

Ref. No.: NBCC/BS/2018-19

October 1, 2019

<b>National Stock Exchange of India Ltd.</b> <b>Exchange Plaza, 5<sup>th</sup> Floor,</b> <b>Plot no. C/1,G Block</b> <b>Bandra Kurla Complex</b> <b>Bandra (E), Mumbai-400051</b>  NSE Symbol: NBCC/EQ	<b>BSE Limited,</b> <b>Floor 25 ,</b> <b>Phiroze Jeejeebhoy Towers,</b> <b>Dalal Street,</b> <b>Mumbai-400 001</b>  Scrip Code: 534309
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**Subject: NBCC's Annual Report for the Financial Year 2018-19**

Sir,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find attached herewith Annual Report of the Company for the Financial Year 2018-19.

Further, 59th Annual General Meeting of the members of NBCC (India) Limited held on Monday, September 23, 2019 at 10:30 a.m. at Air Force Auditorium, Subroto Park, New Delhi - 110010.

It is further submitted that Annual Report of the Company has already been submitted on August 29, 2019 to Stock Exchanges and there is no change thereafter.

This is for information and record. Kindly acknowledge receipt.

Thanking you,

**Yours Sincerely**  
**For NBCC (India) Limited**



  
**Deepti Gambhir**  
**Company Secretary**  
**F-4984**

Encl: As above

Great  
Place  
To  
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JUL 2019-JUN 2020  
INDIA



A Navratna CPSE

**NBCC (INDIA) LIMITED**  
(A Government of India Enterprise)



# 59<sup>th</sup> **ANNUAL REPORT** 2018-19

[www.nbccindia.com](http://www.nbccindia.com)

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Driving Sustainable Development  
- Making a Difference



YOUTUBE: NBCC(India)Limited  
TWITTER : @OfficialNBCC  
FACEBOOK : @OfficialNBCC





*A Navratna CPSE*

Registered and Corporate Office

## **NBCC (INDIA) LIMITED**

*(A Government of India Enterprise)*

CIN-L74899DL1960GOI003335

NBCC Bhawan, Lodhi Road, New Delhi -110003

Tel : 011-24367314-18, 43591555 (EPABX) Fax : 91-11-24366995

E-mail : [co.sectt@nbccindia.com](mailto:co.sectt@nbccindia.com)

Visit us at : [www.nbccindia.com](http://www.nbccindia.com)







- Established in 1960 as the construction arm of the Government of India to execute civil engineering projects for the state governments, various central government ministries, public and private sectors.
- Achieved the status of a 'Navratna' Company in 2014.
- Headquartered in New Delhi, with footprints across India, and ventured into overseas operations in the year 1977 and have presence in Maldives, Mauritius, Seychells, Dubai, African countries etc.
- On the domestic front, company is executing various mega projects such as World Trade Centre and International Exhibition-cum-Convention Centre at New Delhi. Your Company is also a prime mover in country's healthcare infrastructure and has undertaken the execution of several significant projects such as hospitals, medical colleges, health care facilities pan India. Further, NBCC signed a MoU with the Government of Mauritius to undertake construction of 3 projects in Mauritius - Police

Academy, Forensic Science Laboratory and National Archives & National Library.

#### **Areas of business:**

##### **a) Project Management Consultancy (PMC)**

- Civil construction projects including residential and commercial complexes, hospitals, educational Institutions.
- Infrastructure works for the defence sector including border fencing along the Indo-Bangladesh and Indo-Pak border.
- Infrastructure projects for the civil sector including roads, water supply systems, storm water systems and water storage solutions.
- Project implementation for Pradhan Mantri Gram Sadak Yojna (PMGSY), Solid Waste Management (SWM) and developmental work in North Eastern Region.

**b) Engineering Procurement & Construction (EPC)**

**Civil and structural works for:**

- Power projects
- Cooling towers
- Chimneys

**c) Real Estate Development**

- Residential projects, such as apartments and townships.
- Commercial projects such as corporate office buildings and shopping malls.

**Financial highlights**

- Market Capitalisation: ₹ 12,000 crore (approx) as on March 31, 2019.
- Listing: National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE).
- Total Income for the FY 2018-19: ₹ 10,151.36 crore and PAT of ₹ 391.64 crore (consolidated).

**Subsidiaries**

- NBCC Services Limited: to provide post-construction maintenance services to clients.
- NBCC Engineering & Consultancy Limited.: to provide comprehensive suite of design and consultancy services for construction activities.
- NBCC Gulf LLC: to carry out commercial construction activities of Buildings, Roads, Airport, Harbour, Water Sewerage and Electricity Network in Sultanate of Oman.
- Hindustan Steelworks Construction Limited: to carry out business of implementation of integrated steel plants.
- HSCC (India) Limited: NBCC acquired HSCC on December 24, 2018. It is a multi-disciplinary organization engaged in rendering comprehensive consultancy services in the field of Hospital planning, design, detail engineering, quality control, project management and monitoring as well as procurement, supply, installation and commissioning of medical equipments.
- NBCC International Limited: to carry out the construction, real estate and project management consultancy business in overseas countries.
- NBCC Environment Engineering Limited : to carry

out business in the field of environment and sustainability.

- NBCC DWC-LLC: For conceptualising, designing and construction of India Pavilion at World Expo-2020 to be held in Dubai in 2020.

**Joint Venture**

- Real Estate Development & Construction Corporation of Rajasthan Limited: to explore opportunities for various re-development projects in Rajasthan.

**Human Resource Capital**

- On the basis of scientific and rigorous assessment of NBCC People Practices, renowned great place to work institute has certified and included NBCC in the distinguished list of companies identified as "Great Place to Work".
- As on March 31, 2019, NBCC's workforce stands at 1,847 employees.

**Sustainable development - Landmark projects (Domestic)**

- All projects executed with Green Building and GRIHA norms.
- Pledge to ensure zero discharge of waste by recycling of water, solid waste including plastic waste, and construction and demolition waste at all its construction activities by 2022.

**New technologies**

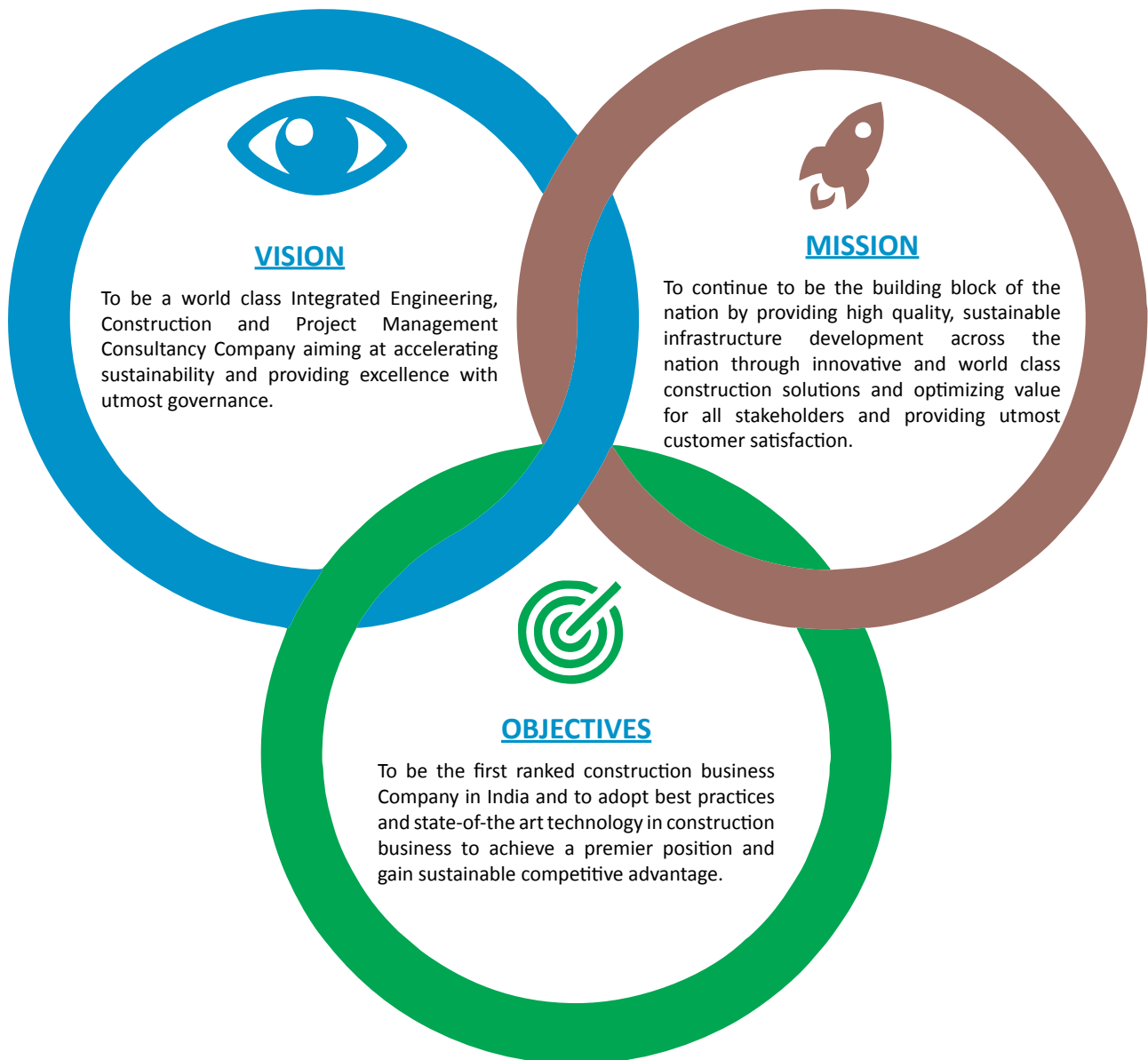
**NBCC has entered into MoUs with:**

- Gremound Engineering Limited (Hungary) to import nontectonic system that employs a unique concrete technology for faster construction of mass housing projects.
- ETICS-BOLIX (Poland) to import energy-efficient solutions for constructing Green Buildings.
- JSV - Belzarubezhstroy of Belarus to undertake infrastructure and energy development projects in India and Republic of Belarus.
- FORTUM to develop electric vehicle charging stations across the country.

**Rating**

- Your Company has been consistently receiving the "Excellent" rating from the Government of India since 2004.

# NBCC's





## REFERENCE INFORMATION

### REGISTERED OFFICE

NBCC Bhawan, Lodhi Road,  
New Delhi-110003

### STATUTORY AUDITORS

M/s Dhawan & Co.

### COST AUDITORS

M/s Ajay Kumar Singh & Co.

### SECRETARIAL AUDITORS

M/s Agarwal S. & Associates

### BANKERS

- State Bank of India
- Punjab National Bank
- Union Bank of India
- Corporation Bank
- Axis Bank
- ICICI Bank
- Indusind Bank
- Yes Bank
- Syndicate Bank
- HDFC Bank

### DEPOSITORIES

National Securities Depository Ltd.  
Central Depository Services (India) Ltd.

### LISTED AT

National Stock Exchange of India Ltd., and  
BSE Limited

### COMPANY SECRETARY

Smt. Deepti Gambhir



### REGISTRAR & SHARE TRANSFER AGENT

#### REGISTERED OFFICE

M/s Bigshare Services Pvt. Ltd.  
E3, Ansa Industrial Estate,  
Saki Vihar Road, Sakinaka,  
Andheri (E), Mumbai-400 072

#### BRANCH OFFICE

M/s Bigshare Services Pvt. Ltd.  
302, Kushal Bazar,  
32-33, Nehru Place,  
New Delhi- 110019



*Deendayal Hastkala Sankul, Trade Facilitation  
Centre & Crafts Museum, Varanasi (Up)*



*CAPF Referral Hospital, Greater Noida, UP*

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*Integrated Exhibition-cum-Convention Centre ,  
ITPO, Pragati Maidan, New Delhi*



## BOARD OF DIRECTORS



**Shri Shiv Das Meena**  
Chairman-cum-Managing Director



**Shri Rajendra Chaudhari**  
Director (Commercial)



**Shri Neelesh Shah**  
Director (Projects)



**Smt. B.K. Sokhey**  
Director (Finance)



**Shri Sanjay Murthy Kondru**  
Govt. Nominee Director



**Shri Shyam Sunder Dubey**  
Govt. Nominee Director



**Dr. Jyoti Kiran Shukla**  
Independent Director

## DIRECTORS' PROFILE

### SHRI SHIV DAS MEENA

#### Chairman-cum-Managing Director

Shri Shiv Das Meena, IAS, assumed the office of Chairman-cum-Managing Director, NBCC (India) Ltd. with effect from April 5, 2019. Shri Meena is presently holding the position of Addl. Secretary in the Ministry of Housing and Urban Affairs (MoHUA) and simultaneously holding the interim additional charge of CMD, NBCC. A 1989 batch Indian Administrative Service Officer of Tamil Nadu cadre and having almost three decades of experience in public service, Shri Meena is a Bachelor of Civil Engineering. He subsequently did his Masters of International Studies from Japan.

### SHRI RAJENDRA CHAUDHARI

#### Director (Commercial)

Shri Rajendra Chaudhari joined NBCC in year 2005. During all these years, he served the Company in various important capacities. Prior to assuming the office of Director (Commercial) on June 10, 2015, Shri Chaudhari was holding the position of Sr. Executive Director (Commercial) in NBCC. He is primarily overseeing the operations of the Company's Real Estate Segment. In addition, he is also heading some key wings of NBCC namely systems, administration, CSR etc. Known for his penchant in digital dynamics, Shri Chaudhari is a Civil Engineering Graduate from Maharaja Sayajirao University, Baroda (Gujarat) and also had stint in Western Coal Fields, another CPSE, before joining NBCC in 2005.

### SHRI NEELESH SHAH

#### Director (Projects)

Shri Neelesh Shah joined NBCC on September 20, 1985. He holds a Bachelor's Degree in Civil Engineering. His knowledge and expertise in the field is manifested by many landmark projects he has undertaken and successfully executed. He has vast and varied experience of more than 32 years holding several key positions in NBCC. He is also the chairman of two wholly owned subsidiaries of NBCC, i.e. NBCC Services Limited and NBCC Engineering and Consultancy Limited and holds the position of Managing Director of Hindustan Steelworks Construction Limited, another subsidiary of NBCC.

### SMT. B.K. SOKHEY

#### Director (Finance)

Smt. Sokhey assumed the charge of Director (Finance) of NBCC (India) Limited with effect from August 16, 2019. She started her career with NBCC on January 15, 1990 as direct recruit officer in Finance Department. Smt. Sokhey has more than 29 years of rich experience of working in different capacities in all the sections and departments of accounts and finance.

She has wide exposure in treasury, compilation, preparation of balance sheet, tendering, establishment, investor relations and IPO management. Smt. Sokhey holds the B.Com (Honours) degree from the prestigious Shree Ram College of Commerce of Delhi University and is a Fellow of Institute of Cost Accountants of India.



## SHRI SANJAY MURTHY KONDRU

### Govt. Nominee Director

Shri Sanjay Murthy Kondru has been appointed as Government Nominee Director by Ministry of Housing and Urban Affairs (MoHUA) on the Board of NBCC on November 20, 2018. Shri Murthy belongs to the Indian Administrative Service (IAS). He holds a Degree of Bachelor of Engineering and having almost 30 years of experience in various capacities in different ministries. He joined the Ministry of Housing and Urban Affairs in 2018 and is presently overseeing matters pertaining to public works, Delhi Development Authority and urban transport related issues.

## SHRI SHYAM SUNDER DUBEY

### Govt. Nominee Director

Shri Shyam Sunder Dubey, Joint Secretary & Financial Advisor at the Ministry of Housing and Urban Affairs (MoHUA), has been appointed as a Government Nominee Director on the Board of NBCC on August 6, 2019. Shri Shyam Sunder Dubey is an Indian Civil Accounts Services Officer (ICAS) of 1989 Batch.

Shri Dubey has more than 30 years of rich, varied and multi-disciplinary experience in the field of accounts, internal audit, financial expenditure and control, budgeting, office administration, programme management and procurement in various Government Departments/Ministries. He is B.Sc. (Biology), M.Sc. (Psychology), M.Phil. (National Defence and Strategic Studies) and holds Post Graduate Diploma in International Business.

## DR. JYOTI KIRAN SHUKLA

### Independent Director

Dr. Jyoti Kiran Shukla has been appointed as Independent Director, on the Board of NBCC on August 1, 2019 pursuant to the order of Ministry of Housing and Urban Affairs (MoHUA). She holds a Master Degree in Economics and has completed her Ph.D in Management and Econometrics. Dr. Jyoti is also holding the position of an Independent Director at Petronet LNG Ltd. An outstanding academician and a professional of repute, having vast experience in teaching, research and management, she has taught at premier institute like National Institute of Technology, Nagpur and has acted as Director in Management and Engineering institutes. Dr. Jyoti has also served as the Chairperson of State Finance Commission, Govt. of Rajasthan from 2015-2018 and has extensive expertise in rural finance and rural development.





*National Institute for Solar Energy, Gurgaon (Haryana)  
- A Green Building Project*

## TEN YEARS AT A GLANCE

S. No.	Particulars	Sch VI of Companies Act, 1956		
		2009-2010	2010-2011	
i)	Authorised Capital	12,000	12,000	
ii)	Paid Up Capital			
	A) Paid up Capital Equity Shares	9,000	9,000	
	B) Non -cumulative Preference Shares	-	-	
iii)	Reserves & Surplus	45,653	56,414	
iv)	Borrowings:			
	A) Govt. of India	-	-	
	B) Banks & Others	-	-	
	Total Borrowings	-	-	
v)	Net worth	54,653	65,414	
vi)	Net Fixed Assets	2,514	2,425	
vii)	Trade Receivables	88,213	86,894	
ix)	No. of Regular Employees	2,372	2,341	
x)	Income per Employee	127	138	
xi)	Expenditure to Income (%)	94	93	
xii)	Debt Equity (Net worth) Ratio	0:1	0:1	
xiii)	Income			
	A) Turnover	2,98,198	3,12,677	
	B) Other Operating Income	-	-	
	C) Other Income	3,807	10,468	
	<b>Total Income</b>	<b>3,02,005</b>	<b>3,23,145</b>	
xiv)	Total Expenditure	2,83,747	3,01,429	
xv)	Operating Margin	18,258	21,716	
xvi)	Depreciation	312	321	
xvii)	Interest	487	432	
xviii)	Profit before tax	17,459	20,963	
xix)	Income Tax	5,844	6,915	
xx)	Fringe Benefit Tax	-	-	
xxi)	Deferred Tax(Assets) / Liabilities	(35)	14	
xxii)	Profit after tax - For the year	11,650	14,034	
xxiii)	Dividend on Equity Shares incl. Distribution Tax	2,726	3,273	

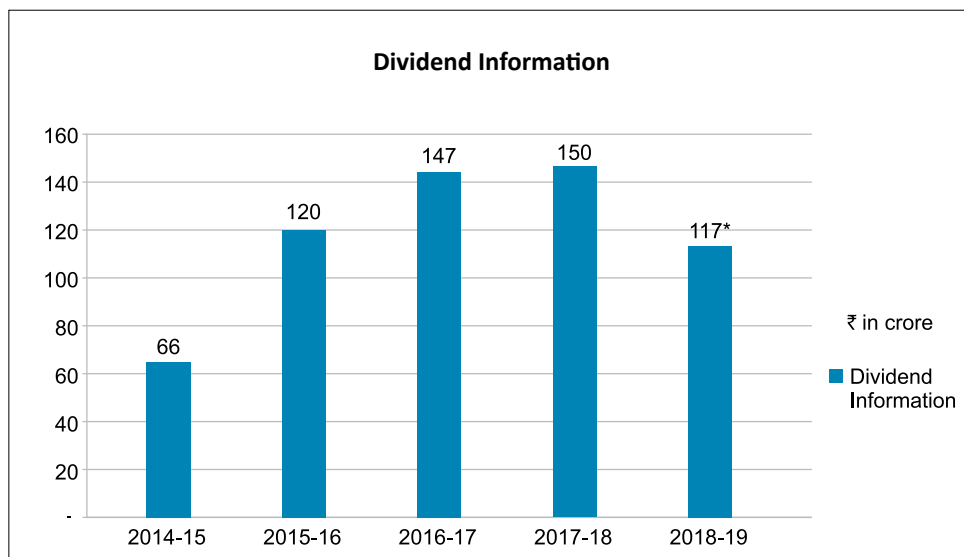
**Note : All Figures are on Standalone Basis.**

\* Figures for these years are as per new accounting standards (Ind AS) and Schedule III (Ind AS) of the Companies Act, 2013 hence, these numbers are not comparable with previous years.

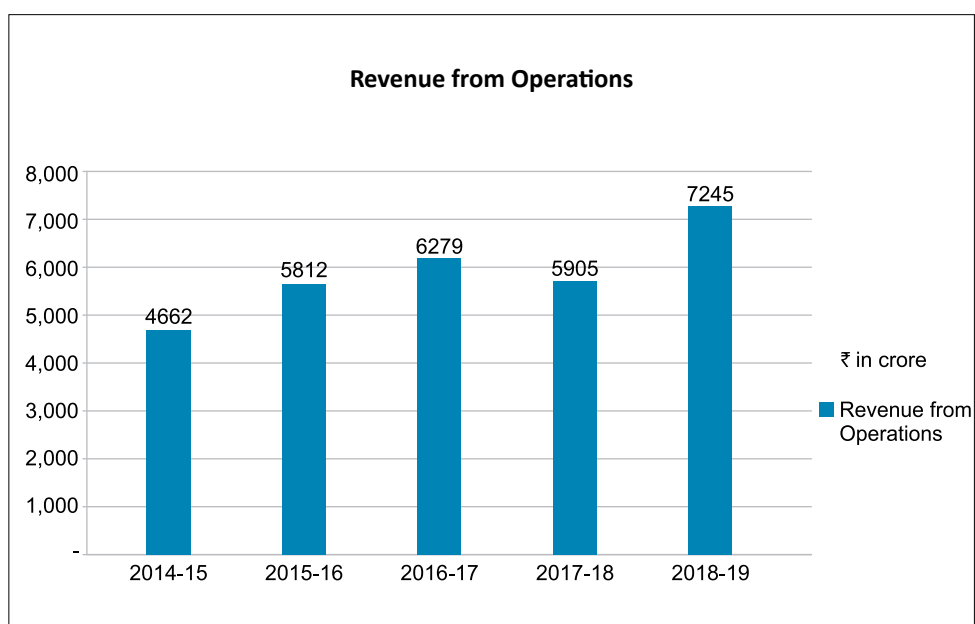
(₹ in lakh, except per share data, Number of Employees and Ratios)

Revised Sch VI of Companies Act, 1956				Sch III (Ind AS) of Companies Act, 2013			
2011-2012	2012-2013	2013-2014	2014-2015	2015-2016*	2016-2017*	2017-2018	2018-19
12,000	12,000	12,000	12,000	15,000	20,000	20,000	20,000
12,000	12,000	12,000	12,000	12,000	18,000	18,000	18,000
-	-	-	-	-	-	-	-
67,549	83,069	1,00,729	1,20,413	1,40,461	1,49,360	1,64,137	1,38,481
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
79,549	95,069	1,12,729	1,32,413	1,52,461	1,67,360	1,82,137	1,56,481
2,332	2,433	2,254	2,622	6,178	6,329	6,184	7,200
1,02,418	91,171	1,31,642	1,70,412	1,83,510	2,18,661	2,25,846	2,10,764
2,227	2,217	2,149	2,047	1,997	1,944	1,945	1,847
161	151	194	222	296	328	309	402
92	91	91	90	93	92	92	92
0:1	0:1	0:1	0:1	0:1	0:1	0:1	0:1
3,42,932	3,18,682	4,00,877	4,62,100	5,73,456	6,21,117	5,87,169	7,14,160
1,837	1,166	5,820	4,114	7,787	6,822	3,332	10,316
13,462	14,897	10,604	14,658	10,076	8,858	10,613	18,747
<b>3,58,230</b>	<b>3,34,745</b>	<b>4,17,300</b>	<b>4,80,872</b>	<b>5,91,319</b>	<b>6,36,796</b>	<b>6,01,114</b>	<b>7,43,223</b>
3,29,664	3,03,914	3,81,576	4,37,513	5,50,546	5,87,698	5,50,560	6,87,052
29,918	30,831	35,724	43,359	40,773	49,098	50,554	56,170
196	135	134	234	245	261	271	264
739	532	2,238	4,025	132	72	21	61
28,983	30,164	33,352	39,101	40,397	48,765	50,262	55,846
10,285	9,519	10,027	10,986	13,974	14,810	18,508	19,153
-	-	-	-	-	-	-	-
(319)	(105)	(1,389)	383	(2,274)	(1,154)	(1,606)	(1,718)
19,017	20,750	24,714	27,731	28,696	35,110	33,361	38,411
4,881	5,230	7,020	7,944	7,944	20,184	17,761	12,152

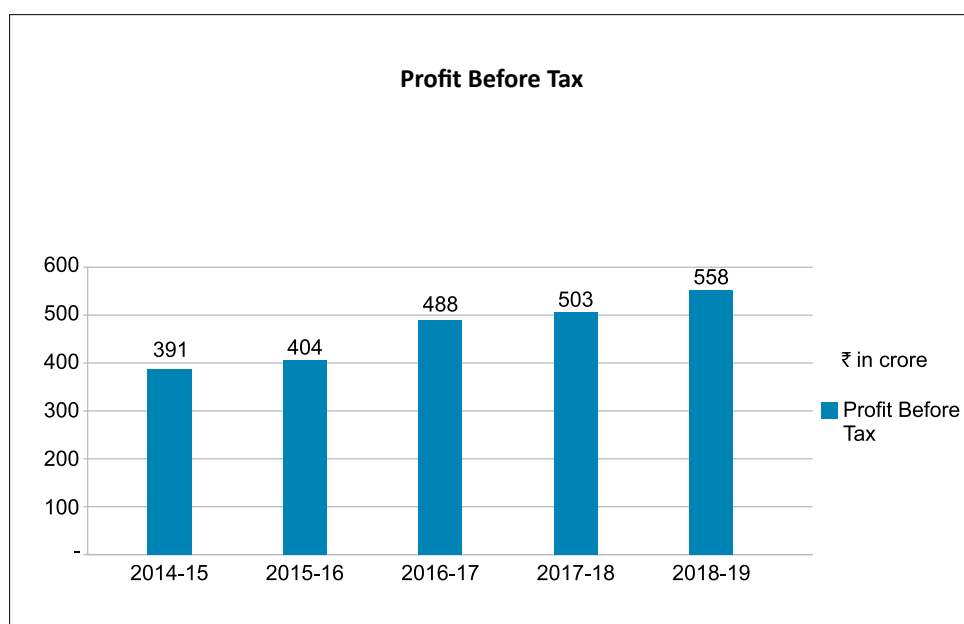
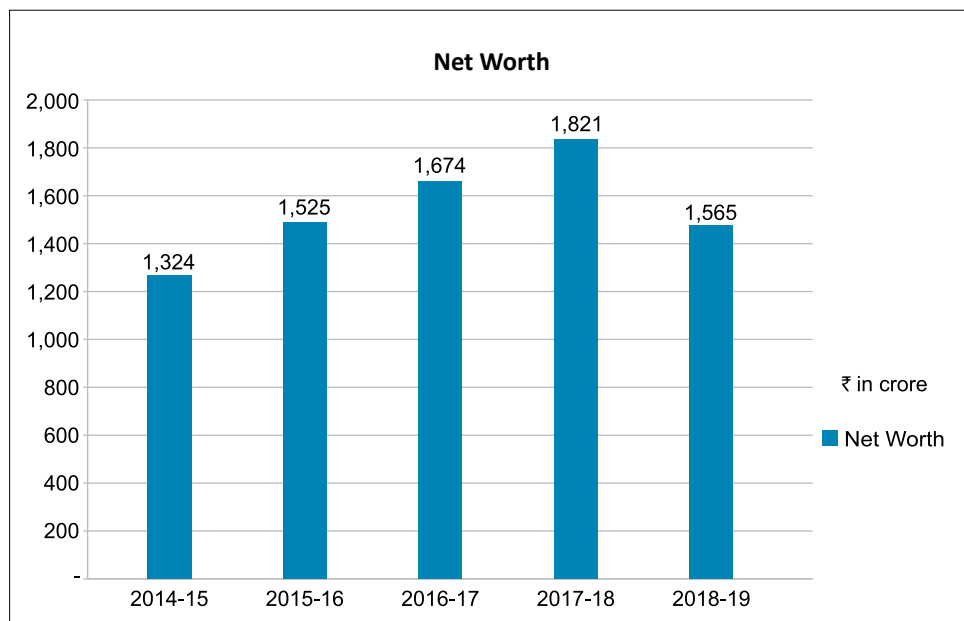
## FINANCIAL HIGHLIGHTS (Standalone)



\* The Dividend for the FY 2018-19 is yet to be declared at the forthcoming 59<sup>th</sup> AGM.



## FINANCIAL HIGHLIGHTS (Standalone)





## MAJOR ACHIEVEMENTS UNDER CSR ACTIVITIES

NBCC is committed to nation building and contributing to the society that will sustain its growth. It works with communities near its operations to implement a range of programs that positively impact their lives. Taking a holistic and sustainable approach, our teams participate throughout a project's lifeline and contribute in areas such as health, education, nutrition, empowerment, infrastructure development and local employment.

