FINANCIAL STATEMENT
2017-2018

HCC CONCESSIONS LIMITED

K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

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

Independent Auditor's Report

To the Members of HCC Concessions Limited,

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **HCC Concessions Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 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 significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

Auditor's Responsibility

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

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

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

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

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

Basis for Qualified Opinion

The Company has given loans to its wholly owned subsidiaries, namely, Narmada Bridge Tollway Limited (NBTL) and Badarpur Faridabad Tollway Limited (BFTL) amounting to Rs 2715.00 lacs and Rs 13534.18 lacs respectively. It also carries non - current investments of Rs 5.00 lacs in NBTL and Rs 9800.00 lacs in BFTL. The above mentioned wholly owned subsidiaries have negative networth resulting from accumulated losses exceeding their share capital. BFTL also has given notice to National Highway Authority of India (NHAI) for termination pursuant to concession agreement (CA) demanding termination payment of Rs 77500 lacs and NHAI has refuted the termination whereas, NHAI has issued termination notice on BFTL and has taken over the project assets. BFTL has refuted the termination and has referred termination dispute for resolution as provided in CA. For the reasons given in Note No. 4 (a & b) the company considers all the investments and the loans given (including interest Rs 635.47 lacs thereon) as good and recoverable. However, we are unable to obtain sufficient appropriate evidence about the carrying amount of these investments and the loans given and consequently we are unable to determine whether any adjustments to these amounts are necessary.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Basis for Qualified Opinion paragraph above, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

Attention is drawn to Note no. 4 (c) of notes to accounts of Ind AS financial statement. On 31st March 2017, National Highway Authority of India (NHAI) has served notice of termination of contract in respect of one of the subsidiary namely Raiganj Dalkhola Highways Limited (RDHL) for the reasons mentioned in the note, the said subsidiary doesn't envisage any loss arising out of the termination in respect of the cost incurred on the project. Further the net worth of RDHL is also positive as per books of accounts. Consequentially the Company doesn't envisage any impairment in respect of investment of Rs 13415.00 lacs made in the said subsidiary.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the said Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

   (d) except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;

   (e) as stated in Basis for Qualified Opinion paragraph, in our opinion, if the wholly owned subsidiaries and the joint venture of the Company continue to make losses, it may have an adverse effect on the recovery of investments made and loans given to these entities;

   (f) on the basis of the written representations received from the directors as on March 31, 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) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

   (h) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;

      ii. the management of the Company does not envisage material foreseeable losses in any of its long-term contracts. The company does not have any derivative contracts;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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 Concessions Limited**)

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There are no immovable properties in the books of the Company and accordingly sub clause (c) of clause (i) of the Order is not applicable.

(ii) In the absence of inventories, clause (ii) of the Order is not applicable to Company.

(iii) The Company has granted loans to four 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 bodies corporate listed in the register maintained under section 189 of the Act, no stipulation is made with regard to payment of interest.

(c) In the absence of stipulation with regard to payment of interest, we are unable to comment on the overdue interest amounts in respect of the loan granted to a bodies corporate listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees and security provided, provisions of section 185 and 186 of the Companies Act, 2013 where applicable have been complied with.

(v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 or the Companies (Acceptance of Deposit) Rules 2014 or the directives issued by the Reserve Bank of India apply.

(vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.

(vii) (a) According to the records of the Company, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, 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 information and explanation given to us and based on the records of the Company, the dues of income tax, sales tax, service tax, custom duty, excise duty, Goods and Service Tax and cess which have not been deposited on account of any dispute, are as follows:

Nature of Statute	Nature of Dues	Amount (Rs in lacs.)	Period to which amount relates	Forum where disputes pending
Income Tax Act, 1961	Income Tax	459.55	2104-15	CIT(Appeals)
		64.91	2103-14	CIT(Appeals)
		2,35.50	2012-13	CIT(Appeals)
		94.72	2011-12	CIT(Appeals)

(viii) The company has not defaulted in repayment of principal and interest to financial institutions, banks, government or dues to Debenture holders.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

(xi) In absence of any managerial personnel, no managerial remuneration is paid and therefore the provisions of clause 3 (xi) of the Order are not applicable to the Company.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year under review in compliance with requirements of section 42 of the Companies Act, 2013 and the amounts raised have been used for the purpose for which the funds were raised.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Satish Kelkar
Partner
Membership No.: 38934

Place: Mumbai
Date: May 2, 2018

Annexure B to Auditor's report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Place: Mumbai
Date: May 2, 2018

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

	Note	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	33.73	47.00
Financial Assets			
Investments	4	86,193.55	86,188.55
Loans	5	8,701.01	8,701.01
Deferred Tax Assets (Net)	6	255.43	242.43
Other non - current assets	7	757.74	469.55
Total Non Current Assets		**95,941.46**	**95,648.54**
Current assets			
Financial Assets			
Investments	8	134.03	542.41
Trade receivables	9	314.40	639.00
Cash and cash equivalents	10	108.75	72.41
Loans	11	357.72	57.72
Other financial asset	12	3,112.06	3,444.81
Other current assets	13	26.27	146.08
Total Current Assets		**4,053.23**	**4,902.43**
Non-current assets classified as held for sale	4	470.50	470.50
Total Assets		**100,465.19**	**101,021.47**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	341.37	341.37
Instruments entirely Equity in Nature	15	42,025.33	42,025.33
Other Equity	16	55,003.20	54,974.89
Total Equity		**97,369.90**	**97,341.59**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Other financial liabilities	17	1,878.91	2,058.43
Provisions	18	81.86	59.36
Total Non Current Liabilities		**1,960.77**	**2,117.79**
Current Liabilities			
Financial Liabilities			
Borrowings	19	-	259.00
Other financial liabilities	20	920.94	1,112.25
Provisions	21	172.41	95.12
Other current liabilities	22	41.17	95.71
Total Current Liabilities		**1,134.52**	**1,562.09**
Total Equity and Liabilities		**100,465.19**	**101,021.47**

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

As per our report of even date attached

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

Satish Kelkar
Partner
Membership No.:38934

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

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Arjun Dhawan
Director
DIN No. : 01778379

Praveen Sood
Director
DIN No. : 00018013

Sridevi Iyengar
Director
DIN No. : 06981630

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018

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

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from Operations	23	1,020.00	1,500.00
Other Income	24	967.26	1,050.64
Total Income		**1,987.26**	**2,550.64**
Expenses			
Employee benefits expense	25	569.71	706.52
Finance costs	26	3.69	45.21
Depreciation and amortization expense	27	13.28	86.31
Other expenses	28	307.32	811.43
Total expenses		**894.00**	**1,649.47**
Profit / (loss) before exceptional items and tax		**1,093.26**	**901.17**
Exceptional Items	29	1,066.13	835.70
Profit / (loss) before tax		**27.13**	**65.47**
Tax expense/ (credit)	7		
Current tax		12.78	-
Deferred Income Tax		(13.00)	-
Profit/(Loss) for the year (A)		**27.35**	**65.47**
Other Comprehensive Income (OCI)			
a Items not to be reclassified subsequently to profit or loss			
- Gain/(Loss) on fair value of defined benefit plans as per actuarial valuation		1.18	-
- Income Tax Effect on above		(0.22)	-
b Items to be reclassified subsequently to profit or loss		-	-
Other Comprehensive Income for the year, net of tax		**0.95**	**-**
Total Comprehensive Income for the year, net of tax (B)		**28.31**	**65.47**
Earnings per equity share of Rs. 10 each :	30		
Basic earnings per share		0.82	1.91
Diluted earnings per share		0.82	1.91

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

Arjun Dhawan
Director
DIN No. : 01778379

Praveen Sood
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DIN No. : 00018013

Sridevi Iyengar
Director
DIN No. : 06981630

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018

HCC Concessions Ltd
Cash flow statement for the year ended 31st March,2018
(All amounts are in ₹ lakhs, unless stated otherwise)

Sr. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A	**Cash Flow from operating activities**		
	Profit before income tax including discontinued operations	27.13	65.47
	Adjustments for		
	Add:		
	Depreciation and amortisation expenses	13.28	86.31
	Finance costs	3.69	43.86
	Less:		
	Interest Income	(768.49)	(833.59)
	Profit on sale of investment	(9.14)	(17.39)
	Corporate guarantee commission income	(179.52)	(179.16)
	Change in operating assets and liabilities		
	(Increase)/decrease in trade receivables	324.60	275.80
	(Increase)/decrease in other financial assets	(26.44)	4,429.56
	(Increase)/decrease in other current assets & Non Current Assets	119.81	(6.82)
	Increase/(decrease) in other financial liabilities-Current	(194.62)	(63.22)
	Increase/(decrease) in short term provisions	77.29	(26.78)
	Increase/(decrease) in long term provisions	23.68	17.58
	Increase/(decrease) in other current liabilities	(54.54)	54.22
		(643.27)	3,845.84
	Cash generated from operations		
	Income taxes paid	(301.20)	129.78
	Net cash inflow from operating activities	**(944.47)**	**3,975.62**
B	**Cash flow from investing activities:**		
	Intercorporate Deposit given	(300.00)	(1,621.00)
	Sale (Purchase) of current investments (Net)	417.53	(525.03)
	Purchase of non-current investments	(5.00)	(4,283.54)
	Interest received	1,127.65	241.07
	Net cash outflow from investing activities	1,240.18	(6,188.49)
C	**Cash flow from financing activities**		
	Inter corporate deposit received / repaid	(259.00)	259.00
	Interest paid	(0.37)	(266.16)
	Net cash inflow (outflow) from financing activities	**(259.37)**	**(7.16)**
	Net increase/(decrease) in cash and cash equivalents	36.33	(2,220.03)
	Add: Cash and cash equivalents at the beginning of the financial year	72.41	2,292.44
	Cash and cash equivalents at the end of the year	**108.75**	**72.41**
	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	108.75	72.41
	Bank overdrafts	-	-
	Balances as per statement of cash flows	108.75	72.41

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

As per our report of even date attached

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

Satish Kelkar
Partner
Membership No.:38934

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

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Arjun Dhawan
Director
DIN No. : 01778379

Praveen Sood
Director
DIN No. : 00018013

Sridevi Iyengar
Director
DIN No. : 06981630

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018

HCC Concessions Ltd
Statement of changes in equity for the year ended 31st March 2018
(All amounts are in ₹ lakhs, unless stated otherwise)

A Equity

Particulars	Amount
as at 31 March 2016	341.37
changes in equity share capital	-
as at 31 March 2017	341.37
changes in equity share capital	-
as at 31 March 2018	341.37

B Other Equity

	Note	Reserves and Surplus		Items of Other Comprehensive Income	
		Securities premium	Retained Earnings	Net Gain on Fair Value of defined Benefit Plans	Total
Balance as at 31st March, 2016		**66,937.67**	**(12,028.25)**	**-**	**54,909.42**
Profit for the year			65.47		65.47
Capital Contribution			-		
Other Comprehensive Income for the year					-
Total Comprehensive Income for the year		**-**	**65.47**	**-**	**65.47**
Balance as at 1st April, 2017		**66,937.67**	**(11,962.78)**	**-**	**54,974.89**
Profit for the year		-	27.35	-	27.35
Capital Contribution		-	-	-	-
Other Comprehensive Income for the year		-	-	0.95	0.95
Balances as at 31st March,2018		**66,937.67**	**(11,935.43)**	**0.95**	**55,003.20**

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

As per our report of even date attached

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

Satish Kelkar
Partner
Membership No.:38934

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

Place: Mumbai
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Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018

HCC Concessions Ltd
Notes to the financial statements for the year ended 31st March, 2018
(All amounts are in ₹ lakhs, unless stated otherwise)

1 Corporate information

HCC Concessions Limited is a public company domiciled in India and incorporated on 14th February, 2008 under the provisions of the Companies Act, 1956. The name of the company has been changed from "HCC Infrastructure Limited" to "HCC Concessions Limited" w.e.f. 18th October, 2010. The purpose of incorporation of this company is to carry on all types of infrastructure activities whether by its own or through subsidiaries or SPVs.
After a foreign direct investment on 29th September 2011, HCC Infrastructure Company Limited holds 85.45% share in the company.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial statements are prepared on an accrual basis of accounting and in accordance with the Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting standards) Rules, 2015 as amended by the companies (Indian Accounting standard) Rules 2016.
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.

