
Balance as at 31st March 2017	**1.77**	**0.44**	**0.29**	**2.50**
Balance as at 1st April 2017	1.77	0.44	0.29	2.50
Depreciation for the year	2.45	0.05	0.14	2.64
Balance as at 31st March 2018	**4.22**	**0.49**	**0.43**	**5.14**
Net Block				
Balance as at 31st March 2017	**6.99**	**0.05**	**0.57**	**7.62**
Balance as at 31st March 2018	**5.78**	**0.00**	**0.43**	**6.22**

5 Non-current investments

	Particulars	As at March 31, 2018	As at March 31, 2017
5A	**Investment in Equity Instruments - Unquoted**		
	Joint Venture - Investment as per Equity Method		
	HCC Concessions Limited (50,000 (31 March 2017: 50,000) Equity shares of Rs. 10 each at par and 28,67,151(31st March,2017: 28,67,151) Equity Shares of Rs. 10 each fully paid-up in HCC Concessions Limited, issued at premium of Rs. 1990/- per share.)	29,281.35	31,538.66
	Total (A)	**29,281.35**	**31,538.66**

Details of Investment as per Equity Method - Joint Venture

Particulars		Rs in lakhs
Value of Investments as on Mar 16		**40,323.33**
Share of profit/ (loss) in joint venture during the year FY 16-17		(8,784.67)
Value of Investments as on 1st April 2017		**31,538.66**
Share of profit/ (loss) in joint venture during the period FY 17-18		(2,258.21)
Share of OCI in joint venture during the period FY 17-18		0.90
Value of Investments as on March 18		**29,281.35**

	Particulars	As at March 31, 2018	As at March 31, 2017
5B	**Current Investments**		
	Investment in Mutual Funds		
	Fair value through profit or loss		
	Unquoted		
	Investments in Mutual fund	338.70	-
	Essel Liquid Fund Growth plan (March 31, 2018:11889.70 Units) Previous Year : Nil		
	Reliance Mutul Fund -Direct Growth Plan (March 31,2018,: 2622.45 Units) Previous Year : Nil		
	Total (B)	**338.70**	**-**
	Total (A+B)	**29,620.04**	**31,538.66**

Aggregate amount of quoted investments and Market value thereof	-	-
Aggregate amount of unquoted investments	29,620.04	31,538.66
Aggregate amount of impairment in value of investments	-	-

6 Other financial assets
(Unsecured unless otherwise stated)

	Particulars	As at March 31, 2018	As at March 31, 2017
6A	**Non-current**		
	Considered good		
	Security Deposit	0.03	0.03
	Corporate Gurantee given to Banks by Group Company	-	0.14
	Non-current total (A)	**0.03**	**0.16**
6B	**Current**		
	Considered good		
	Interest receivable Inter Corporate Deposits	747.89	500.41
	Interest receivable Fixed Deposits	-	2.77
	Current total (B)	**747.89**	**503.18**
	Total (A+B)	**747.91**	**503.35**

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

7 Other Assets

	Particulars	As at March 31, 2018	As at March 31, 2017
7A	**Non-current Tax assets**		
	Prepaid Taxes (Net of Provisions)	1,396.96	609.22
	Total	**1,396.96**	**609.22**

i **Income Tax assets (Net)**

a Income Tax Expense on the Statement of Profit and Loss comprises :

Particulars	As at March 31, 2018	As at March 31, 2017
Current Income Tax	878.51	-
Income Tax Expenses (Net)	**878.51**	**-**

	Particulars	As at March 31, 2018	As at March 31, 2017
7B	**Current**		
	Loans to related parties (Refer Note 35)	35.99	46.33
	Other Receivables	40.38	40.38
	Balance with Government Authorities	260.00	53.85
	Prepaid expenses	2.96	1.02
	Other Advances	4.07	0.79
	Total	**343.40**	**142.37**

8 Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured, considered good unless otherwise stated)		
Others	480.27	399.66
Total	**480.27**	**399.66**

9 Cash and cash equivalents & Other Bank Balances

	Particulars	As at March 31, 2018	As at March 31, 2017
9A	**Cash and cash equivalents**		
	Cash on hand	0.04	0.02
	Balances with Banks		
	In current accounts	946.08	628.95
	Term deposits with original maturity of less than three months	-	47.00
		946.12	**675.97**
9B	**Other Bank Balances**		
	Fixed Deposit (more than 3 months upto 12 months)	-	592.78
	Total	**-**	**592.78**

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

10 Loans

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Intercorpoarte Deposit	2,035.00	2,209.00
Total	**2,035.00**	**2,209.00**

11 Equity share capital

Particulars	As at March 31, 2018	As at March 31, 2017
Authorised		
14,990,000 (March 31, 2017: 5,000,000) equity shares of Rs. 10/- each	1,499.00	1,499.00
10,000 (March 31, 2017: 10,000) 0.1% Non - Cumulative Redeemable Preference Shares of Rs.10/- each	1.00	1.00
Issued, subscribed and fully paid up		
250,000 (March 31, 2017: 250,000) equity shares of Rs.10/- each	25.00	25.00
Total	**25.00**	**25.00**

a Reconciliation of number of shares

	Equity		Preference	
	No of Shares In Lacs	Amount	No of Shares In Lacs	Amount
Shares :				
Balance as at the 1 April 2016	**2.50**	**25.00**	-	-
Add: Issued during the year	-	-	-	-
Balance as at the 1st April 2017	**2.50**	**25.00**	-	-
Add: Issued during the year	-	-	0.10	1.00
Balance as at the 31st March 2018	**2.50**	**25.00**	**0.10**	**1.00**

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 Rights, preferences and restrictions attached to Preference shares

i The Preference Shares shall carry a dividend of 0.1% per annum. These are non cumulative and non convertible.

ii Redemption of Preference Shares would be done as decided by the Board of Directors of HICL at any time after the period of 6 (six) months and prior to the period of 20 (twenty) years from the date of issue of preference shares

iii The Preference Shares shall have no voting rights

iv The Preference Shares will not be listed on any Stock Exchanges unless required by any extant regulations

v In the event of liquidation of the company before conversion/ redemption of 0.1% NCPS, the holders of 0.1% NCPS will have priority over equity shares in the payment of dividend and repayment of capital.

d Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	As at March 31, 2018	As at March 31, 2017
Hindustan Construction Company Limited (HCC), the holding company		
250,000 (31 March 2016: 250,000) equity shares of ₹10 each fully paid	25.00	25.00
HCC Real Estate Limited		
10,000 (March 31, 2017: 10,000) 0.1% Non - Cumulative Redeemable Preference Shares of Rs.10/- each	1.00	1.00

e Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: Nil

f Details of equity shares held by holding / ultimate holding company

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of Shares (In lakhs)	% of Shareholding	No of Shares (In lakhs)	% of Shareholding
Equity shares of Rs 10/- each fully paid				
Hindustan Construction Company Limited	2.5	100%	2.5	100%

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

12 Other Equity

	Particulars	As at March 31, 2018	As at March 31, 2017
A	Capital Contribution - Corporate Guarantee	297.76	297.76
B	Capital Reserve on Merger	604.00	604.00
C	Retained Earnings	(155,790.06)	(135,730.13)
D	Share Capital Suspense Account	-	1.00
	Other Equity	**(154,888.30)**	**(134,828.37)**

A Capital Contribution - Corporate Guarantee

Particulars	As at March 31, 2018	As at March 31, 2017
Corporate Guarantee	297.76	297.76
Closing Balance	**297.76**	**297.76**

B Capital Reserve on Merger

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	604.00	-
Capital Reserve on Merger	-	604.00
Less: Transferred to general reserve	-	-
Closing Balance	**604.00**	**604.00**

C Surplus in the Consolidated Statement of Profit and Loss

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(135,730.13)	(106,680.33)
Add: Loss for the year	(20,059.93)	(26,149.59)
Add : Acquired through Business Combination	-	(2,900.22)
Add: Other comprehensive income for the income	-	-
Closing Balance	**(155,790.06)**	**(135,730.13)**

D Share Capital Suspense Account

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	1.00	-
Add: Share Capital Pending for Allotment	-	1.00
Less : Share Alloted	(1.00)	-
Closing Balance	-	**1.00**

13 Borrowings

13A Non Current Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
Secured		
Term loans		
Rupee Loan (Refer Foot Note I)	31,028.75	34,671.67
Secured - total	31,028.75	34,671.67
Unsecured		
Inter Corporate deposit (Refer Foot Note II)	68,475.83	68,801.69
Liability Component of Compound Financial Instruments (Refer Foot Note III)		
10,000 0.1% Non - Cumulative Redeemable Preference Shares of Rs.10/- each	1.00	-
HCC Real Estate Limited		
Unsecured - total	68,476.83	68,801.69
Total non current borrowings	**99,505.58**	**103,473.36**
Non current borrowings (as per Balance sheet)	99,505.58	103,473.36

I **Foot Note**

a **HCC Infrastructure Limited**

Term Loans from Bank include loan availed by Company outstanding to Rs. 1185.92 Lakhs carrying interest @ 12.5% p.a. are repayable in 5 years commencing from January 1st, 2014 in equal quarterly repayment. This Loan is secured by second charge on entire assets of the Company (including moveable and immovable, fixed assets and current assets), excluding investments, both present and future. Term Loan availed from Bank are secured by i) residual charge over identified receivables of Hindustan Construction Company Limited ii) Irrevocable & unconditional corporate guarantee given by Hindustan Construction Company Limited for securing the loan along with applicable interest, iii) An irrevocable and unconditional undertaking given by Hindustan Construction Company Limited and borrower to Bank with respect to liquidity events conditions ,conditions related to accelerated repayments. v) A pledge by the borrower of 636,100 equity shares and 56,006,020 0.001% Compulsory Convertible Cumulative Preference shares held by it in HCC Concessions Limited, a subsidiary, in favour of Bank vi) Irrevocable & unconditional corporate guarantee of Charosa Wineries Limited.
Continuing Default in repayments of Overdues to Yes Bank :
i) Overdue Interest amounting to Rs. 181.13 Lakhs for the period March 2017 to March 2018.
ii) Principal Overdue amounting to Rs. 1185.92 Lakhs since April 2017

b **HCC Operation & Maintenance Ltd**

Term Loans from Banks include loan availed by HCC Operations& Maintenance Limited, a subsidiary company, outstanding to Rs. 4571.67 Lakhs (RTL I) carrying interest @ 10.75% p.a. and Rs.2700 Lakhs (RTL II) carrying interest @ 11.25% p.a. repayable in 16 consecutive quarterly instalments commencing from the third year of the loan. This loan is secured by i) First Pari Passu Charge on all assets of Borrower, ii) Extension of second pari passu charge over entire assets of HICL(Including movable and immovable fixed assets(If any) and current assets), excluding investments, both present and future provided at HCC Infrastructure Company Limited iii) Corporate guarantee of HCC Infrastructure Company Limited iv) Extension of the Charge on the pledge of shares of HCC Infrastructure Company Limited(HICL) in HCC Concessions Ltd already charged to Loan at HCC Infrastructure Company Limited.

c **HCC Power Limited**

Term Loans from Banks include loan availed by HCC Power Limited, a subsidiary company, outstanding to Rs. 11700 Lakhs (RTL 1) carrying interest @ 11.25% p.a., Rs.8000 Lakhs (RTL 2) carrying interest @ 10.65% p.a., Rs.5000 Lakhs (RTL 3) carrying interest @ 10.75% p.a. and Rs.2400 Lakhs (RTL 4) carrying interest @ 11.05% p.a.are repayable in 20 consecutive quarterly instalments commencing from the third year of the loan. This loan is secured by i) First Pari Passu Charge on all assets of Borrower, ii) Extension of second pari passu charge over entire assets of HICL(Including movable and immovable fixed assets(If any) and current assets), excluding investments, both present and future provided at HCC Infrastructure Company Limited iii) Corporate Guarantee from HCC Infrastructure Company Limited , Hindustan Construction Company Limited and HCC Real Estate Limited on TL 4 iv) Extension of the Charge on the pledge of shares of HCC Infrastructure Company Limited(HICL) in HCC Concessions Ltd already charged to Loan at HCC Infrastructure Company Limited.