This section provides information on our Corporate Social Responsibility Project / Activity performance during FY 2018-19.

### CONTRIBUTING TO PROTECTION OF NATIONAL HERITAGE, ART AND CULTURE

NBCC is committed in spearheading heritage awareness and conservation in India. To preserve and promote art and culture and keep our heritage alive so that it can be experienced by generations to come.

- **Conservation, Restoration and Development of Purana Qila**



Purana Qila is the oldest fort in India and this legendary building lies in ruins. Preserving culture is a key to our national development, so NBCC has been very keen for conservation, restoration and improvement of this heritage monument of national importance as part of CSR initiative.

Accordingly, a Bipartite MoU between, NBCC and Archaeological Survey of India has been signed. The main aim of this MoU is the conservation, restoration and development of monument precinct, upkeep of monument and museum, development to ensure better presentation and conservation of the monuments and development of various tourists related amenities and highlight the history, heritage value of the monument and its surrounding along with its context & ambience.



*Shri Arun Jaitley, Hon'ble Ex-Minister of Finance & Corporate Affairs, Gol, giving a way letter of intent for Conservation, Restoration and Development of Purana Qila to Dr. A.K. Mittal, Ex-CMD, NBCC, in presence of K.J. Alphons, Minister of State of Tourism, Gol.*



*Inauguration of rejuvenated Purana Qila by Dr. Mahesh Sharma, Hon'ble Minister of Culture, Gol and Dr. A.K. Mittal, Ex-CMD, NBCC, on October 3, 2018.*

### CONTRIBUTING TO THE WELFARE OF THE ARMED FORCES

NBCC duly acknowledges the role of the armed forces in securing the nation and constructively contributes to the welfare of its war veterans, their widows, disabled soldiers, ex-service men and their families. The Company undertook the following activities for the welfare of the armed forces.



- Sahara Hostel for War Widows of the Indian Navy at Vasant Kunj, New Delhi**

NBCC signed an MoU with the Indian Navy and NBCC Services Limited (NSL) to construct the 4 storied Sahara hostel at Pocket D-6, Vasant Kunj, New Delhi for the widows of the Naval personnel who lost their lives in the line of duty. NBCC is bearing 50% of the construction cost while the remaining 50% is being borne by the Indian Navy.



*Inauguration by Shri Anil Bajjal, Hon'ble Lieutenant Governor of Delhi in the presence of Ex-Admiral Sunil Lamba, PVSM, AVSM, ADC Chief of Naval Staff on May 24, 2019.*

- Construction of Sainik Rest House (SRH) at Betul, Madhya Pradesh**

The Company approved the construction of Sainik Rest House in Betul, Madhya Pradesh for the armed force veterans.

The Sainik Rest House in the District HQ will serve as a focal point for all welfare activities related to ex-service men. It will also serve as a home away from home and provide information on all welfare issues of ex-service men, war widows / dependents when they come to district HQ to attend to their personal problems with Collector and other officials. It will provide affordable accommodation in the form of guest rooms / dormitory (including ladies / children dormitory) to ex service men/ families visiting district HQ for various tasks. The SRH would also provide space for the District Sainik Welfare Office which at present is in rented accommodation with adequate space nearby for conducting ex-service men rallies. It would also provide space for CSD canteen whenever provided by nearby defence establishments. The Sainik Rest House was handed over to Captain (IN) A. Joseph (Retd.) Joint Director, Rajya Sainik Board, MP on October 4, 2018.






**LETTER OF APPRECIATION – COMPLETION OF  
SAINIK REST HOUSE AT BETUL**

1. It gives me immense pleasure to convey our sincere thanks to the "National Building Construction Corporation (India Ltd)" for having constructed an excellent "Sainik Rest House" for the Ex-Servicemen fraternity at Betul under their CSR.
2. We highly appreciate your kind gesture for presenting such a beautiful rest house which will benefit all the Ex-Servicemen and their families. On behalf of Ex-Servicemen and Home Department, MP State, I would like to compliment you and your team of NBCC (India Ltd) for the amazing work done.
3. It is pertinent to mention that the Dy Project Manager Mr Vivek Patel worked very hard and carried out close supervision of the construction activities. His dedication and positive attitude in accommodating our requirements is highly appreciated.

Date : 10 Jan 2019  
Place: Bhopal (M.P.)

  
Brig. R.S. Nautiyal (Retd.)  
Director  
Rajya Sainik Board, M.P.  
Bhopal

*Letter of Appreciation from Brig. R.S. Nautiyal (Retd.)  
Director Rajya Sainik Board, M.P.*



## CONTRIBUTING TO A BETTER TOMORROW FOR ALL

The social investment programs of NBCC aims to improve the lives of people by providing them access to basic infrastructure facilities. During the year, the Company undertook the following activities:

### CONTRIBUTING TO THE CAUSE OF EDUCATION

NBCC works closely with its communities to promote education, including special education and vocational skills, especially among women and children, with the aim to empower them with employment-enhancing skills.



#### Education scholarship for tribal girl students at Kalinga Institute of Social Sciences, Bhubaneswar

NBCC has extended education scholarship to 100 meritorious tribal girl students of class VII at Kalinga Institute of Social Sciences (KISS). The scholarship is extendable till class XII, based on the agreed terms and conditions. An MoU has been signed between NBCC and KISS for funding the scholarship for five years as per the yearly budget.



*Students getting Computer Education at KISS Institute*



## CONTRIBUTING TO THE CAUSE OF SANITATION

### Allocation of CSR Funds for “Swachh Bharat Kosh” set up by the Central Government of India

In accordance with Office Memorandum No. CSR-01/0003/2016-Dir (CSR) dated August 1, 2016 of Director, Ministry of Heavy Industries & Public Enterprises, Dept. of Public Enterprises and to fulfil the objective of Swachh Bharat / Clean India Mission, the Board Level CSR Committee and the Board of Directors agreed to contribute an amount of ₹ 313.82 lakh in Swachh Bharat Kosh from NBCC's CSR Funds.

The cheque was handed over to the Secretary-Expenditure and Administrator, Swachh Bharat Kosh, Ministry of Finance, GoI by Dr. A.K. Mittal, Ex-CMD, Shri Rajendra Chaudhari and Shri Neelesh Shah-Directors, NBCC on October 18, 2018.



Handing over of Cheque to Secretary-Expenditure and Administrator, Swachh Bharat Kosh, Ministry of Finance, GoI.

## CONTRIBUTING TO THE CAUSE OF RURAL DEVELOPMENT

### Construction of Gramalayas including Sewerage & Sanitation facilities at village Harchandpur, Haryana

The Pranab Mukherjee Foundation approached NBCC for construction of Gramalaya at Village Harchandpur through NBCC's CSR Funds. Gramalaya will be a building which can house the important activities like bank, common service centre, library, meeting hall and health centre etc. at one point in the village.



Inauguration by Sh. Pranab Kumar Mukherjee, Hon'ble Ex-President of India and Sh. Manohar Lal Khattar, CM, Haryana on September 2, 2018.



This would develop as a hub for economic activities and be used for providing various kinds of services. Gramalaya has been designed with local cost patented technology using locally available building material by Habitech Nivarantra Technology innovations.



### Construction of CC Road and U Drain from Shankar Nagar Crossing to Ganeshpur Police Station, Basti, Uttar Pradesh

The District Magistrate, Basti, Uttar Pradesh approached NBCC to construct CC Road from Shankar Nagar Chauraha to Ganeshpur Police Chauki.



The old road was having path holes and water stagnation at many places due to undulations in existing road / not proper drainage system. By constructing CC Road and U drain in the area, NBCC is providing relief to the local residents especially during the rainy seasons for safe / convenient movement year round. CC Road and U Drain was inaugurated by Shri Harish Dwived, MP on February 3, 2019.



## CHAIRMAN'S COMMUNIQUE TO SHAREHOLDERS

*Dear Shareholders,*

It is my proud and privilege to present before you the maiden Annual Report of the Company. As you are aware, I became a proud member of the NBCC family in April earlier this year. These few months that I have spent here, have re-affirmed my belief in the potential and promise of NBCC as a leading player in the construction space in India and the role it will play in the emergence of New India.

I welcome you all to the 59<sup>th</sup> Annual General Meeting of NBCC (India) Limited. The Annual Report for financial year ended March 31, 2019 along with the Directors' Report, Audited Annual Accounts and Auditor's Report of the Company are with you and, with your permission, I take them as read.

Let me now share with you a review operating context as well as the performance of the Company during the year. I shall also update you on the strategic outlook and outline the roadmap for the Company's future growth.

### ECONOMIC AND INDUSTRY OVERVIEW

India continues to surge ahead with confidence and conviction as one of the top growing major economies in the world. While the global economic scenario remained challenging, the key macro-factors driving the larger India growth story continued to remain intact. With a strong leadership at the centre that is determined to fulfil its vision of ushering in a New India, many bold and ground-breaking reforms have been introduced. The Goods and Services Tax (GST) reform is now starting to show its positive and far-reaching impact. Many other reforms have been implemented in the country which is evident from the improvement in India's ranking in doing business. As per World Bank's Doing Business Report 2019, countries rank improved by 23 places and now India ranks at 77 among 190 economies surveyed by the World bank.

Infrastructure and real-estate feature prominently on the Government's agenda. Both sectors have seen a renewed focus and massive thrust. At the heart of the Hon'ble Prime Minister's vision of India becoming a USD 5 trillion economy by 2024 is the ₹ 100 lakh crore investment in infrastructure development.

Real estate and construction sectors are the second-highest employment generators, next only to the agricultural sector. The increased investment planned over the next five years is expected to provide 15 million new jobs (Economic Survey 2017-18).

For India to transform into New India, the huge infrastructure gap needs to be filled, and the Government is committed to fast-track this. The Union Budget 2019 has set an investment target of ₹ 80,250 crore for Phase III of the Pradhan Mantri Gram Sadak Yojana for building 1,25,000 km of village roads.



The finance ministry had allocated the highest-ever budgetary support of ₹ 83,016 crore to the highways sector. Several initiatives have been launched to boost the country's infrastructure and housing led by Government's flagship programmes such as, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Smart Cities Mission and Pradhan Mantri Awas Yojana (PMAY) for providing Housing for All by 2022.

In the real-estate sector, which has been facing rough weather in recent years, the implementation of Real Estate Regulation and Development Act (RERA) is expected to give a fillip.

These developments augur well for NBCC. As a Government of India Navratna Enterprise, the Company is an integral part of the Government, under the administrative control of the Ministry of Housing and Urban Affairs. Over the last sixty years, the Company has evolved into a leading construction player with Concept-to-Completion expertise and capabilities. With a diversified port-folio of services, wide pan-India reach, strong innovation and R&D base and a team of passionate professionals, the Company is today ideally poised to leverage its leadership position and capitalise on the huge opportunity unfolding in the infrastructure and real-estate sectors in the country.

## PERFORMANCE

Despite a challenging operating environment, the Company continued with its track-record of delivering a robust performance. All the three business areas, namely, Project Management Consultancy, Real Estate and Engineering, Procurement & Construction continued to perform well. There was a significant growth in revenues in the project management consultancy and real estate verticals.

Total standalone income of the Company rose by 23.64% i.e. from ₹ 6,011.14 crore to ₹ 7,432.22 crore and net profit rose by 15.14% i.e. from ₹ 333.61 crore to ₹ 384.11 crore. Further, the total consolidated income of the Company rose by 17.91 % i.e. from ₹ 8,609.62 crore to ₹ 10,151.36 crore.

A dividend of 65% on the paid-up equity share of ₹ 1/- each is proposed, in line with the Company's aim to enhance shareholder value creation.

## OTHER KEY DEVELOPMENTS

In line with sustained business performance, the Company continued to take impressive strides by winning marquee projects. Some of these include AIIMS-Bilaspur (Himachal Pradesh) and Deogarh (Jharkhand), IIM-Ranchi and Vishakhapatnam, IIT Bhubaneswar, infrastructure projects under Raipur SMART City, Redevelopment of WHO Office, projects under central government schemes of PMGSY as well as numerous projects in different States.

Internationally, the Company got the project to build Mahatma Gandhi International Convention Centres in nine African nations as well as a project to construct the Indian Pavilion at the World Expo 2020 in Dubai. The Company also recently signed an agreement to construct three key projects in Mauritius worth USD 44 million (₹ 310 crore approximately).

The total value of projects won from April 2018 to March 2019 is ₹ 12,427.42 crore.

In case of Amrapali Group pending before the Hon'ble Supreme Court of India, the Hon'ble Court has vide its detailed order dated July 23, 2019, appointed the NBCC as Project Management Consultant to complete the various projects of Amrapali Group. The PMC charges has been fixed at 8%.

## GOING GREEN. GOING SUSTAINABLE.

NBCC has been at the forefront of encouraging and adopting sustainable development. From 'zero energy infrastructure' to 'say no to plastics', the Company is committed to ecological and environmental standards in all its materials, processes and projects. As part of its continuing efforts to reduce pollution, the Company is increasingly recycling and reusing solid waste and water, using modular products and dry construction to reduce dust pollution. It continues with its green drive by planting thousands of trees across all its projects on a pan-India level. During the year, a total of 70,000 tree saplings were planted.

All new projects undertaken by the Company are conceptualised with the Bureau of Energy Efficiency (BEE) and GRIHA norms. Some well-known green buildings completed by NBCC include the Indian Institute of Corporate Affairs (LEED India Gold rating), CBI Headquarters, (Silver rating) as well as India's first and largest green home campus at New Moti Bagh.

## ALLIANCES AND COLLABORATIONS

Last year, the Company has taken over HSCC (India) Limited, a Mini Ratna, Category-I Public Sector Undertaking. It is a multi-disciplinary organization engaged in rendering comprehensive consultancy services in the field of Hospital planning, design, detail engineering, quality control, project management and monitoring as well as procurement, supply, installation and commissioning of medical equipments. Takeover of HSCC would give synergy benefits and having a specialized team of professionals with vast experience of healthcare sector would add more value to the organization.

The Company has set up a R&D Centre in collaboration with IIT, Roorkee focussing on Sustainable Civil Infrastructure.

## OPPORTUNITIES & OUTLOOK

With renewed thrust of the government on infrastructure and real estate sectors, the Company is poised for a phase of high-growth in the near and mid-term. With its combination of experience and expertise, capacity and capabilities, reach and presence - complimenting a diverse business model, the Company is on track to reap rich benefits both in India and overseas.

In the educational infrastructure space, the Company has undertaken that include IIT Delhi, IIT Mandi, IIT Roorkee, NIFTEM, Indian Culinary Institute, Headquarters and Regional Offices of CBSE, amongst others.

In the healthcare infrastructure space, the Company has executed prestigious projects that include hospitals, medical colleges as well as healthcare facilities across the country.

The Company plays an instrumental role in developing projects on surplus land parcels owned by PSUs and government organisations as part of their efforts to monetise these assets. The Company is also ready to develop townships and affordable housing projects. The Company has now expanded its re-development projects from Delhi to other parts of the country.

A key emerging area where the Company is looking at making significant and worthwhile contribution is in executing stalled and stopped projects of realtors who are under financial stress or other problems. Completing these stalled projects will go a long-way in delivering homes to buyers as well as ensure crucial support for the real estate sector, besides establishing the Company as a leading player in the real estate space.

The Company continues to make significant strides in expanding its overseas operations.

## PEOPLE

At NBCC, we have always believed that people are our finest and most valuable assets. Our talent pool comprises of some of the best talent across engineering, construction, architecture, project management and other faculties. The Company has a strong value system that encourages honesty, merit and performance. It is a diversity-rich and gender-neutral organisation. Its people centric policies are amongst the best in the industry and not surprisingly, the Company has one of the lowest attrition rate. Over the years, the Company has diligently worked to bring in fresh blood. This has brought down the average age to 43 years, a commendable achievement in my opinion. This not only makes the Company agile, but importantly, brings in young, new thinking, energy and dynamism. The Company has a well-defined leadership development plan in place where young leaders are identified and groomed by seniors as their mentors. In July 2019, NBCC was recognised as a Great Place to Work and now ranks 4th amongst the existing 300 CPSEs.

NBCC has been completing DPC proceeding in time every year. During the year 2017-18, around 82.49% of eligible employees were promoted. Further, training of 2,940 mandays were given under Company's on-going Skill Development

initiatives and 1,200 (approx.) certificates were given under the Recognition of Prior Learning drive. The Company ensures and invests in continuous Training Development to ensure its employees are abreast with the latest skills and competencies.

During the year, NBCC accounted for a direct employment of 2,444 employees and generated indirect employment for approximately another 62,000 people.

## GOVERNANCE AND TRANSPARENCY

NBCC has always believed in strong corporate governance and transparency. The Company has a structured governance framework comprising of values, ethics and codes. The Company is committed to deliver responsible growth and ethical wealth creation that results in value for all stakeholders.

The Company ensures total fairness and transparency in all its working and reporting matters, often going beyond statutory disclosure norms and making voluntary disclosures that enable a more clear and coherent understanding of its business and value creation.

## SOCIAL COMMITMENT

As a leader in the construction space and as a Government of India Enterprise Navratna company, NBCC endeavours to set benchmarks in social responsibility. The Company has always shared its success with the communities and societies. It has actively contributed to their alleviation so that they can be integrated into the mainstream of development and benefit from the fruits of economic growth and prosperity of the country. It is committed to preserve the rich history of India and has undertaken the preservation of Purana Qila in Delhi. Its several social initiatives include supporting education and sports, facilitating skill development and empowering youth as well as participating in the Swachh Bharat Mission.

As part of its tribute to the brave soldiers who has given the supreme sacrifice while defending the country, NBCC has constructed Sahara - a hostel for widows of the Indian navy personnel who lost their lives.

In the last financial year, the company has made a contribution of ₹ 34.93 lakh to Bharat Ke Veer Kosh and contribution of ₹ 1 crore to the Prime Minister Relief Fund.

## LOOKING AHEAD

As I look ahead into the horizon, I cannot but feel a sense of pride and positivity. NBCC continues to remain one of the fastest growing companies in the Indian construction space. The Company has doubled its net worth since 2012-13.

In addition to strong financials, the Company today remains one of the top proxies for growth in the infrastructure and construction space. With a formidable combination of people, projects and processes, and a proven track-record of unblemished execution spanning over six decades, with cutting-edge technological advances in machines and material - all converging into a renowned, dynamic and agile organisation, NBCC is looking ahead with confidence and conviction to play its role in building a New India.

I believe the best is yet to come!

Thank you for your sustained faith and trust in NBCC.

Yours faithfully

**Shiv Das Meena**

Chairman-cum-Managing Director

## Notice

Notice is hereby given that the 59<sup>th</sup> Annual General Meeting of the members of NBCC (India) Limited will be held on Monday, September 23, 2019 at 10:30 a.m. at Air Force Auditorium, Subroto Park, New Delhi - 110010 to transact the following businesses:

### ORDINARY BUSINESS

1. To consider and adopt the audited standalone and consolidated financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of 65 paise per paid up equity shares of ₹ 1/- each for the financial year ended March 31, 2019.
3. To appoint a Director in place of Shri Neelesh Manherlal Shah (DIN: 07444898), who retires by rotation and being eligible, offers himself for re-appointment.
4. To authorize Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the FY 2019-20.

### SPECIAL BUSINESS

5. To appoint Shri Shiv Das Meena (DIN: 01881010) as Chairman-cum-Managing Director of the Company and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an *Ordinary Resolution*:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under, Shri Shiv Das Meena (DIN: 01881010), who assumed the additional charge of Chairman-cum-Managing Director, NBCC w.e.f. April 5, 2019, pursuant to the Ministry of Housing and Urban Affairs Office Memorandum No. F.NO. 0-17034/45/2017-PS, dated April 05, 2019, be and is hereby appointed as Chairman-cum-Managing Director of the Company on such terms and conditions as may be determined by the President of India from time to time.

6. To appoint Smt. Baldev Kaur Sokhey (DIN: 06955670) as Director (Finance) of the Company and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an *Ordinary Resolution*:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under, Smt. Baldev Kaur Sokhey (DIN: 06955670), who assumed the charge of the post of Director (Finance), NBCC w.e.f. August 16, 2019, pursuant to the Ministry of Housing and Urban Affairs Office Order No. O-17034/81/2018-PS dated August 16, 2019, be and is hereby appointed as Director(Finance) of the Company on such terms and conditions as may be determined by the President of India from time to time.

7. To appoint Shri Sanjay Murthy Kondru (DIN: 03532374), as Government Nominee Director on the Board of the Company and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an *Ordinary Resolution*:

**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Rules made thereunder, Shri Sanjay Murthy Kondru (DIN: 03532374), who was appointed as Government Nominee Director, by the President of India vide Ministry of Housing and Urban Affairs Order No: O-17034/30/2014-PS dated November 20, 2018, be and is hereby appointed as Government Nominee Director of the Company on such terms and conditions as may be determined by the President of India from time to time.



8. To appoint Shri Shyam Sunder Dubey (DIN: 06601151) as Government Nominee Director on the Board of the Company and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an *Ordinary Resolution*:

**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Shri Shyam Sunder Dubey (DIN: 06601151), who was appointed as Government Nominee Director, by the President of India vide Ministry of Housing and Urban Affairs Order No. 0-17034/30/2014-PS, dated August 5, 2019 be and is hereby appointed as Government Nominee Director of the Company on terms and conditions as may be determined by the President of India from time to time.

9. To appoint Dr. Jyoti Kiran Shukla (DIN: 03492315), as Independent Director on the Board of the Company and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an *Ordinary Resolution*:

**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Dr. Jyoti Kiran Shukla (DIN: 03492315), who was appointed as Independent Director, pursuant to the Ministry of Housing and Urban Affairs Office Order No. 0-17034/37/2019-PS, dated July 17, 2019 be and is hereby appointed as Independent Director of the Company on the terms and conditions as may be determined by the President of India from time to time.

10. To ratify the remuneration of the Cost Auditor for the FY 2019-20 and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an *Ordinary Resolution*:

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 50,000/- plus taxes to M/s Chandra Wadhwa & Co., Cost Accountants, appointed by the Board of Directors as Cost Auditor to conduct the cost audit of the company for the financial year ending March 31, 2020.”

By order of the Board of Directors

Sd/-

Deepti Gambhir

Company Secretary

F-4984

Place: New Delhi  
Date : August 19, 2019

## NOTES

1. The statement pursuant to the provisions of the Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING (FORM OF PROXY IS ANNEXED).
3. A person can act as proxy on behalf of members not exceeding fifty (50) & holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The proxy-holder shall prove his identity at the time of attending the meeting.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Every member entitled to vote at a meeting of the Company or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the Company.
6. Final Dividend of 65 paisa per paid up equity shares of ₹ 1/- each for the financial year ended March 31, 2019 (i.e. @ 65%) has been recommended by the Board of Directors in its Board Meeting held on May 29, 2019 subject to the approval of the Shareholders at ensuing Annual General Meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed **from Monday, September 16, 2019 to Monday, September 23, 2019 (both days inclusive)** for determining the names of members eligible for dividend on equity shares if declared at the AGM.
8. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Registrar & Transfer Agent i.e. M/s Bigshare Services Pvt. Ltd.
9. The Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India and their remuneration is to be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. It is proposed that the Members may authorize the Board of Directors to fix the remuneration in addition to applicable taxes and reimbursement of actual travelling and out of pocket expenses of the Statutory Auditors duly appointed by the Comptroller and Auditors General of India.

10. All documents referred to in the accompanying Notice and statement pursuant to Section 102(1) of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days, between 11.00 a.m. to 5.00 p.m. prior to Annual General Meeting (except on Saturday and Sunday).
11. The members intending to seek any information on annual accounts at the meeting are requested to kindly inform the Company at least 7 days before the date of the AGM.
12. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the 59<sup>th</sup> Annual General Meeting along with the Annual Report 2018-19 would be sent by electronic mode to those members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the members have requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode. Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with Bigshare Services Pvt. Ltd. (in case of Shares held in physical form).
13. Members are requested to:
  - 1) Note that the attendance slip/ proxy form should be signed as per the specimen signature registered with the Bigshare Services Pvt. Ltd., Registrar and Transfer Agent of the Company.
  - 2) Intimate to the Company's Registrar and Transfer Agents i.e., Bigshare Services Pvt. Ltd., changes, if any, in their registered addresses at an early date, in case the shares are held in physical form;
  - 3) Intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of shares are held in dematerialized form;
  - 4) Quote their folio numbers/Client ID/DP ID in all correspondence; and
  - 5) **Consolidate their holdings into one folio in case they hold Shares under multiple folios.**
  - 6) Note that in case of joint holders attending the meeting, only such joint holder whose name is first in the register of member will be entitled to vote.
14. The information regarding unclaimed dividends in respect of dividends declared up to the financial year 2017-18 and updated upto March 31, 2019 has been uploaded on the website of the Company "www.nbccindia.com" under 'Investor' section. Due dates for transfer of unclaimed/unpaid dividends for the financial year 2011-12 and thereafter to IEPF are as follows:

Financial Year	Face value of Share (in ₹)	Dividend declared (%)	Declaration date	Due Date for transfer to IEPF
2011-12	10	₹ 3.50 @ 35% (Final)	September 8, 2012	October 14, 2019
2012-13	10	₹ 3.75 @ 37.5% (Final)	September 10, 2013	October 16, 2020
2013-14	10	₹ 5.00 @ 50% (Final)	September 14, 2014	October 20, 2021
2014-15	10	₹ 5.50 @ 55% (Final)	September 16, 2015	October 22, 2022
2015-16	2	₹ 2.00 @ 100% (Final)	September 14, 2016	October 20, 2023
2016-17	2	₹ 0.53@26.5% (Interim)	March 29, 2017	May 4, 2024
2016-17	2	₹ 1.10 @55.% (Final)	September 18, 2017	October 24, 2024
2017-18	2	₹ 0.55@27.5% (Interim)	March 8, 2018	April 13, 2025
2017-18	1	₹ 0.56@56% (Final)	September 14, 2018	October 20, 2025

Unclaimed final dividend for the financial year 2011-12 will be due for transfer to the Investor Education and Protection Fund of the Central Government on or before October 14, 2019 pursuant to the provisions of Section

124 of the Companies Act, 2013. Accordingly, corresponding shares on which dividend has not been paid or claimed for 7 (seven) consecutive years shall also be liable to be transferred to the account of IEPF. Members are advised to visit the website of the company i.e. [www.nbccindia.com](http://www.nbccindia.com) for detailed information and claim their dividend on time.

15. Shri PC Jain (M/s. PC Jain & Co.) Practicing Company Secretary has been appointed as scrutinizer for conducting the voting/poll and remote e-voting process in a fair and transparent manner.
16. The cut-off date for the purpose of voting along with e-voting is September 17, 2019 (Tuesday).
17. **SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above, Shareholders holding shares in physical form, are advised to dematerialize their shares.**
18. Brief profile of the Directors seeking reappointment as mandated under regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 with the Stock Exchanges forms part of the Notice.
19. Annual listing fee for the FY 2019-20 has been paid to all the Stock Exchanges wherein shares of the Company are listed. Also, the Annual Custodian Fee for the FY 2019-20 has been paid to both Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited.

## PROCEDURE FOR E-VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") the Company will be providing members the facility to exercise their right to vote on resolution proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). The detailed procedure to be followed is as under:-

Members are requested to note that the Company is providing facility for remote e-voting and the business may be transacted through electronic voting system. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein.

## VOTING THROUGH ELECTRONIC MEANS

Instructions for the voting through electronic means

In compliance with Section 108 and other applicable provisions of the Companies Act, 2013, read with the related rules and other law as applicable, the Company is pleased to provide e voting facility to all its Members, to enable them to cast their votes electronically. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Members.

## THE INSTRUCTIONS FOR E-VOTING ARE AS FOLLOWS:

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**



## Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, your 'initial password' would be communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to 'fcspcjain@gmail.com' with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
4. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
5. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 17, 2019.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 17, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

6. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
7. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only, shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
8. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
9. Shri PC Jain (M/s PC Jain & Co.), Practicing Company Secretary, the Scrutinizer after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
10. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.nbccindia.com](http://www.nbccindia.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange(s).
11. The e-voting period will commence on **Friday, September 20, 2019 at 9.00 a.m. and will end on Sunday, September 22, 2019 at 5.00 p.m.** During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 17, 2019 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it subsequently.
12. Members are requested to:
  - a. Bring their copies of Annual Report, Notice and Attendance Slip duly completed at the Meeting as the copy of annual report will not be distributed at the AGM venue.

- b. Deliver duly completed and signed Attendance Slip at the entrance of the meeting venue, as entry to the Hall will be strictly on the basis of the entry slip available at the counters at the venue to be exchanged with the Attendance Slip.
- c. Quote their Folio/Client ID & DP ID Nos. in all correspondence.
- d. Note that due to strict security reasons mobile phones, briefcases, eatables and other belongings are not allowed inside the Auditorium.
- e. Note that no gifts/coupons will be distributed at the Annual General Meeting.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **ITEM NO. 5: To appoint Shri Shiv Das Meena (DIN: 01881010) as Chairman-cum-Managing Director of the Company**

Pursuant to the Ministry of Housing and Urban Affairs Office Memorandum No. O-17034/45/2017-PS, dated April 5, 2019, Shri Shiv Das Meena Additional Secretary, Ministry of Housing and Urban Affairs (MoHUA) assumed the additional charge of Chairman-cum-Managing Director of NBCC w.e.f. April 5, 2019.