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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
Furniture & Fixtures	10 Years

Improvements on Leasehold premises are amortized over the period of lease i.e.. 9 years

(d) Investments and other financial assets:

i) Classification:

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

(ii) Measurement:

• Amortised cost:

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

• Fair value through other comprehensive income (FVOCI):

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

• Fair value through profit or loss:

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

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

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

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

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

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(n) Foreign currency translation:

Functional and presentation currency:

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

Transactions and balances:

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

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

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

(o) Trade receivable

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

(p) Financial guarantee contract:

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

(q) Earnings per share:

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

(r) Revenue Recognition:

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

Others

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

(s) Critical accounting estimates and judgements:

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

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

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

3 Property, Plant and Equipment

Particulars	Leasehold Improvements	Computers	Office equipment	Furniture & Fixtures	Total
Gross Carrying Value					
Balance as at 1st April 2016	93.06	0.24	3.72	72.92	**169.94**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-
Balance as at 31st March 2017	**93.06**	**0.24**	**3.72**	**72.92**	**169.94**
Balance as at 1st April 2017	93.06	0.24	3.72	72.92	**169.94**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-
Balance as at 31st March 2018	**93.06**	**0.24**	**3.72**	**72.92**	**169.94**
Accumulated Depreciation					
Balance as at 1st April 2016					
Additions	20.30	0.05	0.42	13.08	**33.86**
Disposals	52.45	-	-	-	**52.45**
Reclassification as held for sale	-	-	-	-	-
Balance as at 1st April 2017	**93.06**	**0.24**	**3.44**	**26.19**	**122.93**
Additions	-	-	0.21	13.08	**13.28**
Disposals	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-
Balance as at 31st March 2018	**93.06**	**0.24**	**3.65**	**39.26**	**136.21**
Net Block					
Balance as at 31st March 2017	-	-	**0.28**	**46.73**	**47.00**
Balance as at 31st March 2018	-	-	**0.08**	33.65	**33.73**

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

(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		
Equity instruments In subsidiary Companies		
98,000,000 (31 March 2017: 98,000,000) Equity shares of Rs. 10 each fully paid-up in Badarpur Faridabad Tollway Limited.	9,800.00	9,800.00
33,300,000 (31 March 2017: 33,300,000) Equity shares of Rs. 10 each fully paid-up in Baharampore Farakka -Highways Limited.	3,330.00	3,330.00
37,000,000 (31 March 2017: 37,000,000) Equity shares of Rs. 10 each fully paid-up in Farakka- Raiganj Highways Limited.	3,700.00	3,700.00
27,000,000 (31 March 2017:27,000,000) Equity shares of Rs. 10 each fully paid-up in Raiganj- Dalkhola Highways Limited.	2,700.00	2,700.00
50,000 (31 March 2017:50,000) Equity shares of Rs. 10 each fully paid-up in Narmada Bridge Tollway Limited.	5.00	5.00
Instruments Equity in Nature		
Investment in Equity(Corporate Guarantee given to subsidiaries)	2,446.97	2,446.97
Investment in Equity (Equity Component of preference shares)	47,962.40	47,962.40
Investment in Equity - Sub debt of BFTL	13,534.18	13,534.18
Investment in Equity - Sub debt of Narmada Bridge Tollways Limited	2,715.00	2,710.00
Sub Total	**86,193.55**	**86,188.55**

Non-current assets classified as held for sale

Particulars	As at March 31, 2018	As at March 31, 2017
Investment in subsidiaries		
In Associate Companies		
81,90,000 (31 March 2017: 81,90,000) Equity shares of Rs.10 each fully paid-up in Nirmal BOT Limited .	470.50	470.50
Sub Total	**470.50**	**470.50**

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

Foot Note :

(a) Badarpur Faridabad Tollway Limited (BFTL)

Badarpur Faridabad Tollway Limited (BFTL), subsidiary of the Company has issued Termination Notice to NHAI on 01.09.2017, terminating the Concession Agreement (CA) of the Project and demanded termination payment of ₹ 77500 Lakhs and NHAI has refuted the termination and where as NHAI has issued termination notice on 23.02.2018 and has taken over the project assets. BFTL has refuted and has referred termination dispute for resolution as provided in Concession agreement. Despite of negative net worth of ₹ 46,088.39 in BFTL, management is confident of recovering the above claim.

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

(b) Narmada Bridge Tollway Limited

In case of Narmada Bridge Tollway Limited, Despite NBTL has negative net worth of ₹ 3,544.68, the Company is financially supported by holding Company and will be supported in future also to discharge its obligations. The Company is in process of evaluating the possibilities to claim the amount from NHAI. In view of above the management is confident of continuity of business and views the entity as a going concern despite the negative net-worth.

(c) Raiganj Dalkhola Highways Limited

Raiganj Dalkhola Highways Limited (RDHL), subsidiary of the Company has received a notice from National Highways Authority of India (NHAI) for termination of contract of the road construction project. RDHL has not accepted the contention of NHAI as the requisite land to carry out the desired work was not made available and hence the delays are on account of default by NHAI. RDHL has preferred a claim of ₹ 36800 Lakhs before arbitration for wrongful termination of the project by NHAI and based on legal advise it is confident of recovering entire cost incurred on the project. Further, the company has also filed claims amounting to ₹ 80200 Lakhs towards losses suffered by it till 31.03.2017 on account of NHAI's delay in providing land and consequent delay in completion of the project; the same are also now referred to Arbitration for which constitution of Arbitral Tribunal to adjudicate this dispute is awaited. Further the net worth of RDHL at this juncture is also positive. In view of this, the company doesnt envisage any impairment in it's investment made in RDHL.

(d) Baharmpore Farakka Highways Limited

NHAI has issued " Intention to Issue Termination Notice" and the Concessionaire has refuted all the alleged defaults of Concessionaire with detailed justification. The Independent Engineer has recommended the Authority to withdraw intention to issue termination notice.
The company therefore doesn't envisage any impairment in it's investment made in BFHL

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

		As at March 31, 2018		As at March 31, 2017	
Name of BOT SPV		**No of Equity shares pledged in Lakhs**	**% of BOT SPVs equity**	**No of Equity shares pledged in Lakhs**	**% of BOT SPVs equity**
Badarpur Faridabad Tollway Ltd		490.00	50.00%	490.00	50.00%
Baharampore -Farakka Highways Ltd.		224.40	49.87%	224.40	49.87%
Farakka- Raiganj Highways Ltd.		249.90	49.98%	249.90	49.98%
Raiganj- Dalkhola Highways Ltd.		79.56	26.52%	79.56	26.52%

Undertaking relating to project financing of BOT SPVs:

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

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

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

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

c) The Company has following commitment to invest /lend following funds into / to BOT SPVs as at 31st March, 2018 at a date in future :

Name of BOT SPV	**Subordinate Loan**
Badarpur Faridabad Tollway Limited	897.82
Total	**897.82**

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

5 Loans

Particulars	As at March 31, 2018	As at March 31, 2017
Loans to related party		
Farakka Raiganj Highways Limited	5,931.00	5,931.00
Sub total(i)	**5,931.00**	**5,931.00**
Advance for buy back of shares		
Hindustan Construction Company Limited	2,770.01	2,770.01
Sub total(ii)	**2,770.01**	**2,770.01**
Non-current total (i+ii)	**8,701.01**	**8,701.01**

Name of Company	Nature and interest rate	Purpose	Repayment	As at March 31, 2018	As at March 31, 2017
Farakka Raiganj Highways Limited	Subordinate Loan@10.75%	Promoter's contribution for project finance	To be repaid after restricted payment clause satisfied and Debt Equity ratio maintained	5,931.00	5,931.00
Hindustan Construction Company Limited	Advance consideration for purchase of shares	Advance for buy back of share	To be adjusted on transfer of shares to HCC Concessions Ltd	2,770.01	2,770.01
			Total	**8,701.01**	**8,701.01**

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

Name of BOT SPV	As at March 31, 2018		As at March 31, 2017	
	No. of shares (In lakhs)	**Rs in lakhs**	**No. of shares (In lakhs)**	**Rs in lakhs**
Baharampore -Farakka Highways Limited	117.00	1,170.00	117.00	1,170.00
Farakka -Raiganj Highways Limited	130.00	1,300.00	130.00	1,300.00
Raiganj-Dalkhola Highways Limited	30.00	300.00	30.00	300.00
Dhule Palesner Tollway Limited	0.00	0.01	0.00	0.01
Total	**277.00**	**2,770.01**	**277.00**	**2,770.01**

6 Deferred Tax Assets (Net)

Particulars	As at March 31, 2018	As at March 31, 2017
MAT Credit Entitlement	255.43	242.43
Total	**255.43**	**242.43**

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

7 Other non - current assets

Income Tax Balances (net)

	As at March 31, 2018	As at March 31, 2017
Prepaid Taxes (Net of Provision) (Net of provision of ₹ 253.44 Lakhs (previous year ₹ 240.44 Lakhs)	757.74	469.55
Total	**757.74**	**469.55**

I 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	(12.78)	-
Deferred Income Tax	13.00	-
Income Tax Expenses (Net)	**0.22**	-

II Reconciliation of the Income Tax Provision to the amount computed by applying the statutory income tax rate to the profit before income tax is as below:

Particulars	As at March 31, 2018	As at March 31, 2017
Profit before Income Tax	28.31	901.17
Applicable Income Tax Rate	34.61%	34.61%
Computed Expected Tax Expense	9.80	311.88
Difference in MAT Tax Rate & Normal Tax Rate	(11.94)	-
Effect of Income not considered for Tax Purpose	8.73	311.88
Income Tax Charged to the Statement of Profit and Loss	**13.00**	-

III Components of deferred income tax assets and liabilities arising on account of temporary difference are :

Particulars	As at March 31, 2018	As at March 31, 2017
MAT Credit Entitlement	255.43	242.43
Total Deferred Tax Asset	**255.43**	**242.43**

8 Current Investments

Particulars	As at March 31, 2018	As at March 31, 2017
Investments in Mutual Funds		
Fair value through profit or loss		
Unquoted		
Investment in Mutual fund	134.03	542.41
47,984.708 (March 31, 2017: 2,07,575.597) units in Birla Sunlife Mutual Fund growth plan@ ₹ 279.31per unit		
Total	**134.03**	**542.41**
Total Current Investments		
Aggregate amount of quoted investments and Market value thereof	134.03	542.41
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

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

9 Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured unless otherwise stated)		
Considered good		
Related parties (Refer Note 33)	314.40	639.00
Total	**314.40**	**639.00**

10 Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Cash on hand	-	0.10
Balances with Banks		
In current accounts	108.75	72.31
Total	**108.75**	**72.41**

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

11 Loans

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Inter Corporate Deposit to related parties (Refer note 33)	357.72	57.72
Total Loans	**357.72**	**57.72**

Name of Company		Rate of interest	Amount in Rs	Amount in Rs
Hindustan Construction Company Limited		11%	57.72	57.72
HCC Infrastructure Company Limited		11%	300.00	-
Total			**357.72**	**57.72**

12 Other financial asset

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Considered good		
Receivables from related parties (Refer Note 33)	414.44	387.91
Interest receivable on Inter Corporate Deposit from Related Parties (Refer Note 33)	2,286.89	2,646.05
Purchase Consideration receivable (On account of stake sale)	406.78	406.78
Others	3.95	4.07
Total	**3,112.06**	**3,444.81**

13 Other current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Other Receivables	14.66	50.44
Balance with Government Authorities	10.08	19.15
Prepaid expenses	0.90	1.10
Security Deposit	0.63	75.39
Current total	**26.27**	**146.08**

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14 Equity share capital

	As at March 31, 2018	As at March 31, 2017
Authorised		
200,000,000 (March 31, 2017: 200,000,000) equity shares of ₹10/- each	20,000.00	20,000.00
Issued, subscribed and fully paid up		
34,13,702 (March 31, 2017: 34,13,702) equity shares of ₹10/- each	341.37	341.37
	341.37	**341.37**

a) Reconciliation of number of shares

Equity Shares :	No of Shares (In lakhs)	Amount
Balance as at the 1 April 2016	**34.14**	**341.37**
Add: Issued during the year	-	-
Balance as at the 1 April 2017	34.14	341.37
Add: Issued during the year	-	-
Balance as at the 31st March 2018	**34.14**	**341.37**

b) Rights, preferences and restrictions attached to 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 period ended 31st March 2018, the amount of per share dividend recognized as distributions to equity shareholders was ₹ Nil (31st 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) Details of shares held by holding / ultimate holding company

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of shares	% of Shareholding	No of shares	% of Shareholding
Equity shares of ₹ 10/- each fully paid				
HCC Infrastructure Company Limited, Holding Company	2,917,151	85.45%	2,917,151	85.45%
0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of ₹ 10/- each				
HCC Infrastructure Company Limited, Holding Company	285,985,361	68.05%	285,985,361	68.05%

d) 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	% of Shareholding	No of shares	% of Shareholding
(i) Equity shares of ₹ 10 each fully paid				
HCC Infrastructure Company Limited, Holding Company	2,917,151	85.45%	2,917,151	85.45%
Xander Investment Holding XXVI Limited	496,551	14.55%	496,551	14.55%
(ii) 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of ₹ 10 each fully paid				
HCC Infrastructure Company Limited, Holding Company	285,985,361	68.05%	285,985,361	68.05%
Xander Investment Holding XXVI Limited	134,267,956	31.95%	134,267,956	31.95%

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15 Instruments Entirely Equity in nature - Compulsorily convertible cumulative preference shares (CCCPS)

	As at March 31, 2018	As at March 31, 2017
Authorized shares		
1,200,000,000 (31 March 2016: 1,200,000,000) 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of ₹ 10/- each	120,000.00	120,000.00
Issued, subscribed and fully paid-up shares		
420,253,317 (31 March 2016: 420,253,317) 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of ₹ 10/- each	42,025.33	42,025.33

a **Reconciliation of number of shares**

	As at March 31, 2018		As at March 31, 2017	
	Nos. in Lakhs	₹	Nos. in Lakhs	₹
At the beginning of the year	4,202.53	42,025.33	4,202.53	42,025.33
Issued during the year	-	-	-	-
Outstanding at the end of the year	**4,202.53**	**42,025.33**	**4,202.53**	**42,025.33**

b **Terms of conversion/ redemption of CCCPS**

During the period ended 31st March, 2018, the company issued ₹ Nil (31st March 2017: ₹ Nil) number of 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of ₹ 10 each fully paid-up and they carry cumulative dividend @ 0.001% p.a.