II **Inter Corporate Deposit from related parties:**

Name of Company	Repayment Terms	Rate of interest	As at March 31, 2018	As at March 31, 2017
Hindustan Construction Company Limited	Based on Mutually agreed Terms	12.50%	65,246.22	65,956.22
HCC Real Estate Limited	Based on Mutually agreed Terms	12.50%	3,229.62	2,845.48
Total			**68,475.83**	**68,801.70**

III **Liability Component of Compound Financial Instruments**

The Company has issued 10,000 , 0.1% Non - Cumulative Redeemable Preference Shares of Rs.10/- each to HCC Real Estate Limted. Redemption of Preference Shares would be done as decided by the Board of Directors of the company at any time after the period of 6 (six) months and prior to the period of 20 (twenty) years from the date of issue of preference shares.

13B Current Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
From Related Parties		
Inter Corporate deposit * (Refer Note 34)	63,193.48	46,479.48
Total	63,193.48	46,479.48
Total current borrowings	**63,193.48**	**46,479.48**
* Repayable within 1 year		

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

14 **Provisions**

	Particulars	As at March 31, 2018	As at March 31, 2017
14A	**Non Current**		
	Provision for employee benefits - Leave Encashment	4.27	1.73
	Gratuity (Refer Note 34)	24.60	22.42
	Total (A)	**28.87**	**24.15**
14B	**Current**		
	Provision for employee benefits - Leave Encashment	0.21	0.95
	Gratuity	0.26	0.40
	Provisions for Tax	1,188.00	313.00
	Provisions for Expenses	389.51	445.16
	Total (B)	**1,577.98**	**759.51**
	Total (A+B)	**1,606.85**	**783.66**

15 **Trade payables**

Particulars	As at March 31, 2018	As at March 31, 2017
Trade payables	251.61	489.47
Total	**251.61**	**489.47**

16 **Other Financial Liabilities**

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Current maturities of long-term debt	4,528.83	2,355.57
Interest accrued and due on borrowings (Inter Corporate Deposits)	16,055.21	14,391.99
Interest Accured and due on borrowings (Term loan)	-	-
Interest accrued and not due on borrowings	501.04	336.66
Payables to related party	819.86	259.24
Due to employees	30.06	59.08
Other payables	1,996.99	1,756.16
Total (B)	**23,931.99**	**19,158.70**
Total (A+B)	**23,931.99**	**19,158.70**

17 **Other current liabilities - Current**

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory Dues	102.76	81.27
Advance from Customers	1,846.97	1,015.04
Total	**1,949.73**	**1,096.32**

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

18 Revenue from Operations

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Material	30.56	148.42
Sale of Services	7,233.99	3,491.73
Total	**7,264.55**	**3,640.15**

19 Other Income

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income	261.73	15.35
Interest Income on Fixed Deposit	9.16	2.03
Interest on Income Tax Refund	-	0.11
Net gain/loss on sale of investments	5.37	50.74
Gain on Fair Value of Investments	2.31	-
Reversal of previous year provisions	-	14.05
Miscellaneous Income	0.37	1.53
Total	**278.94**	**83.81**

20 Purchase of Stock in Trade

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Purchase of Stock in Trade	18.24	21.34
Total	**18.24**	**21.34**

21 Employee benefits expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	384.79	389.66
Contribution to provident funds and other funds	26.23	19.91
Workmen and Staff welfare expenses	16.33	23.49
Total	**427.35**	**433.06**

22 Finance costs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expense on Term Loans	4,400.30	3,481.28
Interest expense on ICDs	15,855.34	14,216.07
Unwinding of Discounted Value of Long Term Inter Corporate Deposit	384.14	338.45
Other borrowing costs	1.30	0.32
Amortisation of Corporate Guarantee	0.14	149.11
Total	**20,641.22**	**18,185.24**

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23 Depreciation on Property, Plant and Equipment

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on Property, Plant and Equipment	1.99	1.57
Total	**1.99**	**1.57**

24 Other expenses

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Audit expenses (Refer Foot Note i below)	4.14	3.78
Travelling	10.75	7.65
Director Sitting Fees	5.01	2.76
Postage, Telephone and Fax	7.88	10.41
Rates & Taxes	12.92	4.08
Legal, Professional and Consultancy Charges	78.86	118.68
Security expenses	309.19	0.03
Insurance Charges	8.00	0.14
Car Hire Charges	235.21	70.61
Repairs and Maintenance	2,660.46	1,252.26
Corporate Social Responsibility expenditure (Refer Foot Note ii below)	6.04	6.50
Miscellaneous Expenses	44.98	444.86
Total	**3,383.44**	**1,921.76**

Foot Note

i Details of payment to auditors

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Statutory Audit fees	2.25	2.25
Tax audit fees	0.25	0.23
Others	1.64	1.30
Total	**4.14**	**3.78**

ii Corporate Social Responsibility expenditure

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Yashwini Samajik Abhiyan	-	6.50
Gulabchand Foundation	6.04	-
Total	**6.04**	**6.50**
Amount required to be spent as per Section 135 of the Act	6.41	6.03
Amount spent during the year on purposes other than on construction / acquisition of an	6.04	6.50

25 Exceptional Items

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Reversal of Claim Income (Refer Foot Note below)	-	526.00
Exceptional items	**-**	**526.00**

Foot Note:

Rs. 750 Lakhs in relation to cumulative claim received for FY15 and FY16 from Operations & Maintenance Contractor on account of supplemental cost toward overloading related work of which Rs. 224 Lakhs is payable to Operations & Maintenance Contractor and Rs. 526 Lakhs has been reversed during FY 17

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26 Earnings per share (EPS)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
The following reflects the profit and share data used in the basic EPS computations:		
Loss for the period	(20,059.93)	(26,149.59)
Number of equity shares in calculating basic EPS	2.50	2.50
Basic and Diluted EPS	(8,023.97)	(10,459.83)

27 Net worth & Going Concern assumption

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
i	The net worth of the group is negative as the accumulated losses of the group have exceeded the paid up share capital of the Company amounting to Rs. 25,00,000 due to losses as follows :-		
	Accumulated losses	(155,790.06)	(135,730.13)
	Capital	25.00	25.00
		(155,765.06)	(135,705.13)

ii The Management is of the view that diminution in the net worth of the Company is temporary in nature given significantly higher fair market value of its investments in Joint Venture, namely HCC Concessions Limited (HCL) and ongoing incubation of other infrastructure businesses which will create further value for the Company. During the Financial year 2015-16,based on valuation done by the Independent Valuer,HCL has been valued at Rs. 2,29,814 lakhs.The Company owns 85.45% Equity stake in HCL.In view of this the financial statements have been prepared on going concern basis.