Shri Shiv Das Meena, a 1989 batch Indian Administrative Service Officer of Tamil Nadu cadre is having almost three decades of experience in public service. He is a Bachelor of Civil Engineering and subsequently did his Masters of International Studies from Japan.

In his career as a civil servant, Shri Meena served the Govt. of Tamil Nadu in various important capacities including Executive Director and Managing Director- Chennai Metropolitan Water Supply & Sewerage Board (CMWSSB); Executive Director- Tamil Nadu Electricity Board; Managing Director- Tamil Nadu Medical Services Corporation; Secretary Special Programme Implementation Department, Principal Secretary to Chief Minister of Tamil Nadu; Administrator of Annamalai University etc. As Managing Director of CMWSSB, he was instrumental in implementation of two Sea Water Desalination Plants and as Administrator of Annamalai University he implemented several administrative and academic reforms in the university successfully.

He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Details of Shri Shiv Das Meena are provided in the “Annexure-A” to the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except Shri Shiv Das Meena. The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the members.

##### **ITEM NO. 6: To appoint Smt. Baldev Kaur Sokhey (DIN: 06955670), as Director (Finance) of the Company**

Pursuant to the Ministry of Housing and Urban Affairs Office Order No. O-17034/81/2018-PS dated August 16, 2019, Smt. Baldev Kaur Sokhey assumed the charge of the post of Director (Finance) of NBCC (India) Limited with effect from August 16, 2019.

She started her career with NBCC on January 15, 1990 as direct recruit officer in Finance Department. Smt. Sokhey has more than 29 years of rich experience of working in different capacities in all the sections and departments of accounts and finance. She has wide exposure in treasury, finalization of financial results, tendering, establishment, investor relations, IPO management etc. Smt. Sokhey holds the B.Com (Honours) degree from the prestigious Shree Ram College of Commerce of Delhi University and is a Fellow of Institute of Cost Accountants of India.

She is not disqualified from being appointed as Director in terms of Section 164 of the Act. Details of Smt. Sokhey are provided in the “Annexure-A” to the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except Smt. BK Sokhey. The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the members.

**ITEM NO. 7: To consider the appointment of Shri Sanjay Murthy Kondru (DIN: 03532374), as Govt. Nominee Director of the Company**

Shri Sanjay Murthy Kondru, Additional Secretary (D & W), Ministry of Housing and Urban Affairs (MoHUA) has been appointed on the Board of NBCC as Govt. Nominee Director vide Ministry of Housing and Urban Affairs Order No. O-17034/30/2014-PS dated November 20, 2018.

Shri Sanjay Murthy Kondru belongs to the Indian Administrative Service (IAS). He holds a Degree of Bachelor of Engineering and has experience of 30 years (approx.).

He has joined the Union Ministry of Housing and Urban Affairs in 2018 and is presently overseeing matters pertaining to public works, Delhi Development Authority and urban transport related issues. Details of Shri Sanjay Murthy Kondru are provided in the “Annexure-A” to the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except Shri Sanjay Murthy Kondru. The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the members.

**ITEM NO. 8: To appoint Shri Shyam Sunder Dubey (DIN: 06601151) as Government Nominee Director of the Company.**

Shri Shyam Sunder Dubey, Joint Secretary and Financial Advisor, Ministry of Housing and Urban Affairs (MoHUA) has been appointed on the Board of NBCC as Government Nominee Director pursuant to Ministry of Housing and Urban Affairs Order No. O-17034/30/2014-PS, dated August 5, 2019. Shri Shyam Sunder Dubey, an Indian Civil Accounts Services Officer (ICAS) of 1989 Batch is Joint Secretary & Financial Advisor in the Ministry of Housing and Urban Affairs (MoHUA).

Shri Dubey has more than 30 years of rich, varied and multi-disciplinary experience in the field of accounts, internal audit, financial expenditure and control, budgeting, office administration, programme management and procurement in various Government Departments/Ministries. He is B.Sc. (Biology), M.Sc. (Psychology), M.Phil. (National Defence & Strategic Studies) and holds Post Graduate Diploma in International Business.

Details of Shri Shyam Sunder Dubey are provided in the “Annexure-A” to the notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Shri Shyam Sunder Dubey, are in any way, concerned or interested, financially or otherwise, in the resolution. The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the members.

**ITEM NO.9: To appoint Dr. Jyoti Kiran Shukla (DIN: 03492315), as Independent Director of the Company**

Ministry of Housing and Urban Affairs acting on behalf of the President of India had appointed Dr. Jyoti Kiran Shukla (DIN: 03492315) as Independent Director of the Company vide their Office Order No. O-17034/37/2019-PS, dated July 17, 2019.

Dr. Jyoti Kiran Shukla has wide experience in the area of Public Administration, Academics and Management. Her association would be of immense benefit to the Company. Accordingly, it is proposed to appoint Dr. Jyoti Kiran Shukla as an Independent Director. Details of Dr. Jyoti Kiran Shukla are provided in the “Annexure-A” to the notice.



Dr. Jyoti Kiran Shukla has given a declaration to the effect that she meets the criteria of Independence as prescribed under Section 149 of the Companies Act, 2013, read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Dr. Jyoti Kiran Shukla, is in any way, concerned or interested, financially or otherwise, in the Resolution. The Board commends the Ordinary Resolution set out at Item No. 9 of the Notice for approval of the members

**ITEM NO.10 To ratify the remuneration of the Cost Auditor for the FY 2019-20**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Chandra Wadhawa & Co. (Firm Registration No. 000239) as cost auditors to conduct the audit of the cost records for the Financial Year ending March 31, 2020 at a remuneration of ₹ 50,000/- plus taxes.

Accordingly pursuant to Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, consent of the members is sought for ratification of remuneration payable to Cost Auditors for the financial year ending March 31, 2020.

None of the Directors, Key Managerial Personnel (KMP) and their relative are in any way, concerned or interested financially or otherwise, in the proposed resolution. The Board commends the Ordinary Resolution set out at Item No. 10 of the Notice for approval of the members.

By order of the Board of Directors

Sd/-

**Deepti Gambhir**

Company Secretary

F-4984

Place: New Delhi

Date : August 19, 2019

**Registered Office:**

NBCC Bhawan, Lodhi Road, New Delhi-110003

CIN: L74899DL1960GOI003335

E-mail: co.sectt@nbccindia.com

Website: www.nbccindia.com

Contact: 011-24367314-18

Fax : 91-11-24366995

Annexure-A

## BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT 59<sup>th</sup> ANNUAL GENERAL MEETING

Name	Shri Shiv Das Meena (DIN: 01881010)	Smt. Baldev Kaur Sokhey (DIN: 06955670)	Shri Neelesh Manherlal Shah (DIN: 07444898)	Shri Sanjay Murthy Kondru (DIN: 03532374)	Shri Shyam Sunder Dubey (DIN: 06601151)	Dr. Jyoti Kiran Shukla (DIN: 03492315)
Date of Birth	October 5, 1964	June 3, 1964	May 30, 1961	December 24, 1964	August 27, 1965	July 31, 1962
Qualifications	B.Tech, Masters in International Studies	B.Com, CMA	B.E.	B.Tech	B.Sc., M.Sc., M.Phil and Post Graduate Diploma in International Business	Ph.D.
Date of first appointment at the Board	April 5, 2019	August 16, 2019	February 13, 2018	November 20, 2018	August 6, 2019	August 1, 2019
Experience	30 Years (Approx.)	29 Years (Approx.)	34 Years (Approx.)	30 Years (Approx.)	30 Years (Approx.)	33 Years (Approx.)
Terms and Conditions of Appointment	As per the terms and conditions determined by the President of India from time to time	As per the terms and conditions determined by the President of India from time to time	As per the terms and conditions determined by the President of India from time to time	As per the terms and conditions determined by the President of India from time to time	As per the terms and conditions determined by the President of India from time to time	As per the terms and conditions determined by the President of India from time to time
Remuneration sought to be paid and the remuneration last drawn	Nil	NA	₹ 69.60 lakh paid during the FY 2018- 19	Nil	Nil	Sitting fees
No. of shares held in NBCC	Nil	5,004 (as on August 16, 2019)	10,004 Equity Shares (as on March 31, 2019)	Nil	Nil	Nil
Relationship with Other Directors and KMP	No inter se related to any Director of the Company					
Number of meetings of the Board attended during the FY2018-19	NA	NA	Nine	Three	NA	NA

Expertise in Specific functional area	He is presently holding the position of Addl. Secretary in the Ministry of Housing and Urban Affairs (MoHUA) and will be simultaneously holding the interim additional charge of CMD, NBCC. A 1989 batch Indian Administrative Service Officer of Tamil Nadu cadre and having almost three decades of experience in public service, Shri Meena is a Bachelor of Civil Engineering from Malaviya Regional Engineering College (now Malaviya National Institute of Technology), Jaipur. He subsequently did his Masters of International Studies from Japan.	Smt. Sokhey has more than 29 years of rich experience of working in different capacities in all the sections and departments of accounts and finance. She has wide exposure in treasury, finalization of financial results, tendering, establishment, investor relations, IPO management etc. Smt. Sokhey holds the B.Com (Honours) degree from the prestigious Shree Ram College of Commerce of Delhi University and is a Fellow of Institute of Cost Accountants of India.	He holds a Bachelors Degree in Civil Engineering (with Hons.) from Ravishankar University, Raipur (MP), now a Deemed University. His knowledge and expertise in the field is manifested by many landmark projects he has undertaken and successfully executed. He has vast and varied experience of more than 32 years holding several key positions in NBCC (India) Limited and manifested many landmark projects for NBCC in India and abroad.	He belongs to the Indian Administrative Service (IAS). He holds a Degree of Bachelor of Engineering and has served 13 years in various capacities at field level including 6 years as Deputy Commissioner in 3 Districts handling various development programmes. During 2002-2007, he has served in the Government of India on central deputiation at the Ministry of Environment & Forests and Ministry of Communications & IT. Shri Murthy thereafter served for 3 years in the National Institute for Smart Government (NISG), Hyderabad.	Shri Shyam Sunder Dubey, an Indian Civil Accounts Services Officer (ICAS) of 1989 Batch is Joint Secretary & Financial Advisor in the Ministry of Housing and Urban Affairs (MoHUA).  Shri Dubey has more than 30 years of rich, varied and multi-disciplinary experience in the field of accounts, internal audit, financial expenditure & control, budgeting, office administration, programme management and procurement in various Government Departments/ Ministries. He is B.Sc. (Biology), M.Sc. (Psychology), M.Phil. (National Defence & Strategic Studies) and holds Post Graduate Diploma in International Business.	She holds a Master Degree in Economics and has completed her Ph.D in Management and Econometrics from University of Rajasthan. Dr. Jyoti is currently holding the position of an Independent Director at Petronet LNG Ltd. An outstanding academician and a professional of repute, having vast experience in teaching, research and management, she has taught at premier institute like National Institute of Technology, Nagpur and has acted as Director in Management and Engineering institutes. Dr. Jyoti has also served as the Chairperson of State Finance Commission, Govt. of Rajasthan from 2015-2018 and has extensive expertise in rural finance and rural development.
Directorship held in other companies	1. Hindustan Steelworks Construction Ltd. 2. HSCC (India) Limited	1. Real Estate Development & Construction Corporation Of Rajasthan Limited 2. NBCC International Limited 3. NBCC Services Limited	1. NBCC Services Limited 2. NBCC Engineering & Consultancy Limited 3. Hindustan Steelworks Construction Ltd	1. National Capital Region Transport Corporation Limited 2. Noida Metro Rail Corporation Limited 3. Lucknow Metro Rail Corporation Ltd. 4. Delhi Metro Rail Corporation Limited 5. India International Convention And Exhibition Centre Limited	1. Surat Smart City Development Limited 2. Gwalior Smart City Development Corporation Limited	1. Petronet LNG Limited 2. Petronet LNG Foundation
Memberships/ Chairmanship of Committees of other Companies*	Nil	Nil	Three	Two	One	Three

\*In line with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Membership of the Audit Committee and Stakeholder's Relationship Committee have only been taken into consideration.

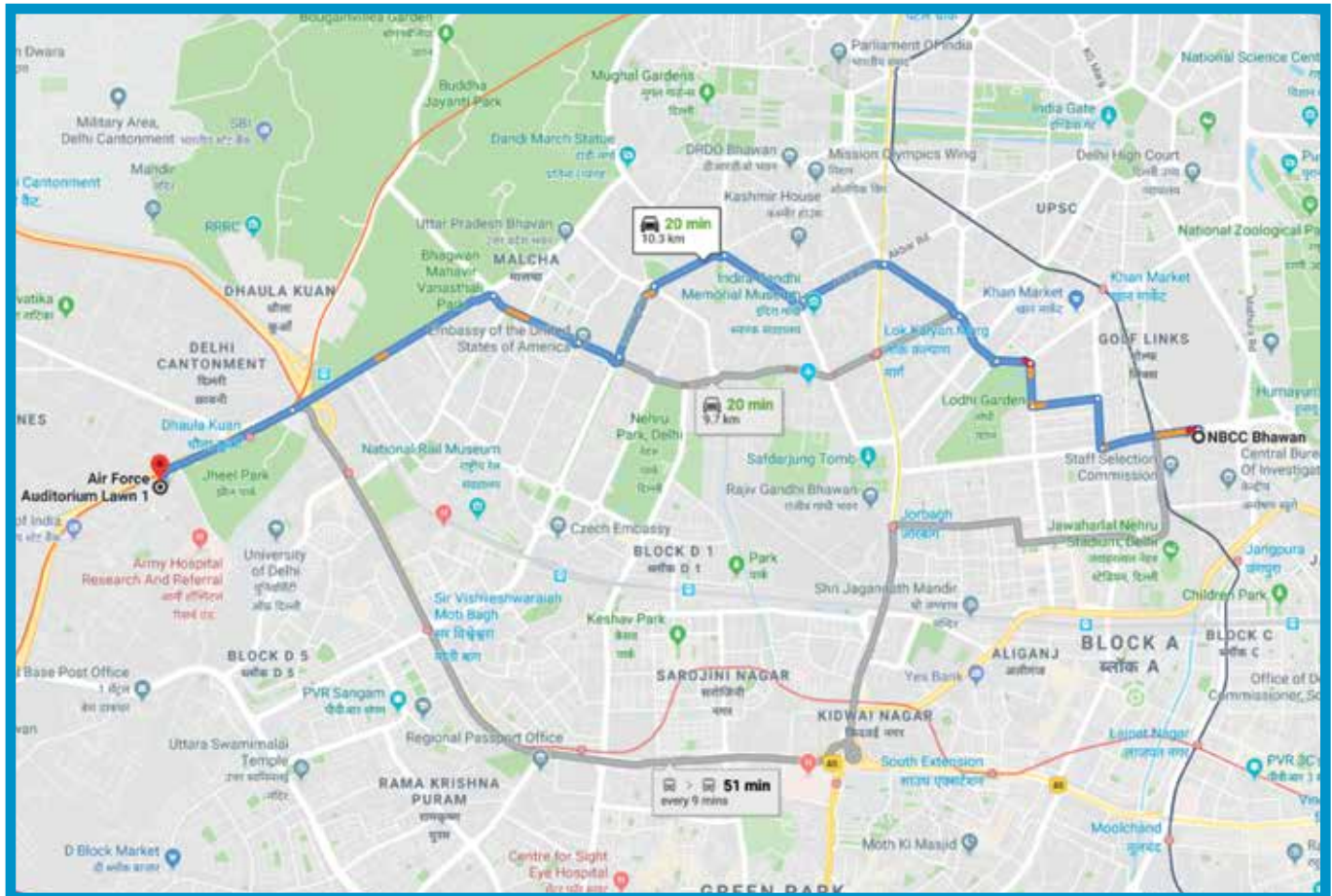
# NBCC's 59<sup>th</sup> Annual General Meeting

**Date:** September 23, 2019

**Time:** 10.30 a.m.

**Venue:** Air Force Auditorium, Subroto Park, New Delhi - 110010

## Route – Map



## DIRECTORS' REPORT

### DEAR SHAREHOLDERS,

Your Directors are pleased to share the achievements and highlights of the Company for the financial year ended March 31, 2019 and to present the 59<sup>th</sup> Annual Report on the business and operations of NBCC (India) Limited and its Audited Financial Statements with the Auditor's Report and Comments on the Accounts by the Comptroller and Auditor General of India as follows:

### FINANCIAL HIGHLIGHTS

The financial highlights for the year under review are as follows:

(₹ in crore)

Particulars	FY 2018-19		FY 2017-18	
	Consolidated	Standalone	Consolidated	Standalone
<b>Revenue From Operations</b>				
Value of Services	9,806.38	7,141.60	8,393.87	5,871.69
Other Operating Revenues	136.59	103.16	53.21	33.32
Other Income	208.39	187.46	162.54	106.13
<b>Total Income (A)</b>	<b>10,151.36</b>	<b>7,432.22</b>	<b>8,609.62</b>	<b>6,011.14</b>
<b>Expenses</b>				
Land Purchased & Material Consumed	19.13	19.01	10.22	8.43
Change in inventories of Real Estate Projects	163.70	206.47	(87.22)	(87.23)
Work & Consultancy Expenses	8,848.77	6,208.57	7,487.14	5,117.16
Employees Benefit Expense	326.41	263.13	365.35	309.67
Finance Cost	0.61	0.61	24.92	0.21
Depreciation and Amortization Expenses	4.36	2.64	5.90	2.71
Other Expenses	198.12	152.61	219.27	157.33
Write-offs	21.74	20.72	0.24	0.24
<b>Total Expenses (B)</b>	<b>9,582.84</b>	<b>6,873.76</b>	<b>8,025.82</b>	<b>5,508.52</b>
Profit before Exceptional Items and Tax (A-B)	568.52	558.46	583.80	502.62
Exceptional Items	-	-	(0.14)	-
Share of Profit/ (Loss) in Joint Ventures (Net of Tax)	0.38	-	0.58	-
<b>Profit Before Tax (PBT)</b>	<b>568.90</b>	<b>558.46</b>	<b>584.24</b>	<b>502.62</b>
Tax Expense				
i) Current Tax	219.71	190.28	221.69	187.59
ii) Deferred Tax	(45.10)	(17.17)	(24.27)	(16.06)
iii) Tax w.r.t. earlier years	2.65	1.24	(8.90)	(2.51)
<b>Profit After Tax (PAT)</b>	<b>391.64</b>	<b>384.11</b>	<b>395.72</b>	<b>333.60</b>
Earnings per Share (Face value of ₹1/- per equity share)				
Basic & Diluted (in ₹)	2.08	2.13	2.10	1.85



## OPERATIONS AND BUSINESS PERFORMANCE

Total income from operations was ₹ 7,244.76 crore (standalone) and ₹ 9,942.97 crore (consolidated) whereas Profit after Tax was ₹ 384.11 crore (standalone) and ₹ 391.64 crore (consolidated).

## RESERVES

The Company did not transfer any amount to its general reserve during the financial year ended March 31, 2019.

## DIVIDEND

Your Directors have recommended a final dividend of 65 paise per paid-up equity share of face value ₹ 1/- each (i.e. @65%) for the financial year 2018-19, subject to the approval of the Members in the ensuing Annual General Meeting.

Dividend has been declared considering the Dividend Distribution Policy of the Company and the dividend payout has been recommended considering the deployment of the Company's internal accruals for growth plans

## SHARE CAPITAL

During the financial year 2018-19, one equity share of ₹ 2/- each was split into two equity shares of ₹ 1/- each and accordingly Company's paid-up equity shares capital is ₹ 180 crore divided into 180 crore equity shares of ₹ 1/- each as on March 31, 2019.

## DISINVESTMENT BY GOVERNMENT OF INDIA

The Government of India has, from time to time, disinvested its stake in the company. During the FY 2018-19, the Government of India divested 6.11% of shares as under:

S.No.	Particulars	Number of Shares disinvested during FY 2018-19
1	Bharat 22 ETF during June 2018	97,12,594
2	Bharat 22 ETF during December, 2018	5,72,51,352
3	Bharat 22 ETF during February, 2019	1,65,07,062
4	Bharat 22 ETF during March, 2019	2,64,36,855
	<b>Total</b>	<b>10,99,07,863</b>

## MoU PERFORMANCE

Based on the MoU parameters, performance of NBCC in the FY 2018-19 is given under:

(₹ in crore)

S. No.	Particulars	Achievements during the FY 2018-19
1	Revenue from Operation	7,244.76
2	Operating Profit	370.99
3	Profit after tax	384.11
4	New Orders Secured	12,427.42

Apart from achieving the target in respect of mandatory parameters, NBCC is expected to achieve overall "Excellent" rating considering achievements in optional parameters also.

## ISO CERTIFICATION

Your Company is a certified ISO 9001:2015 in Project Management Consultancy.

## AWARDS CONFERRED DURING THE YEAR 2018-19

NBCC continued on the path of excellence and innovation, achieving several accolades and awards during the year as follows:

- **Global Safety Award 2019** was conferred upon NBCC for constructing the state-of-art Central Information Commission (CIC) office building in Delhi.
- **Top Rankers Excellence Award** was conferred upon NBCC for Organizational Excellence for its overall performance.
- **North India Best Employer Brand Award 2018** was conferred upon NBCC by Employer Branding Institute in Delhi.
- **Organisational Excellence Award 2018** was conferred upon NBCC by Project Management Associates (PMA) for innovation, planning, performance excellence and outstanding leadership at various organizational levels.
- **Dun & Bradstreet (D&B) PSU Award 2018** was conferred upon NBCC under the category "Contract, Construction & Technical Consultancy Services".
- **Dainik Jagran CSR Award 2019** was conferred upon NBCC for working on principles of environment conservation and incorporating green initiative in its projects.
- **Achievement Award for Best Construction Project** was bestowed upon NBCC for constructing the office building of the Central Information Commission and Dr. Ambedkar International Centre, in New Delhi.

## FIXED DEPOSITS

During the FY 2018-19, your Company has not accepted any deposit and no principal or interest was outstanding as on March 31, 2019.

## LOAN, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements forming part of this Annual Report.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the FY 2018-19, the Company has taken over HSCC (India) Limited, a Mini Ratna, Category-I Public Sector Undertaking. It is a multi-disciplinary organization engaged in rendering comprehensive consultancy services in the field of hospital planning, design, detail engineering, quality control, project management and monitoring as well as procurement, supply, installation and commissioning of medical equipments.

NBCC has its presence in project management and consultancy services in healthcare infrastructure projects including AIIMS, therefore takeover of HSCC would give synergy benefits and having a specialized team of professionals with vast experience of healthcare sector would add more value to the organization. Takeover of HSCC is a systematic business decision with respect to expansion of the Company in health infrastructure sector.

During the FY 2018-19, the Company has incorporated a foreign wholly owned subsidiary Company in Dubai i.e. NBCC DWC-LLC. As on March 31, 2019, the Company has six wholly owned subsidiaries i.e. NBCC Services Limited, NBCC Engineering & Consultancy Limited, NBCC International Limited, NBCC Environment Engineering Limited, HSCC (India) Limited and NBCC DWC-LLC (foreign subsidiary) and two subsidiaries i.e. Hindustan Steelworks Construction Limited and NBCC Gulf LLC, Oman (foreign subsidiary).

NBCC has a Joint Venture with the Government of Rajasthan in the name of the 'Real Estate Development and Construction Corporation of Rajasthan Ltd', where both the parties hold 50% of the issued share capital.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is provided in note No.53 in consolidated financial statement.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013 the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at <http://www.nbccindia.com>.

## HUMAN RESOURCE DEVELOPMENT

NBCC takes pride in its highly motivated and competent human resource that has contributed its best to bring the Company to its present heights. Employees are the driving force behind the sustained stellar performance of your Company over all these years of Company's ascendancy. As a commitment towards your Company's core values, employees' participation in management was made effective based on mutual respect, trust and a feeling of being a progressive partner in growth and success.

The Company has maintained cordial industrial relations during the year, and continued to provide comprehensive welfare facilities to its employees to take care of their health, efficiency, economic betterment, etc. and to enable them to give their best at the workplace. It has always supported participative culture in the management of the enterprise through a consultative approach with the collectives, establishing a harmonious relationship for industrial peace leading to higher productivity. Employees' participation is also ensured through information-sharing with collectives and employees on a regular basis while seeking their support, suggestions and cooperation.

The Company appreciates the role of its human capital in propelling the Company to new heights. The position of recruitment of SC/ST employee's, category-wise for the FY 2018-19 is as under:

Sl. No.	Group	General (No.)	OBC (No.)	SC		ST		Total
				(No.)	%	(No.)	%	
1.	Group 'A'	40	27	18	19.56	07	7.6	92
2.	Group 'B'	01	-	-	-	-	-	01
3.	Group 'C'	05	9	02	11.76	01	5.88	17
<b>Total</b>		<b>46</b>	<b>36</b>	<b>20</b>	<b>18.18</b>	<b>08</b>	<b>7.27</b>	<b>110</b>

NBCC is compliant of all directives issued by the Government of India with respect to filling vacancies for SC/ST/OBC/ex-service men.

Further, NBCC has also complied with all government regulations regarding reservation, relaxations, concessions and benefits as provided under rules for Persons with disabilities (Equal Opportunities, Protection of Rights & full participations) Act, 1995.

No. of regular employees /NMR/PRW/WE employees at the close of the year:

S.No.	Particulars	Numbers
1.	No. of regular employees	1,847
2.	No. of NMR (Non Master Roll)	0
3.	No. of WE/PRW (Work Establishment/Piece Rated Worker)	0

IR scenario during the year: The Industrial Relations scenario in the Company during the year 2018-19 had remained peaceful and conducive, and no man days were lost in strikes etc. Since all the industrial disputes and differences were resolved amicably across the table. There were cordial and a harmonious relationship with all stake holders/Unions/ Association during the year. Structured meetings were held regularly on quarterly basis.

Working Status of Woman Employees in the Company-Category wise:

Sl. No.	Category of Posts (Group)	Nos. of Woman employees
1.	Group 'A'	88
2.	Group 'B'	17
3.	Group 'C'	28
4.	Group 'D'	-
<b>Total</b>		<b>133</b>

Details of SC/ST/VH/PH Employees Category-wise:

Sl. No.	Category of Posts (Group)	Nos. of employees					
		Total Employees	SCs	STs	VH	HH	PH (OPH)
1.	Group 'A'	852	152	42	3	2	9
2.	Group 'B'	145	23	7	2	-	1
3.	Group 'C'	850	138	13	1	3	7
<b>Total</b>		<b>1847</b>	<b>313</b>	<b>62</b>	<b>6</b>	<b>5</b>	<b>17</b>

Manpower Status as on March 31, 2019:

Discipline & Category Wise										
Category	Engineers (C/E/M/ PHE/EM/ Arch./Sys. Engg./ Plng. etc.)	Technical (Other than Engrs.) i.e. DPM/SPE/ PE/ASM/JSE/ JE-I/JE-II/JE-III WI/AWI	Finance	HRM (OA-I/II/ III/Sectl.	RB/ Law/ Board/ CC/P & PI).	Marketing	Material Mgmt.	Operative Level	Other	Total
BOARD LEVEL	3	-	-	-	-	-	-	-	-	3
CVO	-	-	-	-	-	-	-	-	1	1
'A'	529	15	166	99	23	7	9	-	-	848
'B'	96	23	-	22	1	-	3	-	-	145
C'(i)	87	0	-	21	-	-	-	-	-	108
(ii)	0	6	-	-	-	-	-	-	-	6
(iii)	0	0	-	-	-	-	-	736	-	736
<b>TOTAL</b>	<b>715</b>	<b>44</b>	<b>166</b>	<b>142</b>	<b>24</b>	<b>7</b>	<b>12</b>	<b>736</b>	<b>1</b>	<b>1847</b>

Number of persons employed during the FY 2018-19:

Sl. No.	Group	No. of persons employed
1.	Group 'A'	92
2.	Group 'B'	01
3.	Group 'C'	17
4.	Group 'D'	-
<b>Total</b>		<b>110</b>

## TRAINING

Human Resource Development is the prime importance for any organization to achieve the organization goal. Keeping in view the present innovative and challenging market, the division has arranged need based in-house training programs / technical workshops to make officials / employees aware of latest trends / techniques and changes taking place in their respective fields and to enhance their knowledge so that they utilize their skill set efficiently to achieve the organizational goal.