The 0.001% CCCPS are compulsorily convertible as per following terms and conditions :-
a) Each 200, 0.001% CCCPS shall be converted into 1 equity share, subject to adjustments set forth in the Shareholders Agreement dated August 9th 2011.
b) 0.001% CCCPS shall be convertible at any time after the Closing Date, at the sole option of the Investor at the Conversion Ratio.
c) 0.001% CCCPS shall be compulsorily convertible at the earlier of
i) Qualified IPO or
ii) 10 years from date of their issuance or
iii) as set forth in the Shareholders Agreement dated August 9, 2011

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

16 Reserves & Surplus

Particulars	As at March 31, 2018	As at March 31, 2017
Security premium	66,937.67	66,937.67
Retained Earnings	(11,934.47)	(11,962.78)
Total reserves and surplus	**55,003.20**	**54,974.89**

Securities premium

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	66,937.67	66,937.67
Add: Allotment during the year	-	-
Closing Balance	**66,937.67**	**66,937.67**

Surplus in the Statement of Profit and Loss

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(11,962.78)	(12,028.25)
Add: Profit for the year	27.35	65.47
Add: Other Comprehensive Income	0.95	-
Closing Balance	**(11,934.47)**	**(11,962.78)**

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

17 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Non Current		
Financial Guarantee given on behalf of Subsidiaries	1,878.91	2,058.43
Total	**1,878.91**	**2,058.43**

18 Provisions

Particulars	As at March 31, 2018	As at March 31, 2017
Non Current		
Provision for employee benefits		
Leave encashment	40.63	23.62
Gratuity	41.23	35.74
Total	**81.86**	**59.36**

19 Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
Inter Corporate deposit from related party(Refer note 33)	-	259.00
Total	-	259.00

20 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Interest Accrued and due on ICD from related parties(Refer note -33)	500.71	497.41
Payables to related party(Refer note 33)	146.16	190.81
Due to employees	27.44	119.36
Other payables	246.63	304.67
Total	**920.94**	**1,112.25**

21 Provisions

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Provision for employee benefits		
Gratuity	0.83	0.67
Leave encashment	2.60	10.99
Provisions for other expenses	168.98	83.46
Total	**172.41**	**95.12**

22 Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory Dues	15.63	70.17
Retention deposit payable	25.54	25.54
Total	**41.17**	**95.71**

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

23 Revenue from Operations

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of Services		
SPV management fees from related party (Refer note 33)	720.00	1,500.00
Advisory fees from related party (Refer note 33)	300.00	-
Total	**1,020.00**	**1,500.00**

24 Other Income

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income		
From related party	765.19	740.72
Others	3.31	92.86
Gain on Fair valuation of current investments	2.34	6.96
Net gain/loss on sale of investments	6.80	10.43
Commission on Corporate Guarantee given	179.52	179.16
Foreign Exchange Gain	0.02	-
Reversal of earlier year provisions	10.08	-
Miscellaneous Income	-	20.51
Total	**967.26**	**1,050.64**

25 Employee benefits expense

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and wages	541.96	663.77
Contribution to provident funds and other funds	24.61	26.16
Workmen and Staff welfare expenses	3.14	16.59
Total	**569.71**	**706.52**

26 Finance costs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense on Inter corporate deposit	3.67	43.86
Other borrowing costs	0.02	1.35
Total	**3.69**	**45.21**

27 Depreciation and amortization expense

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on Property, Plant and Equipment	13.28	33.86
Amortisation	-	52.45
Total	**13.28**	**86.31**

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

28 Other expenses

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Audit expenses	8.37	8.55
Travelling	28.04	56.44
Service tax written off	1.28	-
Director Sitting Fees	2.30	2.81
Postage, Telephone and Fax	4.53	15.24
Common service charges	-	392.29
Rates & Taxes	18.77	14.13
Legal, Professional and Consultancy Charges	60.60	61.20
Security expenses	10.56	9.25
Miscellaneous Expenses	2.41	12.12
Entertainment Expenses	1.01	7.47
Insurance Charges	5.14	4.73
Stationary and Printing Charges	5.53	6.32
Electricity charges	-	4.51
Rent	54.07	126.95
Repairs and Maintenance	71.35	2.83
Trade Receivable written off	-	1.12
Interest receivable written off	-	39.47
Housekeeping and Maintenance	33.36	46.01
Total	**307.32**	**811.43**
Details of payment to auditors		
Statutory Audit fees	7.05	7.05
Tax audit fees	0.50	0.50
Others	0.82	1.00
Total	**8.37**	**8.55**

29 Exceptional Items

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest Receivable written off	1,066.13	-
Proceeds against stake sale of subsidiary written off	-	835.70
Total	**1,066.13**	**835.70**

30 Basic & Diluted EPS

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Basic & Diluted EPS (*)		
Profit/ (loss) after tax	28.31	65.47
Less : Dividends on convertible preference shares & tax thereon	(0.32)	(0.32)
Net profit/ (loss) for calculation of EPS	**27.99**	**65.16**
Number of equity shares for calculating basic EPS	3,413,700	3,413,700
Basic & Diluted EPS	**0.82**	**1.91**

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

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31 Financial risk management

The companies activities exposes it to market risk, liquidity risk and credit risk.
This note explains the source of risk which the entity is exposed to and how the entity is manage the risk.

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

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

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

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

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

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

As At March-2018

	Upto 1 Year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Non-derivatives					
Other Financials liabilities	920.94	-	-	1,878.91	2,799.85
Trade and other payables	-	-	-	-	-
Total non-derivatives	**920.94**	**-**	**-**	**1,878.91**	**2,799.85**

As At March-2017

	Upto 1 Year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Non-derivatives					
Borrowings	259.00	-	-	-	259.00
Other Financials liabilities	1,112.25	-	-	2,058.43	3,170.69
Trade and other payables	-	-	-	-	-
Total non-derivatives	**1,371.25**	**-**	**-**	**2,058.43**	**3,429.69**

32 Net Debt Reconciliation

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and Cash Equivalents	108.75	72.41
Current Borrowings	-	(259.00)
Interest Payable	(500.71)	(497.41)
Net Debt	**(391.96)**	**(683.99)**

Particulars	Cash and Cash Equivalents	Current Borrowings	Interest Payable	Total
Net Debt as at 1st April 2017	**72.41**	**(259.00)**	**(497.41)**	**(683.99)**
Cash Flows	36.34	259.00	-	295.34
Interest Cost	-	-	(3.67)	(3.67)
Interest Paid	-	-	0.37	0.37
Net Debt as at 31st March 2018	**108.75**	**-**	**(500.71)**	**(391.96)**

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

33 **Transactions with Related Parties:**

		As at March 31, 2018	As at March 31, 2017
(A) Nature of Relationship and Name of Related Party			
Ultimate Holding Company	Hindustan Construction Company Limited		
Holding Company	HCC Infrastructure Company Ltd.		
Subsidiaries	Baharampore Farakka Highways Ltd.		
	Farakka Raiganj Highways Ltd.		
	Badarpur Faridabad Tollways Ltd.		
	Raiganj Dalkhola Highways Ltd.		
	Narmada Bridge Tollway Ltd		
	Nirmal BOT Ltd(Upto 23.12.2015)		
Fellow subsidiaries	Dhule Palesner Operations & Maintenance Ltd.		
	HCC Power Limited		
	HCC Energy Limited		
	HCC Operations and Maintenance Ltd.		
	Pune Paud Toll Road Co. Ltd. (Merged with HCC Infrastructure Company Limited pursuant to amalgamation from 1st April 2016)		
	HCC Energy Limited		
Associate Companies	Nirmal BOT Ltd.(With effect from 24.12.2015)		
Key Managerial Personnel			
Manish Khanna	Independent Director		
Rajas Doshi	Independent Director		
Shyamakant Dharmadhikari	Independent Director (Upto 31st January 2017)		
Ravindra Singh	Company Secretary		
Kiran Kakkar	Chief Financial Officer		
Rahul Shukla	Manager		
(B) Nature of Transactions			
Rendering of Services - SPV Management Fees			
Baharampore-Farakka Highways Ltd	Subsidiary	360.00	600.00
Farakka-Raiganj Highways Ltd	Subsidiary	360.00	600.00
Raiganj-Dalkhola Highways Ltd	Subsidiary	-	300.00
Total		**720.00**	**1,500.00**
Rendering of Services - Advisory Fees Income			
Baharampore-Farakka Highways Ltd	Subsidiary	125.00	-
Farakka-Raiganj Highways Ltd	Subsidiary	175.00	-
Total		**300.00**	**-**
Expenses incurred on behalf of other Companies			
Baharampore-Farakka Highways Ltd	Subsidiary	0.52	4.56
Farakka-Raiganj Highways Ltd	Subsidiary	1.23	0.69
Raiganj-Dalkhola Highways Ltd	Subsidiary	0.07	0.23
HCC Energy Limited	Fellow Subsidiary	0.04	0.03
HCC Infrastructure Company Limited	Holding Company	0.19	0.13
Badarpur Faridabad Tollways Ltd.	Subsidiary	0.08	0.20
Narmada Bridge Tollways Limited	Subsidiary	0.05	0.01
Total		**2.17**	**5.85**
Director Sitting Fees			
Manish Khanna		1.30	1.31
Rajas Doshi		1.00	0.90
Shyamakant Dharmadhikari		-	0.60
Total		**2.30**	**2.81**
Remuneration to KMP			
Ravindra Singh	Company Secretary	98.13	115.30
Kiran Kakkar	Chief Financial Officer	30.69	28.38
		128.82	**143.68**
Rent Expense			
Hindustan Construction Company Limited	Ultimate Holding Company	54.07	18.09
		54.07	**18.09**
Financial Income			
Hindustan Construction Company Limited	Ultimate Holding Company	6.35	6.34
HCC Infrastructure Company Limited	Holding Company	22.06	-
Farakka-Raiganj Highways Ltd	Subsidiary	736.78	522.34
Raiganj-Dalkhola Highways Ltd	Subsidiary	-	212.04
Total		**765.19**	**740.72**

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Transactions with Related Parties:		As at March 31, 2018	As at March 31, 2017
Commission on Corporate Guarantee given			
Baharampore-Farakka Highways Ltd	Subsidiary	35.76	35.69
Farakka-Raiganj Highways Ltd	Subsidiary	49.18	49.09
Badarpur Faridabad Tollway Ltd	Subsidiary	94.57	94.38
	Total	**179.52**	**179.16**
Interest Expense on Inter Corporate Deposit			
Hindustan Construction Company Limited	Ultimate Holding Company	-	34.49
HCC Infrastructure Company Ltd	Holding Company	3.67	9.37
	Total	**3.67**	**43.86**
Balances at 31st March 2018			
Investment made (Equity & CCCPS and other equity)			
Equity shares			
Badarpur Faridabad Tollway Ltd	Subsidiary	9,800.00	9,800.00
Nirmal BOT Ltd	Associate Companies	470.50	470.50
Baharampore-Farakka Highways Ltd	Subsidiary	3,330.00	3,330.00
Farakka Raiganj Highways Limited	Subsidiary	3,700.00	3,700.00
Raiganj-Dalkhola Highways Ltd	Subsidiary	2,700.00	2,700.00
Narmada Bridge Tollway Limited	Subsidiary	5.00	5.00
Preference shares			
Baharampore-Farakka Highways Ltd	Subsidiary	17,225.30	17,225.30
Farakka Raiganj Highways Limited	Subsidiary	20,022.10	20,022.10
Raiganj-Dalkhola Highways Ltd	Subsidiary	10,715.00	10,715.00
Investment in Equity (Corporate Guarantee given to subsidiaries)			
Baharampore-Farakka Highways Ltd	Subsidiary	550.01	550.01
Farakka Raiganj Highways Limited	Subsidiary	756.41	756.41
Badarpur Faridabad Tollway Ltd	Subsidiary	1,140.55	1,140.54
Investment in other Equity (Sub debt)			
Badarpur Faridabad Tollway Ltd	Subsidiary	13,534.18	13,534.18
Narmada Bridge Tollway Limited	Subsidiary	2,715.00	2,710.00
	Total	**86,664.05**	**86,659.05**
Vendor Account/outstanding for other services			
Hindustan Construction Company Limited	Ultimate Holding	146.16	190.81
	Total	**146.16**	**190.81**
Sundry Debtors			
Baharampore-Farakka Highways Ltd	Subsidiary	109.30	248.00
Farakka-Raiganj Highways Ltd	Subsidiary	205.10	391.00
	Total	**314.40**	**639.00**
Other receivable			
HCC Infrastructure Company Ltd	Holding Company	1.81	-
Badarpur Faridabad Tollway Ltd	Subsidiary	32.06	25.14
HCC Operations&Maintenance Ltd	Fellow subsidiaries	0.13	-
Baharampore-Farakka Highways Ltd	Subsidiary	33.57	42.05
Farakka-Raiganj Highways Ltd	Subsidiary	30.23	38.00
Raiganj-Dalkhola Highways Ltd	Subsidiary	62.68	29.72
HCC Energy Ltd	Fellow subsidiaries	1.04	-
Narmada Bridge Tollway Ltd	Subsidiary	252.92	253.01
	Total	**414.44**	**387.91**
Subordinate Loans(Given)			
Farakka-Raiganj Highways Ltd	Subsidiary	5,931.00	5,931.00
	Total	**5,931.00**	**5,931.00**
Advance for buy back of shares			
Hindustan Construction Company Limited	Ultimate Holding Company	2,770.01	2,770.01
	Total	**2,770.01**	**2,770.01**

