

FINANCIAL STATEMENT
2016-2017

BADARPUR FARIDABAD TOLLWAY LIMITED

Independent Auditor's Report

To the Members of BADARPUR FARIDABAD TOLLWAY LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of BADARPUR FARIDABAD TOLLWAY LIMITED ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the 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 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 issued there under.

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 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 Ind AS financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.



Emphasis of Matter

We draw attention to the note no. 36 in the notes to the financial statements which states that Net worth of the company is negative as on 31st March, 2017 as the accumulated losses of the company at Rs 4,14,60,56,405/- has exceeded the paid up share capital of the company amounting to Rs 98,00,00,000/-, by Rs 316,60,56,405/-. The Company has issued notice to National Highway Authority of India vide letter dated 31st March 2017, of its intention to issue termination notice pursuant to the article 34.8 of the Concession Agreement (CA) due to imposition of Environmental compensation charges and other restrictions on commercial vehicles entering into Delhi, in accordance with the Supreme Court orders , resultant material financial impact on the Concessionaire and thereby, occurrence of change in law ,and resultant Force Majeure Event under the Concession Agreement.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss, 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) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;
 - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) 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-A"; and
 - (g) 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 Ind AS financial statements.
 - ii. The company did not have any long-term contract including derivative contract for which there were any material foreseeable losses;
 - iii. There were no amounts which were required by the company to be transferred to the



Investor Education and Protection Fund, and;

- iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

Place: Mumbai
Date: 25.4.17

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)




Manju Agrawal
(Partner)
(M No. 083878)

Annexure to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

- i.
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management at regular intervals and no material discrepancies were noticed on such verification
 - (c) The title deeds of immoveable properties are held in the name of the company.
- ii. As the company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable.
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted deposits in terms of the provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under. Therefore the paragraph 3(v) of the Order is not applicable to the company.
- vi. The Company is prima-facie maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii.
 - a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, service tax, value added tax, cess and other statutory dues during the year with the appropriate authorities. As on 31st March 2017, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable.
 - b) According to the information and explanations given to us, there were no statutory dues pending in respect of income tax, sales tax, VAT, custom duty and cess etc. on account of any dispute.
- viii. The company has taken term loans from banks and a financial institution. During the year the company has defaulted in repayment of loan for the period ranging from one to two hundred seventy four days to the banks amounting to Rs. 249 lakhs and defaulted in repayment of loan to a financial institution for an amount aggregating to Rs. 51 lakhs for a period ranging from one to two hundred seventy four days. The Company has also defaulted in payment of interest to banks and a financial institution aggregating to Rs. 3485.26 lakhs for a period ranging from one to two hundred seventy four days. The company has not taken any loans or borrowings from any Government and not issued any debentures during the year or in any previous years.
- ix. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.
- x. According to the information and explanation given to us by the management which have been relied by us, there were no frauds on or by the company noticed or reported during the period



- under audit.
- xi. The company has not paid any managerial remuneration, hence paragraph 3(xi) of the order is not applicable to the company.
- xii. The company is not a Nidhi Company, therefore para 3(xii) of the Order is not applicable to the company.
- xiii. In our opinion and according to the information provided to us, the transaction entered with the related parties are in compliance with section 177 and 188 of the Act and are disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, therefore para 3(xiv) of the Order is not applicable to the company.
- xv. According to the information provided to us, the company has not entered into any non-cash transaction with directors or the persons connected with him covered under section 192 of the Companies Act 2013. Therefore, paragraph 3(xv) of the Order is not applicable to the company.
- xvi. According to the information provided to us, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi) of the Order is not applicable to the company.

Place: Mumbai
Date: 25.4.17

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)




Manju Agrawal
(Partner)
(M No. 083878)

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of BADARPUR FARIDABAD TOLLWAY LIMITED ("the Company") as of 31 March 2017 in conjunction with our audit of the 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 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 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai
Date: 25.4.17

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)




Manju Agrawal
(Partner)
(M No. 083878)

Badarpur Faridabad Tollway Limited

Balance Sheet

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

	Note	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	19.71	218.33	12.98
Other Intangible assets	4	36,874.67	40,016.42	43,166.78
Financial Assets				
Other Financial Assets	5	861.05	955.43	1,049.62
Non Current Tax Assets (Net)	6	33.39	30.08	33.29
Current assets				
Financial Assets				
Investments	7	43.28	16.12	14.64
Trade receivables	8	220.22	9.70	5.01
Cash and cash equivalents	9	404.47	166.54	170.42
Other financial asset	10	1.83	89.41	93.91
Other current assets	11	52.96	224.32	77.00
Total Assets		38,511.58	41,726.34	44,623.64
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	12	9,800.00	9,800.00	8,600.00
Other equity				
Capital contribution from holding Company	13	14,674.73	12,899.69	12,776.54
Reserves and surplus	14	(41,460.56)	(34,548.50)	(28,005.59)
Total equity		(16,985.84)	(11,848.81)	(6,629.05)
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	15	46,563.69	46,484.72	45,640.52
Other financial liabilities	16	1,066.13	1,066.13	1,066.13
Provisions	17	1,070.26	959.85	721.61
Current liabilities				
Financial Liabilities				
Trade payables	18	525.98	559.77	292.08
Other financial liabilities	19	4,202.62	1,677.64	1,361.04
Other current liabilities	20	935.76	2,033.56	1,699.48
Provisions	21	1,132.98	793.48	471.84
Total Equity and Liabilities		38,511.58	41,726.34	44,623.64

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

As per our report of even date

Praveen Sood
Director

For Gianender & Associates
Chartered Accountants
ICAI Registration No. 04661N

Kiran Kakkar
Chief Financial Officer

Manju Agarwal
Partner
Membership No. 083878

Firoz Navroze Deboo
Manager

Rupali Vaidya
Company Secretary

Ravindra Kumar Singh
Director

Place:
Date: 25 APR 2017

Place: Mumbai
Date: 25 APR 2017

Badarpur Faridabad Tollway Limited
Statement of Profit and Loss
 (All amounts are in ₹. lakhs, unless stated otherwise)

	Note	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from Operations	22	3,681.20	4,073.20
Other Income	23	33.49	168.09
Total Income (I)		3,714.69	4,241.29
Expenses			
Employee benefits expense	24	61.58	71.51
Finance costs	25	5,095.30	5,432.37
Depreciation and amortization expense	26	3,155.96	3,165.99
Other expenses	27	2,313.91	2,114.41
Total expenses (II)		10,626.75	10,784.28
Share of net profit of associates and joint venture accounted for using equity method		-	-
Profit / (loss) before exceptional items and tax. III (I - II)		(6,912.06)	(6,542.99)
Exceptional Items		-	-
Profit / (loss) before tax.V (III -IV)		(6,912.06)	(6,542.99)
Income tax expenses (VI)			
Current tax		-	-
Deferred tax charge/(credit)		-	-
Profit/(Loss) for the period. VII(V- VI)		(6,912.06)	(6,542.99)
Earnings per equity share of Rs. 10 each			
Basic		(7.05)	(6.68)
Diluted		-	-