**Discipline-wise details of Officials / Employees imparted training during 2018-19 is as under:**

Sl. No	Name of the Program	Level of Officers nominated	No. of Days	No. of Participants
1	Orientation Program (Batch - I)	Newly recruited	12	32
2	Orientation Program (Batch - II)	Newly recruited	6	33
3	Orientation Program (Batch - III)	Newly recruited	6	32
4	Orientation Program (Batch - IV)	Newly recruited	6	38
5	Program on Personal finance & money management	Sr. ED to OA grade I level	1	23
6	Program on Advance Excel	GM TO Jr. Engg. Level	2	28
7	Program on Advance Powerpoint	GM TO Jr. Engg. Level	1	16
8	Outbound Training Program at Ranikhet	AGM to Jr. Engg. Level	2	19
9	Emotional Intelligence	AGM to Jr. Engg. Level	2	23
10	Induction Program for newly joined MT-F	Newly recruited	12	7
11	Program on Edward de Bono's Six Thinking Hats	Sr. ED to Jr. Engg. Level	1	19
12	Program on Cost Effective Construction Technologies	AGM to Jr. Engg. Level	1	15
13	Green Building Construction Technology	AGM to Jr. Engg. Level	1	23
14	Green Building Construction Technology	AGM to Jr. Engg. Level	1	24
15	Program on POSH	AGM to Jr. Engg. Level	0.25	24
16	Managerial Excellence & Leadership Development	AGM to Jr. Engg. Level	1.5	20
17	Program on POSH	AGM to Jr. Engg. Level	0.5	20
18	Cost Effective Construction Technology	AGM to Jr. Engg. Level	1	33
19	Program on Art of Living	AGM to Group C Employees	3	60
20	Managerial Excellence & Leadership Development	AGM to Jr. Engg. Level	1.5	17
21	Program on POSH	AGM to Jr. Engg. Level	0.5	17
22	Green Building & Cost Effective Construction Technology	AGM to Jr. Engg. Level	2	26
23	Program on Engineering by Internal Trainers	AGM to Jr. Engg. Level	1	22
24	Program on POSH	AGM to Jr. Engg. Level	0.25	22
25	Program on Engineering by Internal Trainers/ External	AGM to Jr. Engg. Level	1	19
26	Managerial Excellence & Leadership Development	AGM to Jr. Engg. Level	1.5	23
27	Program on POSH	AGM to Jr. Engg. Level	0.5	23
28	Program on Engineering by Internal Trainers/ External	AGM to Jr. Engg. Level	1	18
29	Outbond Training Program at Ranikhet	AGM to Jr. Engg. Level	2	17
30	Program on Engineering by Internal Trainers/ External	AGM to Jr. Engg. Level	1	16
31	Program on Engineering by Internal Trainers/ External	AGM to Jr. Engg. Level	1	15
Total			73.5	724

Training of total **1,866.5** mandays was achieved for Group A & B employees during the FY 2018-19.



## INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels during the financial year. The efforts of employees have enabled the Company to remain at the leadership position in the industry.

## SAFEGUARD OF WOMEN AT WORKPLACE

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. The committee functions in accordance with the model code of conduct developed by National Commission for Woman/ Ministry of Woman and Child Development. The committee spread awareness amongst the employees regarding 'Zero Tolerance' for sexual harassment at work place.

The committee also investigates reported cases of sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has been employing 133 women employees in various cadres at the project and office premises. There was not any case filed during the financial year ended March 31, 2019.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as required under Regulation 34 read with Schedule V to the SEBI (LODR) Regulations forms part of this Report as **Annexure-I**.

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

- in the preparation of annual accounts for the financial year ended March 31, 2019, the applicable Indian Accounting Standards, had been followed along with proper explanation to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively and
- the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## CORPORATE GOVERNANCE REPORT

The Company complies with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and guidelines issued by DPE on Corporate Governance.

The requisite certificate from the Statutory Auditors of the Company, Dhawan & Co., Chartered Accountants, confirming compliance with the conditions of corporate governance as stipulated under the aforesaid SEBI Regulations is attached to Corporate Governance Report. The Corporate Governance Report for the financial year ended March 31, 2019 forms part of this report as **Annexure-II**.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the period under review, your Company had not entered into any material transaction with any of its related parties. The Company's related party transactions are generally with its subsidiaries and associates. All related party transactions were in the ordinary course of business and were negotiated on an arm's length basis. The policy on materiality of related party transactions is available on the Company's website, at the link <https://nbccindia.com/webEnglish/policies>.

The remuneration paid to Key Managerial Personnel is disclosed in the MGT-9 annexed to Annual Report. The related party contracts referred in section 188 of the Companies Act, 2013 in Form AOC-2 are enclosed as **Annexure–III**.

## QUALITY ASSURANCE/QUALITY CONTROL MANUAL

Quality Assurance (QA) and Quality Control (QC) both are part of Quality Management System **where QA focuses on preventing defect** and ensures that the approaches, techniques, methods and processes designed for the projects are implemented correctly while **QC focuses on identifying a defect** and ensures that the approaches, techniques, methods and processes are designed in the project are following correctly.

So, QA/QC becomes very crucial in the field of construction and NBCC (I) Ltd. being India's biggest organization in the Construction field devoted itself towards QA/QC in the areas of its operations.

NBCC through its technical/quality audit wing conducts the Technical/Quality audit of the selected projects through a well designed and robust checklist as per the QA/QC manual of the organization to ensure the QA/QC is being followed at project sites.

## SAFETY

NBCC gives highest priority and importance to safety and health to all the employees who work in its areas of operation. The Company is striving to become a role model in implementing safe practices/measures to ensure the goal of achieving zero harm at its work places and committed itself to meet all the statutory compliance of the Government applicable for the time being in force on safety aspects.

The Safety Management Division tries to ensure the goal of achieving zero harm at work places by:

- Bringing awareness about the Safety Policy of the Company to all RBGs/SBGs/Units/HODs-HO by issuing the circular and encourage them to implement the same.
- Proactive approach in assessment and mitigation of risks related to safety and health at work sites by conducting the safety audits at regular intervals of the project sites and by scrutinizing the daily/monthly safety feedback reports of work sites.
- Prevention of injuries and occupational illness by implementing best practices and by creating awareness and providing training to the workforce including associates, contractors, transport workers and suppliers through the empanelled safety agencies.
- Strengthening of the safety standards in the organization by celebrating the National Safety Day/Week campaign (recently 48th National Safety Day/Week campaign has been celebrated).
- Empowering all employees and contractors to stop any unsafe work.

## QUALITY MANAGEMENT SYSTEM (QMS)

NBCC is an IS/ISO 9001:2015 certified company which fulfil all the requirement of Quality Management System (QMS). The Organization has established its own Quality Policy and Quality Objective as described below to keep on upholding the standards of IS/ISO 9001:2015.

**A) Quality Policy:**

1. To keep on uplifting and maintaining the quality standards in providing Project Management Consultancy and execution of projects in order to sustain a high level of customer satisfaction by comprehensively meeting the stated need of the customers and proactively attending to their expectation.
2. To deliver projects in time and within cost with excellent quality and to become a trustworthy project management organization for customers.
3. To make quality an obsession and to carry commitments to comply with the applicable requirements and to continually improve the effectiveness of our quality management system.

**B) Quality Objectives:**

1. To achieve time norms for completion of project as per schedule at least in 90% projects.
2. To ensure that customer complaints are redressed within 60 days.
3. To conduct structured review by all RBG/ SBG/ Zones at least once in a month to monitor the performance of external provider and progress of the project to achieve the time schedule, quality parameters and safety aspects of the projects.
4. Green Building Initiatives with 90% of green features in the projects.
5. To organise training program related to the services offered by the organization and QMS in 100% cases of request received.

NBCC through its ISO-cell conducts the ISO Audit of all project sites and all RBGs/SBGs/Zones/Units/HOD-HO at an interval of six month and one year through a well developed checklist to ensure that the quality policy and quality objective established by the Company is being followed stringently.

**IT DIVISION**

With the aim of DIGITAL NBCC, management envisaged the concept of “Paper Less Office” towards creating employee’s friendly environment. We took initiatives, and implemented various IT activities in our organization to make more efficient, seamless, transparent work environment, and to take a leap towards DIGITAL NBCC. All departments are integrated with ERP / DMS / e-Office for internal process.

IT division is providing following IT services to the corporation on pan India basis:

- ERP- Employee Resource Planning (Web/Window)
- E-office
- DMS- Document Management System
- Vendor Portal
- Video Conference
- Data Center – Virtualization
- SSL - Secured Socket Layer
- Cloud Services

Following is the implementation of IT Plan, ERP and e-Office for the FY 2018-19.

- **Employee Resource Planning (ERP)** – NBCC has implemented in-house ERP application which is software places its focus on integrating an organization, department and functions (HRM, Finance, Projects, etc.) into a single and integrated computer system that aims to serve all those department needs.  
  
ERP software suites are built to collect and organize data from various levels of an organization and connect business activities across departments. ERP reduces the communication time, effective communication and transparency within and outside the organization.
- **E-Office** – NIC e-Office has been implemented to make the official communication time bound, easy tracking and faster, which has been procured from National Informatics Centre (NIC). E-Office, an integral part of NIC e-Office suite is a system designed for the government departments, PSU's Automation bodies to enable paperless office by scanning registering and routing the inward correspondences along with creation of file, noting, referencing, corresponding attachment, draft for approvals and finally movement of files as well as receipts.

Adopting e-Office is resulting in number of benefits like bringing the transparency in the system, improved efficiency in working, easy searching and retrieving of files/ data, alerts on urgent files.

## **DIVIDEND DISTRIBUTION POLICY**

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board while determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company, The policy is attached as **Annexure-IV** and is also available on the Company's website, at <http://www.nbccindia.com/webEnglish/policies>

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR) AND SUSTAINABILITY DEVELOPMENT**

The Company has Corporate Social Responsibility (CSR) committee in compliance with provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Company has in place a CSR policy in line with Schedule VII of the Companies Act, 2013, which can be accessed on the Company's website, at the link <http://www.nbccindia.com/webEnglish/policies>.

The Company also has a Sustainability Policy to ensure healthy well-being of its stakeholders and protecting the environment. The policy guidelines are integral to the way the Company conducts its construction as well as other business operations. NBCC is committed to ensure that it meets its business goals without compromising on the aspirations of the present and future generations.

The Report on CSR activities forms part to this Annual Report as **Annexure-V**.

## **COMPLIANCE OF DPE GUIDELINES AND POLICIES**

The guidelines and policies issued by Department of Public Enterprises from time to time are duly complied with by the Company.

## **MSME IMPLEMENTATION**

The Government of India has notified a Public Procurement Policy pursuant to Micro and Small Enterprises (MSEs) Order, 2012. It always has been endeavour of NBCC to support Micro and Small Enterprises (MSEs) and local suppliers. NBCC has taken a number of steps including the necessary steps to implement the Public Procurement Policy of the Government of India to procure the items specified from MSEs, including SC/STs. Necessary provision is made in all the tenders stating the eligibility of Micro, Small and Medium Enterprises (MSMEs) to participate in the tender. As mandated

in the Public Procurement Policy-2012 for MSEs (issued by Ministry of MSME- Govt. of India), the actual procurement from MSMEs during the year was 48.24% i.e. ₹37.11 lakh out of which procurement from SC/ST vendor was ₹ 4.95 lakh i.e. 6.43% of total procurement.

## RISK MANAGEMENT

NBCC has a well laid-down risk assessment and management process. A Board level Committee called Risk Management Committee (RMC) has been constituted in compliance with the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to define a framework for identification, evaluation and mitigation of risk in the decision making process of the business of NBCC. The RMC is responsible to identify and review the risks and to formulate action plans and strategies to mitigate risks on short term as well as long term basis. The Board had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board.

Your Company periodically analyzes the risks associated with its operations and takes all the necessary precautionary measures to manage and mitigate the risks.

## INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial reporting in compliance with the provisions of Section 134(5) (e) of the Companies Act, 2013 and such internal financial controls over financial controls were operating effectively. Internal Financial Controls over financial reporting are audited through external auditors on an annual basis.

The controls have been designed to provide assurance with respect of maintenance of proper accounting records, ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors and ensuring reliability of financial and operational information. The internal control systems (including Internal Financial Controls over Financial Reporting) are reviewed on an ongoing basis and discussed at Audit Committee meetings. Necessary changes are carried out by the management to align with the changing business requirements.

In addition to the above, the Company has a well-defined delegation of financial powers to its various officers through its sub-delegation of power book. The book is updated on timely basis in line with the needs of the Company as well as to bring further delegation. The Company has in-house Internal Audit and Technical Audit Departments commensurate with its size of operations. The internal audit program, scope of audit and audit plan is approved from the Audit Committee. Internal audit is conducted through external audit firms and reports are deliberated with the management as well as the Audit Committee. The Statutory Auditors and Audit Committee of the Company regularly reviews significant audit findings covering operational, financial and other areas and provides guidance on internal controls.

## VIGILANCE ACTIVITIES AND INITIATIVES

The Vigilance function with the NBCC, is an integral part of the Management. It is the nodal section for handling all vigilance matters of the NBCC. It is believed that with best practices, adequate controls and transparency in place, decisions are taken in a professional, efficient and effective manner and same would be consistent, leading to good governance and corporate excellence. The Vigilance Division of Corporation was under the charge of Chief Vigilance Officer (of the rank of Joint Secretary), who was from outside the cadre of NBCC.

NBCC, has observed 'Vigilance Awareness Week' with full enthusiasm from October 29 to November 3, 2018 on the theme "Eradicate Corruption-Build a New India". Among highlights of the week-long event organized by the Company, included release of Vigilance Bulletin titled 'PARDARSHITA' and thought-provoking posters brought out by Vigilance Department of NBCC to spread awareness and provide valuable insights on vigilant practices.



Information of vigilance cases, required pursuant to Office memorandum issued by Ministry of Parliamentary Affairs vide its letter dated F.No.28(1)2016-Leg.I, dated January 24, 2018 is as under:

Particulars	Number of Cases	Nature of cases
Number of Cases at the beginning of Financial year 2018-19	30	The nature of cases/ complaints are normally tender related, procedural lapses and financial irregularities related matters.
Number of Cases received during the Financial year 2018-19	47	
Number of Cases disposed off during the Financial year 2018-19	25	
Number of Cases Pending at the end of the Financial year 2018-19	52	

After investigation of complaints, where lapses/ irregularities are established, the disciplinary proceedings are initiated against the delinquent employees.

## SYSTEMIC IMPROVEMENT

Vigilance Division has been supported by NBCC in introducing effective Vigilance MIS:

- Complaint database is being maintained to effectively monitor their status resulting in reduction in their pendency.
- Database is maintained of all cases pertaining to minor and major penalty proceedings. Status of all cases is regularly updated so as to keep track of the deadlines and actions required to be undertaken.
- Database of all CTE para reports, CBI cases and departmental inquiries is made so as to keep track of all of them.
- Digitization of documents has been started as per CVC directives.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

The 'NBCC Whistle Blower Policy' has been formulated for (i) greater transparency in all aspects of the Company's functioning by formulating a procedure for further enabling employees to bring to the attention of Company incidents of improper activities or violation of the Company's Service (Conduct) Rules and the Code of Business Conduct and Ethics for Board Members and Senior Management and (ii) to provide necessary safe-guards for protection of employees from reprisals of victimization for whistle blowing in good faith. A vigil mechanism for directors and employees to report genuine concern about unethical behavior, actual or suspected fraud or violation to the Company's Code of Conduct has been established which includes the duly adopted Whistle Blower Policy, uploaded on the Company's website at the link <http://www.nbccindia.com/webEnglish/policies>.

Further, NBCC (India) Ltd. has become a member of Transparency International India, an institution engaged in propagating the concept of the 'Integrity Pact' intended to eradicate corruption in public procurement. NBCC is a firm believer that transparency makes good citizens which never go out of business.

## DRIVING SYNERGY - INVESTOR RELATIONS

NBCC is committed to providing timely, accurate and comprehensive information relevant to all aspects of our operations and in compliance with SEBI regulations. The purpose of the Investor Relations Policy is to ensure transparent and fair information dissemination.

The Company recognizes that effective communication with investors assists in development and maintenance of an informed market in the Company's securities and enhances corporate governance by encouraging a culture of transparency in relation to the Company's corporate activities and proposals.

As per the guidelines issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India, on Investor Relations for Listed Central Public Sector Enterprises, the Company has been participating in various investors conferences in India and overseas as well in order to communicate with stakeholders, to enhance and strengthen its corporate governance and investor relations and to develop a strong bond with stakeholders.

The Company keeps investors and the market fully equipped with the information that may have a material effect on the price or value of the Company's securities by timely disclosure of information through Stock Exchanges. The net impact of the interactions was that it helped fostering visibility of NBCC as a pioneer construction Company in global arena. This also led to stable stock position and promoting credibility of NBCC management in the allied industry.

During FY 2018-19, Company's investor relation team participated in various domestic conferences/group meetings throughout the year. During these meetings/conferences, Company management interacted with various analysts, fund managers and prospective investors and presented success story of India's infrastructure sector being a part of one of fastest emerging economy of world.

Apart of that investor relations team also organized various one-on-one investor meetings, conferences, site visit, infra tour for various potential investors. For any other update or information, please contact us through [Investors@nbccindia.com](mailto:Investors@nbccindia.com), we would be very happy to reply within stipulated timeframe.

## **AUDITORS AND AUDITOR'S REPORT**

### **STATUTORY AUDITORS**

M/s Dhawan & Co., Chartered Accountants, was appointed as Statutory Auditors for the FY 2018-19 by the Comptroller and Auditor General of India. The notes on standalone financial statement referred in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors' Report is attached with financial statements and forms part of this Annual Report.

The Statutory Auditors of the Company have given an un-qualified report on the standalone accounts of the Company for the FY 2018-19. However, Statutory Auditor have placed a qualified Audit Report on Consolidated Financial Statement and the Management has given reply thereon which forms part of this Annual Report.

### **COST AUDITORS**

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting records are maintained by the Company. The Board has appointed M/s Ajay Kumar Singh & Co., Cost Accountants, to audit cost records of the Company for the FY 2018-19. The Cost Audit Report for the financial year ended March 31, 2018 had been filed within the prescribed time period under the Companies (Cost Records & Audit) Rules, 2014.

### **SECRETARIAL AUDITORS**

The Board has appointed M/s Agarwal S. & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the FY 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 along with management reply is at **Annexure-VI**.

### **COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA**

The Comptroller and Auditor General of India, has given 'NIL' Comments on the Financial Statements of the Company for the year ended March 31, 2019 after conducting supplementary audit under Section 143 (6) (b) read with Section 129 (4) of the Companies Act, 2013. The copy of the same forms part of this Report.

### **AUDIT COMMITTEE**

The Company had constituted Audit Committee with the member's viz. Maj. Gen. Tajuddin Moulali Mhaisale, Chairman, Smt. Jhanja Tripathy, Shri Rajendrasinh Rana and Shri Sairam Mocherla as members. The recommendations made by the Audit Committee are accepted by the Board.

## NUMBER OF MEETING OF BOARD OF DIRECTORS

Pursuant to the Companies Act, 2013 and the Rules framed there under, 9 (Nine) Board meetings were held in the financial year 2018-19. The details of the meeting are at Corporate Governance Report forming part of this Annual Report.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### APPOINTMENTS/CESSATIONS

#### Appointments/Cessations

During the FY 2018-19, Shri Manoj Kumar, Government Nominee Director ceased on November 20, 2018 and Shri Sanjay Murthy Kondru was appointed as Government Nominee Director on November 20, 2018.

Further, Shri Shiv Das Meena assumed the additional charge of Chairman-cum-Managing Director of NBCC with effect from April 5, 2019 and Shri Rakesh Kumar Arora has assumed the additional charge of Director (Finance) of the Company with effect from June 21, 2019. Further, as per the Office Order issued by the Administrative Ministry (MoHUA), Shri Arora shall hold the additional charge of Director (Finance), NBCC till the appointment of regular incumbent or until further order, whichever is early.

Dr. Jyoti Kiran Shukla has been appointed as an independent woman Director on the Board NBCC w.e.f. August 1, 2019. Smt. Jhanja Tripathy ceased to be Government Nominee Director on August 5, 2019. Shri Shyam Sunder Dubey has been appointed as Government Nominee Director on August 6, 2019.

The strength of the Board of Directors of NBCC as on March 31, 2019 was eleven (11), comprising three (3) Executive Directors (Functional Directors including CMD) and two (2) Government Nominees and six (6) Independent Directors.

The Company had optimum combination of executive and non-executive directors on its Board in compliance with requirement of provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2019.

### DETAILS OF KEY MANAGERIAL PERSONNEL

The following were the Key Managerial Personnel of the Company for the FY 2018-19:

- Shri Anoop Kumar Mittal, Chairman-cum Managing Director (upto March 31, 2019)
- Shri Rajendra Chaudhari, Director (Commercial)
- Shri Neelesh Manherlal Shah, Director (Projects)
- Smt. BK Sokhey, Chief Financial Officer
- Smt. Deepti Gambhir, Company Secretary

### PERFORMANCE EVALUATION OF THE DIRECTORS AND THE BOARD

Ministry of Corporate Affairs (MCA), through General Circular dated June 5, 2015, has exempted Government Companies from the provisions of Section 178 (2) of the Companies Act, 2013 which provides about manner of performance evaluation of Board of Directors, Committee of Board of Directors and Director by the Nomination and Remuneration Committee.

The aforesaid circular of MCA further exempted listed Govt. Companies from provisions of Section 134 (3) (p) of the Companies Act, 2013 which requires mentioning the manner of formal evaluation of its own performance by the Board and that of its Committees and Individual Director in Board's Report, if directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government as per its own evaluation methodology.

Now, MCA, through Notification dated July 5, 2017, has amended Schedule IV to the Companies Act, 2013 with respect to performance evaluation of directors of the Government Companies that in case of matters of performance evaluation

are specified by the concerned Ministries or Departments of the Central Government or as the case may be, the State Governments and such requirements are complied with by the Government companies, such provisions of Schedule IV are exempt for the Government Companies.

In this regard, Department of Public Enterprises (DPE) has already laid down a mechanism for performance appraisal of all functional directors. DPE has also initiated evaluation of Independent Directors.

NBCC is a Government Company, appointment/ nomination of all the Directors is being done by the President of India, through the Ministry of Housing and Urban Affairs and performance evaluation of Directors including Independent Directors has been done by the Administrative Ministry being the appointing authority.

## **DECLARATION BY INDEPENDENT DIRECTOR**

The Independent Directors of the Company had made declaration of Independence as required under section 149(6) of the Companies Act, 2013 and the rules made there under.

## **TRAINING OF DIRECTORS**

Your Company undertakes on-boarding training for its directors to initiate them to the organization and its various operations including strategy, operations, organization structure, human resource, technology, risk management etc. They are also updated on all the latest developments in Corporate Governance to gain deeper insights into their roles and responsibilities. Further, the Company also invests in the learning of Board-level executives through seminars and conferences held in association with reputed institutions. The Company has made the arrangement for internal training of Independent Directors. The Company's policy on Directors' Training can be assessed on the corporate website at the link <http://www.nbccindia.com/webEnglish/policies>.

## **EXTRACT OF ANNUAL RETURN**

Extract of the Annual Return in Form MGT 9 as provided under section 92 of the Companies Act, 2013, forms part of the Annual Return as **Annexure –VII**.

## **BUSINESS RESPONSIBILITY REPORT**

The Business Responsibility Report (BRR) describes the initiatives taken by the Company from social, environmental and governance perspectives. As a socially-responsible organization, NBCC conducts all its business activities in complete respect of the environment and society, and in line with its corporate governance guidelines. Detailed information on the Corporate Social Responsibility (CSR) activities is provided in the Business Responsibility Report as **Annexure-VIII**.

## **RESEARCH AND DEVELOPMENT**

Research and development in NBCC is focused on innovations in its three business areas – Project Management Consultancy, Engineering Procurement and Construction and Real Estate.

### **A) Conservation of Energy:**

- a) Steps undertaken for conservation of energy:
  - NBCC has signed a Memorandum of Understanding (MoU) on December 18, 2017 with the Energy and Resources Institute (TERI) for the period of 5 years. Under the MoU, TERI will be providing advice and consultancy to NBCC on identifying solutions for sustainable development and implementation of GRIHA for new projects. TERI will also be assisting NBCC in formulating sustainable development policy and long term sustainable development plan. Further, it will be giving consultancy for conducting environment assessment and energy management in the existing projects among others.

- i) Steps taken by the Company for utilizing alternative sources of energy:
  - Installation of roof top solar power panels.
- ii) Capital investment on energy conservation equipments:
  - As most of the projects executed by NBCC are in line with the GRIHA norms, the equipments used are all energy efficient.
  - Installation of LED based lighting in all NBCC Buildings.

#### **B) Technology Absorption:-**

- i) **The efforts made towards technology absorption:**
  - Monthly presentations of new products and innovative technologies of best in class companies are being organized.
- ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:**
  - Awareness about the new technologies and products is being imparted to the senior management for utilizing the same in the projects.
- iii) **In case of imported technology-**
  - NBCC and Bolix SA, Poland signed MoU on April 17, 2017 to promote external thermal insulation and composite systems. ETICS is a potential game changer for construction of green building with energy efficient and environment friendly solution.

#### **C) Foreign Exchange Earnings and Out-go**

The details of foreign exchange earnings and out-go during the period under review are as under:

Foreign Exchange Earning: ₹ 13,67,78,640/-

Foreign Exchange Outgo: ₹ 24,80,118/-

#### **PROGRESSIVE USE OF HINDI**

The Company has been implementing the provisions of Government's Official Language Policy. Employees are encouraged to use Hindi in their day to day working. Incentive schemes of Rajbhasha Vibhag, Ministry of Home Affairs such as Hindi Noting Drafting Incentive Scheme; Hindi Dictation Incentive Scheme etc. have been implemented in the Company in which employees are participating. During the year under report, efforts continued in the Company towards progressive use of Hindi. During the financial year 2018-19, quarterly meetings of Official Language Implementation Committee (OLIC) were held regularly to review the progressive use of official language Hindi in the Company.

During the year Hindi workshops were organized to promote the official use of Hindi Unicode, Hindi noting, letter writing etc in which number of participants from Corporate Office, RBG, SBG and Zonal Offices participated. Hindi competition at the end of workshop introduced and prizes were given to encourage the participants.

Hindi Protsahan Maas was observed from September 01 to September 30, 2018 in which various activities were organized and many employees took active part in it. Hindi Diwas was also celebrated in this month. During the year inspections of various offices of NBCC including head office by Committee of Parliament on Official Language have successfully been completed.

NBCC has been honored during Town Official Language Committee meeting on February 25, 2019 in various categories including Best Hindi In-house magazine. Shri Rajendra Chaudhari, Director (Commercial) received the shields. During the year sixth and seventh issue of NBCC House Magazine NIRMAN BHARATI in Hindi also published.

For the FY 2018-19, quarterly Hindi Vyavhar Pratiyogita (Use of Hindi in day to day official work) has been organized in which various participants took part and prizes were given to them. Hindi inspections were conducted by the Rajbhasha Division in the various divisions at corporate office and Regional Business Groups (RBG)/Strategic Business Groups (SBG)



/zonal offices to oversee use of official language Hindi in day to day working. Further, progress of Official Language Implementation was also reviewed in the quarterly General Manager's Conference.

## RIGHT TO INFORMATION

Right to Information (RTI) Act, 2005 has empowered the Indian citizen to access information from public authorities, resulting in transparency and accountability to the working of the authorities. Company has appropriate mechanism to provide information to citizens under the provisions of Right to Information (RTI) Act, 2005. The status of RTI received during the year is as follows:

Mode of application	No. of RTI application received	No. of RTI applications				No. of Pending RTI applications
		Rejected	Information provided	Transferred to other public Authority	Returned to Applicant	
Hard Copy	174	2	167	2	3	-
Online	174	-	168	2	4	-
Total	348	2	335	4	7	-

## SIGNIFICANT AND MATERIAL ORDERS

There have been no material changes and commitment affecting the financial position of the Company which occurred between the end of the financial year of the Company to which financial statements relate and the date of this report.

### GENERAL:

Directors hereby state that no disclosure or reporting is required in respect of the following during the year under review:

1. There was no issue of shares under ESOP/ESPS to the employees.
2. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future
3. Neither the Chairman-cum-Managing Director nor the Whole Time Directors received any remuneration or commission from the subsidiary company.
4. As per provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose the ratio of the remuneration of each director to the median employee's remuneration and details of employees receiving remuneration exceeding limits as prescribed from time to time in the Directors' Report.

However, as per notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Director's Report.

5. The company is compliant of the Secretarial Standards issued by the ICSI from time to time.
6. Information on number of meetings of the Board held during the year, composition of committees of the Board and their meetings held during the year, establishment of vigil mechanism/ whistle blower policy and web-links for familiarization/ training policy of directors, Policy on Materiality of Related Party Transactions and also on Dealing with Related Party Transactions and Policy for determining 'Material' Subsidiaries have been provided in the Report on Corporate Governance, which forms part of the Directors Report at **Annexure-II**.

7. Para on development of risk management policy including therein the elements of risks are given in the Annual Report.
8. No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:
  - I. Issue of equity shares with differential rights as to dividend, voting or otherwise.
  - II. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

## **ACKNOWLEDGEMENT**

The Directors of your Company acknowledge and appreciate the co-operation received and support received from the Government of India, State Governments, different ministries particularly Administrative Ministry i.e. the Ministry of Housing and Urban Affairs.

The Board also appreciates the contribution of contractors, vendors and consultants in the implementation of various projects of the Company. Your Directors thank all share-owners, business partners and all members of the NBCC Family for their faith, trust and confidence reposed in the Board. We wish to place on record our appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the company continues to grow and excel.