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28 Business Combination

Summary of Acquisition

i Pursuant to the Scheme of Amalgamation, merger of Pune Paud Toll Road Company Limited ('PPTRCL'), with the Company as sanctioned by the National Company Law Tribunal, Mumbai Bench on 22nd December 2017 all the assets and liabilities of PPTRCL were transferred to and vested in the Company with effect from 1st April 2016, the appointed date. The certified copy of order was filed with Registrar of Companies (ROC) at Mumbai on 15th March 2018 which is the effective date. Accordingly the Scheme has been given effect to from 1st April 2016.

ii The approved scheme has been accounted under the "Pooling of Interest Method" as prescribed under Ind AS 103-"Business Combination". as detailed below:

a As per the approved scheme, all the assets and liabilities including reserves of the undertaking of PPTRCL are recorded in the books of the Company at their carrying values.

b The Company has to discharge the purchase consideration by way of Issuance and allotment of 10,000 fully paid up Preference Shares of ₹ 10/- each of the company to Equity Shareholders of PPTRCL collectively, in proportion to the paid up value of shares held by them in PPTRCL.

c Equity shares held by the Company in PPTRCL stand cancelled. Accordingly 60,50,000 equity shares of ₹ 10 each, amounting to ₹ 605,00,000 have been cancelled.

d The difference between the purchase consideration and carrying value of assets and liabilities including reserves transferred is accounted as Capital Reserve.

e The authorized share capital of the company shall automatically stand increased without any further act, instrument or deed on the part of the company including payment of stamp duty and fees payable to Registrar of Companies, amounting to ₹ 15,00,00,000/- (Rupees Fifteen Crores Only). Further, such incremental authorized share capital of the Company shall be re-classified into ₹ 14,99,00,000 comprising 1,49,90,000 Equity Shares of ₹ 10/- each, and ₹ 1,00,000 comprising of 10,000 0.1% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each.

f Upon the Scheme becoming effective, PPTRCL stands dissolved without winding up pursuant to the provisions of Section 232 of the Companies Act, 2013.

The assets and liabilities recognised as a result of the acquisition are as follows:

Particulars	Carrying Amount (Rs. In Lakhs)
Prepaid Taxes (Net of Provisions)	2.73
Trade receivables	13.46
Cash & Cash Equivalents	8.70
Loans	129.00
Other financial asset	70.13
Retained Earnings	2,900.22
Inter Corporate Deposit taken	(2,507.03)
Other financial liabilities	(8.84)
Provisions	(2.84)
Other Current Liabilities	(0.53)
Net Identifiable assets acquired	**605.00**

Calculation of Capital Reserve

Particulars	Amount (Rs. In Lakhs)
Consideration Transferred	1.00
Less : Net Identifiable assets acquired	(605.00)
Capital Reserve on Merger	**(604.00)**

29 Contingent Liabilities and Commitments

	Particulars	As at March 31, 2018	As at March 31, 2017
	Contingent Liabilities		
	Joint Venture		
i	Claims not acknowledged as debts by the group	267,423.41	166,581.01
ii	Income Tax liability that may arise in respect of which group is in appeals	854.68	391.29
iii	Sales Tax Liability that may arise in respect of which group is in appeals	1,531.93	2,870.15
iv	Corporate Guarantee given to Banks	94,422.96	94,422.96
	Commitments		
	Capital Commitment (net of advances)	6,204.68	99,819.96
	Subsidiaries		
i	Corporate Guarantee given to Banks	8,800.00	8,800.00
ii	Put Option given to Lenders of a group company (Lavassa Corporation Limited) to sell debentures to the one of the group company (HCC Operations and Maintenance Limited or its affiliates in the event of default (including interest and penal charges thereon)	13,800.00	-
iii	Sales Tax Liability that may arise in respect of which group is in appeals	4.50	4.50

30 Raiganj Dalkhola Highways Limited (RDHL) :

On 31st March 2017, NHAI has terminated the Concession Agreement (CA) of the Project by issuing Termination Notice. RDHL had refuted the Concessionaire Default alleged by NHAI and requested for withdrawal of Termination. However, NHAI did not withdraw the Termination Notice. Consequently, since the delay was on account of default from NHAI, RDHL has notified the NHAI that the termination shall be deemed to occur on account of Authority Default and accordingly the company shall be entitled for the Termination Payment as per terms of Concession Agreement.

RDHL has accumulated the cost incurred on the project till 31st March 2017 as intangible asset under development. After the termination of the contract by NHAI the cost incurred thereafter has been charged to profit and loss account. After the termination, RDHL has preferred two claims against NHAI before arbitration, a claim for Rs 368 crs on account of wrongful termination of contract and claim of Rs 802 crs for losses suffered by RDHL. For the claim for wrongful termination of contract, arbitral tribunal has been constituted. Based on the legal advice management is of the view that claims are fully recoverable and as a result the intangible asset under development representing the cost incurred till the date of termination doesn't require any impairment.

RDHL is confident of full recovery of its claim. Also the net worth of the company is positive as per books of accounts on close of the year. The Management therefore views the entity as a Going Concern and the accounts have been prepared accordingly.

31 Badarpur Faridabad Tollway Limited (BFTL) :

Consequent to the intention to issue termination notice issued by the BFTL vide letter dated 31.03.2017, BFTL has issued the Termination Notice to NHAI on 01.09.2017, terminating the Concession Agreement (CA) of the Project entered with NHAI due to various reasons / authority defaults mentioned therein and demanded Termination Payment of Rs.775 Cr. NHAI has refuted the Termination initiated by BFTL. NHAI, in turn, issued Suspension Notice and took over the project. Subsequent to its Suspension Notice, the NHAI Terminated the Concession agreement on 23.02.2018. BFTL has refuted NHAI's termination stating that NHAI's termination is invalid. BFTL has referred Arbitration for this matter.