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

33 Transactions with Related Parties:		As at March 31, 2018	As at March 31, 2017
Interest receivable on subordinate loans /ICD			
Hindustan Construction Company Limited	Ultimate Holding Company	265.73	259.94
HCC Infrastructure Company Limited	Holding Company	20.62	-
Badarpur Faridabad Tollway Ltd	Subsidiary	-	1,066.13
Farakka-Raiganj Highways Ltd	Subsidiary	1,301.24	620.68
Raiganj Dalkhola Highways Ltd	Subsidiary	63.83	63.83
Narmada Bridge Tollway Ltd	Subsidiary	635.47	635.47
Total		**2,286.89**	**2,646.05**
Inter Corporate Deposits-Taken			
HCC Infrastructure Company Ltd	Holding Company	-	259.00
Total		**-**	**259.00**
Inter Corporate Deposit(ICD)-Given			
Hindustan Construction Company Limited	Ultimate Holding Company	57.72	57.72
HCC Infrastructure Company Ltd	Holding Company	300.00	-
Total		**357.72**	**57.72**
Interest payable on ICD			
HCC Infrastructure Company Ltd	Holding Company	500.71	497.41
Total		**500.71**	**497.41**
Equity Share Capital			
HCC Infrastructure Company Ltd	Holding Company	291.72	291.72
Total		**291.72**	**291.72**
Share Premium			
HCC Infrastructure Company Ltd	Holding Company	57,056.30	57,056.30
Total		**57,056.30**	**57,056.30**
CCCPS Capital			
HCC Infrastructure Company Ltd	Holding Company	28,598.54	28,598.54
Total		**28,598.54**	**28,598.54**
Corporate Guarantee given on behalf of subsidiaries			
Baharampore-Farakka Highways Ltd	Subsidiary	18,387.00	18,387.00
Farakka-Raiganj Highways Ltd	Subsidiary	25,287.00	25,287.00
Badarpur Faridabad Tollway Ltd	Subsidiary	50,748.96	50,748.96
Total		**94,422.96**	**94,422.96**

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34 Fair value measurements

(a) Significance of financial instruments

Classification of financial instruments

Particulars	**As at March 31, 2018**	**As at 31st March, 2017**
Financial assets		
At amortised Cost		
Investments	86,193.55	86,188.55
Loans	8,701.01	8,701.01
Inter corporate deposit	357.72	57.72
Interest receivable on ICDs	2,286.89	2,646.05
Receivables from related parties	414.44	387.91
Share application money	-	-
Cash and Cash equivalent	108.75	72.41
Trade receivable	314.40	639.00
Others	3.95	4.07
At Fair value through profit & loss		
Investment in mutual fund	134.03	542.41
Total financial assets	**98,514.75**	**99,239.14**
Financial liabilities		
At amortised Cost		
Inter corporate deposit	-	259.00
Interest on Term loans	500.71	497.41
Corporate guarantee	1,878.91	2,058.43
Payable to related party	146.16	190.81
Dues to employees	27.44	119.36
Others payable	246.63	304.67
Total financial liabilities	**2,799.84**	**3,429.68**

(b) Fair value Hierarchy

(i) Fair value hierarchy - Recurring fair value measurements

Particulars	**As at March 31, 2018**	**As at 31st March, 2017**
Financial assets		
At Fair value through profit & loss		
Level 1		
Mutual fund Investments	134.03	542.41
Total financial assets	**134.03**	**542.41**

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

Particulars	**As at March 31, 2018**	**As at 31st March, 2017**
Financial assets		
Level 3		
Investments	86,193.55	86,188.55
Loans	8,701.01	8,701.01
Inter corporate deposit	357.72	57.72
Interest receivable on ICDs	2,286.89	2,646.05
Receivables from related parties	414.44	387.91
Cash and Cash equivalent	108.75	72.41
Trade receivable	314.40	639.00
Others	3.95	4.07
Total financial assets	**98,380.71**	**98,696.72**
Financial liabilities		
Level 3		
Inter corporate deposit	-	259.00
Interest on Term loans	500.71	497.41
Corporate guarantee	1,878.91	2,058.43
Payable to related party	146.16	190.81
Dues to employees	27.44	119.36
Others payable	246.63	304.67
Total financial liabilities	**2799.84**	**3429.68**

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

Recognised fair value measurements

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

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

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

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

Particulars	As at March 31, 2018	As at 31st March, 2017
Financial liabilities		
Carrying value of financial liabilities at amortised cost		
Inter Corporate Deposits (ICDs)	-	259.00
Corporate guarantee	1,878.91	2,058.43
Total	**1,878.91**	**2,317.43**
Fair value of financial liabilities carried at amortised cost		
ICDs	-	259.00
Corporate guarantee	1,878.91	2,058.43
Total	**1,878.91**	**2,317.43**

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. There are no other obligations 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	24.61	26.16
Total	**24.61**	**26.16**

a) Defined benefit plan

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

Particulars	As at March 31, 2018	As at March 31, 2017
Gratuity	42.06	36.42
Total	**42.06**	**36.42**
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)	36.42	26.15
Net employee benefit expense recognised in the employee cost		
Current service cost	5.03	4.75
Past service cost	4.27	-
Interest cost on benefit obligation	2.65	2.10
(Gain) / losses on settlement	(4.64)	4.64
Net benefit expense	7.32	11.50
Amount recorded in Other Comprehensive Income (OCI)		
Measurement during the period due to :		
Return on plan assets, excluding amounts included in interest expense/(income)	-	-
Actuarial loss / (gain) arising from change in financial assumptions	0.22	-
Actuarial loss / (gain) arising from experience	(1.40)	-
Actuarial loss / (gain) arising on account of demographic assumptions		
Experience (gains)/losses		
Amount recognized in OCI	(1.18)	-
Benefits payments from plan	(0.50)	(1.23)
Closing net defined benefit liability / (asset)	42.06	36.42

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

Particulars	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	42.06	36.42
Fair value of plan assets		-
Amount not recognised as an asset (asset ceiling)		
	42.06	**36.42**
Net liability is bifurcated as follows :		
Current	0.83	0.67
Non-current	41.23	35.75
Total	**42.06**	**36.42**
Discount rate	7.73%	7.29%
Expected rate of return on plan assets (p.a.)	N.A.	N.A.
Salary escalation rate (p.a.)	8.00%	8.00%
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	(4.66)	(4.40)
Impact on defined benefit obligation -1 in % decrease	5.44	5.21
Assumptions -Future salary increases		
Sensitivity Level		
Impact on defined benefit obligation +1 in % increase	5.37	5.12
Impact on defined benefit obligation -1 in % decrease	(4.69)	(4.41)
Assumptions -Employee Turnover Rate		
Sensitivity Level		
Impact on defined benefit obligation +1 in % increase	(0.21)	(0.36)
Impact on defined benefit obligation -1 in % decrease	0.23	0.40
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	4.24	3.41
Between 6 and 10 years	10.35	8.54
For and Beyond 11 years	105.45	95.76
Total expected payments	**120.05**	**107.71**
The average duration of the defined benefit plan obligation at the end of the reporting period	14.00	15.00

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

36 Contingent Liabilities

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Corporate guarantee given by HCC Concessions Limited (Holding Company) in favour of Bank		
Badarpur Faridabad Tollway Limited(For entire obligation to lenders)	50,748.96	50,748.96
Baharampore Farakka Highways Limited	18,387.00	18,387.00
Farakka Raiganj Highways Limited	25,287.00	25,287.00
B. Income tax liability that may arise in respect of matter which is in appeal		
Financial year 2010-11-Penalty order (*)	-	90.87
Financial year 2011-12 (*)	94.72	-
Financial year 2012-13	235.50	235.50
Financial year 2013-14	64.91	64.91
Financial year 2014-15	459.55	-
C.Notice from NHAI for recovery of damages due to delay in completion of overlay(#)	712.07	1,055.39

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

(#) The value of the damages has been revised by the authority based on NHAI circular and thereby reducing the liability by ₹ 343.32 Lakhs. Nirmal BOT Ltd has received notice from NHAI levying damages for alleged delay in completion of Major maintenance work(As per share purchase agreement, the Company has given indemnification to Highway Concessions One Private Limited for third party claim). Subsequently, NBL has filed a counter claim of ₹ 4139 Lakhs on NHAI towards reimbursement of the cost incurred for completion of Pavement Renewal Work as the Concessionaire was forced by NHAI to incur this cost against the provisions of CA.

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 years figures

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

As per our report of even date attached

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

Satish Kelkar
Partner
Membership No.:38934

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

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Arjun Dhawan
Director
DIN No. : 01778379

Praveen Sood
Director
DIN No. : 00018013

Sridevi Iyengar
Director
DIN No. : 06981630

S. Sridevi

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018

K. S. AIYAR & CO
CHARTERED ACCOUNTANTS

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

Independent Auditor's Report

To the Members of HCC Concessions Limited,

Report on the Consolidation Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of HCC Concessions Limited, ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group 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:

i. Note 7 to the consolidated Ind AS financial statements, in case of Raiganj –Dalkhola Highways Limited (RDHL), National Highway Authority of India (NHAI) has served notice of termination of contract to 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 Rs 36800.00 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 Rs 17742.46 lacs is considered fully recoverable by the management.

ii. Note 39 to the consolidated Ind AS financial statements, as stated above, 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. Note 11(b)(i) to the consolidated Ind AS financial statements, RDHL has given interest free mobilization advance of Rs. 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.

Our opinion is not modified in respect of above matters.

The Independent Auditor of subsidiary in its audit report on the financial statements for the year ended 31 March 2018 have drawn emphasis of matter paragraph reproduced by us as under:

i. We draw attention to Note 39 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 under Note 9(b) in the Consolidated 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.

Our opinion is not modified in respect of above matter.

Other Matter

We did not audit the financial statement of certain subsidiaries included in the consolidated Ind AS financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs 2,99,233.18 lacs and net assets (after eliminating intra-group transactions) of Rs 16,905.71 lacs as at 31 March 2018, total revenues (after eliminating intra-group transactions) of Rs 61,337.01 lacs and net cash outflows amounting to Rs 7665.41 lacs for the year ended on that date. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion on the consolidated financial statements of the Group for the period then ended to the extent they relate to the financial statements not reviewed by us as stated in this paragraph is based solely on the review reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;

(e) The matters described under the Emphasis of Matters paragraph, in our opinion, may have an adverse effect on the functioning of the Group;

(f) On the basis of the written representations received from the directors of the Holding

Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure - A; and

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 6, 7 and 32 to the consolidated financial statements;

ii. As stated in Note 6, 7 and 32 the group doesn't envisage material foreseeable loss in case of the long term contract requiring provision. Except for this, the company 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 and subsidiary Companies.

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 Construction Company Limited** ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 four subsidiary companies, which are companies incorporated in India, whose financial statements / financial information reflect total assets (after eliminating intra-group transactions) of Rs 2,99,233.18 lacs as at 31st March, 2018, total revenues (after eliminating intra-group transactions) of Rs 61,337.01 lacs and net cash flows amounting to Rs 7,665.41 lacs for the year ended on that date. Our report on the adequacy and operating effectiveness of the IFCOFR for the Holding Company and its subsidiary companies, which are companies incorporated in India, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiaries, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

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

Satish Kelkar
Partner
Membership No: 38934

Place: Mumbai
Date: May 2, 2018

HCC Concessions 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	243.35	294.46
Investment Property	5	44.91	44.91
Other Intangible assets	6	175,288.22	220,724.25
Intangible assets under development	7	96,192.28	62,695.96
Financial Assets			
Loans	8a	2,770.01	2,770.01
Other Financial Assets	9a	35.39	35.39
Deferred tax assets (Net)	10	255.43	242.43
Other non - current assets	11a	2,330.04	24,369.38
Total		**277,159.63**	**311,176.79**
Current assets			
Financial Assets			
Investments	12	175.56	585.70
Trade receivables	13	1,834.00	1,846.22
Cash and cash equivalents	14A	3,683.03	4,056.51
Bank balances other than above	14B	972.41	8,231.42
Loans	8b	357.72	57.72
Other financial asset	9b	36,406.70	2,137.77
Other current assets	11b	10,598.96	5,150.80
Total		**54,028.38**	**22,066.13**
Non Current Assets classified as held for sale	15	470.50	470.50
Total		**470.50**	**470.50**
Total Assets		**331,658.51**	**333,713.42**
EQUITY AND LIABILITIES			
Equity share capital	16	341.37	341.37
Other equity	17A	34,277.46	36,918.91
Equity attributable to equity holders of the parent		**34,618.83**	**37,260.28**
Non Controlling interests	17B	(1,418.53)	110.27
Total		**33,200.30**	**37,370.55**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	18a	213,051.46	207,273.57
Other financial liabilities	19a	-	1,541.56
Provisions	20a	3,892.20	11,225.82
Total		**216,943.66**	**220,040.94**
Current Liabilities			
Financial Liabilities			
Borrowings	18b	-	259.00
Trade payables	21	1,168.14	1,520.06
Other financial liabilities	19b	66,765.84	72,134.97
Provisions	20b	12,421.02	1,241.60
Other current liabilities	22	1,159.55	1,146.30
Total		**81,514.55**	**76,301.93**
Total Equity and Liabilities		**331,658.51**	**333,713.42**