Sd/-

**Shiv Das Meena**

Chairman-cum-Managing Director

(DIN: 01881010)

Place : New Delhi

Date : August 8, 2019



## Management Discussion and Analysis Report

### INDUSTRY OUTLOOK: KEY DEVELOPMENTS SHAPING THE INDUSTRY LANDSCAPE

The Indian economy showed positive indications of high growth on the back of numerous initiatives and reform measures undertaken by the Central and State Governments. The Indian economy stands largely relieved of the vulnerabilities associated with an economic slowdown: persistent inflation, elevated fiscal deficit, slackening domestic demand, external account imbalances and fluctuating value. These favourable tailwinds are creating brighter prospects for the near and mid-term.

In addition to favourable macro-factors, increasing public and private investment spending initiatives undertaken by the Government to boost growth in capital expenditure is instrumental in driving the country's long-term growth agenda. The Government has taken significant measures by increasing the capital expenditure allocation for infrastructure projects through budgetary reforms. Besides, the Government is taking pro-active initiatives to unlock stuck and stalled investments in the core and infrastructure projects, revive investments from the private sector by reforming policy environment, improve ease of doing business and accelerate project related approvals. The Reserve Bank of India's (RBI's) policy appears aligned for a stable, low inflation regime. RBI has started lowering interest rates as well as increase liquidity in the economy through key monetary policy changes. It has indicated that it will further ease the monetary policy based on key data from indicators that will help ease of supply constraints, lending rates and improve availability of basic inputs like power, land, mineral and infrastructure.

On the policy front for housing and construction sector, the Government launched major initiatives focused on reviving the urban sector. These include policy initiatives like Housing for All by 2022, Development of 100 Smart Cities and Swachh Bharat Abhiyan.

### BUSINESS OVERVIEW: AN INSIGHT INTO NBCC'S CORE ACTIVITIES

Established in 1960, NBCC (India) Limited today is a blue-chip Government of India "Navratna" Enterprise under the administrative control of Ministry of Housing and Urban Affairs. The Company is listed on the National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange (BSE).

NBCC's core activities comprise of three distinct verticals : (i) Project Management Consultancy (PMC), (ii) Engineering Procurement and Construction (EPC) and (iii) Real Estate Development (RED). PMC includes re-development projects on a self-financing model. The Company's unique business model distinguishes it as a leader in its own right in the Indian construction sector.

#### Project Management Consultancy (PMC)

Project Management Consultancy is the core area of focus in implementation of projects encompassing quality, speed, economy and safety while also incorporating maximum green features and ensuring sustainability. NBCC's PMC services entail implementation of the projects from Concept to Commissioning, ensuring competitiveness on the basic guidelines of cost, quality and time. PMC services also offer maintenance of projects.

NBCC's PMC business consists of a wide range of management and consultancy services in two segments : Civil Construction Projects and Infrastructure Projects which includes:

#### **Civil Construction Projects**

- Residential and Commercial Complexes
- Re-development of Colonies
- Hospitals
- Educational Institutions
- Infrastructure Works for Security Personnel
- Border Fencing

#### **Infrastructure Projects**

- Roads
- Water Supply Systems
- Storm Water Drainage Systems
- Water Storage Solutions
- Solid Waste Management Schemes

### **Engineering Procurement and Construction (EPC)**

Engineering Procurement and Construction encapsulates detailed design engineering, procurement and expeditious execution of projects. NBCC's EPC business has been operating in Infrastructure segment, executing a diverse range of projects like chimneys, cooling towers, coal handling plants, roads, metro elevated tracks, TV towers, airports, runways etc. EPC services include project conceptualisation, feasibility studies, detailed project reports, engineering, tender specifications and various packages covering basic and detailed engineering, review of projects, procurement, construction drawings, commissioning and testing and handing over of project to clients in ready-to-use and in functional condition.

### **Real Estate**

NBCC entered the Real Estate segment in 1988, executing several commercial and residential projects. The growth in Indian economy has driven demand for real estate across all categories, particularly housing and commercial sub-segments. Development and management of real estate sector has emerged as a critical and crucial part of the larger Indian construction space. However, the real estate sector has been going through a challenging phase in the last few years. NBCC, a Government Navratna and a leader in the construction segment, has been playing a vital role executing residential and commercial projects as well as many institutional projects where it either acquires land parcel or enters into JV or Consortia with other leading players.

### **Overseas Operations**

NBCC has been expanding its global footprint steadily since it ventured overseas in 1997. The Company has successfully executed diverse and complex projects in countries like Libya, Iraq, Yemen, Nepal, Maldives, Mauritius, Turkey and Botswana. Presently, the Company has its presence in Maldives, Mauritius, Dubai, Seychelles etc. where it is implementing various projects.

NBCC is executing projects in several African countries like Niger, Uganda, Malawi, Zambia, Liberia, Gambia, Burkina Faso, Togo and Gabon. The total value of these projects is approximately ₹ 2,000 crore.

NBCC had received an in-principle approval from the Department of Commerce, Ministry of Commerce and Industry, Government of India for conceptualizing, designing and construction of "India Pavilion" at the World Expo 2020 to be held in Dubai from October 2020 to April 2021.

### **OUTLOOK: THE FUTURE IS BRIGHT**

NBCC is a financially sound and consistently profit-earning Company. It is led by a professionally experienced senior management team supported with a large pool of highly motivated and skilled employees with diverse background ranging from finance, law, projects, engineering, architecture, HR and IT over-arching expertise-areas from housing, to urban infrastructure to master plan to city development plans.

NBCC always endeavors to execute projects with world-class technology and deliver these within given time-frame. The Company has consistently improved its execution capabilities with the adoption of latest new technology. It has been a leader in the construction sector. Its unique business model for development of government colonies and its diverse exposure across businesses, segments and geographies de-risks cyclical downturns, resulting in a steady growth trajectory.

NBCC prides in creating new generation workspaces that match global standards. The Company has the distinction of developing office projects at par with the best in the world. It has become a partner of choice for many government and non-government organisations. The construction industry has been witness to a strong growth wave powered by large spends on housing, road, water supply, urban transformation etc. With the total investment in infrastructure estimated to increase significantly, the future outlook for NBCC is both positive and optimistic - the Future is Bright.

## FINANCIAL PERFORMANCE

Strengthened by robust operational performance and sound fundamentals, NBCC has posted impressive corporate results for the financial year 2018-19. Key financial highlights are as under:

(₹ in crore)

Particular	Consolidated		Standalone	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Total Income	10,151.36	8,609.62	7,432.22	6,011.14
Total Expenses	9,582.84	8,025.82	6,873.76	5,508.52
Share of Profit/(Loss) in joint venture (Net of Tax)	0.38	0.58	-	-
PBT	568.90	584.24	558.46	502.62
PAT	391.64	395.72	384.11	333.60

During the financial year 2018-19, the Company acquired HSCC (India) Limited.

The Board of Directors of the Company have recommended a dividend of 65 paise per paid-up equity share of ₹1/- each (i.e. @ 65%) for the FY 2018-19 subject to the approval of the shareholders at the ensuing AGM of the Company.

The performance of the Company is likely to be rated “Excellent” by the Department of Public Enterprises (DPE) for the FY 2018-19.

## Segment-wise Performance:

Segment-wise performance of the Company is as under:

(₹ in crore)

Particulars	Consolidated		Standalone	
	Year Ended on		Year Ended on	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>				
(a) PMC	8,917.66	7,588.21	6,331.62	5,339.33
(b) Real Estate	350.65	25.22	480.47	25.22
(c) EPC	538.07	780.44	329.51	507.14
<b>Total</b>	<b>9,806.38</b>	<b>8,393.87</b>	<b>7,141.60</b>	<b>5,871.69</b>



Particulars	Consolidated		Standalone	
	Year Ended on		Year Ended on	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Audited	Audited	Audited	Audited
Less: Inter Segment Revenue	-	-	-	-
<b>Net sales/Income From Operations</b>	<b>9,806.39</b>	<b>8,393.87</b>	<b>7,141.60</b>	<b>5,871.69</b>
<b>2. Segment Results</b>				
Profit before tax				
(a) PMC	454.37	644.64	383.76	581.18
(b) Real Estate	162.77	(2.09)	220.79	(2.45)
(c) EPC	3.77	58.09	1.85	43.15
(d) Unallocated	(51.40)	(91.48)	(47.33)	(119.05)
Less: Finance Cost	0.61	24.92	0.61	0.21
<b>Total Profit Before Tax</b>	<b>568.90</b>	<b>584.24</b>	<b>558.46</b>	<b>502.62</b>

## INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

At the end of the financial year 2018-19, NBCC had following subsidiaries and joint venture companies:

NBCC Services Limited	Wholly Owned Subsidiary
NBCC Engineering and Consultancy Ltd.	Wholly Owned Subsidiary
NBCC International Limited	Wholly Owned Subsidiary
NBCC Environment Engineering Limited	Wholly Owned Subsidiary
HSCC (India) Limited	Wholly Owned Subsidiary
Hindustan Steelworks Construction Limited	Subsidiary
NBCC Gulf LLC	Foreign subsidiary
NBCC DWC-LLC	Foreign Wholly Owned Subsidiary
Real Estate Development & Construction Corporation of Rajasthan Ltd.	Joint Venture

## Related Party Disclosure:

Sr. No.	In the accounts of	Disclosures of amounts at the year end March 31, 2019 and the maximum amount of loans/ advances/ Investments outstanding during the year
1	Holding Company	<ul style="list-style-type: none"> <li>Loans and advances in the nature of loans to subsidiaries by name and amount: NIL</li> <li>Loans and advances in the nature of loans to associates by name and amount: NIL</li> <li>Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: NIL</li> </ul>
2	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan: NA

For the purpose of above disclosures directors' interest shall have the same meaning as given in section 184 of The Companies Act, 2013.

There is no transaction in the Company with any person or entity belonging to the promoter/promoter group which holds 10% or more shareholding in the Company.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along-with detailed explanations are as follows:

Particulars	Financial Ratios		Remarks
	2017-18	2018-19	
Debtors Turnover	2.64	<b>3.27</b>	This ratio measures the efficiency of the Company in managing and collecting the debts and receivables. It signifies the level how frequently the Company realizes its dues.
Inventory Turnover Ratio	3.64	<b>4.09</b>	This ratio shows how well the Company manages its inventory levels and how frequently the Company replenishes its inventory
Interest Coverage Ratio	NA	<b>NA</b>	NA
Current Ratio	1.28	<b>1.11</b>	This ratio shows the Company's ability to pay short-term obligations or those due within one year
Debt Equity Ratio	N/A	<b>N/A</b>	NA
Operating Profit Margin(%)	14.68%	<b>11.19%</b>	This ratio shows how much profit the Company makes on sales/ services, after paying directly attributable prime cost.
Net Profit Margin (%)	5.65%	<b>5.30%</b>	Net profit margin signifies how much net income/profit is generated from its operating revenues.
ROI *	4.77%	<b>5.67%</b>	ROI signifies the returns to the owners on their average investment in the Company.

\* Apart from increase in business operations, the increase in ROI is mainly attributable to the reduction of Net Worth by ₹ 498.66 crore due to implementation of Ind AS 115 for which due disclosures are given vide note No. 46 of the Financial Statements.

## GETTING APPRECIATION WITH AWARDS AND RECOGNITIONS

During the financial year 2018-19, NBCC won numerous awards and recognitions for its commitment to provide low cost, sustainable, innovative and holistic solutions to customers, and create value for its partners and stakeholders. The major awards include Achievement Award for Best Construction Project by the Construction Industry Development Council at its 11<sup>th</sup> Annual CIDC Awards series 2019, Dainik Jagran CSR Award, Global Safety Award 2019, Top Rankers Excellence Award, North India Best Employer Brand Award 2018, Organisational Excellence Award 2018 by Project Management Associates (PMA) and Dun & Bradstreet (D&B) PSU Award 2018.

## BREAKING NEW GROUNDS THROUGH RESEARCH & DEVELOPMENT

Pushing boundaries and reaching new frontiers has always integral to the larger purpose at NBCC. NBCC always endeavors to work towards innovation, introduction and improvement of services and processes.

The Research and Development (R&D) Policy of NBCC is to provide a framework for inculcating and fostering a research culture within NBCC, improve research performance and achieve high quality technology outputs. The policy promotes R&D activities as complimentary to construction activities aimed to improve the quality of work and sustainability. It contributes towards creation of wealth and well-being of the Company and further for the construction sector as a whole. It supports NBCC's aspiration of emerging and evolving into a world-class construction company.

NBCC has taken an important initiative in this direction by collaborating with IIT, Roorkee in setting up of R&D Centre focused on 'Sustainable Civil Infrastructure'. The centre is taking up research activities in many construction areas and aims to return benefits of research to the construction industry as well as the society at large.

The following sponsored research projects are under progress at IITs/other premier Institutes/Research organisations:

1. Developing an Integrated Framework of Green Construction practices and Implementation Roadmap for NBCC-IIT, Roorkee.
2. Identification and Degradation of Emerging Contaminants in India by Advanced Oxidation and Advanced Reduction Process
3. Comparative Study of Conventional Building Foundations with foundations on treated)/ reinforced ground
4. Pragmatic Approach towards using Demolished Concrete Wastes & Reclaimed Asphalt pavement in Pavement Quality Concrete (PQC) Mix
5. Framework to manage construction and governance of Smart City Buildings in India
6. Development of Self-healing concrete using bacteria by Thapar University, Patiala
7. Setting up of Laboratory on 'Sustainable & Durable Construction at GNEC' by IIT, Roorkee
8. Lesson from Green Residential Development - case of East Kidwai Nagar and New Moti Bagh by IIT, Roorkee
9. Seismic Safety measures for RC frame Buildings with different types of Infill panels by IIT, Roorkee
10. Characterisation of Manufactured Sand and its effective utilisation in Construction by CSIR-CBRI, Roorkee

## **ECO-FRIENDLY SUSTAINABLE CONSTRUCTION**

All new projects undertaken by NBCC are conceived/conceptualized in line with the Bureau of Energy Efficiency (BEE) and GRIHA norms. Some of the 'green' buildings executed by NBCC include:

- a. Indian Institute of Corporate Affairs, IICA, Manesar - LEED India Gold Rating;
- b. Civil Services Officers Institute (CSOI), New Delhi - a GRIHA 3Star Building ;
- c. National Institute of Food Technology Entrepreneurship and Management (NIFTEM), Sonapat (Haryana)- IGBC Platinum Rating;
- d. India's first and largest Green Home Campus at New Moti Bagh - IGBC Silver Rating;
- e. National Institute for Solar Energy (NISE), Gurgaon - GRIHA 5Star Rating;
- f. Central Bureau of Investigation (CBI) H.Q. building - IGBC Green Building Certification Trophy 2015 for Silver Rating;
- g. Central Information Commission - GRIHA Rating 4;
- h. Construction of Residential and Non-Residential buildings for Group Head Quarter for CISF at Ahmedabad - GRIHA Rating 3.

## **COLLABORATIONS & EXPANSIONS**

NBCC is actively engaged in the development of Smart Cities and has acquired Hindustan Steelworks Construction Limited (HSCL) in 2017 and HSCC (India) Limited in 2018. NBCC will benefit from its versatile infrastructure portfolio and its expertise in the implementation of integrated steel plants. NBCC has also been appointed as Land Management Agency (LMA) by the Government of India for disposing of land / immovable assets of sick PSUs.

## **OPPORTUNITIES & CHALLENGES**

### **Construction**

Key growth drivers in the housing and urban infrastructure space that are likely to create potential opportunities for NBCC are:

- increasing population growth and rapid pace of urbanisation

- growth in Infrastructure and real estate sector due to favorable demographics with a large proportion of Indian population below the age of 30 years
- shortage of housing in the country both in the rural and urban areas leading to demand for increased houses
- huge infrastructure gaps still to be built and the resultant demand for infrastructure
- emerging opportunities for potential sanctions under various projects of the Central Government such as Pradhan Mantri Awas Yojna (PMAY - urban and rural), Smart Cities, AMRUT, HRIDAY and such other schemes

Besides the above opportunities, another emerging opportunity for NBCC is in the schemes/missions launched by the central and state governments in other ministries. The actual realisation of these potential opportunities would depend on the level of threats and strategies followed to counter these.

### Infrastructure

A major push from the government on the roads, railways and urban infrastructure segments has enabled construction companies improve their order book position. Some of the key opportunities to drive growth in the infrastructure segment are:

- **Smart Cities:** About ₹48,000 crore have been earmarked to transform the urban landscape by developing 100 smart cities across the country.
- **Social Housing Development:** In a bid to rehabilitate slums and ensure better quality homes, the Government's flagship programme, Housing for All, has set a target to construct 20 million social housing units across the country by 2022.
- **Urban Development:** The AMRUT programme seeks to promote comprehensive urban development and support economic growth in 500 towns and cities in the country
- **Focus On Renewable Energy:** To reduce the country's reliance on energy imports, the Government is developing its renewable energy infrastructure with target to generate 175GW of electricity through renewable sources by 2022.
- **Holistic Infrastructure Development:** The Union Budget has earmarked funds for the development of national highways, state highways and expressways, high-speed rail corridors, dedicated freight corridors and freight terminals, greenfield airports, ultra-mega power plants, high-voltage transmission lines, piped-gas distribution networks, greenfield major ports, mass rapid transport system, and water supply and waste treatment systems.
- **Policy Reforms:** By giving infrastructure status to the affordable housing sector, the Government has opened a floodgate of opportunities for private sector participation, enabling developers to access easy loans from banks to fund their projects.

These are very exciting and dynamic times for NBCC and the Company is fully geared to capitalise on these opportunities by leveraging its strengths and competencies as well as its experience and expertise, specifically, the Company aims at:

- **Improving Operational Efficiency:** Through better contract and project management, the Company is focussed on lowering costs while maintaining quality and effectively managing project complexity.
- **Unlocking Business Value:** To create shareholder value, the Company constantly upgrades its portfolio and divests from non-core business to improve cash liquidity.
- **Going Digital:** The Company is taking the digital route to explore and fulfilling opportunities both at home and overseas. Various digitalization initiatives are underway to aid project monitoring and harness the power of digital technology.

- **Pursuing Sustainable Development:** As the green agenda takes centre stage globally, NBCC is on-track to increase its green footprints. The Company incorporates 'Green Building' features using processes and materials that are environmentally-responsible and resource-efficient, with a majority of its projects conforming to GRIHA Certification.

With a major thrust on infrastructure development envisaged and expected in the coming years coupled with focussed initiatives like the development of smart cities, the Company is poised to play a pivotal role and lead with innovative technologies.

## RISKS AND CONCERNS

The real estate sector in India has been passing through a challenging phase in the last few years. However, the sector is displaying positive signs that point towards a resurgence. A case in the point is RERA which enhances transparency and confidence in the sector. This, in turn, is expected to benefit the segment particularly in tier II and III cities by driving demand for both residential and commercial properties.

Another concern NBCC has to contend with the increasing level of competition from private sectors companies and other PSUs who have entered its niche areas. NBCC's unique business model as well as its redevelopment projects, proven execution with respect to quality-adherence and time-bound delivery as well as its innovation-led leadership create substantial differentiation and the Company is quite confident to hold its forte.

NBCC understands that risk and uncertainty is an integral part of any business. The Company has a system-based approach to business risk management. It has formulated a Risk Management Policy to define a framework for identification, evaluation and mitigation of risk in the decision making process that is aligned to the pursuit of its stated strategic goals and objectives. It encourages proactive rather than reactive management.

Another concern area is the long gestation period for actual field application of new technologies. This is partly due to reluctance in adoption of new technologies and products by the clients viz., ministries, PSUs, Government departments, etc., who constitute a majority of NBCC's projects.

While the current Government has set the ball rolling with several announcements to reform the sector and boost investor sentiments, key challenges remain to be addressed to sustain the growth trajectory. Some of these are:

- increasing backlog of infrastructure projects, mounting losses due to delays and cost overruns could slow momentum;
- factors such as delays in land acquisition and environmental clearances, capacity constraints, weak project management and dependency on human labour;
- particularly in the real estate and construction sector - access to finance, changes in regulations, foreign direct investments, approval processes, environment clearances as well as legal hassles and proceedings affect the execution project and lead to significant cost overrun;
- specifically in the EPC business - delay in projects execution, stalling of projects due to non-payment by developers, steep cost escalation in input costs affect the execution of projects, resulting in major cost overrun etc.

The risk management process of the Company includes systematic application of management policies, procedures and practices for clearly and correctly identifying, analyzing, evaluating, treating, monitoring, managing and taking steps to mitigate or minimise risks. These encompass strategic, compliance, operational, financial and environmental risks.

NBCC continues its efforts fortify its business operations and functions to withstand risks and deliver a strong value-proportion comprising of best-in-class services to its customers at a sustainable cost and in a responsible manner.



**PMC & EPC Projects**

The risks associated with PMC & EPC projects include execution risk which may arise due to delay in release of funds from clients resulting in delay of payment to contractors and hence, delaying the project. Besides, intense competition of non-sectional players in these sectors also impact the profit margin.

**Real Estate Projects**

The real estate projects face a key market risk of demand-supply imbalance which can trigger a sharp surge in new development or a stagnation in demand. Further risks accrue from tightening liquidity and recent changes in indirect taxes emanating from the implementation of the Goods and Services Tax (GST).

In order to mitigate these risks, NBCC has a board level and below board level committee which periodically reviews the risks associated with the Company and recommends mitigation action to be undertaken.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

NBCC has in place adequate internal financial controls with reference to financial reporting in compliance with the provisions of Section 134(5) (e) of the Companies Act, 2013 and such internal financial controls over financial controls were operating effectively. Internal Financial Controls over financial reporting are audited through external auditors on an annual basis.

The controls have been designed to provide assurance with respect of maintenance of proper accounting records, ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors and ensuring reliability of financial and operational information. The internal control systems (including Internal Financial Controls over Financial Reporting) are reviewed on an ongoing basis and discussed at Audit Committee meetings. Necessary changes are carried out by the management to align with the changing business requirements.

In addition to the above, the Company has a well-defined delegation of financial powers to its various officers through its Sub-Delegation of Power book. The book is regularly updated as per needs of the Company as well as to bring further delegation. The Company has in-house Internal Audit and Technical Audit Departments commensurate with its size of operations. The internal audit programme, scope of audit and audit plan is approved from the Audit Committee. Internal audit is conducted through external audit firms and reports are deliberated with the management as well as the Audit Committee. The Statutory Auditors and Audit Committee of the Board regularly reviews significant audit findings covering operational, financial and other areas and provides guidance on internal controls.

**HUMAN RESOURCE DEVELOPMENT**

NBCC has a highly talented, dedicated and committed team of professionals at all levels. The Company consistently invests in ensuring that its people remain at the forefront of new advances and developments in their respective skill areas and knowledge domains. During the year under review, various skill and capability development programmes were conducted to enhance strategic, functional and behavioural aspects.

To align with the organisation strategy and to further value-added strategic business partnership, the HR department has sharper focus on recruitment, performance management system, manpower planning, training & development, service matters, disciplinary matters, welfare, social security, general terms and conditions of service etc.

The HR team has been leveraging the power digitalization and paperless work environment for various HR processes and procedures with initiatives like Database Management, Document Management System, Process Digitalization, Online submission of Annual Property Return, Introduction of Video Conferencing Interviews in DPC, Creation of company mail server and most importantly, launching e-Office.

## **SIGNIFICANT INITIATIVES**

As a responsible corporate citizen and as an implementing agency, NBCC has always advocated and encouraged sustainable and green projects. The Company takes various initiatives to create awareness like the necessity of treating the sewage at source and the optimal use of treated water at project site.

Contributing to India's power sector, NBCC executed civil and architectural work for a water conducting system at Suratgarh Thermal Power Station in Rajasthan. The ₹10.20 crore project, implemented for RSEB, underlines the Company's commitment towards nation development.

NBCC constructed the Swadhar Greh for Widows at Vrindavan and Mathura in Uttar Pradesh. The complex houses include dormitories with a view of the forest and a water body. There is also a dispensary, providing residents with comfortable and peaceful living environment.

The NBCC-built NMIC building in Mumbai is the Company's first ever steel building project. The project entails unique features that besides adding aesthetics to the building, allows more natural light to pass through, making the structure highly energy efficient.

Further, NBCC has also taken initiatives towards transparency and corporate governance and digital India. NBCC has introduced vendor grievance and online annual property return portals to effectively address the issues of these respective areas. The process of implementation of document management system for online tracking of official files are also under progress which on final implementation will reduce the paper consumption enhancing green footprints of NBCC.

## **DISCLOSURE OF ACCOUNTING TREATMENT**

The financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. NBCC has not taken any treatment which is different from the applicable Ind AS. The fact has been disclosed in Standalone Financial statements.

## **CAUTIONARY STATEMENT**

Statements made in the Management Discussion and Analysis Report describing the Company's objective, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations, based on beliefs of the management of the Company. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different from those projected in this report, including among others, changes in the general economic and business conditions affecting the segment in which the company operates, changes in business strategy, changes in interest rates, inflation, deflation, foreign exchange rates, competition in the industry, changes in Governmental regulations, tax laws, statutes and other incidental factors. The Company does not undertake any obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



## CORPORATE GOVERNANCE REPORT

### I. CORPORATE GOVERNANCE PHILOSOPHY

At NBCC, Corporate Governance framework ensures that we make timely disclosure and share accurate information regarding our financial and performance, as well as disclosure related to the leadership and governance of the Company. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. NBCC establish highest priority to these systems and protect the interests of all the stakeholders.

### II. BOARD OF DIRECTORS

#### 1. Composition of the Board

At NBCC, the Board is at the core of our corporate governance practice. The Board oversees the management's function and protect the long-term interest of the stakeholders. As on March 31, 2019, Board of the Company had eleven (11) Directors. Out of eleven Directors, three (3) were Functional Directors (including Chairman-cum-Managing Director), two (2) were Government Nominee Directors including one woman Director and six (6) were Independent Directors. The composition of the Board was in conformity with Regulation 17 of the SEBI (LODR) Regulations read with Section 149 of the Act.

None of the Directors on the Board held directorships in more than ten public companies. Further none of them was a member of more than ten committees or chairman of more than five committees across all the public companies in which he was a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2019 have been made by the Directors. None of the Directors were inter-se related to each other.

#### 2. Selection of Directors

As per Articles of Association of NBCC, the President of India through Ministry of Housing and Urban Affairs (MoHUA), appoints the Chairman-cum-Managing Director, Functional Directors, Part-time Official Directors and also nominates Part-time Non-officials (Independent) Directors on the Board of NBCC.

The Board of the NBCC is the combination of different qualifications, attributes, expertise and skills, fundamental for the effective functioning of the Company. These attributes and skills are mentioned hereunder:

S. No.	Skill/ Attribute/ Experience	Description
1.	Civil Engineering, Contracting Services	Experience in Civil Engineering background, contracting services would be an added advantage. Responsible for efficient functioning of the corporation for achieving corporate objective and performance parameters.
2.	Commercial	Procurement and execution of projects in both real estate and re-development segment including real estate marketing. Also shall be responsible for business development for corporation in domestic and international market and execution of overseas projects.
3.	Project	Execution, implementation and maintenance of projects both in project management consultancy and engineering, procurement and construction contracts.
4.	Finance	Experience in corporate financial management and accounts and responsible for evolving and formulating policies relating to finance and accounts as well as implementation thereof.

### 3. Familiarization programme for Board members

All directors inducted on the Board of NBCC were introduced to the Company through presentations given by the senior management and executives of the Company. They were provided with necessary documents/ brochures, internal policies of the Company as a part of the familiarization programme.

They are also updated from time to time on the development in the applicable laws from various statutory bodies to understand their role and responsibilities towards the Company. The Company also facilitates continuous training programmes for directors as per the policy on training of directors available on the website of the Company at [www.nbccindia.com](http://www.nbccindia.com).

### 4. Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of SEBI (LODR) Regulations, a declaration of fulfilling the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI (LODR) Regulations have been obtained and they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations and that they are independent of the management.

The Independent Directors met separately on February 13, 2019 without the presence of non-independent Directors and the members of the management.

The list of familiarization programme for Independent Directors is placed on the website at <http://www.nbccindia.com/pdfData/investors/Corporate%20Presentation-%20fam.pdf>

### 5. Disclosures about Directors

Every director has disclosed his/her concern or interest in other companies, bodies corporate, firms or other association of individuals, by giving a notice in writing.

### 6. Code of Conduct

As part of NBCC's persisting endeavour to set high standard of conduct for its employees, a "Code of Business Conduct and Ethics" was laid down for all Board Members and Senior Management personnel and the same was revised in line with changes in the regulatory framework and changing business dynamics and to incorporate other relevant provisions to strengthen the Code from time to time.

The Code of Conduct is available on the website of the Company at [www.nbccindia.com](http://www.nbccindia.com). All Board Members and Senior Management personnel affirm compliances with the NBCC's Code of Conduct annually. A declaration signed by the Chairman-cum-Managing Director (CMD) to this effect is placed as part of this report.

### 7. Key Managerial Personnel

During the period under review, the following Key Managerial Personnel (KMP) was appointed/continuing the respective offices:-

- Shri Anoop Kumar Mittal, Chairman-cum-Managing Director (upto March 31, 2019),
- Shri Rajendra Chaudhari, Director (Commercial),
- Shri Neelesh Shah, Director (Projects),
- Smt. BK Sokhey, CFO, NBCC and
- Smt. Deepti Gambhir, Company Secretary.