The accompanying notes are an integral part of these financial statements

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

As per our report of even date

Praveen Sood
Director



For Gianender & Associates
Chartered Accountants
ICAI Registration No. 04661N



Manju Agarwal
Partner
Membership No. 083878

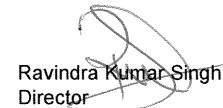
25 APR 2017

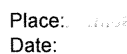

Kiran Kakkar
Chief Financial Officer


Firoz Navroze Deboo
Manager


Rupali Vaidya
Company Secretary

Ravindra Kumar Singh
Director



Place: 
Date:



Place: Mumbai
Date:

25 APR 2017

Badarpur Faridabad Tollway Limited

Cash flow statement for the year ended 31st March,2017

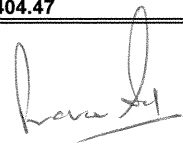
(All amounts are in ₹. lakhs, unless stated otherwise)

	Year ended 31 March 2017	Year ended 31 March 2016
A Cash Flow from operating activities		
Profit before income tax including discontinued operations	(6,912.06)	(6,542.99)
<i>Adjustments for</i>		
Add:		
<i>Depreciation and amortisation expenses</i>	3,155.96	3,165.99
<i>Finance costs</i>	5,095.30	5,432.37
Less:		
Dividend received		
Interest received	(0.71)	(0.66)
Profit on sale of investment	(0.86)	(1.51)
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	(210.52)	(4.69)
(Increase)/decrease in other financial assets(Current)	87.58	4.49
(Increase)/decrease in other financial assets(Non-Current)	94.38	94.20
(Increase)/decrease in other current assets	171.37	(147.25)
Increase/(decrease) in trade payables	(33.80)	267.69
Increase/(decrease) in other financial liabilities	225.91	33.02
Increase/(decrease) in provisions	449.91	559.89
Increase/(decrease) in other current liabilities	(1,097.80)	334.08
Cash generated from operations	1,024.66	3,194.63
Income taxes paid	(3.31)	3.21
Net cash inflow from operating activities	1,021.35	3,197.84
B Cash flow from investing activities:		
Purchase of property, plant and equipment/ intangible assets	184.41	(220.97)
Proceeds from sale of investments	(27.17)	(1.48)
Profit on sale of investment	0.86	1.51
Interest received	0.71	0.66
Net cash outflow from investing activities	158.80	(220.29)
C Cash flow from financing activities		
Proceeds from long-term borrowings(FITL)	78.97	844.20
Conversion of Subordinate into Equity Shares	-	1,200.00
Proceeds from issuance of Sub debt	1,775.03	123.15
Interest paid	(2,796.23)	(5,148.78)
Net cash inflow (outflow) from financing activities	(942.22)	(2,981.43)
Net increase/(decrease) in cash and cash equivalents	237.93	(3.88)
Add: Cash and cash equivalents at the beginning of the financial year	166.54	170.42
Cash and cash equivalents at the end of the year	404.47	166.54
Reconciliation of Cash Flow statements as per the cash flow statement		
	31 March 2017	31 March 2016
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	404.47	166.54
Bank overdrafts	-	-
Balances as per statement of cash flows	404.47	166.54

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

As per our report of even date

Praveen Sood
Director



For Gianender & Associates
Chartered Accountants

ICAI Registration No. 04661N



Manju Agarwal
Partner

Membership No. 083878

25 APR 2017

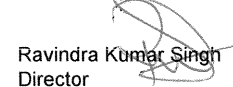


Kiran Kakkar
Chief Financial Officer



Firoz Navroze Deboo
Manager


Rupali Vaidya
Company Secretary


Ravindra Kumar Singh
Director



Place:
Date:


Place: Mumbai
Date: 25 APR 2017

Badarpur Faridabad Tollway Limited
Notes to the financial statements for the year ended 31st March, 2017
 (All amounts are in ₹. Lakhs, unless stated otherwise)

A

Equity share capital	
as at 1 April 2015	8,600.00
changes in equity share capital	1,200.00
as at 31 March 2016	9,800.00
changes in equity share capital	-
as at 31 March 2017	9,800.00

B

	Note	Reserves and Surplus		Total
		Capital Reserve	Retained Earnings	
Balance as at 1st April, 2015		(1,140.54)	(28,005.59)	(29,146.13)
Profit for the year		-	(6,542.99)	(6,542.99)
Capital Contribution		-	-	-
Other Comprehensive Income for the year		-	-	-
Total Comprehensive Income for the year		-	(6,542.99)	(6,542.99)
Transfer to retained earnings		-	-	-
Balance as at 31st March, 2016		(1,140.54)	(34,548.58)	(35,689.12)
Profit for the year		-	(6,912.06)	(6,912.06)
Capital Contribution		-	-	-
Other Comprehensive Income for the year		-	-	-
Total Comprehensive Income for the year		-	(6,912.06)	(6,912.06)
Transfer to retained earnings		-	-	-
Balance as at 31st March, 2017		(1,140.54)	(41,460.64)	(42,601.19)

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

As per our report of even date
For Gianender & Associates
 ICAI Registration No. 04661N



Manju Agarwal
 Manju Agarwal
 Partner
 Membership No. 083878

25 APR 2017

Kiran Kakkar
 Kiran Kakkar
 Chief Financial Officer

Praveen Sood
 Praveen Sood
 Director

Firoz Navroze Deboo
 Firoz Navroze Deboo
 Manager

Rupali Vaidya
 Rupali Vaidya
 Company Secretary

Ravindra Kumar Singh
 Ravindra Kumar
 Singh

Place:
 Date:

[Signature]

Place: Mumbai
 Date:

25 APR 2017

Badarpur Faridabad Tollway Limited
Notes to the financial statements
(All amounts are in ₹ lakhs, unless stated otherwise)

i. Summary of equity

Statement of reconciliation of equity	As at 31st March, 2016	As at 1st April, 2015
Equity Share Capital	9,800.00	8,600.00
Preference Share Capital	-	-
Capital Reserves	-	-
Reserve and Surplus	(21,855.76)	(17,752.45)
Share Application money	-	-
Total equity under local GAAP	(12,055.76)	(9,152.45)
Adjustments net of deferred tax impact: Gain/(Loss)		
Subordinate loan classified as equity	11,759.15	11,636.00
Indirect expenses which were capitalised in IGAAP, now expensed out in Ind AS	(55.93)	(55.93)
Adjustment on account of difference in IGAAP and Ind AS amortisation	(12,343.39)	(9,977.49)
Discounting of Long term provision of MMR	78.68	78.68
Unwinding of retention money	50.09	123.67
Corporate Guarantee given by Holding company (HCON) on loan taken from Bank recognised as financial asset	1,140.54	1,140.54
Finance cost due to amortisation of Corporate Guarantee received from Holding company	(94.19)	(94.00)
Gain/(Loss) on Fair valuation of current investments	0.08	-
Discounting of long term retention payable under Ind AS. Under IGAAP amount of payable are provided at undiscounted amount	(328.06)	(328.06)
Total Ind AS adjustments	206.96	2,523.40
Total equity under Ind AS	(11,848.81)	(6,629.05)
Total equity under Ind AS (As per Financial)	(11,848.81)	(6,629.05)

ii. Profit before tax

Profit before tax reconciliation	Year ended 31st March, 2016
As per IGAAP	(4,103.31)
Gain/(Loss) on Fair valuation of current investments	-
Interest expenses due to unwinding up MMR provision made till last reporting period	(78.68)
Interest expenses on unwinding up of Retention payable	(50.09)
Finance cost due to amortisation of Corporate Guarantee received from Holding company	(94.19)
Reversal of excess amortization of intangible asset under IGAAP	(2,216.72)
MMR provision reversal	-
Total Ind AS Adjustments	(2,439.68)
As per Ind AS	(6,542.99)
As per financials	(6,542.99)



Badarpur Faridabad Tollway Limited

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

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

1 Corporate information

Badarpur Faridabad Tollway Limited (the Company) was incorporated under the Companies Act, 1956, on 17th July, 2008 as a Special Purpose Vehicle for Design, Engineering, Finance, Construction, Operation & Maintenance of 6 lane Elevated Highway from Kms 16.100 to 20.500 on Delhi- Agra Section of NH-2 in the states of Delhi/Haryana on BOT basis awarded by National Highway Authority of India (NHA).

The Company has executed a Concession Agreement with NHA on 4th September, 2008.NHA has granted concession period of 20 years to the company for the above project, of which 2 years of construction and 18 years of operations and maintenance. Commercial Operation Date of the project was achieved on 30th November 2010.

2 Summary of significant accounting policies

(a) Basis of preparation

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

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

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

- i certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value
- ii assets under service concession arrangement

(b) Current & Non Current classification

Current Asset :

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

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

All other assets shall be classified as non-current.

Current Liabilities:

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

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

All other liabilities shall be classified as non-current.

(c) Government grant

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

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

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



(d) **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.

(e) **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.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Company is able to charge the public for the use of the infrastructure to the end of the concession period.

(f) **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.

(g) **The financial assets 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.

(h) **Property, plant and equipment:**

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

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

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

Transition to Ind AS:

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

Depreciation methods, estimated useful lives and residual value:

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



(i) **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 land under Investment property which were earlier classified under Fixed Asset under previous GAAP.

(j) **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.

(k) **Financial Assets**

(1) 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.

(2) 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.

(3) 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.

(4) 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.

(5) 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 the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.



(l) 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.

(1) 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.

(2) Financial Liabilities

(i) 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.

(ii) 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.

(iii) Financial liabilities at amortised cost

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

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

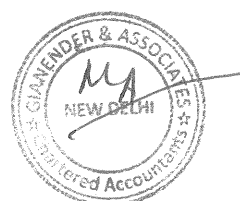
Financial Liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(iv) 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.

(v) 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.



(m) **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.

(n) **Income Tax:**

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.

Deferred Tax

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

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

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

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.

(o) **Impairment of Assets:**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or companies of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



(p) **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.

(q) **Borrowings Cost:**

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.

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.

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

(r) **Other Financial Asset - Financial guarantee contract:**

Under Ind AS, the financial guarantee given by a Holding company to the 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) **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.

(t) **Earnings per share:**

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

(u) **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.

Toll revenue

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



Contract revenue (construction contracts)

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

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

Others

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

(v) 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.

(i) Applicability of service concession arrangement accounting to toll roads concessionaire arrangements

Appendix A "Service concession arrangements" applies to "public- to-private" service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to the main public facilities for a specified period of time in return for managing the infrastructure used to deliver those public services.

More specifically, Appendix C applies to public-to-private service concession arrangements if the grantor:

- i. Controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and
- ii. Controls through ownership or otherwise – any significant residual interest in the infrastructure at the end of the term of the arrangement.

In assessing the applicability the management has exercised significant judgement in relation to the underlying ownership of the assets, the ability to enter into power purchase arrangements with any customer, ability to determine prices etc. in concluding that the arrangements don't meet the criteria for recognition as service concession arrangements.

(ii) Impairment of concession intangible assets:

The Company tests intangible assets and cash generating units have suffered any impairment, in accordance with the accounting policy. The recoverable amount of each cash generating unit has been determined based on the greater of value-in-use and fair value less costs to sell calculations. Calculations are prepared on the basis of management's assumptions and estimates.



Badarpur Faridabad Tollway Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in ₹. lakhs, unless stated otherwise)

Note 3(a) First-time adoption of Ind AS

The accounting policies set out in note no. 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in preparation of an opening Ind AS balance sheet at April 1, 2015 (the group's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flow is set out in the following tables and notes.

Exemptions and exceptions availed

Ind AS optional exemptions

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

(a) Deemed Cost

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

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

Exceptions from full retrospective application

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

(b) Estimates

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

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

- 1) Investment in equity instruments carried at Fair value through profit&Loss (FVPL) or Fair value through other comprehensive income (FVOCI);
- 2) Impairment of financial assets based on expected credit loss model.

Classification and measurement of financial assets

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

Transition to Ind AS - Reconciliations

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

Summary of Equity as at April 1, 2015 & March 31, 2016
Equity at 1 April 2015
Equity at 31st March 2016
Net income 31st March 2016

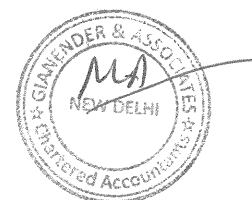
The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.