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

Arjun Dhawan
Director
DIN No. : 01778379

Praveen Sood
Director
DIN No. : 00018013

Sridevi Iyengar
Director
DIN No. : 06981630

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018

HCC Concessions 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			
Income			
Revenue from Operations	23	67,644.68	62,693.64
Other Income	24	1,413.66	360.18
Total Income		**69,058.34**	**63,053.81**
Expenses			
Construction cost	25	26,248.70	37,896.39
Employee benefits expense	26	629.18	768.09
Finance costs	27	20,945.22	13,326.15
Depreciation and amortization expense	28	11,566.55	8,564.91
Other expenses	29	15,035.78	13,298.58
Total expenses		**74,425.43**	**73,854.12**
Profit / (loss) before share of (profit)/loss of an associate and a joint venture, exceptional items and tax from continuing operations		(5,367.09)	(10,800.31)
Share of profit/(loss) of an associate and a joint venture		-	-
Profit / (loss) before exceptional items and tax from continuing operations		**(5,367.09)**	**(10,800.31)**
Exceptional Items	30	(1,195.57)	350.29
Profit / (loss) before tax from continuing operations		**(4,171.52)**	**(11,150.60)**
Tax expense			
Current tax		12.78	1.23
Deferred Income Tax		(13.00)	-
Profit/(Loss) for the year (A)		**(4,171.30)**	**(11,151.83)**
Items not to be reclassified subsequently to profit or loss			
- Gain/(Loss) on fair value of defined benefit plans as per actuarial valuation		1.27	-
- Income Tax Effect on above		(0.22)	-
Other Comprehensive Income for the year (B)		**1.05**	-
Total Comprehensive Income for the year (A+B)		**(4,170.25)**	**(11,151.83)**
Attributable to:			
Equity holders of the parent		(2,641.45)	(10,279.84)
Non-controlling interest		(1,528.80)	(871.98)
Earnings per equity share of Rs. 10 each (for continuing operation):	31		
Basic earnings per share		(77.39)	(301.14)
Diluted earnings per share		(77.39)	(301.14)

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

As per our report of even date attached

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

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Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018

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

Particulars	Note	Year ended 31 March 2018	Year ended 31 March 2017
A Cash Flow from operating activities			
Profit before income tax including discontinued operations		(2,628.67)	(10,278.61)
Adjustments for			
Add:			
Depreciation and amortisation expenses		11,566.55	8,564.91
Finance costs		19,324.15	12,768.83
Other Borrwing Cost		35.49	8.28
Unwinding of Retention Payable		367.25	97.69
Unwinding of Major Maintenance Repairs		1,218.33	451.35
Less:			
Dividend received		-	(72.52)
Interest received		(1,122.50)	(155.38)
Profit on sale of investment		(200.81)	(69.76)
Scrap Sales		(0.82)	-
Net exchange differences		(0.02)	-
Gain on fair valuations		(2.34)	(8.53)
Change in operating assets and liabilities			
(Increase)/decrease in trade receivables		12.22	(1,835.40)
(Increase)/decrease in other financial assets		(34,322.43)	3,075.71
(Increase)/decrease in other non-current assets		22,039.34	(12,364.27)
(Increase)/decrease in other current assets		(5,448.16)	3,029.89
Increase/(decrease) in trade payables		(351.92)	(477.71)
Increase/(decrease) in other financial liabilities		(14,972.65)	11,344.88
Increase/(decrease) in provisions		2,627.49	5,359.91
Increase/(decrease) in other current liabilities		(22.25)	650.59
		(1,881.76)	20,089.87
Cash generated from operations			
Income taxes paid		(25.78)	(1.23)
Net cash inflow from operating activities		**(1,907.54)**	**20,088.64**
B Cash flow from investing activities:			
Movement in property, plant and equipment/ intangible assets		424.27	(35,500.32)
Share of non-controlling interests		(1,528.80)	(871.98)
(Purchase) / Proceeds from sale of investments (net)		613.29	(491.29)
Short term deposits		(189.34)	3,165.22
Interest received		1,065.35	199.12
Dividend received		-	72.52
Net cash outflow from investing activities		384.78	(33,426.73)
C Cash flow from financing activities			
Proceeds from / (Repayment) of long term borrowings		7,665.76	25,692.24
Proceeds from / (Repayment) of Short term borrowings		(259.00)	259.00
Interest paid		(13,516.48)	(11,337.60)
Net cash inflow (outflow) from financing activities		(6,109.72)	14,613.64
Net increase/(decrease) in cash and cash equivalents		(7,632.49)	1,275.55
Add: Cash and cash equivalents at the beginning of the financial year		12,287.92	11,012.37
Cash and cash equivalents at the end of the year	14A	4,655.44	12,287.92
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		3,683.03	4,056.51
Other Bank Balances		972.41	8,231.42
Balances as per statement of cash flows		4,655.44	12,287.92

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

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Arjun Dhawan
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Director
DIN No. : 06981630

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date 2nd May 2018

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

	Equity Share Capital	Other Equity					Total attributable to owners of the Company	Non Controlling Interest	Total
		Capital Contribution		Reserves & Surplus		Other Comprehensive Income			
		Equity Component of Preference Shares	Share Application Money Pending Allotment	Security premium	Retained Earnings	Net gain on fair value of defined benefit plans			
Balance as at 31st March, 2016	**341.37**	**42,025.33**	**-**	**66,937.67**	**(61,764.25)**	**-**	**47,540.12**	**982.26**	**48,522.38**
Profit for the year					(10,279.84)		(10,279.84)		(10,279.84)
Capital Contribution		-	-		-				
Allotment during the year				-					
Minority Interest Share Transfer During the Year								(871.98)	(871.98)
Other Comprehensive Income for the year							-		
Total Comprehensive Income for the year	-	-	-	-	(10,279.84)	-	(10,279.84)	(871.98)	(11,151.83)
Balance as at 31st March, 2017	**341.37**	**42,025.33**	**-**	**66,937.67**	**(72,044.09)**	**-**	**37,260.28**	**110.27**	**37,370.55**
Profit for the year					(2,642.72)	-	(2,642.72)		(2,642.72)
Capital Contribution		-	-		-		-		
Allotment during the year				-			-		
Minority Interest Share Transfer During the Year							-	(1,528.80)	(1,528.80)
Other Comprehensive Income for the year						1.27	1.27	-	1.27
Total Comprehensive Income for the year	-	-	-	-	(2,642.72)	1.27	(2,641.45)	(1,528.80)	(4,170.25)
Balance as at 31st March, 2018	**341.37**	**42,025.33**	**-**	**66,937.67**	**(74,686.82)**	**1.27**	**34,618.83**	**(1,418.52)**	**33,200.31**

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

As per our report of even date attached

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

Satish Kelkar
Partner
Membership No.:38934

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Arjun Dhawan
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Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018

1 Corporate information

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

After a foreign direct investment by Xander Investment Holding XXVI Limited (the Investor) on 29th September 2011, HCC Infrastructure Company Limited holds 85.45% share in the company.

2 Summary of significant accounting policies

(a) Basis of preparation

i Compliance with Ind AS

The financial statements are prepared on an accrual basis of accounting and in accordance with the Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting standards) Rules, 2015 as amended by the companies (Indian Accounting standard) Rules 2016.

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.

ii Historical Cost Convention

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.

iii 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.

iv Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated

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

(b) **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.

(ii) **Associates**

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

(iii) **Joint arrangements**

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

Equity method

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

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

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

(iv) **Changes in ownership interests**

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

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

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.

K. S. AIYAR & CO. Mumbai Chartered Accountants

(c) **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.

(d) **Government grant**

Grants from the government (Other than covered under Service Concession Arrangement) 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 capital assets 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.

(e) **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.

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

(f) **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.

(g) **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).

(h) **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.

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Financial Assets Measured at Fair Value

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

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

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

iii) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

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

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

iv) De-recognition of Financial Assets

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

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

b Equity Instruments and Financial Liabilities

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

i) Equity Instruments

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

ii) Financial Liabilities

1) Initial Recognition

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

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

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

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.

(i) 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

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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.

(n) 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.

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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.

(o) 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.

(p) 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.

(q) 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.

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(r) 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.

(s) 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.

(t) 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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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	Freehold Land	Plant & Machinery	Leasehold Improvments	Furniture	Computers	Office equipment	Vehicles	Total
Gross Block - Carrying Value								
Balance as at 1stApril 2016	61.43	8.70	93.06	74.18	252.17	38.61	44.26	**572.41**
Additions	-	19.47	-	-	(157.80)	11.39	48.98	**(77.97)**
Disposals	-					-	-	-
Reclassification as held for sale	-					-	-	-
Balance as at 31st March 2017	**61.43**	**28.17**	**93.06**	**74.18**	**94.37**	**49.99**	**93.24**	**494.44**
Balance as at 1stApril 2017	61.43	28.17	93.06	74.18	94.37	49.99	93.24	**494.44**
Additions	-	-	-	1.88	0.70	3.86	0.95	**7.38**
Disposals	-					-	-	-
Reclassification as held for sale	-					-	-	-
Balance as at 31st March 2018	**61.43**	**28.17**	**93.06**	**76.05**	**95.07**	**53.85**	**94.18**	**501.81**
Accumulated Depreciation								
Balance as at 1stApril 2016	-	0.42	20.30	13.26	19.20	11.44	6.13	70.76
Depreciation for the year		1.17	72.76	13.23	25.08	8.82	8.16	129.21
Disposals						-	-	-
Reclassification as held for sale						-	-	-
Balance as at 31st March 2017	**-**	**1.58**	**93.06**	**26.49**	**44.29**	**20.27**	**14.29**	**199.98**
Balance as at 1stApril 2017	-	1.58	93.06	26.49	44.29	20.27	14.29	199.98
Depreciation for the year		1.88	-	13.33	21.09	10.56	11.63	58.49
Disposals						-	-	-
Reclassification as held for sale						-	-	-
Balance as at 31st March 2018	**-**	**3.46**	**93.06**	**39.82**	**65.37**	**30.83**	**25.92**	**258.47**
Net Block								
Balance as at 31st March 2017	**61.43**	**26.58**	**-**	**47.69**	**50.08**	**29.72**	**78.95**	**294.46**
Balance as at 31st March 2018	**61.43**	**24.71**	**-**	**36.24**	**29.69**	**23.02**	**68.26**	**243.35**

5 Investment properties

Particulars	As at March 31, 2018	As at March 31, 2017
Land		
Gross carrying amount		
Deemed cost	44.91	44.91
Total	**44.91**	**44.91**

i Estimation of fair value

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

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

a current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

b discounted cash flow projections based on reliable estimates of future cash flows.

c capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

ii The Fair Value of the Land lying in the subsidiaries as at the Balance Sheet date is Rs. 67.50 Lakhs

iii The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge dated 3rd March,2011 and further modified dated 30th May 2016.

6 Intangible assets

Particulars	Amount
Gross Block	
Balance as at 1st April 2016	**128,082.74**
Additions	124,043.58
Disposals	-
Balance as at 31st March 2017	**252,126.32**
Transferred to Other Financial Asset	(56,792.50)
Other Adjustments	108.94
Disposals	-
Balance as at 31st March 2018	**195,442.75**
Accumulated Depreciation	
Balance as at 1st April 2016	**(22,966.71)**
Additions	(8,435.36)
Disposals	-
Balance as at 31st March 2017	**(31,402.07)**
Transferred to Other Financial Asset	22,749.71
Other Adjustments	(11,502.17)
Disposals	-
Balance as at 31st March 2018	**(20,154.53)**
Net Block	
Balance as at 31st March 2017	220,724.25
Balance as at 31st March 2018	175,288.22

Badarpur Faridabad Tollway Ltd (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.77500 Lakhs. 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.

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7 Intangible Assets under Development

Particulars	Amount
Balance as at 1 April 2016	**151,161.59**
Addition	19,620.21
Capitalized	(108,085.84)
Balance as at 1 April 2017	**62,695.96**
Addition	33,496.32
Capitalized	-
Balance as at 31st March 2018	**96,192.28**

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 36800 Lakhs on account of wrongful termination of contract and claim of Rs 80200 Lakhs 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.