**8. Equity Shares held by Directors:**

Shri Anoop Kumar Mittal, Chairman-cum-Managing Director; Shri Rajendra Chaudhari, Director (Commercial) and Shri Neelesh Shah, Director (Projects) held 6,404; 11,968 and 10,004 equity shares respectively in the Company as on March 31, 2019. All other Directors including Independent Directors held nil equity shares as per the declaration made by them to the Company.

**9. Board Meetings**

Board meeting dates are scheduled in advance and published as part of the annual report. The Board meets at least once in every quarter to review the quarterly results and additional Board meetings are convened as and when considered necessary by giving appropriate notice period alongwith agenda notes.

**10. Selection of Agenda items for Board Meetings**

The matters placed before the Board of Directors inter alia include:

- Annual operating plans of business and budgets and any update;
- Capital budgets and updates;
- Quarterly results of the Company and its operating divisions or business segment;
- Company's annual Financial Results, Financial Statements, Auditors' Report and Board's Report;
- Minutes of the Audit Committees and other Committees of the Board;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, and any material effluent or pollution problems;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like implementation of voluntary retirement scheme, etc;
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business;
- Quarterly details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others;
- Appointment, remuneration and resignation of Directors;
- Formation/reconstitution of Board Committees;
- Terms of reference of Board Committees;
- Minutes of Board meetings of unlisted subsidiary companies;
- Declaration of Independent Directors at the time of appointment/annually;
- Disclosure of Directors' interest and their shareholding;
- Appointment or removal of the Key Managerial Personnel and Secretarial Auditors, Internal Auditors and Cost Auditors;
- Secretarial Audit Reports submitted by Secretarial Auditors;
- Dividend declaration/recommendation;



- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made;
- Significant changes in accounting policies and internal controls;
- Takeover of a Company or acquisition of a controlling or substantial stake in another Company;
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies;
- Recommending and fixing of remuneration of the Auditors as recommended by the Audit Committee;
- Internal audit findings and external audit reports (through the Audit Committee )
- Proposals for major investments of surplus funds;
- Making of loans and investment of surplus funds;
- Diversify the business of the Company;
- Brief on statutory developments, changes in government policies, among others with impact thereof, Directors' responsibilities arising out of any such developments;
- Compliance Certificate certifying compliance with all laws as applicable to the Company;
- Any other matter as may be required by the approval of the Board of Directors.

#### 11. Recording of minutes of the Board and Committee meetings and follow-up mechanism

The minutes of the each Board and Committee meetings are recorded by the Company Secretary. Draft minutes are circulated to members for their comments and finalized minutes are entered into the minute book within 30 days of the conclusion of the meeting. Decisions taken in the Board /Committee meetings are communicated to respective departments for necessary action and action taken report on decisions of the previous meeting(s) is placed at the succeeding meeting of the Board/ Committee for information of the members. Further the minutes of all the committee meetings are placed before the Board of Director of the Company.

#### 12. Compliance

While preparing the agenda, note to agenda and minutes of the meeting(s) adherence to applicable laws, rules and regulations including Companies Act 2013 read with rules issued there under, and secretarial standards issued by the Institute of Company Secretaries of India is ensured.

#### 13. Number of Board Meetings

The Board of Directors met Nine (9) times during the FY 2018-19. The details of the Board meetings are as under:

S No.	Date of Meeting	Board Strength	No. of Directors present
1.	May 07, 2018	11	09
2.	May 25, 2018	11	09
3.	August 11, 2018	11	08
4.	September 14, 2018	11	07
5.	October 11, 2018	11	08
6.	November 14, 2018	11	08
7.	January 23, 2019	11	10
8.	February 13, 2019	11	11
9.	March 29, 2019	11	09

**14. Attendance of Directors at Board meetings, last Annual General Meetings and number of other directorships and Memberships on Boards/Committees of various other Committees are given hereunder:**

Name of Director	Category of Directorship	No. of Board meetings held during his/her duration	No. of Board Meetings attended	Attendance at the last Annual General Meeting (AGM)	No. of other Directorships*	Memberships/Chairmanships of other Committees**	Name of Companies where the person is a Director
<b>Functional Directors</b>							
Shri Anoop Kumar Mittal (upto 31.03.19 )	Chairman-cum-Managing Director	9	9	Present	1	0	1. NBCC (India) Limited
Shri Rajendra Chaudhari	Director (Commercial)	9	9	Present	1	1	1. NBCC (India) Limited
Shri Neelesh Shah	Director (Project)	9	9	Present	1	0	1. NBCC (India) Limited
<b>Part time official Directors – Government Nominees</b>							
Shri Manoj Kumar (upto 20.11.18)	Addl. Secretary, MoHUA	6	2	Absent	1	-	-
Shri K Sanjay Murthy (w.e.f. 20.11.18)	Addl. Secretary MoHUA	3	3	NA	-	-	1. NBCC (India) Limited
Smt. Jhanja Tripathy	Joint Secretary & Financial Advisor MoHUA	9	7	Present	2	3	1. NBCC (India) Limited 2. Housing and Urban Development Corporation Limited
<b>Independent Directors -</b>							
Shri Ashok Khuranna#	Independent Director	9	7	Absent	1	-	1. NBCC (India) Limited
Shri Rajendrasinh Rana#	Independent Director	9	9	Present	1	2	1. NBCC (India) Limited
Maj. Gen. Tajuddin Maulali Mhaisale#	Independent Director	9	7	Absent	1	1	1. NBCC (India) Limited
Shri C. R. Raju#	Independent Director	9	4	Absent	1	-	1. NBCC (India) Limited
Shri C. Subba Reddy#	Independent Director	9	5	Present	1	1	1. NBCC (India) Limited
Shri Sairam Mocherla#	Independent Director	9	8	Present	1	1	1. NBCC (India) Limited

## Notes

- \* No. of Directorships in listed entities including this entity taken into account.
- \*\* No. of Chairmanship/Membership of the Audit Committee and Stakeholders' Relationship Committee of listed entities including this listed entity are taken into account.
- # Held the position of Independent Director till June 15, 2019
- Shri Shiv Das Meena has assumed the additional charge of Chairman-cum-Managing Director of the Company with effect from April 5, 2019.
- Shri Rakesh Kumar Arora has assumed the additional charge of Director (Finance), NBCC with effect from June 21, 2019 till the appointment of regular incumbent or untill further order, whichever is early.
- Dr. Jyoti Kiran Shukla has been appointed as an independent woman Director on the Board NBCC w.e.f. August 1, 2019. Smt. Jhanja Tripathy ceased to be Government Nominee Director on August 5, 2019. Shri Shyam Sunder Dubey has been appointed as Government Nominee Director on August 6, 2019
- Directors are not per se related to each other.
- Directors do not have any pecuniary relationship or transaction with the Company except receipt of remuneration by CMD and Functional Directors from the Company.
- None of the Director is a member of more than 10 Committees or Chairman of more than 5 Committees across all listed Companies in which she/he is a Director.

## III. BOARD LEVEL COMMITTEES OF DIRECTORS

### A. AUDIT COMMITTEE

#### 1. Composition

The Committee comprise of Maj. Gen. Tajuddin Moulali Mhaisale (Chairman), Smt. Jhanja Tripathy, Shri Rajendrasinh Rana and Shri Sairam Mocherla as members of the Committee. Representatives of Statutory Auditors are invited to attend and participate in the meetings on need basis. Functional Directors, executives of finance and other departments are invited as and when required.

#### 2. Meetings and Attendance:

Seven (7) Audit Committee Meetings were held during the financial year 2018-19 on May 25, July 3, August 11, October 11, November 14, 2018, January 9 and February 13, 2019.

#### Attendance during the Financial Year 2018-19:

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Maj. Gen. Tajuddin Moulali Mhaisale	Chairman	7	6
Smt. Jhanja Tripathy	Member	7	5
Shri Sairam Mocherla	Member	7	6
Shri Rajendrasinh Rana	Member	7	7

Chairman of the Audit Committee was not present at the AGM of the Company held on September 14, 2018. However, Shri Sairam Mocherla, representative of Audit Committee was present at the Meeting.

### **3. Terms of Reference:**

The terms of reference of the Audit Committee are in accordance with section 177 of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines which are as follows:

#### **As Per Companies Act, 2013:**

1. Recommendation for remuneration of auditors of the Company;
2. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the Auditor's Report thereon
4. Approval or any subsequent modification of transactions of the Company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters
9. Approval of services to be provided by the auditor;
10. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
11. Prescribe the terms and conditions for the appointment of registered valuer;
12. Any other matter as may be determined by the Ministry of Corporate Affairs from time to time.

#### **As per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the fixation of audit fees.
3. Recommendation for appointment, including the filling of casual vacancy, remuneration and terms of appointment of auditors of the Company;
4. Approval of services to be provided by the auditor;
5. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
6. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;

- d. significant adjustments made in the financial statements arising out of audit findings;
- e. compliance with listing and other legal requirements relating to financial statements;
- f. disclosure of any related party transactions;
- g. modified opinion(s) in the draft audit report;
7. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
8. Examination of the Financial Statement and the auditor's report thereon;
9. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
10. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
11. Approval or any subsequent modification of transactions of the Company with related parties;
12. Review all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions;
13. Scrutiny of inter-corporate loans and investments;
14. Valuation of undertakings or assets of the Company, wherever it is necessary;
15. Evaluation of internal financial controls and risk management systems;
16. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
17. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
18. Discussion with internal auditors of any significant findings and follow up there on;
19. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
20. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
21. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
22. To review the functioning of the whistle blower mechanism;
23. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
24. To review the follow up action on the audit observations of the C&AG audit;
25. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament;

26. Provide an open avenue of communication between the independent auditor, internal auditor and the board of directors;
27. Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources;
28. Consider and review the following with the independent auditor and the management:
  - The adequacy of internal controls including computerized information system controls and security, and
  - Related findings and recommendations of the independent auditor and internal auditor, together with the management responses;
29. Consider and review the following with the management, internal auditor and the independent auditor:
  - Significant findings during the year, including the status of previous audit recommendations
  - Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information;
30. To review the financial statements, in particular, the investments made by the unlisted subsidiary;
31. Carrying out any other function as is mentioned in the terms of reference of the audit Committee;
32. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

*The audit committee also review the following information:*

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
6. Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7);
7. Certification/declaration of financial statements by the Chief Executive/Chief Finance officer.

## **B. NOMINATION AND REMUNERATION COMMITTEE**

### **1. Composition**

The Committee comprises of Shri Sairam Mocherla (Chairman), Maj. Gen. Tajuddin Moulali Mhaisale and Shri Ashok Khurana as members.



## 2. Meetings and Attendance:

Three (3) Committee Meetings were held during the financial year 2018-19 on October 11, 2018, January 9, 2019 and March 19, 2019.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Sairam Mocherla	Chairman	3	3
Shri Ashok Khurana	Member	3	3
Maj. Gen. Tajuddin Moulali Mhaisale	Member	3	3

## 3. Terms of Reference

In accordance with the SEBI (LODR) (Amendment) Regulations, 2018 there is an insertion as role of Nomination and Remuneration Committee.

- To finalize the performance related pay (PRP) for the executives of the Company in terms of Department of Public Enterprises Guidelines;
- To identify persons in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- To formulate the criteria for determining qualifications, positive attributes and recommend to the Board a policy relating to the, remuneration for Key Managerial Personnel (KMP) and other employees.  
(In case of Government Companies, above para 2&3 shall not apply in the case of directors);
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

## DIRECTORS' REMUNERATION:

### 1. Remuneration of Directors for the financial year ended March 31, 2019 is as follows:

#### A. Remuneration to Functional Directors:

(Amount in ₹)

PARTICULAR	Shri Anoop Kumar Mittal (CMD)	Shri Rajendra Chaudhari D(C)	Shri Neelesh Shah D(P)	TOTAL
<b>Gross Salary</b>	72,57,473	61,23,688	57,04,488	1,90,85,649
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961				
(b) Value of perquisites u/s	1,91,000	65,462	32,400	2,88,862
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 196	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission as % of profit	-	-	-	-
E.P.F., Employers Pension, Contribution	6,12,036	5,37,987	5,03,268	16,53,291
Provisions for EI & HPL Leave Encashment, PRMB, Gratuity & PRP	14,76,554	3,88,743	7,52,318	26,17,615
<b>Total</b>	<b>95,37,063</b>	<b>71,15,880</b>	<b>69,92,474</b>	<b>2,36,45,417</b>

**B. Remuneration to Other Directors:**

(Amount in ₹)

Particulars of Remuneration	Shri C R Raju	Shri Sairam Mocherla	Maj. Gen. T M Mhaisale	Shri C Subba Reddy	Shri Ashok Khurana	Shri Rajendra S. Rana	Total
Fee for attending Board Meetings	80,000	1,60,000	1,40,000	1,00,000	1,40,000	1,80,000	8,00,000
Fee for attending Committee Meetings	90,000	2,40,000	2,55,000	60,000	2,10,000	2,25,000	10,80,000
Commissions	-	-	-	-	-	-	-
Others, Please specify	-	-	-	-	-	-	-
<b>Total</b>	<b>1,70,000</b>	<b>4,00,000</b>	<b>3,95,000</b>	<b>1,60,000</b>	<b>3,50,000</b>	<b>4,05,000</b>	<b>18,80,000</b>

The sitting fees paid to independent directors includes sitting fees for attending separate meeting of independent director held on February 13, 2019.

- The Directors does not have any other material pecuniary relationship/transaction with the company. Non-executive part time non official directors (Independent) are paid sitting fee of ₹ 20,000/- and ₹ 15,000/- for Board and Committee meeting respectively.
- No remuneration has been paid to non-executive director during the period under review.
- The Company has not issued any Stock Options to its Directors/Employees.

**C. STAKEHOLDERS' RELATIONSHIP (SR) COMMITTEE**

**1. Composition**

The Committee comprises of Shri Rajendrasinh Rana as Chairman, Shri C. Subba Reddy and Shri Neelesh Shah as members. Company Secretary is the Secretary to the Committee.

**2. Meetings and Attendance**

During the Financial year 2018-19, Four (4) SR Committee meetings were held i.e. on May 25, August 11, November 14, 2018 and February 13, 2019.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Rajendrasinh Rana	Chairman	4	4
Shri C. Subba Reddy	Member	4	3
Mr Neelesh Shah	Member	4	4

**3. Terms of Reference**

The role of the Committee inter-alia include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.”

#### 4. Compliance Officer

Smt. Deepti Gambhir, Company Secretary is the Compliance Officer of the company. The Company has provided an email ID i.e. co.sectt@nbccindia.com to the members for sending their queries/grievances for redressal.

#### 5. Status of queries/complaints received and resolved during the year

Number of Shareholders’ Queries/Complaints received during the year	11
Number of Shareholders’ Complaints solved to the satisfaction of Shareholders	11
Number of Shareholders Complaints pending as on March 31, 2019	0

#### 6. Code of Conduct to Regulate, Monitor and Report Trading by Insider

Securities and Exchange Board of India (SEBI), in its endeavour to protect the interests of investors in general, had formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”) Accordingly, the Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Insider with a view to regulate trading in securities by the Directors and employees of the Company.

### D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

#### 1. Composition

The Committee comprises Shri C. R. Raju as Chairman, Smt. Jhanja Tripathy, and Shri Rajendra Chaudhari, Director (Commercial) as members of the Committee.

ED (CSR) is the nodal officer and member secretary of the CSR Committee.

#### 2. Meetings and Attendance:

The Committee held two (2) meetings during the financial year 2018-19 i.e. on May 25, 2018 and January 9, 2019.

Attendance during the Financial Year 2018-19

Name of the Directors	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri C. R. Raju	Chairperson	2	2
Smt. Jhanja Tripathy	Member	2	1
Shri Rajendra Chaudhari	Member	2	2

#### 3. Terms of Reference

Terms of Corporate Social Responsibility (CSR) Committee are as per the provisions of Section 135 of the Companies Act, 2013 which inter alia includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy, CSR activities and the amount of expenditure to be incurred on the various CSR activities and monitoring the CSR activities of the Company and to Monitor the Corporate Social Responsibility Policy of the Company from time to time.

## **E. FUNCTIONAL MANAGEMENT COMMITTEE**

### **1. Composition**

The Committee comprises all functional directors as members under the chairmanship of Chairman-cum-Managing Director with concerned HODs and the Company Secretary as the Member Secretary of the Committee.

### **2. Meetings and Attendance:**

The Committee held seven (7) meetings during the financial year 2018-19 i.e. on April 16, May 7, May 15, June 25, 2018, January 10, January 24 and March 2, 2019.

Attendance during the Financial Year 2018-19

Name of the Directors	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Anoop Kumar Mittal	Chairman	7	7
Shri Rajendra Chaudhari	Member	7	7
Shri Neelesh Shah	Member	7	7

### **3. Terms of Reference**

To Approve the award of contracts above ₹250 crore and upto ₹500 crore, approval for sub-packaging of projects having estimated value above ₹250 crore, any other matter as referred to by the Chairman-cum-Managing Director considering functional & operational requirements of the Company

## **F. RISK MANAGEMENT COMMITTEE**

### **1. Composition**

The Committee comprises of Shri Rajendra Chaudhari as Chairman; Shri C. R. Raju and Shri Neelash Shah as members. However, Shri Ashok Khurana was appointed in the Committee as member w.e.f. March 29, 2019.

The Company has Risk Management Policy set up with an objective to minimize enterprise risks as an ongoing process.

### **2. Meetings and Attendance:**

The Committee held one (1) meeting during Financial Year 2018-19 i.e on January 9, 2019.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Rajendra Chaudhari	Chairperson	1	1
Shri C. R. Raju	Member	1	1
Shri Neelesh Shah	Member	1	1

### **3. Terms of Reference**

Terms of reference of the Committee are as follows:

- Review and recommend the risk management policy and associated practices.
- Introduce appropriate systems to manage the identified risks.

- Provision of adequate resources to implement the risk management policy.
- Review key risks reported by the Risk Assessment Committee and approve mitigation measures and to do such function shall specifically cover cyber security.

## **G. NBCC-REAL ESTATE POLICY REVIEW COMMITTEE**

### **1. Composition**

The Committee comprises of Shri Rajendra Chaudhari as Chairman; Shri Neelesh Shah, Shri Ashok Khurana and Shri CR Raju as members.

### **2. Meetings and Attendance:**

The Committee held two (2) meeting during Financial Year 2018-19 i.e on August 11, and November 12, 2018.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Rajendra Chaudhari	Chairperson	2	2
Shri C. R. Raju	Member	2	1
Shri Ashok Khurana	Member	2	2
Shri Neelash Shah	Member	2	1

### **3. Terms of Reference**

The Committee was to recommend the Real Estate Policy to the Board of Directors.

## **H. GRIEVANCE RESOLUTION COMMITTEE FOR CONTRACTORS, CONSULTANTS ETC.**

### **1. Composition**

The Committee comprises of Shri Ashok Khurana as Chairman, Shri Rajendrasinh Rana, Shri Rajendra Chaudhari, and Shri Neelesh Shah as members. Smt. B K Sokhey, CFO and Shri Rakesh Garg, CGM (Contract) was nominated as the special invitee.

### **2. Meetings and Attendance**

The Committee held Four (4) meeting during the year on December 28, 2018, January 10, February 8 and February 14, 2019 during Financial Year 2018-19.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Ashok Khurana	Chairman	4	4
Shri Rajendrasinh Rana	Member	4	3
Shri Rajendra Chaudhari	Member	4	4
Shri Neelesh Shah	Member	4	3

### **3. Terms of Reference**

The Committee will review and resolve all unsettled grievances of contractors, consultants etc. and recommend the action to be taken against the defaulters employees/consultants/contractors etc.

## **I. RESEARCH & DEVELOPMENT COMMITTEE**

### **1. Composition**

The Committee comprises of Shri Ashok Khurana as Chairman, Shri C Subba Reddy, Shri CR Raju and Shri Rajendra Chaudhari as members. Shri Sairam Mocherla nominated as Special Invitee of the Committee.

### **2. Meetings and Attendance:**

The Committee held two (2) meeting during the year 2018-19 i.e. on September 6, 2018 and February 14, 2019.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Ashok Khurana	Chairperson	2	2
Shri C Subba Reddy	Member	2	0
Shri CR Raju	Member	2	1
Shri Rajendra Chaudhari	Member	2	2

### **3. Terms of Reference**

To review and development of short term and long term R&D Policy and plan, to identify new areas of sustainable development in terms of the parameters of MoU signed by the Company with its Administrative Ministry and periodical review of R&D activities/ Projects.

## **J. GROUP GOVERNANCE COMMITTEE**

### **1. Composition**

The Committee comprises of Shri Anoop K Mittal (Chairman), Shri Rajendra Chaudhari, Shri Neelesh Shah and Shri Ashok Khurana as members. Smt. B.K Sokhey was nominated as Special Invitee to the Committee.

### **2. Meetings and Attendance:**

The Committee held one (1) meeting during the year 2018-19 i.e. on November 27, 2018.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Anoop K Mittal	Chairman	1	1
Shri Rajendra Chaudhari	Member	1	1
Shri Neelesh Shah	Member	1	1
Shri Ashok Khurana	Member	1	1

### **3. Terms of Reference**

- To review or monitor the governance of subsidiaries and joint ventures of NBCC.
- To review or monitor the various MoUs (strategic, international or others) executed by NBCC.



## K. TAKEOVER/ MERGER COMMITTEE OF DIRECTORS FOR SUBMISSION OF RESOLUTION PLAN FOR JAYPEE INFRATECH LIMITED

### 1. Composition

The Committee comprises of Shri Anoop K Mittal (Chairman), Shri Rajendra Chaudhari, Shri Neelesh Shah, Maj. Gen. Tajuddin Moulali Mhaisale and Shri Sairam Mocherla and Shri Ashok Khurana as members. Smt. Jhanja Tripathy, Govt. Nominee Director and Smt. B.K Sokhey, ED(Finance)/CFO were nominated as Special Invitee of the Committee.

### 2. Meetings and Attendance:

The Committee held Seven meetings during the year Financial Year 2018-19 i.e. on January 16, January 23, February 4, February 11, February 13, March 19 and March 29, 2019.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Anoop K Mittal	Chairman	7	7
Shri Rajendra Chaudhari	Member	7	7
Shri Neelesh Shah	Member	7	7
Maj. Gen. Tajuddin Moulali Mhaisale	Member	7	7
Shri Sairam Mocherla	Member	7	6

### 3. Terms of Reference

To approve the Resolution Plan to be submitted before Resolution Professional for Corporate Insolvency Resolution Process of Jaypee Infratech Limited and to do such acts, deeds and things incidental or ancillary to the takeover of Jaypee Infrastructure Ltd.

## L. VISION COMMITTEE OF DIRECTORS

### 1. Composition

The Committee comprises of Shri Rajendra Chaudhari (Chairman), Shri Neelesh Shah and Shri Ashok Khurana as members.

### 2. Meetings and Attendance:

The Committee held two meetings during the year Financial Year 2018-19 i.e. on August 30 and September 12, 2018.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Shri Rajendra Chaudhari	Chairman	2	2
Shri Neelesh Shah	Member	2	2
Shri Ashok Khurana	Member	2	2

### 3. Terms of Reference

To formulate and recommend the vision document of the company for the next five years.

**OTHER FUNCTIONAL COMMITTEES**

Apart from the above, the Board also from time to time, constitutes functional committees with specific terms of reference as it may deem fit. Meetings of such Committees are held as and when required for discussing the necessary matters.

**IV. SUBSIDIARIES AND ASSOCIATES**

The Company monitors performance of its subsidiary companies, inter-alia, by the following means:-

- The Audit committee reviews financial statements of the subsidiary companies, along with investments made by them, on a quarterly basis.
- The Group Governance Committee reviews the corporate governance, working performance of the subsidiary companies.
- The Board of Directors reviews the Board meeting minutes and statements of all significant transactions and arrangements, if any, of subsidiary companies.

NBCC has set up Subsidiary Companies and Joint Venture Companies as follows:

- **NBCC Services Limited:** A wholly owned subsidiary company “**NBCC Services Limited**” having Registered Office at New Delhi, had been incorporated on October 16, 2014 with main objective to undertake maintenance work and to act as Execution and Implementation Agency for CSR Projects and related activities on behalf of its own or for any other Govt. Undertakings/Semi Govt. Undertakings/ Body Corporates/ Societies/Trusts/ Private Institutions/NGOs or any other concern. It has also been mandated to act as an execution and implementation agency for sustainability projects, heritage building restoration works etc.
- **NBCC Engineering & Consultancy Ltd. (NECL)** has been incorporated on December 15, 2015 by NBCC. The Company renders consultancy to Government and private organizations.
- **NBCC International Limited** was incorporated on July 5, 2017 as wholly owned subsidiary of NBCC. It was incorporated to carry out the business in overseas countries. The idea of formation of “NBCC International Limited” was to create dedicated operating structure for greater diversification, increased efficiencies and effective control.
- **NBCC Environment Engineering Limited** was incorporated on July 10, 2017 as wholly owned subsidiary of NBCC. It was incorporated to carry out the business in the field of environment and sustainability. The idea of formation of “NBCC Environment Engineering Ltd.” was to create dedicated operating structure for greater diversification, increased efficiencies and effective control.
- **Hindustan Steelworks Construction Limited (HSCL):** HSCL was established in 1964 as a construction organization under the Ministry of Steel, Govt of India. It diversified into a versatile infrastructure portfolio all over the country. It became the major player in implementation of integrated steel plants. HSCL has become a Subsidiary of NBCC w.e.f April 1, 2017.
- **HSCC (India) Limited:** Set up in 1983, HSCC is one of the few organisations. in South East Asia, rendering comprehensive range of professional consultancy services in health-care and other social sectors, in India and abroad. HSCC is a pluri-disciplinary organisation with experienced professionals (i.e. health planners and economists, doctors, biomedical engineers, computer experts, pharmacists, architects and public health engineers etc) on rolls and a network of consultants specialized in various activities associated with health systems. NBCC acquired HSCC on December 24, 2018.
- **NBCC GULF LLC:** A Limited Liability Company (LLC) in the Sultanate of Oman where NBCC’s equity participation is 70% of the total holding has been incorporated on July 13, 2015 with objective to carry out building and civil construction activities in Gulf Countries.

- **Real Estate Development & Construction Corporation of Rajasthan Limited (REDCCOR):** NBCC formed a joint venture company with Government of Rajasthan on September 07, 2015 under the Companies Act, 2013 with an objective to undertake various construction and re-developmental projects in the state of Rajasthan.
- **NBCC DWC-LLC:** Incorporated on December 24, 2018 in Dubai, NBCC-DWC LLC is the wholly owned subsidiary of NBCC. It was incorporated with the object of carrying out all such business as Dubai aviation city may permit.

The minutes of the subsidiary companies are placed before the meeting of the Board of Directors of NBCC. The Audit Committee periodically reviews the financial statements of the subsidiary companies

## V. GENERAL BODY MEETINGS

### 1. Annual General Meetings

Date, time and location where last three Annual General Meetings were held, are as under:

Year	Location	Date	Time	Special Resolution passed
2018	58 <sup>th</sup> AGM at Manekshaw Auditorium	September 14, 2018	1030 hrs	NIL
2017	57 <sup>th</sup> AGM at Manekshaw Auditorium	September 18, 2017	1030 hrs	NIL
2016	56 <sup>th</sup> AGM at Air Force Auditorium, Subroto Park, New Delhi-110010	September 14, 2016	1030 hrs	NIL

### 2. Postal Ballot

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing through postal ballot.

## VI. MEANS OF COMMUNICATION

The Company communicates its shareholders through its annual report, general meetings and disclosure through the website.

- Annual Report:** Annual Report contains inter-alia Directors' Report, Auditors' Report, Audited Financial Statements (Standalone and Consolidated) of Company. The Management Discussion and Analysis Report forms part of the Annual Report and appear on the website of the Company.
- Website:** The Company's website [www.nbccindia.com](http://www.nbccindia.com) is a comprehensive reference on NBCC's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, updates and news. The section on 'Investor' serves to inform the shareholders, by giving complete quarterly and annual financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, news releases and presentations made to financial analysts and institutional investors etc.
- Quarterly Results:** Unaudited quarterly financial results and the annual audited financial results of the Company are sent to the Stock Exchanges i.e. BSE & NSE where equity shares of the Company are listed and the same are published in newspapers and uploaded on Company's website.  
Normally quarterly, half yearly and annual results are published in Business Standard newspapers (English & Hindi Edition)
- Intimation to Stock Exchanges:** The Company is timely submitting all the price sensitive information, statements and reports and other required information, on the online portals of stock exchanges where Company is listed.
- News Release, Institutional Investors Presentations:** The Company display news release on event basis. These are available on Company's website [www.nbccindia.com](http://www.nbccindia.com).

- f. Communication to shareholders on email:** Documents like Notices, Annual Report, ECS advices for dividends, etc. are sent to the shareholders at their email address, registered with their Depository Participants/ Company/ RTA to ensure prompt delivery of document, less paper consumption, save trees and avoid loss of documents in transit.
- g. NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre:** National Stock Exchange of India Ltd. (NSE) and BSE Limited has designed NEAPS and Listing centre respectively- a web based application for corporates listed at NSE. Shareholding Pattern, Corporate Governance Report results of every Quarter, price sensitive information etc are filed by Company electronically on NEAPS and BSE listing Centre.
- h. SEBI Complaint Redress System (SCORES)** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Report( ATR) by the Company and online viewing by the investors of actions taken on the complaints and its current status.
- i. Exclusive email ID for investors:** The Company has designated the email id investors@nbccindia.com exclusively for investor servicing and the same is prominently displayed on the Company's website www.nbccindia.com.