I Reconciliation of Equity as at April 1, 2015

(Rs in lacs)

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		12.98	0.00	12.98
Other Intangible assets	7	53,528.27	(10,361.49)	43,166.78
Other financial assets	3	6.48	1,043.14	1,049.62
Current Tax Assets (Net)			33.29	33.29
Current assets				
Investments		14.64	-	14.64
Trade receivables		5.01	-	5.01
Cash and cash equivalents		170.42	(0.00)	170.42
Other financial assets		106.88	(12.97)	93.91
Other current assets		93.91	(16.91)	77.00
TOTAL		53,938.59	(9,314.95)	44,623.64
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		8,600.00	-	8,600.00
Other Equity	3	(17,752.45)	2,523.40	(15,229.05)
LIABILITIES				
Non-current liabilities				
Borrowings		57,276.52	(11,636.00)	45,640.52
Other financial liabilities		1,066.13	-	1,066.13
Provisions	6	800.28	(78.68)	721.61
Current liabilities				
Trade payables		-	292.08	292.08
Other financial liabilities		3,476.72	(2,115.68)	1,361.04
Other current liabilities		-	1,699.48	1,699.48
Provisions		471.39	0.44	471.84
Current Tax Liabilities (Net)			-	-
TOTAL		53,938.59	(9,314.95)	44,623.64



II Reconciliation of Equity as at March 31, 2016

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		218.33	0.00	218.33
Other Intangible assets	7	52,594.63	(12,578.21)	40,016.42
Financial Assets				
Other financial assets	3	8.09	947.34	955.43
Non Current Tax Assets (Net)			30.08	30.08
Other non-current assets		19.20	(19.20)	-
Current assets				
Investments	4	16.04	0.08	16.12
Trade receivables		9.70	-	9.70
Cash and cash equivalents		166.54	(0.00)	166.54
Other financial assets		127.57	(38.15)	89.41
Current Tax Assets (Net)		30.08	(30.08)	-
Other current assets		154.65	69.67	224.32
TOTAL		53,344.82	(11,618.48)	41,726.34
EQUITY AND LIABILITIES				
Equity				
Equity Share capital		9,800.00	-	9,800.00
Other Equity	3	(21,855.76)	206.95	(21,648.81)
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings		58,243.87	(11,759.15)	46,484.72
Other financial liabilities		1,066.13	-	1,066.13
Provisions		959.85	0.00	959.85
Current liabilities				
Financial Liabilities				
Trade payables		-	559.77	559.77
Other financial liabilities		4,337.26	(2,659.61)	1,677.64
Other current liabilities		-	2,033.56	2,033.56
Provisions		793.48	-	793.48
Current Tax Liabilities (Net)			-	-
TOTAL		53,344.82	(11,618.48)	41,726.34

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

	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind AS
Revenue from Operations		10,872.48	(6,799.27)	4,073.20
Other Income		301.78	(133.69)	168.09
Total		11,174.25	(6,932.96)	4,241.29
Expenses				
Employee benefits expense			71.51	71.51
Finance costs	3,5&6	4,535.84	896.53	5,432.37
Depreciation and amortization expense		2,010.50	1,155.49	3,165.99
Other expenses		7,745.25	(5,630.84)	2,114.41
Total		14,291.59	(3,507.30)	10,784.28
Profit before exceptional items and tax		(3,117.33)	(3,425.66)	(6,542.99)
Exceptional Items		-	-	-
Profit before tax		(3,117.33)	(3,425.66)	(6,542.99)
Tax expense				
Current tax		-	-	-
MAT Credit taken		-	-	-
Deferred tax charge/(credit)		-	-	-
Profit for the year (A)		(3,117.33)	(3,425.66)	(6,542.99)



Notes to first time adoptions

Note 1: **Application of service concessionaire arrangement as per Appendix A of Ind AS 11**

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

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

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

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

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

Note 2: **Investment property**

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

Note 3: **Corporate guarantee received**

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

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

Note 4: **Fair valuation of investments**

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

Note 5: **Discounting of retention money:**

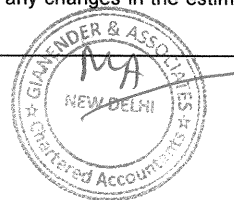
Ind AS 109 requires financial instruments to be measured at fair value at initial recognition in case for financial liability not at fair value through profit or loss, however if the fair value of the financial liability at initial recognition differs from transaction price i.e. fair value of the consideration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

Note 6: **Provisions**

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

Note 7: **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.

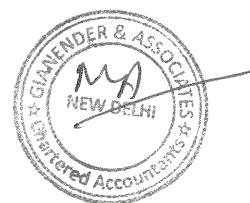


Badarpur Faridabad Tollway Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in ₹. lakhs, unless stated otherwise)

3 Property, Plant and Equipment

(Rs in Lacs)

Particulars	Furniture	Computers	Office equipment	Total
Gross Block				
Balance as at 1st April 2015	0.91	21.77	14.58	37.26
Additions	-	220.87	0.10	220.97
Disposals	-	-	-	-
Reclassification as held for sale	-	-	-	-
Balance as at 31st March 2016	0.91	242.64	14.68	258.23
Additions	-	(184.41)	-	(184.41)
Disposals	-	-	-	-
Reclassification as held for sale	-	-	-	-
Balance as at 31st March 2017	0.91	58.23	14.68	73.83
Accumulated Depreciation				
Balance as at 1st April 2015	(0.48)	(11.33)	(12.47)	(24.28)
Additions	(0.07)	(13.61)	(1.95)	(15.63)
Disposals	-	-	-	-
Reclassification as held for sale	-	-	-	-
Balance as at 31st March 2016	(0.55)	(24.94)	(14.42)	(39.91)
Additions	(0.07)	(14.06)	(0.08)	(14.21)
Disposals	-	-	-	-
Reclassification as held for sale	-	-	-	-
Balance as at 31st March 2017	(0.62)	(38.99)	(14.50)	(54.12)
Net Block				
Balance as at 1st April 2015	0.43	10.44	2.12	12.98
Balance as at 31st March 2016	0.36	217.70	0.26	218.33
Balance as at 31st March 2017	0.29	19.24	0.18	19.71



Badarpur Faridabad Tollway Limited**Notes to the financial statements for the year ended 31st March, 2017**

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

4 Intangible assets

	Amount
Gross Block	
Deemed cost as at 1st April 2015	56,792.50
Additions	-
Disposals	-
Ind as adjustment	-
Balance as at 31st March 2016	56,792.50
Additions	-
Disposals	-
Ind as adjustment	-
Balance as at 31st March 2017	56,792.50
Accumulated Depreciation	
Balance as at 1st April 2015	13,625.72
Additions	3,150.36
Disposals	-
Balance as at 31st March 2016	16,776.08
Additions	3,141.75
Disposals	-
Balance as at 31st March 2017	19,917.83
Net Block	
Balance as at 1st April 2015	43,166.78
Balance as at 31st March 2016	40,016.42
Balance as at 31st March 2017	36,874.67



Badarpur Faridabad Tollway Limited
Notes to the financial statements for the year ended 31st March, 2017
(All amounts are in ₹. lakhs, unless stated otherwise)