Based on the legal advice obtained in this respect, management is confident of recovering the amount from NHAI and therefore has accounted the same under current financial assets under note no 9(b) in the financial statements

In view of the above, Going concern assumption is appropriate and the accounts has been drawn accordingly.

32 Contingent Asset

i Baharampore Farakka Highways Limited one of the subsidiary company has received an Arbitral award amounting to Rs 44826 Lakhs (Including Interest of Rs 9543 lakhs) against various claims filed by the Company to NHAI for compensation of losses suffered due to Authority's material default. NHAI shall be liable to pay interest @ 15% p.a. from the date of award till the date of actual payment. NHAI has challenged the said Award and court hearings are in progress.

ii Pune Paud Tollway Road Corporation Limited now amalgamated with the Comapny has received an Arbitration Award amounting to Rs 2,802 Lakhs (includes interest of Rs 215 Lakhs) on 08.01.2017 against various claims filed by the Company to the PWD for compensation. The award is unanimous and the amount of Rs 2802 Lakhs has to be paid by the PWD to the Company on or before 31.03.2017. In case of failure, the PWD shall be liable to pay interest @12% per annum to the Company with effect from 08.01.2017 till the date of payment.

Out of the above, all right,title and interest, benefits, claims and demands of Rs. 11700 Lakhs of the Company under the Arbitration Award and to Arbiration Award Receivables is being charged and hypothecated by the company as first pari passu Security Interest in favour of Debenture Trustee for Debentures Issued to Lavssa Corporation Limited.

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

33 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 a other than the contribution payable to the respective authorities.

Particulars	As at March 31, 2018	As at March 31, 2017
Contribution to provident fund and other funds	26.23	19.91
Total	**26.23**	**19.91**

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, 19 employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the membe 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) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of INR gratuity plan is unfunded.

Particulars	As at March 31, 2018	As at March 31, 2017
Gratuity	24.86	22.82
Total	**24.86**	**22.82**

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)	22.82	18.60
Net employee benefit expense recognised in the employee cost		
Current service cost	5.06	3.75
Past service cost		-
Interest cost on benefit obligation	1.65	1.50
(Gain) / losses on settlement	-	(0.77)
Net benefit expense	6.71	4.48
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 on Obligation -Due to Change in Financial Assumptions	0.44	-
Actuarial loss / (gain) arising from on Obligation-Due to Experience	(4.84)	-
Actuarial loss / (gain) arising on account of demographic assumptions		
Experience (gains)/losses		
Amount recognized in OCI	(4.40)	-
Benefits payments from plan	(0.27)	(0.25)
Closing net defined benefit liability / (asset)	24.86	22.82

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Notes to the consolidated financial statements for the year ended March 31, 2018
(All amounts are in Rs. lakhs, unless stated otherwise)

	As at March 31, 2018	As at March 31, 2017
The net (liability)/asset disclosed above relates to funded plan is as follows:		
Present value of unfunded obligations	48.92	43.65
Fair value of plan assets	-	-
Amount not recognised as an asset (asset ceiling)		
	48.92	43.65
Net liability is bifurcated as follows :		
Current	45.78	0.40
Non-current	25.89	63.82
Total	**71.67**	**64.22**
Discount rate	7.85%	7.52%
Expected rate of return on plan assets (p.a.)	N.A.	N.A.
Salary escalation rate (p.a.)	8%	8%
Mortality pre-retirement	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	(2.29)	(2.41)
Impact on defined benefit obligation -1 in % decrease	2.79	2.91
Assumptions -Future salary increases		
Sensitivity Level		
Impact on defined benefit obligation +1 in % increase	2.76	2.86
Impact on defined benefit obligation -1 in % decrease	(2.30)	(2.42)
Assumptions -Employee Turnover		
Sensitivity Level		
Impact on defined benefit obligation +1 in % increase	(0.01)	(0.02)
Impact on defined benefit obligation -1 in % decrease	0.01	0.02
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	2.50	2.22
Between 6 and 10 years	3.99	14.06
For and Beyond 11 years	12.17	9.06
Total expected payments	**18.66**	**25.33**
The average duration of the defined benefit plan obligation at the end of the reporting period	17	18

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34 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 2018 were as follows:

Rs. in Lakhs

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	-	-	338.70	338.70	338.70
Trade receivables	480.27	-	-	480.27	480.27
Cash and cash equivalents	946.13	-	-	946.13	946.13
Loans	2,035.00	-	-	2,035.00	2,035.00
Corporate Guarantee	0.03	-	-	0.03	0.03
Others financial assets	747.89	-	-	747.89	747.89
Liabilities:					
Bank Borrowings	31,028.75	-	-	31,028.75	31,028.75
Long Term Inter Corporate Deposits	68,476.83	-	-	68,476.83	68,476.83
Short Term Inter Corporate Deposits	63,193.48	-	-	63,193.48	63,193.48
Trade payables	251.61	-	-	251.61	251.61
Other financial liabilities	23,931.99	-	-	23,931.99	23,931.99

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

Rs. in Lakhs

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	-	-	-	-	-
Trade receivables	399.66	-	-	399.66	399.66
Cash and cash equivalents	675.97	-	-	675.97	675.97
Loans	2,209.00	-	-	2,209.00	2,209.00
Corporate Guarantee	0.16	-	-	0.16	0.16
Others financial assets	503.18	-	-	503.18	503.18
Liabilities:					
Bank Borrowings	34,671.67	-	-	34,671.67	34,671.67
Long Term Inter Corporate Deposits	-	-	68,801.69	68,801.69	68,801.69
Short Term Inter Corporate Deposits	-	-	46,479.48	46,479.48	46,479.48
Trade payables	489.47	-	-	489.47	489.47
Other financial liabilities	19,158.70	-	-	19,158.70	19,158.70

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 :

Rs. in Lakhs

Particulars	31 March 2018		31 March 2017	
	Level 1	Level 3	Level 1	Level 3
Assets				
Investment in Mutual Funds	338.70		-	
Other Assets		4,209.31		3,787.97
Liabilities	-	186,882.66	-	169,601.00

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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	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 31.03.2018	As at 31.03.2017
Variable rate borrowings		
HCC Infrastucture Company Limited	69,661.75	69,714.35
HCC Operations & Maintenance Limite	7,271.67	8,714.58
HCC Power Limited	27,100.00	27,400.00
Total borrowings	**104,033.42**	**105,828.93**

(ii) Sensitivty 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 31.03.2018	As at 31.03.2017
Interest rates - increase by 0.50 basis points	(524.66)	(169.09)
Interest rates - decrease by 0.50 basis points	524.66	169.09

(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.