## VII. GENERAL INFORMATION FOR SHAREHOLDERS

a.	Company Registration Details	CIN- L74899DL1960GOI003335
b.	59 <sup>th</sup> Annual General Meeting : Date, Time and Venue	Monday, September 23, 2019, 10.30 a.m. at Air Force Auditorium, Subroto Park, New Delhi - 110010
c.	Financial year	April 1, 2018 to March 31, 2019
d.	Financial Calendar for 2019-2020 Results for Quarter ending June 30, 2019 Results for Quarter ending September 30, 2019 Results for Quarter ending December 31, 2019 Results for Year ending March 31, 2020	by August 14, 2019 by of November 14, 2019 by February 14, 2020 by the end of May, 2020
e.	Book Closure Date	September 16, 2019 (Monday) to September 23, 2019 (Monday) (both days inclusive)
f.	Dividend Payment Date	On or before October 22, 2019 if declared at Annual General Meeting on September 23, 2019
g.	<b>Listing on Stock Exchanges &amp; Stock Code</b> The Company is listed at following Stock Exchanges:- a. BSE Ltd Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 b. National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1,G Block, Bandra –Kurla Complex Bandra (E), Mumbai-400051 c. The Annual listing fee for FY 2019-20 d. Demat ISIN Number for NSDL & CDSL –	(Stock Code: 534309)     (Stock Code: Symbol-NBCC, Series – EQ)   Duly paid to both the Stock Exchanges. INE095N01031

#### h. Share Transfer System

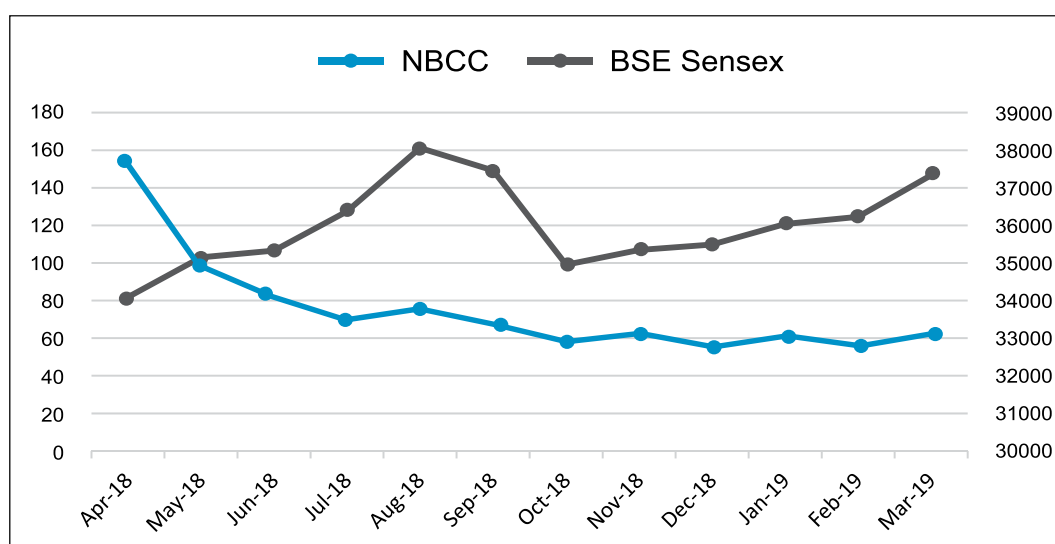
Big Share Services Pvt. Ltd. is the Registrar and Share Transfer Agent (RTA) for the physical shares and is also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The shares of the Company are traded compulsory in dematerialized form. Shares received for transfer in physical form are normally processed within due period from the date of lodging of valid share transfer deed along with share certificate. The Board has delegated the authority for approving the transfer, transmission etc. of the securities of the Company to company secretary. The summary of transfer/transmission/demat/ rematerialization of securities of the Company so approved is placed before the Board/ Stakeholders Relationship Committee. The Company obtains from a company secretary in practice, half yearly certificate of compliance with the share transfer requirements as under Clause 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of it with Stock Exchanges.

#### i. Market Price Data: High, Low during each month in last financial year

Months			Months		
	High (₹)	Low (₹)		High (₹)	Low (₹)
April 2018	216.15	103.05	October 2018	60.09	51.00
May 2018	108.5	91.00	November 2018	68.95	52.45
June 2018	93.4	70.01	December 2018	59.35	46.55
July 2018	76.00	60.80	January 2019	63.3	55.25
August 2018	79.65	69.95	February 2019	60.00	57.10
September 2018	74.35	57.65	March 2019	68.35	53.00

#### j. Stock Performance in comparison to broad-based indices such as BSE Sensex for the financial year 2018-19



**k. Distribution of Shareholding as on March 31, 2019**

No. of Shares	SHAREHOLDERS		SHAREHOLDING	
	Number	% to total	Number	% to total
1 – 5000	2,78,567	97.8654	12,95,71,734	7.1984
5001 – 10000	3,783	1.3290	2,72,51,462	1.5140
10001 – 20000	1,277	0.4486	1,81,60,351	1.0089
20001 – 30000	349	0.1226	87,37,668	0.4854
30001 – 40000	148	0.0520	52,55,425	0.2920
40001 – 50000	104	0.0366	47,43,225	0.2635
50001 – 100000	194	0.0682	1,38,92,015	0.7718
100001 & above	221	0.0776	1,59,23,88,120	88.4660
<b>TOTAL</b>	<b>2,84,643</b>	<b>100.0000</b>	<b>1,80,00,00,000</b>	<b>100.0000</b>

**l. Shareholding Pattern as on March 31, 2019**

Category	No. of Shareholders	No. of Shares held	% of Paid up Capital
President of India (Government of India)	1	1,22,73,08,635	68.18
Mutual Funds/UTI	24	8,85,62,277	4.92
Financial Institution/ Banks	12	13,87,82,109	7.71
FII/FPIs	79	8,39,77,743	4.67
Body Corporates /Trust	1,328	3,22,58,345	1.79
Individuals/Public/Clearing Member	2,76,732	21,45,77,109	11.92
NRI	5,964	1,24,36,453	0.69
Employees	503	20,97,329	0.12
<b>TOTAL</b>	<b>2,84,643</b>	<b>180,00,00,000</b>	<b>100.00</b>

<b>m. Registrar &amp; Share Transfer Agent (For both Physical &amp; Electronic Transfer etc.)</b>	<b>M/s Bigshare Services Pvt Ltd.</b> 302, Kushal Bazar, 32-33, Nehru Place New Delhi- 110019
<b>n. Dematerialization of shares and liquidity</b>	As on March 31, 2019, 99.99% of the Paid-up equity share capital was in dematerialized Form
<b>o. Address for Correspondence</b>	<b>Smt. Deepti Gambhir</b> Company Secretary NBCC Bhawan, Lodhi Road, New Delhi-110003. E-mail : co.sectt@nbccindia.com Phone No: 011-24367314-17 (Extn 1874)

- p. Securities were not suspended from trading during the Financial Year 2018-19.
- q. There was no GDRs/ADRs/warrants/convertible instrument outstanding as on March 31, 2019.
- r. Commodity price risk or Foreign exchange risk and hedging activities: The Company is subject to commodity price risks due to fluctuation in prices of raw material used in company's projects. The Company has in place a robust risk management frame work for identification and monitoring and mitigation of all kinds of risk.
- s. Plants Locations: Plants and equipments are located at projects sites of the Company during the execution of the Projects.
- t. The Company get the rating of AA form CRISIL.

**VIII. OTHER DISCLOSURE**

**1. Materially significant related party transactions**

The Company has duly adopted Related Party Transaction Policy available on website of the Company at link <http://www.nbccindia.com/webEnglish/policies>. There has been no materially significant related party transaction between the Company and its related parties during the year under consideration. The detailed information on related party transaction is given in Note No. 40 of Standalone Financial Statements, forming part of the Annual Report.



## 2. Whistle Blower Policy

The Company has Vigil mechanism and whistle blower policy to report violations of applicable laws and regulations and the same is available at its website at [www.nbccindia.com](http://www.nbccindia.com). Employees may also report to Chairman, Audit Committee and nobody are denied access by the Audit Committee.

## 3. Dividend Distribution Policy

To bring transparency in the matter of declaration of dividend and to protect the interest of investors, NBCC has in place a Dividend Distribution Policy which has been displayed on the Company's website [www.nbccindia.com](http://www.nbccindia.com) and is also available in the Directors' Report as Annexure-IV which forms part of Annual Report.

4. The company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. The Company does not have any material subsidiary as on March 31, 2019; a Policy on Determining Material Subsidiary is available on the weblink at [http://www.nbccindia.com/pdfData/policies/NBCC\\_Policy\\_on\\_Material\\_Subsidiary\\_01.04.2019.pdf](http://www.nbccindia.com/pdfData/policies/NBCC_Policy_on_Material_Subsidiary_01.04.2019.pdf)
6. The Company has not raised money through preferential allotment or qualified institution placement as specified under the regulation 32 (7A).
7. M/s. Dhawan & Co., Chartered Accountants (Firm Registration No. 002864N) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis are given below:

Particular	Amount (₹ in lakh)
Audit Fee*	25.75
Tax Audit	5.25
Quarterly Limited Review**	9.00
Corporate Governance	2.00
Reimbursement of Fee	1.07
<b>Total</b>	<b>43.07</b>

\* Payment to auditor includes ₹ 2.00 lakh for audit fee related to FY 2017-18.

\*\* Payment includes ₹ 3.00 lakh related to 1<sup>st</sup> quarter of FY 2018-19 paid to the previous auditor.

8. The Details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment is provided in the business responsibility report of this Annual Report.
9. In accordance with the Instruction issued by DPE vide its OM No. W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 3 August, 2017, OM No. W-025/0028/2017-DPE(WC)-GL-XIV/17 dated 4 August, 2017, the Company implemented the directions as notified, by Third (3 ) Pay Revision Committee w.e.f. 01.01.2017.
10. There is no expenditure debited in the books of accounts, which are not for the purposes of the business for the financial year ended March 31, 2019.
11. There is no expense incurred by the Company for the financial year ended March 31, 2019, which are personal in nature and incurred for the Board of Directors and top management.
12. Details of Administrative and office expenses as a percentage of total expenses vis-a-vis financial expenses and reasons for increase:

( ₹in lakh)

S.No.	Particulars	FY 2017-18	FY 2018-19
1.	Administrative and office expenses (A)	16,003.03	15,524.67
2.	Total Expenses (B)	5,50,851.90	6,87,376.37
3.	Administrative and office expenses as a percentage of total expenses (C=A/B)	2.91%	2.26%
4.	Financial expenses (D)	21.00	60.74
5.	Financial expenses as a percentage of total expenses (E=D/B)	0.00%	0.01%

**IX.** The Company has complied with the requirements of Corporate Governance Report as mentioned in sub paras (2) to (10) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**X.** The company has complied with corporate governance requirement specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 in its annual report.

**XI. DEMAT SUSPENSE ACCOUNT/UNCLAIMED DIVIDENDS**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). As of now, no amount is yet due for transfer to Investors Education and Protection Fund established by the Central Government.

The unclaimed dividend details are available on the website of NBCC on [www.nbccindia.com](http://www.nbccindia.com)

**XII. CEO/CFO CERTIFICATION**

As per Regulation 17(8) read with Schedule II of SEBI (LODR) Regulation, 2015, a certificate duly signed by the Chairman-cum-Managing Director and Chief Financial Officer, is annexed to the Corporate Governance Report. **(Annexure-A)**

**XIII. DISCRETIONARY REQUIREMENTS**

The following discretionary requirements have been implemented by the Company:

**Shareholder's Right:** with regard to shareholders right communications of financial results are published widely and also hosted on the website of the Company.

**Reporting of Internal Auditors:** The Internal Auditor of NBCC is reporting directly to the Audit Committee.

**XIV. CERTIFICATE ON DIRECTORS DISQUALIFICATION**

Pursuant to Clause 10 (i) of Para C of Schedule V of SEBI (LODR) Regulations, 2015 and amendments thereof, the company is required to obtain a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The Company has taken the same from its Secretarial Auditor M/s Agarwal S. & Associates; Company Secretaries and attached herewith as **Annexure-B.**

**XV. COMPLIANCES**

No penalties/ strictures were imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital market and guidelines issued by the Government.

Compliance certificate from the auditors of the company regarding compliance of conditions of corporate governance are annexed herewith and forms part of this report.

During the financial year 2018-19 the Company was in general compliant of corporate governance requirements and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for their respective period except those compliances as have been mentioned in Corporate Governance Compliance Certificate and the Secretarial Audit Report.

**Declaration**

I, Shiv Das Meena, Chairman-cum-Managing Director of NBCC (India) Limited, do hereby declare that all the board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2019.

Sd/-

**Shiv Das Meena**

Chairman-cum-Managing Director

DIN 01881010

Place: New Delhi

Date : August 1, 2019

## CEO/CFO Certification

To  
Board of Directors  
NBCC (India) Limited

We, Shiv Das Meena, Chairman-cum-Managing Director and B.K. Sokhey, Chief Financial Officer do hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the audit committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (ii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi  
Date: August 8, 2019

Sd/-  
**Shiv Das Meena**  
Chairman-cum-Managing Director

Sd/-  
**B. K. Sokhey**  
Chief Financial Officer



## Annexure-B

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of  
NBCC (India) Limited.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of NBCC (India) Limited having CIN: L74899DL1960GOI003335 and having registered office at NBCC Bhawan, Lodhi Road, New Delhi-110003 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations/ representations furnished to us by the Company & its Director/ officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Anoop Kumar Mittal	05177010	03.12.2011
2	Rajendra Chaudhari	07151492	10.06.2015
3	Neelesh Manherlal Shah	07444898	13.02.2018
4	Jhanja Tripathy	06859312	13.06.2014
5	Sanjay Murthy Kondru	03532374	20.11.2018
6	Cherukkuru Subba Reddy	00275395	22.07.2016
7	Sairam Bhaskar Mocherla	01430951	22.07.2016
8	Ashok Khurana	06651241	22.07.2016
9	Rajendrasinh Rana Ghanshyamsinh	07557657	22.07.2016
10	Chamarthi Rajendra Raju	07559368	22.07.2016
11	Tajuddin Moulali Mhaisale	07559857	22.07.2016

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates**,  
Company Secretaries,  
ICSI Unique Code: P2003DE049100  
Sd/-

**CS Anuradha Jain**  
Partner

Place: New Delhi  
Date: June 13, 2019

ACS No. : 36639  
CP No. : 14180

# INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

## TO THE MEMBERS OF NBCC (INDIA) LIMITED

1. We have examined the compliance of conditions of Corporate Governance by NBCC (India) Limited ("the Company"), as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2019.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of relevant records and the explanations given to us and the representations by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended on March 31, 2019 and Listing Agreement of the said Company with stock exchange(s), in all material aspects.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Dhawan & Co.**  
Chartered Accountants  
Firm Reg. No. 002864N

Sd/-  
**(Sunil Gogia)**  
Partner

Place: New Delhi  
Date : August 8, 2019

M.No. 073740  
UDIN: 19073740AAAAAJ7999



## AOC-2

### Particulars of contracts / arrangements made with related party

#### Disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013

1. Details of contracts / arrangements or transactions entered in the ordinary course of business but not at arms length basis for the FY 2018-19 : Nil
2. Details of contracts / arrangements or transactions entered in the ordinary course of business and at arms length basis for the FY 2018-19:

Name of Related Party and Nature of Contract	Relationship	Duration of Contract	Salient Features	Amount (₹ in lakh)
NBCC Services Limited	Wholly owned Subsidiary Company	As per Board approval	Services Received	2,247.26
			Sale of Property	940.31
			Rent Received	2.59
NBCC Engineering Consultancy Limited	Wholly owned Subsidiary Company	As per Board approval	Services Received	84.80
			Services Provided	2.60
NBCC International Limited	Wholly owned Subsidiary Company	As per Board approval	Rent Received	1.65
NBCC Environment Engineering Limited	Wholly owned Subsidiary Company	As per Board approval	Rent Received	1.65
Hindustan Steelworks Construction Limited	Subsidiary Company	As per Board Approval	Sale of Property	4,434.00
HSCC (India) Limited	Wholly owned Subsidiary Company	As per Board Approval	Sale of Property	6,834.99

Sd/-

**Shiv Das Meena**

Chairman-cum-Managing Director  
DIN 01881010

Place: New Delhi  
Date : August 8, 2019





# NBCC (India) Limited

## Dividend Distribution Policy

### 1.0 BACKGROUND

SEBI vide notification dated July 8, 2016 has amended SEBI (LODR) Regulations, 2015 by inserting Regulation 43A which requires top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites. NBCC being in top 500 listed entities has formulated Dividend Distribution Policy effective from the date of its adoption by the Board.

The intent of the policy is to cover the following parameters:

- (a) The circumstances when shareholders may/may not expect dividend;
- (b) The financial parameters to be considered while declaring dividend;
- (c) The internal and external factors to be considered on dividend declaration;
- (d) Utilization of retained earnings; and
- (e) Parameters adopted regarding various classes of shares.

Accordingly, in line with the provisions of the Companies Act, guidelines issued by Ministry of Finance(MOF)/Securities and Exchange Board of India (SEBI)/Department of Public Enterprises(DPE)/and other applicable guiding principles, the policy has been framed and is given below.

### 2.0 POLICY

The NBCC's dividend policy aims to enhance the shareholders wealth by maintaining the dividend yield in balance with the organization's requirement of internal accruals for continuous growth and sustainability.

### 3.0 FACTORS TO BE CONSIDERED WHILE DECLARING DIVIDEND

#### (a) The circumstances when shareholders may/may not expect dividend

Shareholders of the Company declare dividend at the Annual General Meeting of the Company on the recommendation of the Board of Directors. The dividend is recommended at the discretion of the Board who can also declare interim dividend. The factors considered by Board for recommending dividend include but are not restricted to future expansion plans, profits earned during the financial year, cash flow position, applicable taxes, guidelines issued by concerned authorities from time to time. Dividend payout decision being a crucial decision should be in view of the requirement of deployment of internal accruals for sustainment and growth plans of the company.

#### (b) The financial parameters to be considered while declaring dividend

NBCC being a CPSE has to comply with guidelines on "Capital Restructuring of Central Public Sector Enterprises" issued by DIPAM, Government of India which specifies to pay 30% of PAT or 5% of Net Worth whichever is higher, as dividend.

**(c) The internal and external factors to be considered while declaring dividend**

**Internal Factors**

The Company considers various financial parameters before considering the declaration of dividend as below:

**i) Profit earned during the year**

As per Section 123 of the Companies Act, 2013, no dividend shall be declared or paid by a company for any financial year except out of the profits of the company for that year or out of profits of the company for any previous financial year/ years arrived at after providing for depreciation in accordance with the provisions of the Act.

**ii) Net Worth of the Company**

As per the guidelines issued by DIPAM, Government of India, every CPSE would pay a minimum annual dividend of 30% of PAT or 5% of the net-worth, whichever is higher subject to the maximum dividend permissible under the extant legal provisions. Being a Govt. Company, NBCC is also required to comply with these guidelines or any subsequent modification thereto as may be issued from time to time.

**iii) Liquidity Position**

The company shall take into account the availability of sufficient free cash and bank balances while declaring dividend in cash despite having sufficient retained earnings. Similarly long term liquidity i.e. repayment of loans if any along with availability of alternative sources of finance is also to be considered.

**iv) Tax on distribution of profit**

The amount / rate of tax payable on distribution of dividends as per taxation laws applicable from time to time may also have a bearing on the amount of dividends.

**v) Others**

Apart from the above financial parameters, the Company may also consider various other internal factors, which interalia include:

- Present and future capital requirements of the existing businesses;
- Additional investments in subsidiaries/associates of the Company;
- Any contractual restriction prohibiting declaration of dividends;
- Dividend yield;
- Any other factor as deemed fit.

**External Factors**

**i) Economic Environment**

In case of uncertain or recessionary economic and business conditions, the Company will endeavor to retain larger part of profits to buildup reserves to absorb future shocks.

**ii) Capital Markets**

In the times of favorable markets, dividend pay-out can be liberal. However, incase of unfavorable market conditions where the availability of credit is restricted, the Company may resort to a conservative dividend pay-out in order to conserve cash outflows.

### iii) **Statutory Provisions and Guidelines**

The Company will keep in mind the restrictions imposed by Companies Act with regard to declaration of dividend. Further, being a Government Company, the Company shall also consider the guidelines in force in respect of dividend declaration as issued from time to time by the Government of India.

### (d) **Manner of utilization of retained earnings**

The Company is engaged in carrying business operations in three segments viz, (i) PMC (ii) EPC & (iii) Real Estates in relation to civil construction and engineering contracts. The profits being retained in the business shall depend upon future capital expenditure plans of NBCC, likely fund requirements of subsidiary and joint venture companies, diversification opportunities, government guidelines regarding bonus, buyback etc or any other criteria as may be considered necessary by the Board. The Company stands committed to deliver sustainable value to all its stakeholders.

### (e) **Parameters adopted regarding various classes of shares**

The holders of the equity shares of the Company, as on the record date, are entitled to receive dividends. Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per equity share. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

## **4.0 THE POLICY SHALL NOT APPLY TO:**

- Determination and declaring dividend on preference shares, if any to be issued by NBCC at a later date, as the same will be as per the terms of issue approved by the shareholders;
- Distribution of dividend in kind i.e. by issue of bonus shares or other securities, subject to applicable law;
- Distribution of cash as an alternative to dividend payment by way of buyback of equity shares etc.

## **5.0 MODIFICATIONS/ DEVIATIONS TO THE POLICY**

The Board of Director may amend, modify or alter the Policy, as may be considered necessary from time to time. If the company proposes to declare dividend on the basis of parameters in addition to above parameters or proposes to change the above parameters, it shall disclose such changes along with rationale for the same in its annual report and on its website.



# NBCC CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY DEVELOPMENT POLICY

## 1.0 SHORT TITLE AND DEFINITIONS

- 1.1 The “Act” Means the Companies Act, 2013. 1.2 “Corporate Social Responsibility” means and includes but is not limited to :- i. Projects or programs relating to activities specified in Schedule VII to the Act; or ii. Projects or programs relating to activities undertaken by the Board of Directors of a company (Board) in pursuance of recommendations of the Board Level CSR Committee of the Board as per declared CSR & SD Policy of the Company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act. 1.3 The “Board Level CSR Committee” means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act. 1.4 “CSR & SD Policy” relates to the Activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a Company. 1.5 “Net Profit” means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following namely :- i. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and ii. any dividend received from other companies in India, which are covered under and complying with the Provisions of Section 135 of the Act :- Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956, (1 of 1956) shall not be required to be re-calculated in accordance with the provisions of the Act 1.6 This policy, which encompasses the company’s philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking projects and programmes for socio-economic development and empowerment and sustainable development of the community at large, is titled as the ‘NBCC CSR & SD Policy’. 1.7 This policy shall apply to all CSR initiatives and projects taken up at various sites and locations of NBCC, for the development and empowerment of deprived and underprivileged sections of the society. 1.8 CSR is the process by which an Organization thinks about and evolves its relationships with stakeholders for the common good, and demonstrate its commitment in this regard by adoption of appropriate business processes and strategies. Thus, CSR is not charity or mere donations<sup>1</sup>. 1.9 CSR is a way of conducting business, by which corporate entities visibly contribute to the social good. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. They use CSR to integrate economic, environmental and social objectives with the company’s operations and growth<sup>2</sup>. 1.10 Sustainable development is development that meets the needs of the present without compromising the ability of the future generations to meet their own needs. Sustainable Development involves an enduring and balanced approach to economic activity, social progress and environmental responsibility<sup>3</sup>.

## CSR VISION

To establish itself and fulfill its role as a socially responsible corporate entity. To act in a socially responsible manner to contribute to the socioeconomic development of the communities we operate in, by building stronger, developed, sustainable communities and raise the quality of life of the people of the country.

<sup>1</sup>Guidelines on Corporate Social Responsibility and Sustainability for CPSEs by DPE

<sup>2</sup>Corporate Social Responsibility Rules under Section 135 of the Companies Act, 2013

<sup>3</sup>Guidelines on Sustainable Development for the year 2012-13

## CSR MISSION

1. To undertake holistic development initiatives / projects in the community at large
2. To take up CSR projects in the area of quality education, skill development and livelihoods, healthcare, infrastructural development in rural areas, training and awareness, employee sensitisation towards CSR, etc. to improve the quality of life and standard of living of the rural populace as first priority.
3. NBCC will act as a good Corporate Citizen, subscribing to the ten principles of United Nations Global Compact for implementation.

## CSR OBJECTIVES

- To aim to provide quality education through scholarships, material support, academic support, infrastructural support, teaching aids, etc. majorly focusing on girl child, Scheduled Castes & Tribes and other backward communities
- To aim to provide healthcare services with focus on issues of health, hygiene and sanitation in remote and inaccessible rural as well as urban areas by devising focused strategies as per the needs of different areas.
- To provide vocational / skill based trainings to underprivileged youth as per the local market employability / Entrepreneurship with job placements to ensure economic as well as social sustainability of the youth population and their families
- To develop necessary infrastructure in rural areas based on requirement supported with data and documentary evidence to enhance the quality of living
- To sensitise the company officials towards the CSR to imbibe socially responsible values in the DNA of the company through trainings, workshops, seminars, etc.
- To undertake CSR projects largely in and around NBCC project sites and offices (any other needy area or backward district can be taken up irrespective of operations of the company)
- To generate, through its CSR initiatives, a community goodwill for NBCC and help reinforce a positive and socially responsible image of NBCC as a corporate entity.
- To ensure environmental sustainability.

## 2.0 FUNCTIONING OF NBCC'S CSR

- 2.1. NBCC will function on the principles of its CSR values (vision, mission and objectives) as laid out in Para 1. 2.2. NBCC will abide by Section 135 of Companies Act, 2013 in principle for its CSR functioning read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time. 2.3. NBCC shall spend 2% of the average Net Profit in immediately preceding three FYs on CSR Activities / Projects. 2.4. The surplus arising out of the CSR Projects / programs / activities shall not form part of the Business profit. 2.5. Surplus arising out should immediately be recognised as liability for CSR expenditure 2.6. NBCC has Board Level CSR Committee consisting of three Directors. 2.7. The Board Level CSR Committee should formulate and recommend NBCC CSR & SD Policy to the Board and review it periodically. The committee also recommend / approve the CSR Activity and the expenditure to be incurred on the CSR activities. 2.8. Based on recommendations of the Board Level CSR Committee, the Board approves NBCC CSR & SD Policy, disclose composition of Board Level CSR Committee and contents of CSR & SD Policy in its report and publish it on NBCC's website. 2.9. The Board shall also ensure that the activities are undertaken as per CSR & SD Policy. 2.10. The company shall give preference to local areas and areas around where it operates for spending the amount earmarked for Corporate Social Responsibility activities. 2.11. If the company fails to spend earmarked amount for CSR, the Board shall, in its Annual Report, specify the reasons for the same.

### **3.0 FUNDING AND RESOURCE ALLOCATION**

- 3.1 NBCC will spend 2% of the average of last three year's Net Profit for CSR Projects / Activities.
- 3.2 The expenditure towards Proposal Evaluation / Need Assessment / Baseline Survey, Mid-term Assessment, Impact Assessment, Documentation & Dissemination, Trainings for employees' sensitization towards CSR, Identification of CSR Activities / Projects Monitoring / Coordination Activities, Fee of experts such as Consultants / designers etc. shall form part of CSR expenditure and would be covered under CSR Head.
- 3.3 On the basis of identified CSR Activities / Projects, the CSR Annual Plan will be prepared by the CSR Department.

### **4.0 PLANNING AND IMPLEMENTATION OF THE COMPANIES ACT, 2013 ON PAN INDIA BASIS**

#### **4.1 THRUST AREAS**

In order to channelize CSR resources in a focused and meaningful manner, following thrust areas in accordance to Schedule – VII of the Companies Act, 2013 have been identified by NBCC: I. Eradicating hunger, poverty and malnutrition; promoting healthcare including preventive health care and sanitation including contribution to the 'Swachh Bharat Kosh' set-up by the Central Government for the promotion of sanitation and making available safe drinking water; II. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects; III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; IV. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the 'Clean Ganga Fund' set-up by the Central Government for rejuvenation of river Ganga; V. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional and handicrafts; VI. Measures for the benefit of armed forces veterans, war widows and their dependents; VII. Promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports; VIII. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socioeconomic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; IX. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government X. Rural development projects. XI. Slum Development - any area decided as such by the Central Government or any State Government or any other Competent Authority under any law for the time being in force; XII. In line with the Ministry of Corporate Affairs (MCA) Circular No. 21/2014 dated 18.6.2014, one-off events such as marathons / awards / charitable contributions / advertisements / sponsorship of TV programs / events involving celebrities, specifically for entertainment purposes, etc. would not qualify as CSR Activities.