5 Other financial assets
(Unsecured unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current			
Considered good			
Security Deposits	3.08	3.08	3.08
Corporate Guarantee	857.97	952.35	1,046.54
Non-current total	861.05	955.43	1,049.62

6 Non Current Tax Assets (Net)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening Balance	33.39	30.08	33.29
Add: Current tax Payable for the year	(70.09)	(56.95)	(99.34)
Less: Taxes paid	(3.31)	3.21	(32.76)
Closing Balance	33.39	30.08	33.29

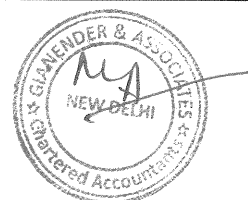
7 Current investments

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investments in Mutual Funds			
Fair value through profit or loss			
Quoted			
2193.0060 (31 Mar 16 : 875.9610, 1 April 2015 : 860.7080) units in Canara Rebeco mutual fund	43.28	16.12	14.64
Total	43.28	16.12	14.64
Aggregate amount of quoted investments			
Market value of quoted investments		-	14.64
Aggregate amount of unquoted investments			
Aggregate amount of impairment in value of investments			

8 Trade receivable

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivable *	220.22	9.70	5.01
Total	220.22	9.70	5.01

*Includes Rs 2,08,00,000 Compensation receivable from NHAI on account of suspension of Toll and Rs 12,21,962 receivable of service income for the period 22.03.2017 to 31.03.2017 from Municipal Corporation of Delhi(MCD)



9 Cash and cash equivalents

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	19.16	22.40	28.15
Balances with Banks			
In current accounts	377.90	137.07	142.28
Term deposits with original maturity of less than three months	7.41	7.06	-
Short term, highly liquid investments			
Treasury bills with original maturity of less than three months	-	-	-
Total	404.47	166.54	170.42

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

Particulars	SBN	Other denominated Notes	Total
Closing Cash in Hand as on 8th November 2016	8.80	0.01	8.80
Add : Permitted Receipts	20.43	160.43	180.85
Add : Bank withdrawal receipts	-	-	-
Less : Permitted Payments	-	-	-
Less : Amount Deposited in Banks	28.43	155.50	183.93
Closing Cash in Hand as on 30th December 2016	0.79	4.94	5.73

10 Other Financial Asset

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Interest accrued on FD	-	0.01	-
Advance with NHAI	-	88.00	88.00
Other receivables	1.83	1.41	5.91
Current total	1.83	89.41	93.91

11 Other Current assets

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Other Current assets			
Prepaid expenses	23.28	18.26	-
Advance given to Supplier	5.01	5.01	3.40
Other Receivables-Advance	13.90	181.84	57.42
Balance with Government Authorities	10.77	19.20	16.17
Current total	52.96	224.32	77.00



Badarpur Faridabad Tollway Limited
Notes to the financial statements for the year ended 31st March, 2017
 (All amounts are in ₹. lakhs, unless stated otherwise)

12 Equity Share capital

	As at March 31, 2017	As at March 31, 2016	As at '1st April, 2015	
Authorised 10,000,0000 (31 March 2016: 10,000,0000) equity shares of Rs 10/- each	10,000	10,000	10,000	
Issued, subscribed and fully paid up 98,000,000 (31 March 2016:98,000,000) equity shares of Rs 10/- each.	9,800	9,800	8,600	
	9,800	9,800	8,600	
a) Reconciliation of number of shares				
	No in Lakhs			
	No of Shares	Amount		
Equity Shares :				
Balance as at the 1 April 2015	860.00	8,600.00		
Add: Issued during the year	120.00	1,200.00		
Balance as at the 31 March 2016	980.00	9,800.00		
Add: Issued during the year	-	-		
Balance as at the 31 March 2017	980.00	9,800.00		
b) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company				
	As at March 31, 2017		As at March 31, 2016	
	No of shares (in lakhs)	% of Shareholdin g	No of shares (in lakhs)	% of Shareholding
Equity shares of Rs 10/- each fully paid				
HCC Concessions Limited and its nominees	980	100%	980	100%

13 Capital contribution from holding Company

	As at March 31, 2017	As at March 31, 2016	As at '1st April, 2015
Subordinate loan classified as equity	13,534.18	11,759.15	11,636.00
Capital contribution (Corporate Guarantee)	1,140.54	1,140.54	1,140.54
Total	14,674.73	12,899.69	12,776.54

14 Statement of changes in equity

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital reserve			
Retained Earnings	(41,460.56)	(34,548.50)	(28,005.59)
Total reserves and surplus	(41,460.56)	(34,548.50)	(28,005.59)

Surplus in the Statement of Profit and Loss

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening balance	(34,548.50)	(28,005.59)	(28,005.59)
Add: Profit for the year	(6,912.14)	(6,542.91)	-
Closing Balance	(41,460.64)	(34,548.50)	(28,005.59)



Badarpur Faridabad Tollway Limited

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

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

15 Long Term Borrowings

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured			
Term loans			
From banks *	38,668.26	38,585.75	37,881.43
From Others *	7,895.43	7,898.97	7,759.09
Total	46,563.69	46,484.72	45,640.52

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

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

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

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

Particulars	Amount in Lakhs
Sub debt as on 01.04.2016	11,759.15
Addition: Sub debt infused during the period	1,775.03
Total as on 31.03.2017	13,534.18

Default in Interest and Principal payment as on 31.03.2017		
Name of the Bank	Interest	Principal
Canara Bank	782.58	64.50
Bank of Baroda	571.28	43.50
Oriental Bank of Commerce	853.48	63.75
Axis Bank	576.47	48.75
State Bank Of Bikaner&Jaipur	94.53	28.50
IIFCL	606.92	51.00
Total	3,485.26	300.00

16 Other financial liabilities

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current			
Interest accrued but not due	1,066.13	1,066.13	1,066.13
TOTAL	1,066.13	1,066.13	1,066.13

Foot note: The interest on the above has been suspended w.e.f. 1st August, 2011.