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Notes to the consolidated financial statements for the year ended March 31, 2018
(All amounts are in Rupees, unless stated otherwise)

(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-2018

	Upto One Year	1 to 2 Years	3 to 5 Years	Over 5 Years	Total
Non-derivatives					
Bank Borrowings	4,528.83	6,378.75	24,650.00	-	35,558
Long Term Borrowings	-	-	-	68,476.83	68,477
Short Term Borrowings	63,193.48	-	-	-	63,193
Other Financial liabilities	19,403.15	-	-	-	19,403.15
Trade and other payables	251.61	-	-	-	251.61
Total non-derivatives	**87,377.08**	**6,378.75**	**24,650.00**	**68,476.83**	**186,882.66**

As At March-2017

	Upto One Year	1 to 2 Years	3 to 5 Years	Over 5 Years	Total
Non-derivatives					
Bank Borrowings	2,356	9,147.29	23,304.37	2,220.00	37,027.24
Long Term Borrowings	-	-	-	68,801.69	68,801.69
Short Term Borrowings	46,479.48			-	46,479.48
Other Financial liabilities	16,803.13	-	-	-	16,803.13
Trade and other payables	489.47	-	-	-	489.47
Total non-derivatives	**66,127.64**	**9,147.29**	**23,304.37**	**71,021.69**	**169,601.00**

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35 Notes to the consolidated financial statements for the year ended March 31, 2018

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

Transactions with Related Parties:		FY 2017-18	FY 2016-17
(A) Nature of Relationship and Name of Related Party			
Holding Company	Hindustan Construction Company Limited		
Subsidiaries (Including step down subsidiaries)	HCC Power Limited		
	Dhule Palesner Operations & Maintenance Limited		
	HCC Operation and Maintenance Ltd.		
	HCC Energy Limited		
Joint venture	HCC Concessions Limited		
Subsidiaries of Joint ventures	Narmada Bridge Tollway Ltd		
	Badarpur Faridabad Tollway Ltd		
	Baharampore-Farakka Highways Ltd		
	Farakka-Raiganj Highways Ltd		
	Raiganj-Dalkhola Highways Ltd		
Fellow subsidiaries	Lavasa Corporation Limited		
	HCC Real Estate Limited		
	Charosa Wineries Ltd.		
Director	Rajas Doshi upto 16th October 2017		
	Anil Singhvi upto 9th September 2017		
	Chandrahas Zaveri		
	Manish Khanna		

Transactions with Related Parties:		FY 2017-18	FY 2016-17
(B) Nature of Transactions			
Transactions during the year			
Operation & Maintenance Income including Major Repairs & Other charges			
Baharampore-Farakka Highway Ltd	Subsidiary of Joint Venture	5,095.87	2,207.92
Farakka Raiganj Highway Ltd	Subsidiary of Joint Venture	2,052.51	1,270.00
Total		**7,148.38**	**3,477.92**
Sale of Goods			
Hindustan Construction Company Limited	Holding Company	30.56	148.42
Total		**30.56**	**148.42**
Sale of Service			
Hindustan Construction Company Limited	Holding Company	85.61	13.81
Total		**85.61**	**13.81**
Purchase of traded goods			
Hindustan Construction Company Limited	Holding Company	-	21.34
Total		**-**	**21.34**
Services received			
Hindustan Construction Company Limited	Holding Company	-	5.00
Total		**-**	**5.00**
Claim Income Written off			
Baharampore-Farakka Highway Ltd	Subsidiary of Joint Venture	-	526.00
Total		**-**	**526.00**
Operation & Maintenance Expense			
Hindustan Construction Company Limited	Holding Company	969.31	-
Total		**969.31**	**-**

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35 Notes to the consolidated financial statements for the year ended March 31, 2018

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

Transactions with Related Parties:		FY 2017-18	FY 2016-17
Financial Income			
HCC Concessions Limited	Joint venture	3.67	9.37
HCC Real Estate Limited	Fellow subsidiary	244.20	3.34
Total		**247.87**	**12.71**
CSR Expenditure			
Gulabchand Foundation	Other Related Party	6.04	-
Total		**6.04**	**-**
Interest expenses on ICD			
Hindustan Construction Company Limited	Holding Company	15,833.28	14,113.99
HCC Concessions Limited	Joint venture	22.06	-
HCC Real Estate Ltd	Fellow subsidiaries	-	101.75
HCC Real Estate Ltd (Pursuant to Amalgamation)	Fellow subsidiaries	384.14	338.45
Charosa Wineries Ltd.	Fellow subsidiaries	-	-
Total		**16,239.48**	**14,554.20**
Finance cost on Corporate Guarantee taken			
Hindustan Construction Company Limited	Holding Company	-	99.50
Charosa winneries Ltd	Fellow subsidiaries	0.14	49.61
		0.14	**149.11**
Director Sitting Fees			
Rajas Doshi	Independent Director	0.40	-
Anil Singhvi	Independent Director	0.40	-
Chandrahas Zaveri	Independent Director	1.35	-
Manish Khanna	Independent Director	1.35	-
Total		**3.50**	**-**
Balances Outstanding at the year end 31st March 2018			
Investment made during the year (Equity & CCCPS and other equity)			
Equity shares			
HCC Concessions Limited	Joint venture	57,348.02	57,348.02
Preference shares			
HCC Concessions Limited	Joint venture	28,598.54	28,598.54
Total		**85,946.56**	**85,946.56**
Vendor Account/outstanding for other services			
Hindustan Construction Company Limited	Holding Company	39.69	259.24
Hindustan Construction Company Limited	Holding Company	511.27	307.42
HCC Concessions Ltd	Joint venture	0.87	-
HCC Concessions Ltd	Joint venture	0.13	-
HCC Concessions Ltd	Joint venture	1.04	
Baharampore-Farakka Highway Ltd	Subsidiary of Joint Venture	171.82	-
Total		**724.82**	**566.65**
Advance received from Customers			
Hindustan Construction Company Limited	Utimate Holding Company	1,847.11	1,014.91
Total		**1,847.11**	**1,014.91**
Advance received for services			
Hindustan Construction Company Limited	Utimate Holding Company	-	5.75
Total		**-**	**5.75**
Trade Receivable			
Lavasa Corporation Limited	Fellow subsidiaries	13.46	13.46
Badarpur Faridabad Tollway Ltd	Subsidiary of Joint Venture	62.12	62.12
Baharampore-Farakka Highway Ltd	Subsidiary of Joint Venture	250.21	160.88
Farakka Raiganj Highway Ltd	Subsidiary of Joint Venture	58.12	163.20
Total		**383.91**	**399.66**