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

8 Financial assets - Loans

	Particulars	As at March 31, 2018	As at March 31, 2017
8a	**Non-current**		
	Advance for buy back of shares # (Refer Note 35)	2,770.01	2,770.01
	Total (A)	**2,770.01**	**2,770.01**
8b	**Current**		
	Inter Corporate Deposit (Refer Note 35)	357.72	57.72
	Total (B)	**357.72**	**57.72**
	Total loans (A+B)	**3,127.73**	**2,827.73**

Advance for buy back of shares given to Hindustan Construction Company Limited -
Nature - Advance consideration for purchase of shares and to be adjusted on transfer of shares to HCC Concessions Ltd

9 Other financial assets
(Unsecured unless otherwise stated)

	Particulars	As at March 31, 2018	As at March 31, 2017
9a	**Non-current**		
	Considered good		
	Security deposit	35.28	35.28
	Other Receivables	0.11	0.11
	Total (A)	**35.39**	**35.39**
9b	**Current**		
	Considered good		
	Loans to related parties (Refer Note 35)	2.99	113.65
	Other receivable	1,634.31	1,354.66
	Receivable from NHAI (Refer Note 6)	34,042.79	-
	Purchase Consideration receivable(On account of stake sale)	406.78	406.78
	Interest receivable ICD	286.35	259.94
	Interest receivable Fixed Deposit	0.53	2.73
	Interest receivable Fixed Deposit (restricted to DSRA)	32.95	-
	Total (B)	**36,406.70**	**2,137.77**
	Total (A+B)	**36,442.09**	**2,173.16**

10 Deferred Tax assets (net)

Particulars	As at March 31, 2018	As at March 31, 2017
MAT Credit Entitlement (Refer Note 11 Foot Note B)	255.43	242.43
Total	**255.43**	**242.43**

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

11 Other assets

	Particulars	As at March 31, 2018	As at March 31, 2017
11a	**Other non - current assets**		
	Income Tax Balances (Net) (Refer Foot Note)	1,268.58	963.44
	Balance with Government Authorities	209.64	118.59
	Capital advances (Mobilisation of Advance)	851.82	23,287.34
	Total	**2,330.04**	**24,369.38**

Foot Note

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	12.78	1.23
Deferred Income Tax	(13.00)	-
Income Tax Expenses (Net)	**(0.22)**	**1.23**

b Components of deferred income tax assets and liabilities arising on account of temporary difference are :

Particulars	As at March 31, 2018	As at March 31, 2017
MAT Credit Entitlement	255.43	242.43
Total Deferred Tax Asset	**255.43**	**242.43**

	Particulars	As at March 31, 2018	As at March 31, 2017
11b	**Other current assets**		
	Other Receivables	26.95	26.94
	Prepaid expenses	134.50	103.42
	Supplier advance	1,425.41	4,925.50
	Capital advances (Mobilisation of Advance) (Refer Foot Note i)	9,000.00	-
	Other Advances	1.04	0.05
	Balance with Government Authorities	10.08	19.15
	Security Deposit	0.98	75.74
	Total	**10,598.96**	**5,150.80**

i **Foot Note -**

Since the concession agreement of RDHL with NHAI is terminated, the above payment made to EPC contractor, Hindustan Construction Company Limited (HCC), as mobilisation advance stands to be recoverable and is shown as current. The same will be adjusted upon payment of EPC claims as per Note No. 7.

	Particulars	As at March 31, 2018	As at March 31, 2017
12	**Current Investments**		
	Investments in Mutual Funds		
	Fair value through profit or loss		
	Unquoted		
	Investments in Mutual fund (1976.26 (31 Mar 17 : 2193.00) units in Canara Rebeco mutual fund)	175.56	585.70
	(47,984.708 (March 31, 2017: 2,07,575.597) units in Birla Sunlife Mutual Fund growth plan@ Rs. 279.31per unit)		
	Total	**175.56**	**585.70**

Aggregate amount of quoted investments and Market value thereof		
Aggregate amount of unquoted investments	175.56	585.70
Aggregate amount of impairment in value of investments		

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13 Trade receivables

(Unsecured unless otherwise stated)

Particulars	As at March 31, 2018	As at March 31, 2017
Considered good		
Other parties (Refer Foot Note)	1,834.00	1,846.22
Total	**1,834.00**	**1,846.22**

Out of the above, compensation receivable from NHAI of Rs. 1626 Lakhs is on account of Suspension of Toll of Road SPV's from 9th November 2016 to 2nd December 2016 due to demonetisation.

14 Cash and cash equivalents & Other Bank Balances

	Particulars	As at March 31, 2018	As at March 31, 2017
14A	Cash and Cash Equivalents		
	Cash on hand	218.74	307.39
	Balances with Banks		
	In current accounts	3,464.29	1,788.11
	Term deposits with original maturity of less than three months	-	1,961.00
	Total	**3,683.03**	**4,056.51**
14B	Other Bank Balances		
	Fixed deposits with original maturity of more than three months but less than 12 Months (including Restricted DSRA)	972.41	8,231.42
	Total	**972.41**	**8,231.42**

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

15 Non Current Asset Held for Sale

Particulars	As at March 31, 2018	As at March 31, 2017
Asset Held for Sale		
In Nirmal BOT Ltd	470.50	470.50
Total	**470.50**	**470.50**

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

16 Equity share capital

Particulars	As at March 31, 2018	As at March 31, 2017
Authorised		
200,000,000 (March 31, 2017: 200,000,000) equity shares of Rs.10/- each	2,000.00	2,000.00
1,200,000,000 (31 March 2015: 1,200,000,000) 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of Rs. 10/- each	120,000.00	120,000.00
Issued, subscribed and fully paid up		
34,13,702 (March 31, 2017: 34,13,702) equity shares of Rs.10/- each	341.37	341.37
	341.37	**341.37**

a) Reconciliation of number of shares

	No of Shares (In lakhs)	Amount
Equity Shares :		
Balance as at the 1 April 2016	34.14	341.37
Add: Issued during the year	-	-
Balance as at the 31 March 2017	34.14	341.37
Add: Issued during the year	-	-
Balance as at the 31 March 2018	34.14	341.37

	No of Shares (In lakhs)	Amount
Preference Shares :		
Balance as at the 1 April 2016	4,202.53	42,025.33
Add: Issued during the year	-	-
Balance as at the 31 March 2017	4,202.53	42,025.33
Add: Issued during the year	-	-
Balance as at the 31 March 2018	4,202.53	42,025.33

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 bv the shareholders.

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

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of shares	% of Shareholding	No of shares	% of Shareholding
Equity shares of Rs 10/- each fully paid				
HCC Infrastructure Company Limited, Holding Company	2,917,151	85.45%	2,917,151	85.45%
Xander Investment Holding XXVI Limited	496,551	14.55%	496,551	14.55%
Total	**3,413,702**	**100.00%**	**3,413,702**	**100.00%**

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

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of shares	% of Shareholding	No of shares	% of Shareholding
0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of Rs.10 each fully paid				
HCC Infrastructure Company Limited, Holding Company	285,985,361	68.05%	285,985,361	68.05%
Xander Investment Holding XXVI Limited	134,267,956	31.95%	134,267,956	31.95%

e) Terms of conversion/ redemption of CCCPS

During the year ended 31st March, 2018, the company issued Rs. (31st March 2017: Rs. Nil) number of 0.001% Compulsorily Convertible Cumulative Preference Shares (CCCPS) of Rs. 10 each fully paid-up and they carry cumulative dividend @ 0.001% p.a.

The 0.001% CCCPS are compulsorily convertible as per following terms and conditions :-
a) Each 200, 0.001% CCCPS shall be converted into 1 equity share, subject to adjustments set forth in the Shareholders Agreement dated August 9th 2011
b) 0.001% CCCPS shall be convertible at any time after the Closing Date, at the sole option of the Investor at the Conversion Ratio.
c) 0.001% CCCPS shall be compulsorily convertible at the earlier of
i) Qualified IPO or
ii) 10 years from date of their issuance or
iii) as set forth in the Shareholders Agreement dated August 9, 2011

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

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

17A Other equity

Particulars	As at March 31, 2018	As at March 31, 2017
Equity component of preference shares	42,025.33	42,025.33
Reserves & surplus	(7,747.87)	(5,106.42)
Total Other Equity	**34,277.46**	**36,918.91**

a Equity component of preference shares

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	42,025.33	42,025.33
Capital Contribution	-	-
Closing Balance	**42,025.33**	**42,025.33**

b Reserves and surplus

Particulars	As at March 31, 2018	As at March 31, 2017
Securities premium	66,937.67	66,937.67
Retained Earnings	(74,685.54)	(72,044.09)
Total reserves and surplus	**(7,747.87)**	**(5,106.42)**

(i) Securities Premium

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	66,937.67	66,937.67
Add: allotment during the year	-	-
Closing Balance	**66,937.67**	**66,937.67**

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

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	(72,044.09)	(61,764.24)
Add: Loss for the year	(2,642.72)	(10,279.84)
Add: Other Comprehensive Income	1.27	-
Closing Balance	**(74,685.54)**	**(72,044.09)**

17B Non controlling interest

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	110.27	982.26
Add/ (less): Profit/(Loss) Share for the year	(1,528.80)	(871.98)
Closing Balance	**(1,418.53)**	**110.27**

18 Borrowings

18a Non Current Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
Secured		
Term loans		
From banks	184,587.61	179,054.96
From others	28,463.85	28,218.60
Secured - total	213,051.46	207,273.57
Total non current borrowings	**213,051.46**	**207,273.57**
Non current borrowings (as per Balance sheet)	213,051.46	207,273.57

Baharampore Farakka Highways Limited

Term Loans from Banks include loan outstanding to Rs. 53,960.14 Lakhs (RTL I) carrying interest @ 10.75% p.a. repayable in 52 unequal consecutive quarterly instalments commencing from 31sr March 2016 to 31st December 2028 ranging from Rs 140.29 Lakhs to Rs 3507.31 Lakhs on the repayment dates and Rs. 13,236.50 Lakhs (RTL II) carrying interest @ 11.00% p.a. repayable in 52 unequal consecutive quarterly instalments commencing from June 30,2018 to 31st March 2031 ranging from Rs. 22.98 Lakhs to Rs. 1218.14 Lakhs on the repayment dates and in the percentages as mentioned in the amortization schedule as set forth in Schedule V of the the Common Loan Agreement executed on 28th September,2010, Supplemental Loan Agreement executed on 21st January 2016 and amended time to time. The same is secured by way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 51% shareholding of the promoters. The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge dated 3rd March,2011.

Farakka Raiganj Highways Limited

Term Loans from Banks include loan outstanding to Rs. 71,249.59 Lakhs (RTL I) carrying interest @ 10.75% p.a. repayable in 52 unequal consecutive quarterly instalments commencing from June 30,2017 to 31st March 2030 ranging from Rs 89.60 Lakhs to Rs 4479.94 Lakhs on the repayment dates and Rs. 22,969.55 Lakhs (RTL II) carrying interest @ 11.00% p.a. repayable in 52 unequal consecutive quarterly instalments commencing from June 30,2018 to 31st March 2031 ranging from Rs. 31.61 Lakhs to Rs. 1675.26 Lakhs on the repayment dates and in the percentages as mentioned in the amortization schedule as set forth in Schedule V of the the Common Loan Agreement executed on 28th September,2010, Supplemental Loan Agreement executed on 21st January 2016 and amended time to time. The same is secured by way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 51% shareholding of the promoters. The land is under lien by way of mortgage to SBI Cap Trustee Company Limited by way of charge dated 3rd March,2011.

Raiganj Dalkhola Highways Limited

Term Loans from Banks include loan outstanding to Rs. 8,939.28 Lakhs carrying interest @ 10.75% p.a. repayable in 52 unequal consecutive quarterly instalments commencing from June 30,2018 ranging from Rs 10.58 Lakhs to Rs 740.51 Lakhs on the repayment dates and at the repayment percentages as mentioned in the amortization schedule as set forth in schedule V of the common loan agreement dated 28th September,2010 and updated by letter dated 14.02.2014 and as amended from time to time and last updated by letter dated 30th June 2015. The same is secured by way of pari-passu first charge on all assets, both present and future, excluding the project assets as defined in the concession agreement dated 28th June,2010 and pledge of 28.22% equity shares of the company held by promoter companies.

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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)

Default in interest payment :-

Interest for the following Banks are overdue as on 31st March 2018

Name of the Bank	Rs	Rs
Oriental Bank of Commerce	183.98	
Indian Bank	179.73	
Vijaya Bank	110.57	
IIFCL	249.34	
Yes Bank	314.86	
Dena Bank	137.41	1,175.87

Badarpur Faridabad Tollway Limited
Term Loan include Rs.47,263.70 Lakhs carrying Interest at 11% p.a. upto June 2013 and same is existing. The subsidiary entered into the amendment to the amended and restated loan agreement dated February 22, 2013 ("Restructuring Agreement") to restructure the outstanding loan. The cut-off date for implementation of the restructuring package was July 1, 2012. The subsidiary is also allowed a moratorium period with principal repayment starting from 30th June 2013 and ending on 31st March - 2026 varying between Rs.1,25,00,000 to Rs.19,95,00,000.

As per the terms of restructuring agreement, 47.40% of the amount of interest on the term loan for financial year 2013-14 ,41.6% for the financial year 2014-15 will be transferred to Funded Interest Term Loan (FITL), 29.5 % for the financial year 2015-16 will be transferred to Funded Interest Term Loan (FITL).and 11.8 % for the financial year 2016-17 will be transferred to Funded Interest Term Loan (FITL).The rate of interest is 10.45% p.a(For Axis Bank rate is 10.25% with effect from 30th September,2015) .with effect from 7th October, 2015.
Loans are taken under Common Loan Agreement (CLA) and are secured By way of pari-passu first charge on all assets both present and future, excluding the project assets as defined in the Concession Agreement & pledge of 4,30,00,000 shares of the promoters equity shareholding.