17 Provisions

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current			
Provision for Gratuity	4.66	4.14	3.38
Provision for Leave encashment	3.02	3.13	2.96
Provision for major maintenance	1,062.59	952.59	715.26
Total	1,070.26	959.85	721.61

18 Trade payables

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Others	525.98	559.77	292.08
Total	525.98	559.77	292.08

19 Other financial liabilities

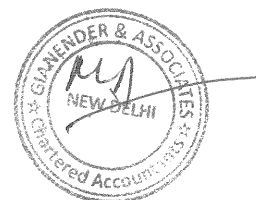
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Interest accrued and due on borrowings	3,485.26	1,186.19	902.61
Current Maturities of Long term debt	700.00	471.81	446.25
Deposit payable(POS)	9.05	8.38	7.67
Due to employees	1.01	3.96	4.52
Retention payable	7.30	7.30	-
Total	4,202.62	1,677.64	1,361.04

20 Other current liabilities

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Advance from customers	-	48.16	-
Payable to related party	788.64	1,859.93	1,568.27
MCD toll tax payable	136.81	104.33	122.65
Statutory Dues	10.31	21.13	8.56
Total	935.76	2,033.56	1,699.48

21 Provisions

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Employee Benefits	0.33	0.44	0.44
Provision for Sick leave	0.40	0.48	0.49
Provision for Leave encashment	0.70	0.81	0.80
Provision for expenses	1,131.45	791.66	470.04
Provision for Gratuity	0.10	0.09	0.06
Total	1,132.98	793.48	471.84



Badarpur Faridabad Tollway Limited
Notes to the financial statements for the year ended 31st March, 2017
 (All amounts are in ₹. lakhs, unless stated otherwise)

22 Revenue from Operations

	Year ended March 31, 2017	Year ended March 31, 2016
Operating Income		
Toll Revenue	3,679.12	4,073.20
Compensation for toll suspension(Refer foot note)	2.08	-
Total	3,681.20	4,073.20

Foot note: Compensation for Toll suspension includes Rs 2.08 Crores receivable from NHAI on account of suspension of Toll from 9th November,2016 to 2nd December,2016,due to demonetisation

23 Other income

	Year ended March 31, 2017	Year ended March 31, 2016
Interest income	0.71	0.66
Fair value gain/(loss)		
Investments measured at fair value through profit or loss	1.57	-
Net gain/loss on sale of investments	0.86	1.51
Miscellaneous Income	30.35	165.93
Total	33.49	168.09

24 Employee benefits expenses

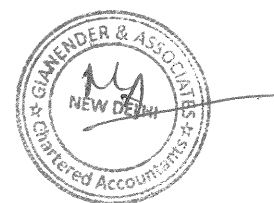
	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and wages	61.58	71.51
Total	61.58	71.51

25 Finance costs

	Year ended March 31, 2017	Year ended March 31, 2016
Interest expense on Term Loans	4,928.42	5,203.31
Other borrowing costs	8.07	6.10
Unwinding up of Major Maintenance Provision(MMR)	-	78.68
Interest expenses on unwinding up of Retention payable	64.43	50.09
Amortisation of Corporate guarantee	94.38	94.19
Total	5,095.30	5,432.37

26 Depreciation and amortization expense

	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation on Property, Plant and Equipment	14.21	15.63
Amortization on Intangible assets	3,141.75	3,150.36
Total	3,155.96	3,165.99



27 Other expenses

	Year ended March 31, 2017	Year ended March 31, 2016
Audit fees	4.60	4.58
Power, fuel and Electricity	130.75	141.11
Operation & Maintenance	1,360.60	975.37
Major Maintenance	109.99	158.65
Insurance	59.80	64.69
Rates and Taxes	2.66	3.85
Travelling	26.57	22.94
Director Sitting Fees	3.68	4.22
Printing & Stationery	0.53	0.56
Legal, Professional and Consultancy Charges	104.24	275.71
Postage, Telephone and Fax	0.33	0.26
Computer/System expenses	5.72	5.35
Consumables	3.40	6.53
Additional concessions fees	473.58	440.60
Miscellaneous Expenses	27.46	9.99
Total	2,313.91	2,114.41

	Year ended March 31, 2017	Year ended March 31, 2016
Details of payment to auditors		
Statutory Audit fees	1.50	2.50
Tax audit fees	0.25	0.25
Others	2.25	1.25
Add: Service tax	0.60	0.58
Total	4.60	4.58

28 Exceptional Items

	Year ended March 31, 2017	Year ended March 31, 2016
Exceptional items	-	-
Total	-	-

29 Earnings per share (EPS)

Net profit/ (loss) for calculation of basic	(6,912.06)	(6,542.99)
Number of equity shares in calculating basic EPS	980.00	980.00
Basic EPS	(7.05)	(6.68)

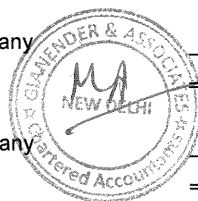


Badarpur Faridabad Tollway Limited

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

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

Transactions with Related Parties:		2016-17	2015-16	2014-15
Nature of Transactions				
Conversion of sub debt into Equity share capital				
HCC Concessions Limited	Holding Company	-	1,200.00	-
	Total	-	1,200.00	-
Equity shares issued				
HCC Concessions Limited	Holding Company	-	1,200.00	-
	Total	-	1,200.00	-
Subordinate loan classified as equity				
HCC Concessions Limited	Holding Company	13,534.18	11,759.15	11,636.00
	Total	13,534.18	11,759.15	11,636.00
Capital contribution (Corporate Guarantee)				
HCC Concessions Limited	Holding Company	1,140.54	1,140.54	1,140.54
	Total	1,140.54	1,140.54	1,140.54
Outstanding Payables				
Hindustan Construction Company Limited	Ultimate Holding Company Ltd	101.97	96.06	959.68
HCC Concessions Limited	Holding Company	25.14	1,102.35	0.47
Highbar Tech Limited	Fellow Subsidiary	-	0.24	0.15
HCC Infrastructure Company Ltd	Fellow Subsidiary	20.01	20.01	-
HCC Operations & Maintenance Limited	Fellow Subsidiary	62.52	62.27	8.88
	Total	209.64	1,280.93	969.17
Expenses for other services				
Hindustan Construction Company Limited	Ultimate Holding Company	5.91	6.78	5.78
HCC Concessions Limited	Holding Company	1,077.21	-	-
Highbar Tech Limited	Fellow Subsidiary	0.24	-	-
HCC Infrastructure Company Ltd	Fellow Subsidiary	-	-	20.00
HCC Operations & Maintenance Limited	Fellow Subsidiary	0.25	-	-
	Total	1,083.61	6.78	25.78
Expenses for technical services				
Highbar Tech Limited	Fellow Subsidiary	0.24	0.90	0.94
	Total	0.24	0.90	0.94
Expenses for other services				
HCC Infrastructure Company Ltd	Fellow Subsidiary	-	0.01	0.01
	Total	-	0.01	0.01
Expenses for technical services				
HCC Operations & Maintenance Limited	Fellow Subsidiary	-	62.91	106.52
	Total	-	62.91	106.52
Retention Deposit (liability)				
Hindustan Construction Company Limited	Ultimate Holding Company	579.00	579.00	579.00
	Total	579.00	579.00	579.00
Accrued Interest on Unsecured Loan				
HCC Concessions Limited	Holding Company	1,066.13	1,066.13	1,066.13
	Total	1,066.13	1,066.13	1,066.13
Total contribution in Share Capital				
HCC Concessions Limited	Holding Company	9,800.00	9,800.00	8,600.00
	Total	9,800.00	9,800.00	8,600.00
Unsecured Loan				
HCC Concessions Limited	Holding Company	-	11,759.15	11,636.00
	Total	-	11,759.15	11,636.00
Corporate Guarantees taken and outstanding				
HCC Concessions Limited	Holding Company	50,048.96	48,142.73	46,086.77
	Total	50,048.96	48,142.73	46,086.77