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HCC Infrastucture Company Limited

35 Notes to the consolidated financial statements for the year ended March 31, 2018

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

Transactions with Related Parties:		FY 2017-18	FY 2016-17
Interest payable on ICD			
Hindustan Construction Company Limited	Holding Company	15,722.45	14,079.85
HCC Concessions Limited	Joint venture	20.62	-
HCC real estate Ltd	Fellow subsidiaries	270.31	270.31
Charosa Wineries Ltd.	Fellow subsidiaries	41.83	41.83
	Total	**16,055.21**	**14,392.00**
Loans and advance to related party			
Badarpur Faridabad tollway limited	Subsidiaries of Joint ventures	20.01	20.01
Badarpur Faridabad tollway limited	Subsidiaries of Joint ventures	0.47	0.40
Baharampore Farakka Raiganj Highway Limited	Subsidiaries of Joint ventures	0.25	0.25
Baharampore Farakka Raiganj Highway Limited	Subsidiaries of Joint ventures	-	10.76
Farakka Raiganj Highway Limited	Subsidiaries of Joint ventures	0.16	0.03
Farakka Raiganj Highway Limited	Subsidiaries of Joint ventures	10.74	-
Raiganj Dalkhola Highways Limited	Subsidiaries of Joint ventures	-	9.14
	Total	**31.63**	**40.58**
ICD Given(Given)			
HCC Concessions Limited	Joint venture	-	-
HCC Real Estate Limited	Fellow subsidiaries	2,035.00	-
	Total	**2,035.00**	**-**
Interest receivable on subordinate loans /ICD			
HCC Concessions Ltd	Joint venture	500.71	497.41
HCC Real estate Ltd	Fellow subsidiaries	247.18	3.01
	Total	**747.89**	**500.41**
Corporate Guarantee issued on our behalf			
Charosa Wineries Ltd.	Fellow subsidiaries	-	0.14
	Total	**-**	**0.14**
Inter Corporate Deposits-Taken(Current)			
Hindustan Construction Company Limited	Holding Company	62,893.48	46,479.48
HCC Concessions Limited	Joint venture	300.00	-
	Total	**63,193.48**	**46,479.48**
Inter Corporate Deposits-Taken(Non-Current)			
Hindustan Construction Company Limited	Holding Company	65,246.22	65,956.22
HCC Real Estate Limited	Fellow subsidiaries	3,229.62	2,845.48
	Total	**68,475.83**	**68,801.70**
Share Capital			
Equity Share Capital			
Hindustan Construction Company Limited	Holding Company	25.00	25.00
	Total	**25.00**	**25.00**
Debt Component of Compound Financial Instruments			
HCC Real Estate Limited	Fellow subsidiaries	1.00	-
	Total	**1.00**	**-**

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

36 Interest in other entities

i Subsidiaries

Name of the entity	Place of Business	% of ownership interest held by the Company	
		As at 31 March 2018	As at 31 March 2017
HCC Operation and Maintenance Limited	India	100%	100%
Dhule Palesner Operations & Maintenance Limited	India	100%	100%
HCC Power Limited	India	100%	100%
HCC Energy Limited	India	100%	100%

ii Jointly controlled entity (joint venture)

Interest in Joint Venture
The Group's joint ventures as at 31 March 2018 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	Place of Business	Ownership interest (%)	Carrying amount as at 31 March 2018	Carrying amount as at 31 March 2017
HCC Concessions Limited	India	85.45	29,281.35	31,538.66
			29,281.36	31,538.66

Name of the entity	% of ownership interest held by the Company	
	As at 31 March 2018	As at 31 March 2017
Farakka Raiganj Highways Limited	63.23%	63.23%
Baharampore Farakka Highways Limited	63.23%	63.23%
Raiganj Dalkhola Highways Limited	76.91%	76.91%
Badarpur Faridabad Tollway Limited	85.45%	85.45%
Narmada Bridge Tollway Limited	85.45%	85.45%
HCC Concessions Limited	85.45%	85.45%
Contingent liability/ Capital Commitment as at reporting date		
Capital Commitment	6,204.68	99,819.96
Contingent liability	364,232.98	264,265.41

Note:

Refer Note 37 for the table provide summarised financial information for joint ventures. The information disclosed reflects the amount presented in the financial statement of the relevant associates and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments at the time of acquisition and modifications for difference in accounting policies.

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HCC Infrastucture Company Limited
Notes to the consolidated financial statements for the year ended March 31, 2018
(All amounts are in Rs. lakhs, unless stated otherwise)