Default in Interest and Principal payment as on 31.03.2018

Name of the Bank	Interest	Principal
Canara Bank	1,739.79	152.50
Bank of Baroda	1,264.05	127.50
Oriental Bank of Commerce	1,905.09	131.75
Axis Bank	1,298.91	112.75
State Bank Of Bikaner&Jaipur	757.76	88.50
IIFCL	1,354.23	91.00
Total	**8,319.82**	**704.00**

18b Current Borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
From Related Parties		
Inter Corporate deposit	-	259.00
Unsecured - total	-	259.00
Total current borrowings	-	**259.00**

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

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19 Other financial liabilities

	Particulars	As at March 31, 2018	As at March 31, 2017
19a	**Non Current**		
	Retention Payable	-	1,541.56
	Total (A)	**-**	**1,541.56**
19b	**Current**		
	Current maturities of long-term debt	4,567.29	2,679.42
	Interest accrued and due on borrowings (ICD)	10,080.72	4,188.74
	Interst Accured and due(Term loan)	-	84.32
	Interest accrued but not due on borrowings (Term loan)	12.00	12.00
	Deposit	10.74	9.05
	Payable for capital expenditure (Refer Foot Note)	48,552.58	63,676.96
	Payables to related party (Refer Note	911.20	1,064.12
	Retention Payable	2,362.45	-
	Due to employees	34.16	1.01
	Other payables	234.70	419.36
	Total (B)	**66,765.84**	**72,134.97**
	Total (A+B)	**66,765.84**	**73,676.53**

Foot Note

Payables for Capital Expenditure includes Rs. 2971.96 Lakhs on account of EOT Claims liability for the period January 2018 to March 2018 on the basis of best estimates.

20 Provisions

	Particulars	As at March 31, 2018	As at March 31, 2017
20a	**Non Current**		
	Provision for Gratuity	41.23	40.40
	Provision for Leave encashment	40.64	26.64
	Provision for major maintenance (refer foot note)	3,810.33	11,158.77
	Total (A)	**3,892.20**	**11,225.82**
20b	**Current**		
	Provision for employee benefits	0.39	0.33
	Provision for Gratuity	6.38	0.77
	Provision for Leave encashment	5.38	6.52
	Provision for sick leave	1.21	5.58
	Provisions for Tax	1.23	1.23
	Provisions for Expenses	1,785.64	1,227.17
	Provision for major maintenance (refer foot note)	10,620.79	-
	Total (B)	**12,421.02**	**1,241.60**
	Total (A+B)	**16,313.22**	**12,467.41**

Foot Note

Movements of Provision for Major Maintenance

Particulars	As at March 31, 2018	As at March 31, 2017
Movements in provisions		
Opening Balance	10,096.19	5,681.28
Charged/ (credited) to profit and loss		
Additional Provision	6,628.81	4,969.16
Unwinding of Discount	1,085.34	508.33
Utilised during the year	(3,379.21)	-
Closing Balance	**14,431.13**	**11,158.77**

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

21 Trade payables

Particulars	As at March 31, 2018	As at March 31, 2017
Trade payables	1,168.14	1,520.06
Total	**1,168.14**	**1,520.06**

22 Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory Dues	213.68	356.40
MCD tax payable	-	136.81
Retention Deposit Payable	25.54	25.54
Claim Received in Advance	250.00	-
Advance from Customers	670.33	627.55
Total	**1,159.55**	**1,146.30**

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

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
23	**Revenue from Operations**		
	Construction Revenue	26,248.70	37,896.39
	SPV management fees	6,782.97	-
	Toll Income	34,613.01	23,171.25
	Compensation for toll suspension (Refer Note 13)	-	1,626.00
	Total	**67,644.68**	**62,693.64**
24	**Other Income**		
	Interest income	1,122.50	155.38
	Insurance Claim Received	64.18	-
	Rent Income	2.03	-
	Gain on Fair valuation of current investments	2.34	8.53
	Net gain/loss on sale of investments	200.81	69.76
	Dividend	-	72.52
	Foreign Exchange Gain	0.02	-
	Scrap Sales	0.82	-
	Reversal of Provisions	10.08	-
	Miscellaneous Income	10.88	53.99
	Total	**1,413.66**	**360.18**
25	**Construction cost**		
	Construction cost	26,248.70	37,896.39
		26,248.70	**37,896.39**
26	**Employee benefits expense**		
	Salaries and wages	601.43	725.34
	Contribution to provident funds and other funds	24.61	26.16
	Workmen and Staff welfare expenses	3.14	16.59
	Total Employee benefits expense	**629.18**	**768.09**
27	**Finance costs**		
	Interest expense on Term Loans	19,320.48	12,724.98
	Interest expense on Inter Corporate Deposit	3.67	43.86
	Other borrowing costs	35.49	8.28
	Unwinding of retention payable	367.25	97.69
	Unwinding of Major Maintenance Repairs	1,218.33	451.35
	Finance costs expensed in Profit or Loss	**20,945.22**	**13,326.15**
28	**Depreciation and amortization expense**		
	Depreciation on Property, Plant and Equipment	64.38	129.55
	Amortization on Intangible assets	11,502.17	8,435.36
	Total Depreciation and amortization expense	**11,566.55**	**8,564.91**

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

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
29	**Other expenses**		
	Audit expenses	8.37	8.55
	Common service expenses	-	392.29
	Travelling	124.93	139.05
	Director Sitting Fees	14.48	17.06
	Postage, Telephone and Fax	4.87	15.56
	Electricity expenses	380.36	299.76
	Rent	54.07	126.95
	Rates & Taxes	24.10	19.46
	Legal, Professional and Consultancy Charges	823.46	823.17
	Security expenses	10.56	9.25
	SPV fees	124.20	130.65
	Miscellaneous Expenses	579.98	556.08
	Entertainment Expenses	1.01	7.47
	Insurance Charges	241.01	174.68
	Operations, Repairs and Maintenance	12,609.74	10,532.60
	Housekeeping and Maintenance	33.36	46.01
	Service tax written off	1.28	-
	Total other expenses	**15,035.78**	**13,298.58**
	Details of payment to auditors		
	Statutory Audit fees	7.05	7.05
	Tax audit fees	0.50	0.50
	Others	0.82	1.00
	Total payments to auditors	**8.37**	**8.55**

30 **Exceptional Items**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest receivable written off	-	40.59
Retained amount written off	-	835.70
Reversal of Liabilities/Provision	(1,195.57)	(526.00)
Exceptional items	**(1,195.57)**	**350.29**

Major maintenance provision in Badarpur Faridabad Tollway Limited in current year is no longer required as the project of the company has been terminated.

31 **Earning per share**

Basic & Diluted EPS (*)		
Profit/ (loss) after tax	(2,641.45)	(10,279.84)
Less : Dividends on convertible preference shares & tax thereon	(0.32)	(0.32)
Net profit/ (loss) for calculation of EPS	**(2,641.76)**	**(10,280.16)**
Number of equity shares for calculating basic EPS	34.14	34.14
Basic & Diluted EPS	**(77.39)**	**(301.14)**

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32 Contingent Liabilities and Commitments

	Particulars	As at March 31, 2018	As at March 31, 2017
A	**Contingent Liabilities**		
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
B	**Commitments**		
i	Capital Commitment (net of advances)	6,204.68	99,819.96

Group has received claims of Rs. 1,63,446.99 Lakhs (Previous Year Rs. 1,31,129.30 Lakhs) from EPC Contractor i.e. Hindustan Construction Company. The same shall be paid upon receipt from the National Highway Authority of India and subject to Board approval.

33 Contingent Asset

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.

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

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:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory		
Assets:					
Investment in Mutual Funds	-	-	175.56	175.56	175.56
Trade receivables	1,834.00	-	-	1,834.00	-
Cash and cash equivalents	4,655.44	-	-	4,655.44	-
Loans - Inter Corporate Deposit	357.72	-	-	357.72	357.72
Others financial assets	36,442.09	-	-	36,442.09	-
Corporate Guarantee	-	-	-	-	-
Liabilities:					
Bank Borrowings	213,051.46	-	-	213,051.46	213,051.46
Trade payables	1,168.13	-	-	1,168.13	-
Other financial liabilities	66,765.84	-	-	66,765.84	-

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

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Total carrying value	Total fair value
		Designated upon initial recognition	Recurring		
Assets:					
Investment in Mutual Funds	-	-	585.70	585.70	585.70
Trade receivables	1,846.22	-	-	1,846.22	-
Cash and cash equivalents	12,287.92	-	-	12,287.92	-
Loans - Inter Corporate Deposit	57.72	-	57.72	115.44	115.44
Other Loans & Advances	2,137.77	-	-	2,137.77	-
Liabilities:					
Bank Borrowings	207,273.57	-	-	207,273.57	207,273.57
Short Term Inter Corporate Deposits	-	-	259.00	259.00	259.00
Trade payables	1,520.06	-	-	1,520.06	-
Other financial liabilities	72,134.97	-	-	72,134.97	-

B Fair value hierarchy

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

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

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

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

Particulars	31 March 2018	31 March 2017
	Level 1	Level 1
Assets		
Investment in Mutual Funds	175.56	585.70

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

ii **Financial risk management**

The companies activities exposes it to market risk, liquidity risk and credit risk.
This note explains the source of risk which the entity is exposed to and how the entity is manage the risk.

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

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

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

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

Particulars	As at 31.03.2018	As at 31.03.2017
Floating rate borrowings		
Farakka Raiganj Highways Ltd	100,150.14	94,932.79
Baharampore Farakka Highways Ltd	67,196.64	64,770.96
Raiganj Dhalkhola Hiways LTd	8,939.28	8,916.55
Badarpur Faridabad Tollway ltd	45,815.57	47,263.69
Total borrowings	**222,101.62**	**215,883.99**

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

Impact on Profit after Tax	As at 31.03.2018	As at 31.03.2017
Interest rates - increase by 0.50 basis points	(1,094.96)	(1,007.34)
Interest rates - decrease by 0.50 basis points	1,094.96	1,007.34

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

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

S. R. AAR & Co. Mumbai-11 Chartered Accountants iii **Maturities of financial liabilities**

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

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 5 Years	Over 5 Years	Total
Non-derivatives				
Borrowings	4,567.29	58,887.77	154,163.69	217,618.75
Other Financials liabilities	62,788.41	190.77	1,260.17	64,239.35
Trade and other payables	1,168.13	-	-	1,168.13
Total non-derivatives	**68,523.84**	**59,078.54**	**155,423.86**	**283,026.24**

As At March-2017

	Upto One Year	1 to 5 Years	Over 5 Years	Total
Non-derivatives				
Borrowings	2,938.42	25,420.11	181,853.45	210,211.98
Other Financials liabilities	72,134.97	1,541.56	2,058.43	75,734.96
Trade and other payables	1,520.06	-	-	1,520.06
Total non-derivatives	**76,593.46**	**26,961.67**	**183,911.88**	**287,467.01**

iv **Net Debt Reconciliation**

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Cash and Cash Equivalents including Bank Balances	4,655.44	12,287.92
Liquid Investments	175.56	585.70
Non Current Borrowings (Including Current Maturities)	(217,618.75)	(209,952.99)
Current Borrowings	-	(259.00)
Interest Payable	(10,092.72)	(4,285.06)
Net Debt	**(222,880.47)**	**(201,623.42)**

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			**(209,952.99)**			
	12,287.92	**585.70**		**(259.00)**	**(4,285.06)**	**(201,623.42)**
Cash Flows (Net)	(7,632.49)	(410.14)	(7,665.76)	259.00	-	(15,449.38)
Interest Cost	-	-	-	-	(19,324.15)	(19,324.15)
Interest Paid	-	-	-	-	13,516.48	13,516.48
Other Non Cash Movements (Fair Value Adjustments)	-	-	-	-	-	-
Net Debt as at 31st March 2018	**4,655.44**	**175.56**	**(217,618.75)**	**-**	**(10,092.72)**	**(222,880.47)**

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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)

35 Related Party Disclosure

Transactions with Related Parties:	
(A) Nature of Relationship and Name of Related Party	
Ultimate Holding Company	Hindustan Construction Company Limited
Entity Holding Joint Control	HCC Infrastructure Company Ltd.
Subsidiaries	Baharampore-Farakka Highways Ltd. Farakka-Raiganj Highways Ltd. Badarpur Faridabad Tollways Ltd. Raiganj-Dalkhola Highways Ltd. Narmada Bridge Tollway Ltd
Fellow Subsidiaries	Dhule Palesner Operations & Maintenance Ltd. HCC Power Limited HCC Operations and Maintenance Ltd. HCC Energy Limited

Related Party Transactions

Particulars	2017-18	2016-17
Transaction During the Period		
Financial Income		
Hindustan Construction Company Limited	6.35	6.34
HCC Infrastructure Company Limited	22.06	-
	28.41	**6.34**
Claims		
Hindustan Construction Company Limited	11,574.90	12,862.00
	11,574.90	**12,862.00**
EPC Cost including Material Supply		
Hindustan Construction Company Limited	9,489.13	14,078.42
	9,489.13	**14,078.42**
Exceptional Item - Reversal of Liability		
HCC Operations & Maintenance Limited	-	526.00
	-	**526.00**
Expenses for other services		
Hindustan Construction Company Limited	6.72	5.98
HCC Operations & Maintenance Limited	20.47	38.49
HCC Energy Limited	0.04	0.03
HCC Infrastructure Company Limited	0.32	0.40
	27.55	**44.90**
Finance Cost		
Hindustan Construction Company Limited	-	34.49
HCC Infrastructure Company Ltd	3.67	9.37
	3.67	**43.86**
I.T. Services		
Highbar Technologies Limited	12.71	14.50
Highbar Technocrat Limited	1.35	0.96
	14.07	**15.46**
Operations & Maintenance		
HCC Operations & Maintenance Limited	4,571.60	3,385.12
	4,571.60	**3,385.12**
Director Sitting Fees		
Manish Khanna	5.20	5.21
Chandrahas Zaveri	3.90	3.70
Rajas Doshi	1.00	0.90
Shyamakant Dharmadhikari	-	2.50
	10.10	**12.31**
Remuneration to KMP		
Ravindra Singh	98.13	115.30
Kiran Kakkar	30.69	28.38
	128.82	**143.68**