Badarpur Faridabad Tollway Limited**Notes to the financial statements for the year ended 31st March, 2017**

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

Note 31 Gratuity and other post-employment benefit plans**a) Defined contribution plan**

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Contribution to provident fund and other funds	3.99	4.17	-
Total	3.99	4.17	-

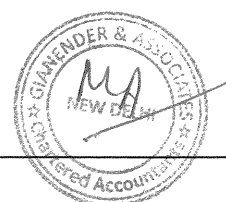
a) Defined benefit plan

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 Rs.1,000,000/-.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Gratuity	0.53	0.78	-
Total	0.53	0.78	-

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)	4.22	3.45	2.12
Net employee benefit expense recognised in the employee cost			
Current service cost	0.71	0.69	0.44
Past service cost			
Interest cost on benefit obligation	0.34	0.27	0.20
(Gain) / losses on settlement	(0.51)	(0.19)	0.69
Net benefit expense	0.54	0.78	1.33
Amount recorded in Other Comprehensive Income (OCI)			
Measurement during the period due to :			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
Actuarial loss / (gain) arising from change in financial assumptions			
Actuarial loss / (gain) arising on account of demographic assumptions			
Experience (gains)/losses			
Amount recognized in OCI	-	-	-
Benefits payments from plan			
Closing net defined benefit liability / (asset)	4.76	4.22	3.45
Fair Value			
Opening fair value of plan assets	-	-	-
Net employee benefit expense recognised in the employee cost			
Interest cost / (income) on plan asset			
(Gain) / losses on settlement			
Net benefit expense	-	-	-
Amount recorded in Other Comprehensive Income (OCI)			
Measurement during the period due to :			
Return on plan assets, excluding amounts included in interest expense/(income)			
Actuarial loss / (gain) arising from change in financial assumptions			
Actuarial loss / (gain) arising on account of demographic assumptions			



Experience (gains)/losses
 Asset ceiling not recognised as an asset
Amount recognized in OCI

- - -

Employer contributions/premiums paid

Benefits Paid
 Assets acquired / (settled)
Closing fair value of plan assets

- - -

Badarpur Faridabad Tollway Limited
Notes to the financial statements for the year ended 31st March, 2017

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
--	-------------------------	----------------------------	------------------------

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

Present value of unfunded obligations	4.76	4.22	3.45
Fair value of plan assets		-	-
Amount not recognised as an asset (asset ceiling)			
	4.76	4.22	3.45

Net liability is bifurcated as follows :

Current	0.10	0.09	0.06
Non-current	4.67	4.14	3.38
Total	4.76	4.22	3.45

Discount rate	7.39%	7.96%	7.96%
Expected rate of return on plan assets (p.a.)	N.A.	N.A.	N.A.
Salary escalation rate (p.a.)	8%	8%	8%
	Indian Assured Lives Mortality	Indian Assured Lives Mortality	Indian Assured Lives Mortality
Mortality pre-retirement	(2006-08)	(2006-08)	(2006-08)

A quantitative analysis for significant assumption is as shown below:

Assumptions -Discount rate

Sensitivity Level			
Impact on defined benefit obligation +1 in % increase	(0.47)	(0.47)	(0.47)
Impact on defined benefit obligation -1 in % decrease	0.55	0.55	0.55

Assumptions -Future salary increases

Sensitivity Level			
Impact on defined benefit obligation +1 in % increase	0.54	0.54	0.54
Impact on defined benefit obligation -in % decrease	(0.48)	(0.48)	(0.48)

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

Within the next 12 months (next annual reporting period)

Between 2 and 5 years	0.49	0.49	0.49
Between 6 and 9 years	3.05	3.05	3.05
For and Beyond 10 years			
Total expected payments	3.54	3.54	3.54

The average duration of the defined benefit plan obligation at the end of the reporting period	12.00	12.00	12.00
--	-------	-------	-------

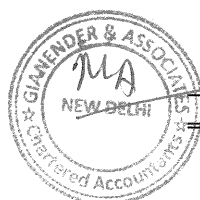
Plan Assets Composition

Non Quoted

Insurer Managed Funds	-	-	-
-----------------------	---	---	---

A reconciliation of the asset ceiling during the inter-valuation period is given

Opening value of asset ceiling			
Add : Interest on opening balance on asset ceiling			
Remeasurement due to :			
Changes in surplus/deficiet			
closing value of asset ceiling	-	-	-



Badarpur Faridabad Tollway Limited**Statement of Profit and Loss for the year ended 31st March', 2017**

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

32 Financial risk management

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

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial	Ageing analysis Credit ratings	Diversification of bank deposits, credit
Market risk — foreign exchange	-	-	-
Market risk — interest rate	Longterm borrowings at variable rate	Sensivity analysis	Actively managed
Liquidity risk	Trade Payables, borrowings and other	Rolling cash flow forecasts	Availability of committed credit lines and

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 Bank base rate plus fixed spread ,base rate are subject to change in market

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Variable rate borrowings	47,263.69	46,956.53	46,086.77
Total borrowings	47,263.69	46,956.53	46,086.77

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

Interest rates - decrease by xx basis points

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



Maturities of financial liabilities

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

As At March-2017

	Less than 3 months	3 months to 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Non-derivatives						
Borrowings	3,485.26	700.00	997.50	6,982.50	29,720.00	41,885.26
Other Financials liabilities	-	-	1,066.13	-	-	1,066.13
Trade and other payables	543.33	-	-	-	-	543.33
Other Current liabilities	935.76	-	-	-	-	935.76
Total non-derivatives	4,964.35	700.00	2,063.63	6,982.50	29,720.00	44,430.48
Derivatives (N.A)	-	-	-	-	-	-
Total	4,964.35	700.00	2,063.63	6,982.50	29,720.00	44,430.48

As At March-2016

	Less than 3 months	3 months to 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Non-derivatives						
Borrowings	1,186	472	400	4,189.50	33,510.50	39,758
Other Financials liabilities	-	-	1,066	-	-	1,066.13
Trade and other payables	579.41	-	-	-	-	579.41
Other Current liabilities	2,033.56	-	-	-	-	2,033.56
Total non-derivatives	3,799.16	471.81	1,066.13	4,189.50	33,510.50	43,437.10
Derivatives (N.A)	-	-	-	-	-	-
Total	3,799.16	471.81	1,066.13	4,189.50	33,510.50	43,437.10