37 Table below provide summarised financial information for joint ventures

	HCC Concessions Limited		Baharampore Farakka Highways Limited		Farakka Raiganj Highways Limited		Raiganj Dalkhola Highways Limited	
	31-Mar-18	31 March 2017	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Current assets								
- Cash and cash equivalents	108.75	72.41	1,155.63	8,526.92	1,507.73	3,174.24	2.30	4.81
- Other assets	3,944.48	4,830.02	2,673.94	6,104.86	2,166.76	1,836.85	9,000.00	0.61
Total current assets	4,053.23	4,902.43	3,829.57	14,631.78	3,674.49	5,011.09	9,002.30	5.42
Total non-current assets	96,411.96	96,119.05	96,544.20	99,538.68	160,058.88	152,633.35	17,807.33	26,807.33
Current liabilities								
- Financial liabilities (excluding trade payables)	920.94	1,371.25	20,727.26	26,871.63	39,889.57	35,414.99	6,128.84	4,378.33
- Other liabilities	213.58	190.84	470.21	651.14	896.38	916.15	-	360.85
Total current liabilities	1,134.52	1,562.08	21,197.47	27,522.77	40,785.95	36,331.13	6,128.84	4,739.18
Non-current liabilities								
- Financial liabilities (excluding trade payables)	1,878.91	2,058.44	65,729.84	63,828.20	99,891.36	95,920.21	8,910.76	9,118.53
- Other liabilities	81.86	59.35		9,029.35	3,810.33	1,066.84	-	-
Total non-current liabilities	1,960.77	2,117.79	65,729.84	72,857.54	103,701.69	96,987.05	8,910.76	9,118.53
Net assets	97,369.90	97,341.61	13,446.46	13,790.15	19,245.73	24,326.25	11,770.03	12,955.04
Group share of net assets	83,206.96	83,182.79	8,503.05	8,720.39	12,170.29	15,383.03	9,052.22	9,963.60
Revenue	1,020.00	1,500.00	26,091.04	22,932.87	31,163.34	34,566.42	-	1,513.15
Interest Income	768.49	833.59	134.02	37.30	64.59	13.45	-	-
Depreciation and amortisation	13.28	86.31	3,302.32	3,305.44	5,121.27	2,300.56	-	-
Profit/ (Loss) for the year	27.35	65.47	(343.69)	(2,100.96)	(5,080.54)	(1,230.83)	(1,185.02)	(57.20)
Other comprehensive income	0.95	-	-	-	-	-	-	-
Total comprehensive income	28.31	65.47	(343.69)	(2,100.96)	(5,080.54)	(1,230.83)	(1,185.02)	(57.20)
Group share of total comprehensive income	24.20	55.95	(217.34)	(1,328.57)	(3,212.75)	(778.33)	(911.39)	(43.99)

	Badarpur Faridabad Tollway Limited		Narmada Bridge Tollway limited	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Current assets				
- Cash and cash equivalents	1,805.81	404.47	75.22	105.08
- Other assets	34,313.71	307.52	1.08	1.56
Total current assets	36,119.52	711.99	76.30	106.64
Total non-current assets	809.24	37,799.59	-	-
Current liabilities				
- Financial liabilities (excluding trade payables)	12,199.92	6,271.35	888.45	888.51
- Other liabilities	526.94	525.98	12.54	13.19
Total current liabilities	12,726.86	6,797.33	900.99	901.70
Non-current liabilities				
- Financial liabilities (excluding trade payables)	45,815.56	47,629.82	-	-
- Other liabilities	-	1,070.27	-	-
Total non-current liabilities	45,815.56	48,700.09	-	-
Net assets	(21,613.66)	(16,985.84)	(824.68)	(795.06)
Group share of net assets	(18,469.84)	(14,515.17)	(704.73)	(679.42)
Revenue	3,607.34	3,681.20	-	-
Interest Income	0.63	0.71	4.14	4.60
Depreciation and amortisation	2,846.31	3,155.96	-	-
Income tax expenses	-	-	-	1.23
Profit/ (Loss) for the year	(4,627.92)	(6,912.06)	(34.62)	2.86
Other comprehensive income	(0.10)	-	-	-
Total comprehensive income	(4,627.82)	(6,912.06)	(34.62)	2.86
Group share of total comprehensive income	(3,954.68)	(5,906.67)	(29.59)	2.44

38 Net Debt Reconciliation

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and Cash Equivalents	946.13	675.97
Liquid Investments	338.70	-
Current Borrowings	(63,193.48)	(46,479.48)
Non-Current Borrowings (Including Current Maturities)	(104,034.41)	(105,828.93)
Interest Payable	(16,556.26)	(14,728.65)
Net Debt	**(182,499.33)**	**(166,361.09)**

Particulars	Cash and Cash Equivalents	Liquid Investments	Non-Current Borrowings (Including Current Maturities)	Current Borrowings	Interest Payable	Total
Net Debt as at 1st April 2017	675.97	-	(105,828.93)	(46,479.48)	(14,728.65)	(166,361.09)
Cash Flows	270.16	336.39	2,517.00	(2,414.00)	-	709.55
Interest Expense			-	-	(20,255.65)	(20,255.65)
Interest paid			-	-	4,128.04	4,128.04
Other Non cash movements						
-Acquisitions/ Disposals			(1.00)	(14,300.00)	14,300.00	(1.00)
-Fair Value Adjustments	-	2.31	(721.49)	-	-	(719.18)
Net Debt as at 31 March 2018	946.13	338.70	(104,034.41)	(63,193.48)	(16,556.26)	(182,499.33)

39 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 Net Asset (%)
Consolidated	(154,863.29)		(26,149.59)	
Parent Company				
HCC Infrastructure Company Limited	(100,242.16)	64.73	(19,492.41)	74.54
Indian Subsidiary Companies				
HCC Operation and Maintenance Limited	2,964.56	(1.91)	2,141.19	(8.19)
Dhule Palesner Operations & Maintenance Limited	47.29	(0.03)	(6.39)	0.02
HCC Power Limited	(186.70)	0.12	(442.10)	1.69
HCC Energy Limited	0.06	(0.00)	(2.90)	0.01
Minority Interest in all subsidiaries	-		-	
Joint Ventures				
HCC Concessions Limited	97,369.90	(62.87)	28.31	(0.11)
Baharampore Farakka Highways Limited	13,446.47	(8.68)	(343.69)	1.31
Farakka Raiganj Highways Limited	19,245.72	(12.43)	(5,080.54)	19.43
Raiganj Dalkhola Highways Limited	11,770.02	(7.60)	(1,185.02)	4.53
Badarpur Faridabad Tollway Limited	(21,613.66)	13.96	(4,627.82)	17.70
Narmada Bridge Tollway limited	(824.68)	0.53	(34.62)	0.13

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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

K.S. Aiyar & Co. Mumbai-11 Chartered Accountants

Satish Kelkar
Partner
Membership No.:38934

For and on behalf of the Board of Directors

Praveen Sood
Director
DIN No. : 00018013

Shripad Gaitonde
Director
DIN No. : 06981627

Place: Mumbai
Date: 2nd May 2018

Place: Mumbai
Date: 2nd May 2018