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

Particulars	2017-18	2016-17
Rent Expense		
Hindustan Construction Company Limited	54.07	18.09
	54.07	**18.09**
Repairs & Maintenance		
HCC Operations & Maintenance Limited	84.94	436.78
	84.94	**436.78**
Utility Shifting		
Hindustan Construction Company Limited	728.43	208.95
	728.43	**208.95**
Change of Scope Subcontracting Expenses		
Hindustan Construction Company Limited	-	1,115.81
	-	**1,115.81**
Major Maintenance Expenditure Incurred (Adjusted against Provision)		
HCC Operations & Maintenance Limited	3,379.21	-
	3,379.21	-
Balance Sheet (Closing Balances as on 31st March 2018)		
Investments Made		
Nirmal BOT Ltd	470.50	470.50
	470.50	**470.50**
Interest Receivable		
Hindustan Construction Company Limited	265.73	259.94
HCC Infrastructure Company Limited	20.62	-
	286.35	**259.94**
Additional advance		
Hindustan Construction Company Limited	-	9,864.36
	-	**9,864.36**
Advance for buy back of shares		
Hindustan Construction Company Limited	2,770.01	2,770.01
	2,770.01	**2,770.01**
Compulsory Cumulative Convertible Preference Shares		
HCC Infrastructure Company Limited	28,598.54	28,598.54
	28,598.54	**28,598.54**
Claims Payable		
Hindustan Construction Company Limited	48,552.59	63,663.71
	48,552.59	**63,663.71**
I.T. Services		
Highbar Technologies Limited	-	8.20
	-	**8.20**
ICD Given		
Hindustan Construction Company Limited	57.72	57.72
HCC Infrastructure Company Limited	300.00	-
	357.72	**57.72**
ICD Taken		
HCC Infrastructure Company Limited	-	259.00
	-	**259.00**
Interest Payable		
HCC Infrastructure Company Limited	500.71	497.41
	500.71	**497.41**
Mobilisation advance		
Hindustan Construction Company Limited	9,851.82	23,287.34
	9,851.82	**23,287.34**
Other Advances		
Hindustan Construction Company Limited	1,281.96	4,856.85
	1,281.96	***4,856.85***
Other receivable		
HCC Operations & Maintenance Limited	0.13	-
HCC Infrastructure Company Limited	1.81	-
HCC Energy Limited	1.04	-
	2.99	-
Retention payable		
Hindustan Construction Company Limited	2,976.85	2,120.56
	2,976.85	**2,120.56**
Share Capital		
Hindustan Construction Company Limited	2,770.00	2,770.00
HCC Infrastructure Company Limited	291.72	291.72
	3,061.72	**3,061.72**

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

Particulars	2017-18	2016-17
Share Premium		
HCC Infrastructure Company Limited	57,056.30	57,056.30
	57,056.30	**57,056.30**
Vendor Payable		
Hindustan Construction Company Limited	249.60	292.78
HCC Operations & Maintenance Limited	209.81	407.49
HCC Infrastructure Company Limited	20.42	20.29
Highbar Technologies Limited	1.65	0.73
Highbar Technocrat Limited	0.11	0.06
	481.59	**721.35**
Contingent as on 31st March 2018		
Claims not acknowledged as Debt		
Hindustan Construction Company Limited	163,446.99	131,129.29
	163,446.99	**131,129.29**
Corporate Guarantee given on our behalf		
Hindustan Construction Company Limited	18,073.00	18,073.00
	18,073.00	**18,073.00**

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

36 Gratuity and other post-employment benefit plans

a) Defined contribution plan

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

Particulars	As at March 31, 2018	As at March 31, 2017
Contribution to provident fund and other funds	27.56	30.15
Total	**27.56**	**30.15**

a) Defined benefit plan

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

Particulars	As at March 31, 2018	As at March 31, 2017
Gratuity	47.61	41.17
Total	**47.61**	**41.17**
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)	41.17	30.37
Net employee benefit expense recognised in the employee cost		
Current service cost	5.66	5.46
Past service cost	4.27	-
Interest cost on benefit obligation	3.01	2.44
(Gain) / losses on settlement	(4.23)	4.12
Net benefit expense	8.71	12.03
Amount recorded in Other Comprehensive Income (OCI)		
Measurement during the period due to :		
Return on plan assets, excluding amounts included in interest expense/(income)	-	-
Actuarial loss / (gain) arising from change in financial assumptions	0.22	-
Actuarial loss / (gain) arising from experience	(1.40)	-
Actuarial loss / (gain) arising on account of demographic assumptions		
Experience (gains)/losses		
Amount recognized in OCI	(1.18)	-
Benefits payments from plan	(1.09)	(1.23)
Closing net defined benefit liability / (asset)	47.61	41.17

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

Particulars	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	47.61	41.17
Fair value of plan assets		-
Amount not recognised as an asset (asset ceiling)		
	47.61	**41.17**
Net liability is bifurcated as follows :		
Current	6.38	0.77
Non-current	41.22	40.40
Total	**47.61**	**41.17**
Discount rate	7.73%	7.29%
Expected rate of return on plan assets (p.a.)	N.A.	N.A.
Salary escalation rate (p.a.)	8.00%	8.00%
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	(4.66)	(4.40)
Impact on defined benefit obligation -1 in % decrease	5.44	5.21
Assumptions -Future salary increases		
Sensitivity Level		
Impact on defined benefit obligation +1 in % increase	5.37	5.12
Impact on defined benefit obligation -1 in % decrease	(4.69)	(4.41)
Assumptions -Employee Turnover Rate		
Sensitivity Level		
Impact on defined benefit obligation +1 in % increase	(0.21)	(0.36)
Impact on defined benefit obligation -1 in % decrease	0.23	0.40
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	4.24	3.41
Between 6 and 10 years	10.35	8.54
For and Beyond 11 years	105.45	95.76
Total expected payments	**120.05**	**107.71**
The average duration of the defined benefit plan obligation at the end of the reporting period	14.00	15.00

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

37 Interest in other entities

A Subsidiaries

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

Name of the entity	Country of incorporation	Ownership interest held by the group (%)		Ownership interest held by non controlling interests (%)		Principal activities
		31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	
Baharampore-Farakka Highways Ltd	India	74.00	74.00	26.00	26.00	Toll management
Farakka-Raiganj Highways Ltd	India	74.00	74.00	26.00	26.00	Toll management
Raiganj-Dalkhola Highways Ltd	India	90.00	90.00	10.00	10.00	Toll management
Badarpur Faridabad Tollway Limited	India	100.00	100.00			Toll management
Narmada Bridge Tollway Limited	India	100.00	100.00			Toll management
Nirmal BOT Limited (upto 22 December 2015)	India	0.00	0.00			Toll management

B Non-controlling interests (NCI)

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

Particulars	Baharampore-Farakka Highways Ltd		Farakka-Raiganj Highways Ltd		Raiganj-Dalkhola Highways Ltd	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Non-current assets	96,544.20	99,538.68	160,058.88	152,633.35	17,807.33	26,807.33
Current assets	3,829.57	14,631.78	3,674.49	5,011.09	9,002.30	5.42
Non-current liabilities	65,729.84	72,857.54	103,701.70	96,987.05	8,910.76	9,118.53
Current liabilities	21,197.47	27,522.76	40,785.95	36,331.13	6,128.84	4,739.18
Net assets	**13,446.45**	**13,790.15**	**19,245.71**	**24,326.25**	**11,770.03**	**12,955.04**
Net assets attributable to NCI	**3,496.08**	**3,585.44**	**5,003.88**	**6,324.83**	**1,177.00**	**1,295.50**
Revenue	26,091.04	22,932.87	31,163.34	34,566.42		1,513.15
Other Income	271.36	153.41	186.42	31.56		-
Construction Cost	10,242.22	9,474.09	16,006.48	26,909.15		1,513.15
Employee cost		-		-	-	-
Finance cost	5,454.86	5,099.14	8,921.51	3,483.44	1,146.78	-
Depreciation	3,302.32	3,305.44	5,121.27	2,300.56	-	-
Other expenses	7,706.68	7,308.57	6,381.04	3,135.65	38.24	57.20
Profit for the year	(343.69)	(2,100.96)	(5,080.54)	(1,230.82)	(1,185.02)	(57.20)
Tax expenses	-	-	-	-		
Net profit after tax	(343.69)	(2,100.96)	(5,080.54)	(1,230.82)	(1,185.02)	(57.20)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	**(343.69)**	**(2,100.96)**	**(5,080.54)**	**(1,230.82)**	**(1,185.02)**	**(57.20)**
Profit/(Loss) allocated to NCI	(89.36)	(546.25)	(1,320.94)	(320.01)	(118.50)	(5.72)
Dividend paid to NCI	-	-	-	-	-	-
OCI allocated to NCI	-	-	-	-	-	-
Total comprehensive income allocated to NCI	**(89.36)**	**(546.25)**	**(1,320.94)**	**(320.01)**	**(118.50)**	**(5.72)**
Cash flow from operating activities	5,577.72	6,697.12	16,972.68	15,194.15	(1,547.61)	(1,313.91)
Cash flow from investing activities	(9,972.33)	(8,219.70)	(15,924.33)	(26,952.44)	1,545.09	(1,490.41)
Cash flow from financing activities	(2,976.67)	4,891.07	(2,714.86)	14,518.32		(69.45)
Net increase/ (decrease) in cash and cash equivalents	**(7,371.29)**	**3,368.49**	**(1,666.51)**	**2,760.03**	**(2.52)**	**(2,873.77)**

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38 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	33,200.31		(4,170.25)	
Parent Company				
HCC Concessions Limited	97,369.90	293.28	28.31	(0.68)
Indian Subsidiary Companies				
Baharampore Farakka Highways Limited	13,446.47	40.50	(343.69)	8.24
Farakka Raiganj Highways Limited	19,245.72	57.97	(5,080.54)	121.83
Raiganj Dalkhola Highways Limited	11,770.02	35.45	(1,185.02)	28.42
Badarpur Faridabad Tollway Limited	(21,613.66)	(65.10)	(4,627.82)	110.97
Narmada Bridge Tollway limited	(824.68)	(2.48)	(34.62)	0.83
Minority Interest in all subsidiaries	(1,418.52)	(4.27)	(1,528.80)	36.66

39 Net Worth & Going Concern Assumption

Raiganj Dalkhola Highway Limited (RDHL)

As referred to in note no 7 , the project has been wrongfully terminated by NHAI against which company has preferred claims before Arbitration. Based on the legal advice obtained in this respect 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.

Badarpur Faridabad Tollway Limited

Net worth of the company is negative as on 31st March, 2018 as the accumulated losses of the company at Rs 46,088.39 Lakhs- has exceeded the paid up share capital of the company amounting to Rs 9800 Lakhs /-, by Rs 36,288.39/- Lakhs. 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.77500 Lakhs. 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.

Narmada Bridge Tollway Limited

Net worth and Going concern assumption

Accumulated losses	(3,544.68)	(3,510.06)
Capital	5.00	5.00
Excess of losses over capital	**(3,539.68)**	**(3,505.06)**

In terms of MOU with NHAI dated 17.07.2013 Concession Agreement dated 23.07.2012 between NHAI and the Company stands foreclosed with mutual consent and the Company has consequently written off entire intangible asset under development during the year 2013-2014.
NBTL is financially supported by holding Company and will be supported in future also to discharge its obligations.
NBTL has issued Arbitration Notice to the NHAI on 29.12.2016 appointing its nominee Arbitrator on the Arbitral Tribunal to resolve the Dispute relating to claim filed by NBTL amounting to Rs.3,366 lakhs towards reimbursement of cost and expenses incurred by it for repair and rehabilitation work of old Narmada Bridge constructed in year 1977.
In view of above the management is confident of continuity of business and views the entity as a going concern despite the negative net-worth.
The Company has referred the matter relating to reimbursement of cost and expenses incurred by it for the repair and rehabilitation work of old Narmada Bridge constructed in year 1977 to the Arbitration for resolution of Dispute as per terms of the Concession Agreement. The amount involved is Rs.6,066 lakhs (includes interest of 2700 lakhs). Arbitration has already commenced, the Parties have completed their respective written pleadings and the oral arguments are in progress.

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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

Satish Kelkar
Partner
Membership No.:38934

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

Place: Mumbai
Date: 2nd May 2018

For and on behalf of the Board of Directors

Arjun Dhawan
Director
DIN No. : 01778379

Praveen Sood
Director
DIN No. : 00018013

Sridevi Iyengar
Director
DIN No. : 06981630

Kiran Kakkar
Chief Financial Officer

Rahul Shukla
Manager

Ravindra Singh
Company Secretary

Place: Mumbai
Date: 2nd May 2018