As At April-2015

	Less than 3 months	3 months to 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Non-derivatives						
Borrowings	902.61	446.25	475	2,993.50	35,106.50	39,923.86
Other Financials liabilities	-	-	1,066.13	-	-	1,066.13
Trade and other payables	304.27	-	-	-	-	304.27
Other Current liabilities	1,699.48	-	-	-	-	1,699.48
Total non-derivatives	2,906.35	446.25	1,066.13	2,993.50	35,106.50	42,993.73
Derivatives (N.A)	-	-	-	-	-	-
Total	2,906.35	446.25	1,066.13	2,993.50	35,106.50	42,993.73



Badarpur Faridabad Tollway Limited
Notes to the financial statements for the year ended 31st March, 2017
 (All amounts are in ₹ lakhs, unless stated otherwise)

Note 33 - Fair value measurements

Significance of financial instruments

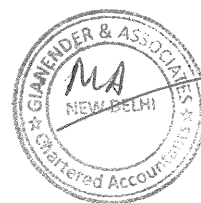
Classification of financial instruments

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets			
At amortised Cost			
Corporate guarantee	857.97	952.35	1,046.54
Security Deposits	3.08	3.08	3.08
Interest accrued on fixed deposits	-	0.01	-
Cash and Cash equivalent	404.47	166.54	170.42
Trade receivable	220.22	9.70	5.01
Other receivable	1.83	89.41	93.91
At Fair value through profit & loss			
Mutual fund Investments	43.28	16.12	14.64
Total financial assets	1,530.85	1,237.19	1,333.60
Financial liabilities			
At amortised Cost			
Floating Rate Borrowings	46,563.69	46,484.72	45,640.52
Other financial liability	1,066.13	1,066.13	1,066.13
Trade Payables	525.98	559.77	292.08
Retention money payable	7.30	7.30	-
Current maturity of Long term debts	700.00	471.81	446.25
Security Deposits	9.05	8.38	7.67
Due to employee	1.01	3.96	4.52
Interest accrued and due	3,485.26	1,186.19	902.61
Total financial liabilities	52358.42	49788.26	48359.77

Note 34 - Fair value Hierarchy

(a) Fair value hierarchy - Recurring fair value measurements

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets			
At Fair value through profit & loss			
Level 1			
Mutual fund Investments	43.28	16.12	14.64
Total financial assets	43.28	16.12	14.64



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

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets			
Level 3			
Corporate guarantee	857.97	952.35	1,046.54
Security Deposits	3.08	3.08	3.08
Interest accrued on fixed deposits	-	0.01	-
Cash and Cash equivalent	404.47	166.54	170.42
Trade receivable	220.22	9.70	5.01
Other receivable	1.83	89.41	93.91
Total financial assets	1,487.57	1,221.08	1,318.96
Financial liabilities			
Level 3			
Floating Rate Borrowings	46,563.69	46,484.72	45,640.52
Other financial liability	1,066.13	1,066.13	1,066.13
Trade Payables	525.98	559.77	292.08
Retention money payable	7.30	7.30	-
Current maturity of Long term debts	700.00	471.81	446.25
Security Deposits	9.05	8.38	7.67
Due to employee	1.01	3.96	4.52
Interest accrued and due	3,485.26	1,186.19	902.61
Total financial liabilities	52358.42	49788.26	48359.77
Recognised fair value measurements			
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.			
Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.			
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for borrowings, Preference shares included in level 3			

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

	As at March 31, 2017	As at March 31, 2016	As at 31st March, 2015
Financial assets			
Carrying value of financial assets at amortised cost			
Loans			
Corporate guarantee	857.97	952.35	1,046.54
Total Financial assets at amortised cost	857.97	952.35	1,046.54
Fair value of financial assets carried at amortised cost			
Loans	-	-	-
Corporate guarantee	-	-	-
Total Fair value of financial assets at amortised cost	-	-	-
Financial liabilities			
Carrying value of financial liabilities at amortised cost			
Floating Rate Borrowings	46,563.69	46,484.72	45,640.52
Total	46,563.69	46,484.72	45,640.52
Fair value of financial liabilities carried at amortised cost			
Floating Rate Borrowings	-	-	-
Preference shares	-	-	-
Total	-	-	-
The carrying value amounts of fixed deposits, interest accrued on deposits, grant receivable from NHAI, retention money receivable, insurance claim receivable, cash and cash equivalents, other receivable, trade payables, interest accrued, employee benefits payable and creditors for capital expenditure 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.			

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

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

36 Contingent Liabilities

Claims /penalty against the company not acknowledged as debt :		
Additional concessions fees demanded by NHAI but disputed by the Company.	1,036.78	564.07
Penalty imposed by NHAI for non execution of periodic maintenance carriageway	1,156.71	-
Total	2,193.50	564.07

37 Foreign Currency Transactions

a) CIF value of Imports	Nil	Nil
b) Expenses in foreign currency	Nil	Nil
c) Earning in foreign currency	Nil	Nil
Total	Nil	Nil

36 Net worth and Going concern assumption

Net worth of the company is negative as on 31st March, 2017 as the accumulated losses of the company at Rs 414,60,56,405/- has exceeded the paid up share capital of the company amounting to Rs 98,00,00,000/-, by Rs 316,60,56,405/-. The Company has issued notice vide letter dated 31st March 2017 to National Highway Authority of India of its intention to issue termination notice pursuant to the article 34.8 of the Concession Agreement (CA) due to imposition of Environmental compensation charges and other restrictions on commercial vehicles entering into Delhi, in accordance with the Supreme Court orders , resultant material financial impact on the Concessionaire and thereby, occurrence of change in law , and resultant Force Majeure Event under the Concession Agreement.

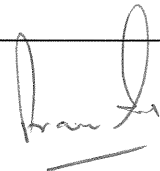
The company has issued this notice and has granted 15 days time to the Authority to make a representation, if any, pursuant to Article 34.8 of CA. Subsequently, the NHAI vide letter dated 12.04.2017 has refuted the contents of Company's notice. The next course of action will be decided by the Company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

In view of strong case of company, the company will remain a going concern.

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

As per our report of even date

Praveen Sood
Director



For Gianender & Associates
Chartered Accountants

ICAI Registration No. 04661N



Manju Agarwal
Partner
Membership No. 083878

25 APR 2017



Kiran Kakkar
Chief Financial Officer

Deboo
Firoz

Firoz Navroze Deboo
Manager



Rupali Vaidya
Company Secretary

Ravindra Kumar
Singh
Director



Place
Date:

25 APR 2017

Place: Mumbai
Date:

25 APR 2017