Keeping in mind the need of planned CSR projects, following are key steps to be taken by NBCC CSR team:

- 4.2 **Baseline Survey:** As a first step, to assess the impact of any project/programme/activity, there is a need to establish the base. This base establishment will help the company to see the changes after intervening in a specific area. Baseline Survey can be undertaken by an expert agency or by Company itself to assess the needs as well as establish the baseline information and statistics so as to allow a comparison of the 'then' and 'now' situation in the future. This will clearly show the 'impact' the project has created.
- 4.3 **Needs Assessment :** It is also important to conduct an unbiased needs assessment in the area prior to undertaking a CSR project in order to ascertain the specific needs, problems and relevant solutions from the community perspective, as also gain an understanding from the perspectives of the village / Distt. / State authorities, and the concerned HODs of NBCC.



- 4.4 **Proposal Evaluation:** A thorough evaluation of proposals should be conducted based on needs. For this purpose, only those proposals that are supported by data, documentary evidence, clearly indicating the need, preferably in thrust areas of the company or as decided by the Competent Authority / Board Level CSR Committee, shall be taken up. Also, there needs to be clear criterion to evaluate the reliability of the proposal as also adherence to the Companies Act, 2013 and adherence to NBCC CSR & SD Policy.
- 4.5 All the interventions made by company should be implemented in a project mode with clear objectives and goals mentioned. The goals should be laid on SMART principle which is: S = SPECIFIC M = MEASURABLE A = ATTAINABLE R = RELEVANT T = TIME BOUND
- 4.6 In exceptional cases where the interventions made by the company under CSR are not in project mode, and are one-time activities, the reason for doing so should be recorded in writing. These one-time activities should constitute only 5% of NBCC's total CSR spending for that year. Rest should be in project mode as mentioned in section 4.4, Clause 4.2, 4.3 & 4.4
- 4.7 As the projects are related to socio-economic development and environmental protection, specialised agencies should be involved in designing and implementation of the same. In the absence of in-house expertise in social, economic and environmental areas, partnering with experts in the field is crucial to achieve NBCC's CSR vision, mission and objectives.
- 4.8 However, if there are projects related to company's core competency then company should use in-house expertise in implementing the same.
- 4.9 NBCC may support Central/State Government and district administration in order to dovetail and synergise with their programmes/projects by its initiatives in last mile approach.
- 4.10 Identification of CSR Projects / activities at Corporate / RBG / SBG / Zone level will be done by any one of or combination of the following :- i. In-house planned projects - for selection of location preferably in local areas by respective HODs. ii. Proposals from District Administration / Govt. Body / any other govt. agency.
- During identification / selection of the CSR Activity, an undertaking from District Administration / Govt. Body / any other govt. agency shall be obtained in prescribed format , placed at Annexure – A, that for the particular project / activity funding from some other agency has not been taken.

## 5.0 SELECTION CRITERION FOR SPECIALISED AGENCY

- 5.1 To identify the CSR Activities, RBG / SBG / ZO / Govt. agencies should forward a formal proposal with complete detail like name of work, availability of land, formal NOC letter from concerned department etc. , approximate cost of Project along with line diagram plan, non-availability of fund in concerned department and recommendations of RBG / SBG / Zonal Incharges / Any other Govt. agencies etc. to CSR Cell, H.O. so that the same could be put up to Board Level CSR Committee for their comments and approval.
- 5.2 The Baseline / Need Assessment, proposal Evaluation, Mid-term Assessment & Impact Assessment for all the approved CSR Activities shall be carried out by Tata Institute of Social Sciences (TISS) NCSR Hub / any other Educational Institution/ by Company itself or otherwise as per requirement and as approved by the Board Level CSR Committee.
- 5.3 (i) Care should be exercised in selecting specialised agencies which have the necessary competencies, expertise and capabilities to implement the projects. Duly empanelled list of Organizations available with National CSR Hub, TISS / any other Educational Institution can be availed to identify the credible partners for the implementation of NBCC's projects for conducting Baseline Survey and Implementation of Skill & Entrepreneurship Development Programs through NSDC Partners.

(ii) The Board of the Company may decide to undertake its CSR Activities approved by the Board Level CSR Committee through a Registered Trust or a Registered Society or a Company established by the Company or its holding or subsidiary or associate company under Section 8 of the Act. Specialised agencies may include Government department, semi-government, autonomous Organizations, professional consultancy Organizations, registered Trusts / Missions, community based Organizations, self-help groups, not-for-profit Organizations, local bodies such as Panchayati Raj Institutions, Academic Institutions recognized Body / Agency by the Government (Central / State) etc.

(iii) In any other way in accordance with the Companies (Corporate Social Responsibility Policy) Rules 2014, eg. on its own.

5.4 (i) The Implementation Agency can be finalised through normal tender procedure of NBCC by adopting NIT, GCC, Price Bid and other requirements after NIT approved from TSC members or any other Agency including NBCC Services Limited, a Subsidiary company of NBCC, approved by the Board Level CSR Committee.

(ii) The Baseline Survey / Need Assessment / Proposal Evaluation, Mid – term Assessment & Impact Assessment Agency can be finalised, through normal procedure of NBCC by calling sealed quotation or agency finalised by the Board Level CSR Committee.

5.5 (i) Once the projects/programmes/activities are approved and communicated to the approved agency, they will be required to enter into an agreement with each of the executing/implementing agency as per the NIT and Voluntary Organizations approved by Board Level CSR Committee.

(ii) After approval from Board Level CSR Committee /Board of Directors, the concerned RBG / SBG / Z.O. / Approved Agency should be fully responsible for timely completion, Quality of work, timely handing over and other legalities as per N.I.T. / MOU.

5.6 In case of project/programme execution by Voluntary Organizations, the following minimum criterion needs to be ensured: a. The Organization has a permanent office/address in India. b. The Organization is a registered society under Societies' Registration Act c. The Organization should have an established track record of at least three years in carrying out activities in related areas. d. The Organization should possess a valid income-tax exemption certificate. e. The antecedents of the Organization are verifiable / subject to confirmation. f. Formal MOU / Agreement.

All activities should represent the plaque of NBCC, engraved / written with paint "A CSR Initiative of NBCC" in bold letters clearly visible from all-around.

## **6 MONITORING, EVALUATION AND IMPACT ASSESSMENT**

6.1 **Monitoring** and Evaluation go hand in hand with the implementation of the project/activity. Timelines, budgetary expenditures and achievement of milestones can only be assessed by monitoring the project.

6.2 Monitoring should be periodic with a checklist of key indicators related to the project which is helpful in understanding the present picture. Monitoring also creates possibilities of mid-term course corrections in the project.

6.3 Monitoring should be taken care by NBCC CSR team or by any agency appointed for the purpose by the Board for its CSR projects. This ensures the involvement and ownership of CSR projects by the company.

6.4 The reporting format by which the implementing Organization submits its weekly/monthly/quarterly/yearly reports should be collaboratively designed by the company and the implementing Organization by keeping all the indicators of the projects in focus. The reporting format should also have a qualitative data section apart from quantitative data section.

- 6.5 In the case of one-time activity, monitoring should take place after handing over the services to Panchayat / State Government/Central Government etc. as this helps the company in understanding the functioning of the services provided. This also helps in taking mid-term course corrections if the services provided are not functional.
- 6.6 For long term sustainability of CSR Activities half yearly visit by the CSR Monitoring Team for a period of 5 years may be undertaken, to ascertain status / progress of the Activity.
- 6.7 **Evaluation** should be conducted by a third party that is not involved in implementation of the project at all. If required, it is advisable to appoint the agency engaged in baseline survey/need assessment for evaluation as the agency can clearly observe and assess whether the implementation is going in right direction as designed. Any new agency can also be recruited for the same.
- 6.8 After completion of the project/programmes/activities, NBCC should partner with a third party to conduct **Impact Assessment** study. Impact Assessment study drives to a conclusion whether the objectives of the project have been achieved or not. It also documents the socio-economic improvement and changes in quality of life of the beneficiaries. It also assesses the process of documentation, reporting, implementation, monitoring, beneficiaries' selection in line with the proposal/ needs assessment made beforehand, and all other aspects of the projects and gives a holistic view. It also documents what can be done to replicate the same programme with better results by the company.

## 7 UPKEEP AND MAINTENANCE OF ASSETS CREATED

Maintenance of Assets created under CSR would be the responsibility of the concerned State Governments and local institutions like Gram Panchayats and Govt. Bodies. Before any capital investment is made, an undertaking would be taken from the representatives of local community that they would be responsible for regular maintenance of the assets created by NBCC. This should be complimented by continuous monitoring & evaluation by NBCC of all the assets created.

## 8 POWERS OF APPROVAL

The Board of Directors on the recommendations of Board Level CSR Committee will approve the CSR & SD Policy for the Company and the same will be displayed on the Company's web-site. Board of Directors shall also ensure that the activities included in the CSR & SD Policy of the Company are duly undertaken by the Company.

## 9 REPORTING

- 9.1 Contents of the CSR & SD Policy would be disclosed in Director's report and same shall be displayed in the Company's website, in the prescribed format.
- 9.2 The Board's report will include the following : i. A brief outline of the CSR & SD Policy, including overview of projects proposed to be undertaken and a reference to the web link to the CSR & SD Policy and projects. ii. Composition of the Board Level CSR Committee iii. Average net profit for last three FYs iv. Prescribed CSR Expenditure v. Details of CSR Spent during the financial year in the prescribed format. vi. In case the company fails to spend the 2% of average net profit of the last three FYs or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. vii. A responsibility statement of the Board Level CSR Committee that the implementation and monitoring of CSR & SD Policy, is in compliance with CSR objectives and Policy of the company. viii. The report would be signed by : - Chief Executive Officer or Managing Director or Director or; - Chairman of the Board Level CSR Committee

## 10 MISCELLANEOUS

- 10.1 The Company reserves the right to modify, cancel, add or amend any of the provisions of this policy in accordance to the prevailing statute.

- 10.2 Notwithstanding any clause in the Policy, no action pertaining to CSR Activities shall be taken in contravention of the provision of the section 135 of the Companies Act, 2013 and of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

## SUSTAINABILITY DEVELOPMENT

Sustainable Development is the need of the hour in today's fragile and natural resource constrained world, the guiding principle of which is balancing of the Environmental, Social and Economic concerns. At NBCC, India's largest construction PSU it is our commitment to PROMOTE the nation and our constant endeavour to operate in an environmentally conscious and responsible manner, while catering to the nation's ever increasing demand for infrastructure. - Support global clean energy economy that is already underway. For the purpose, eliminate air and water pollution, promote technology innovation, energy efficiency and a diversity of renewable resources such as solar, wind, hydro, sustainable biomass and geothermal. - Affirm its commitment to contributing towards a clean and sustainable environment and continuously enhancing its environment related performance as an integral part of its business philosophy and values. - Adopt an approach that integrates quality, affordability, and sustainability. Every method / product / design should be safe, effective, good-looking and reasonably priced. - Inspire Cradle to Cradle approach. C2C calls for waste-free design, raw materials are as natural and as possible it can be reused continuously. C2C stands in direct contrast to the traditional "lab – to-landfill" (L2L) approach. - The future lies in the energy efficiency, green and renewable energy sector. Bold measures in off-grid to harness wind, solar and hydro power so as to bring about a change / improvement in quality of life of the people. Use, smart windows to control heat & light. - Smart city initiative – Information, communication and technology – enabled governance. Efficient Utilities – energy, water, solid waste, effluents. Meaningful PPPs. Safety and security. Financial sustainability. Citizen – participative local government. Sufficient social capital. Transit oriented habitats. Green features and minimum population criteria

### Brief Outline of the Company's CSR Policy

NBCC's CSR & SD Policy is in accordance with the Companies Act, 2013. The main features of CSR & SD Policy of NBCC are as under :-

1. Covers all the project enumerated in Schedule VII of Companies Act, 2013.
2. All the Proposal / Requests should come through the District Administration / District Authorities in prescribed formats.
3. The proposals are recommended by the Board Level CSR Committee and approved by the Board of Directors of NBCC for implementation.
4. After Implementation, Mid-term / Impact Assessment by Third Party is carried out.
5. The Composition of the CSR Committee:

Name	Designation
Shri CR. Raju	Chairman
Smt. Jhanja Tripathi, JS & FA, MoHUA	Member
Shri Rajendra R Chaudhari, Director (Commercial)	Member

- a. Average net profit of the Company for the last three financial years: ₹ 47,548.12 lakh
- b. Prescribed CSR Expenditure (two per cent. of the amount in item a above): ₹ 950.96 lakh
- c. Details of CSR spent during the financial year:
  - Total amount spent for the financial year : ₹ 978.57 lakh

- Amount unspent, if any: NIL
- Manner in which the amount spent during the financial year is detailed below:

(₹ in lakh)

Sl. No.	Project / Activity	Sector in which project is covered	Location	Total sanctioned budget for the project / programme	Amount outlay (budget) project or program wise	Amount Spent on the projects or programs	Cumulative exp. upto the reporting period	Amount spent: Direct or through implementing Agency
1	Conservation, restoration and development of Purana Qila	Schedule-VII Item No.(v)	New Delhi	1435.00	419.05	419.50	719.50	ASI & NBCC
2	Construction of Sainik Rest Houses (SRH) in Betul, Madhya Pradesh for Armed forces veterans	Schedule-VII Item No.(vi)	Betul, Madhya, Pradesh	124.00	16.15	30.93	123.81	NBCC Services Limited
3	Construction of CC Road and U drain from Shankar Nagar Crossing to Ganeshpur Police Station, Basti, Uttar Pradesh	Schedule-VII Item No.(x)	Basti, Uttar Pradesh	144.18	115.01	101.30	130.47	NBCC Services Limited
4	Educational Scholarships to Kalinga Institute of Social Sciences (KISS)	Schedule-VII Item No.(ii)	Bhubaneshwar, Odisha	100 tribal school children were adopted for scholarships for 5 years (amount varies from year to year)	14.08	14.08	23.53	Kalinga Institute of Social Sciences (KISS)
5	Allocation of CSR Funds for "Swachh Bharat Kosh" set up by the Central Government of India.	Schedule-VII Item No.(i)	New Delhi	33% of CSR fund annually	313.82	313.82	858.34	Coordinator Swachh Bharat Kosh
6	Construction of Widow Hostel, Vasant Kunj, New Delhi	Schedule-VII Item No.(vi)	New Delhi	675.50	61.23	98.74	550.15	NBCC (I) Ltd

Sl. No.	Project / Activity	Sector in which project is covered	Location	Total sanctioned budget for the project / programme	Amount outlay (budget) project or program wise	Amount Spent on the projects or programs	Cumulative exp. upto the reporting period	Amount spent: Direct or through implementing Agency
7	Impact Assessment of NBCC's CSR Activities of FY 2017-18	-	-	3.18	3.18	-	-	NBCC (I) Ltd
8	Administrative expenditure for FY 2018-19							
a	Impact Assessment of NBCC's CSR Activities of FY 2018-19	-	-	5% of CSR Budget	5.00	-	-	NBCC (I) Ltd
b	Miscellaneous Administrative Expenditure	-	-		3.00	-	-	NBCC (I) Ltd
c	Inauguration Exp. Gramalaya, Harchand-Pur Project	-	-		0.44	0.21	-	NBCC (I) Ltd
	<b>Total</b>				<b>950.96</b>	<b>978.57</b>		

- d. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reason for not spending the amount in its Board report. - NA
- e. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

#### RESPONSIBILITY STATEMENT

We hereby affirm that the CSR Policy as approved by the Board of NBCC has been Implemented and the CSR committee monitors the implementation of CSR projects and activities in compliance with CSR objectives and Policy of the Company.

Sd/-  
**Rajendra Chaudhari**  
Director (Commercial)

Sd/-  
**C.R. Raju**  
Chairman, CSR Committee

Place : New Delhi  
Date : May 29, 2019





# SECRETARIAL AUDIT REPORT

## FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

{Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015}

To  
The Members  
NBCC (India) Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NBCC (India) Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial period ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable**
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable**
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable**

- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable**
  - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not applicable**
  - (h) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and
  - (i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. **Not applicable**
- (vi) Compliances/processes/systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificate under internal Compliance system submitted to the Board of Directors of the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India.  
- Generally complied with.
- (ii) The Listing Agreements and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (iii) DPE Guidelines on Corporate Governance for CPSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observation:

**Observation No. 1** Regulation 17 (10) & 25 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, the Company has not carried out the performance evaluation of the directors.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions made in the Board/Committee meeting(s) were carried out with unanimous/majority consent of the Directors/Members present during the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has acquired HSCC (India) Limited for ₹ 285 crore, pursuant to the said acquisition, HSCC (India) Limited has become a wholly owned subsidiary of NBCC (India) Limited.

For **Agarwal S. & Associates**  
Company Secretaries,  
ICSI Unique Code: P2003DE049100

Sd/-  
**CS Anuradha Jain**  
Partner  
ACS No.: 36639  
CP No.: 14180

Place : New Delhi  
Date : June 19, 2019

This report is to be read with our letter of even date which is annexed as "Annexure-A" and forms an integral part of this report.

## Annexure-A

To,  
The Members,  
NBCC (India) Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/ comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates**  
Company Secretaries,  
ICSI Unique Code: P2003DE049100

Sd/-  
**CS Anuradha Jain**  
Partner  
ACS No.: 36639  
CP No.: 14180

Place: New Delhi  
Date: June 19, 2019

## Management's Reply to Secretarial Auditor's Report (FY 2018-19)

AUDITOR'S COMMENTS	MANAGEMENT'S REPLY
Non- Compliance of Regulation 17(10) & 25(4) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not carried out the performance evaluation of the Directors.	NBCC is a Government Company, appointment/ nomination of all the Directors is being done by the President of India, through the Ministry of Housing and Urban Affairs and performance evaluation of Directors including Independent Directors has been done by the Administrative Ministry being the appointing authority.

Place: New Delhi  
Date : August 1, 2019

Sd/-  
**(Shiv Das Meena)**  
Chairman-cum-Managing Director  
DIN 01881010

# FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

## As on the financial year ended March 31, 2019

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014

### I. REGISTRATION AND OTHER DETAILS:

- i) CIN : **L74899DL1960GOI003335**
- ii) Registration Date : **November 15, 1960**
- iii) Name of the Company : **NBCC (INDIA) LIMITED**
- iv) Category/ Sub-Category of the Company : **COMPANY LIMITED BY SHARES**
- v) Address of the Registered Office and contact details: **NBCC BHAWAN, LODHI ROAD, NEW DELHI – 110003  
011-24367314-18, 43591555 (EPABX)**
- vi) Whether listed company : **Yes**
- vii) Name, Address and contact details of Registrar and Transfer Agent: **M/S BIGSHARE SERVICES PVT. LTD.  
302, KUSHAL BAZAR, 32-33,  
NEHRU PLACE, NEW DELHI- 110019**

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY : PROJECT MANAGEMENT CONSULTANCY, ENGINEERING PROCUREMENT & CONSTRUCTION REAL ESTATE DEVELOPMENT

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name & Description of main products/services	NIC Code of the Product / service	% to total turnover of the company
1.	Project Management Consultancy	41001	88.66

### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICA- BLE SECTION
1.	NBCC Services Limited	U74900DL2014GOI272532	Subsidiary	100	2(87)
2.	NBCC Engineering & Consultancy Limited	U74992DL2015GOI288527	Subsidiary	100	2(87)
3	NBCC International Limited	U45309DL2017GOI320210	Subsidiary	100	2(87)
4	NBCC Environment Engineering Limited	U90009DL2017GOI320411	Subsidiary	100	2(87)
5	HSCC (India) Limited	U74140DL1983GOI015459	Subsidiary	100	2 (87)
6	Hindustan Steelworks Construction Ltd.	U27310WB1964GOI026118	Subsidiary	51	2(87)
7.	Real Estate Development & Construction Corporation of Rajasthan Limited	U45201RJ2015SGC048200	Joint Venture	50	2 (6)
8.	NBCC Gulf LLC	-	Foreign Subsidiary	70	2(87)
9.	NBCC DWC-LLC	-	Foreign Subsidiary	100	2(87)

#### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

##### i) Category wise Share Holding

Sl. No.	Particulars	No. of Shares held at the beginning of the year: April 1, 2018				No. of Shares held at the end of the year : March 31, 2019				% Change during the year [Increase/ (Decrease)]
C. Code	Category of Shareholder	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(IX)	
<b>A</b>	<b>PROMOTERS</b>									
<b>I</b>	<b>INDIAN</b>									
(a)	Individual / HUF	0	0	0	0.00	0	0	0	0	0
(b)	Central / State Government(s)	66,86,08,249	0	66,86,08,249	74.29	1,22,73,08,635	-	1,22,73,08,635	68.18	(6.11)
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
(d)	Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0
(e)	Any others (specify)									0
(i)	Group companies	0	0	0	0.00	0	0	0	0.00	0
(ii)	Directors Relatives	0	0	0	0.00	0	0	0	0.00	0
	<b>SUB TOTAL (A)(1) :</b>	<b>66,86,08,249</b>	<b>0</b>	<b>66,86,08,249</b>	<b>74.29</b>	<b>1,22,73,08,635</b>	<b>-</b>	<b>1,22,73,08,635</b>	<b>68.18</b>	<b>(6.11)</b>
<b>2</b>	<b>FOREIGN</b>									
(a)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
(b)	Individual	0	0	0	0.00	0	0	0	0.00	0
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0
(e)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0
	<b>SUB TOTAL (A)(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
	Total holding for promoters									
	<b>Total (A)=(A)(1) + (A)(2)</b>	<b>66,86,08,249</b>	<b>0</b>	<b>66,86,08,249</b>	<b>74.29</b>	<b>1,22,73,08,635</b>	<b>0</b>	<b>1,22,73,08,635</b>	<b>68.18</b>	<b>(6.11)</b>
<b>B</b>	<b>PUBLIC SHAREHOLDING</b>									
<b>1</b>	<b>INSTITUTIONS</b>									
(a)	Central / State Government(s)	0	0	0	0.00	0	0	0	0.00	-
(b)	Financial Institutions / Banks	6,56,96,016	0	6,56,96,016	7.30	13,87,82,109	0	13,87,82,109	7.71	0.41
(c)	Mutual Funds / UTI	1,85,56,015	0	1,85,56,015	2.06	8,85,62,277	0	8,85,62,277	4.92	2.86
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	-
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	-
(f)	FII's	1,08,51,812	0	1,08,51,812	1.21	-	-	-	-	(1.21)
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	

Sl. No.	Particulars	No. of Shares held at the beginning of the year: April 1, 2018				No. of Shares held at the end of the year : March 31, 2019				% Change during the year [Increase/ (Decrease)]
(i)	Any Others (specify) Alternate Investment Funds	0	0	0	0	17,777	0	17,777	0.00	0.00
(j)	Foreign Portfolio Investor	3,96,47,668	0	3,96,47,668	4.41	8,39,77,743	0	8,39,77,743	4.67	0.26
(k)	Alternate Investment Fund	0	0	0	0.00	0	0	0	0.00	
	<b>SUB TOTAL (B)(1) :</b>	<b>13,47,51,511</b>	<b>0</b>	<b>13,47,51,511</b>	<b>14.97</b>	<b>31,13,39,906</b>		<b>31,13,39,906</b>	<b>17.30</b>	<b>2.33</b>
<b>2</b>	<b>NON- INSTITUTIONS</b>									
(a)	Bodies corporate	1,56,33,099	0	1,56,33,099	1.74	3,20,79,408	0	3,20,79,408	1.78	0.04
(b)	Individual									
(i)	(Capital upto to ₹ 1 lakh)	6,39,74,197	15,569	6,39,89,766	7.11	17,76,54,469	18,502	17,76,72,971	9.87	2.76
(ii)	(Capital greater than ₹ 1 lakh)	1,03,16,230	0	1,03,16,230	1.15	2,43,07,516	0	2,43,07,516	1.35	0.20
(c)	Any others (specify)									
(i)	Trusts	1,14,026	0	1,14,026	0.01	1,78,937	0	1,78,937	0.01	-
(ii)	Clearing Member	21,78,767	0	21,78,767	0.24	1,25,78,845	0	1,25,78,845	0.70	0.46
(iii)	Non Resident Indians (NRI)	30,14,818	0	30,14,818	0.33	1,24,36,453	0	1,24,36,453	0.69	0.36
(vi)	Directors Relatives	0	0	0	0.00	0	0	0	0	0
(vii)	Employee	13,40,242	0	13,40,242	0.15	20,97,329	0	20,97,329	0.12	(0.03)
(viii)	Overseas Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
(ix)	Unclaimed Suspense Account	0	0	0	0.00	0	0	0	0.00	0
(d)	Qualified foreign investor	0	0	0	0.00	0	0	0	0.00	0
(e)	NBFC Registered with RBI	53,292	0	53,292	0.01	0	0	0	0	(0.01)
	<b>SUB TOTAL (B)(2) :</b>	<b>9,66,24,671</b>	<b>15,569</b>	<b>9,66,40,240</b>	<b>10.74</b>	<b>26,13,32,957</b>	<b>18,502</b>	<b>26,13,51,459</b>	<b>14.52</b>	<b>3.78</b>
	Total Public Shareholding									
	<b>(B)=(B)(1) + (B)(2)</b>	<b>23,13,76,182</b>	<b>15,569</b>	<b>23,13,91,751</b>	<b>25.71</b>	<b>57,26,72,863</b>	<b>18,502</b>	<b>57,26,91,365</b>	<b>31.82</b>	<b>6.11</b>
	<b>Total (A) + (B) :</b>	<b>89,99,84,431</b>	<b>15,569</b>	<b>90,00,00,000</b>	<b>100</b>	<b>1,79,99,81,498</b>	<b>18,502</b>	<b>1,80,00,00,000</b>	<b>100.00</b>	<b>-</b>
(a)	SHARES HELD BY CUSTODIANS									
		0	0	0	0.00	0	0	0	0	0
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0	0
(ii)	Public	0	0	0	0.00	0	0	0	0	0
	<b>SUB TOTAL (C)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>(C)=(C)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (A) + (B) :</b>	<b>89,99,84,431</b>	<b>15,569</b>	<b>90,00,00,000</b>	<b>100</b>	<b>1,79,99,81,498</b>	<b>18,502</b>	<b>1,80,00,00,000</b>	<b>100.00</b>	<b>-</b>
	<b>Grand Total (A) + (B) + (C)</b>	<b>89,99,84,431</b>	<b>15,569</b>	<b>90,00,00,000</b>	<b>100</b>	<b>1,79,99,81,498</b>	<b>18,502</b>	<b>1,80,00,00,000</b>	<b>100.00</b>	<b>-</b>



## ii) Shareholding of “Promoter and Promoter Group”

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year April 1, 2018			Shareholding at the end of the year March 31, 2019			Change in Shareholding During the Year	
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No of Shares	% of total Shares of the Company
1	PRESIDENT OF INDIA	66,86,08,249	74.29	0	1,22,73,08,635	68.18	0	10,99,07,863	(6.11)
Total		66,86,08,249	74.29	0	1,22,73,08,635	68.18	0	10,99,07,863	(6.11)

## iii) Change in Promoter’s Shareholding during the financial year 2018-19.

Sl. No.	NAME	No. of Shares at the beginning the year (April 01, 2018) / No. of Shares at the end of the year (March 31, 2019)	Transaction Date	Increase/ Decrease in share-holding	Reason	Cumulative Number of Shares	Percentage of total shares of the company
1.	PRESIDENT OF INDIA	66,86,08,249	01-Apr-2018				74.29
			27-Apr-2019	1,33,72,16,498	Split of Shares	1,33,72,16,498	74.29
			12-Jun-2018	-80,09,687	Bharat 22 ETF	1,32,92,06,811	73.84
			15-Jun-2018	-28,26,949	DIPAM	1,32,63,79,862	73.69
			03-Jul-2018	11,24,042	Retransferred from DIPAM	1,32,75,03,904	73.75
			04-Dec-2018	-5,72,51,352	Bharat 22 ETF	1,27,02,52,552	70.75
			21-Feb-2019	-1,65,07,062	Bharat 22 ETF	1,25,37,45,490	69.65
			18-Mar-2019	-3,10,93,284	Bharat 22 ETF	1,22,26,52,206	67.93
			25-Mar-2019	46,56,429	Retransferred from DIPAM	1,22,73,08,635	68.18
		1,22,73,08,635	31-Mar-2019			1,22,73,08,635	68.18

## iv) Shareholding pattern of top ten Shareholder (Other than Directors, Promoters)

Sl. No.	Name	No. of Shares At the Beginning (April 01, 2018/ end of year March 31, 2019)	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
						No of Shares	% Total Shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	5,89,33,459	1-Apr-2018	-	-	5,89,33,459	6.55
			27-Apr-2018	5,89,33,459	Split of Shares	11,78,66,918	6.55
		11,78,66,918	31-Mar-2019	-	-	11,78,66,918	6.55
2	RELIANCE CAPITAL TRUSTEE CO LTD A/C RELIANCE ETF INFRA BEES INVESTMENT ACCOUNT*	-	1-Apr-2018				0.00
			11-Jan-2019	3,16,78,402	Transfer	3,16,78,402	1.76

Sl. No.	Name	No. of Shares At the Beginning (April 01, 2018/ end of year March 31, 2019)	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
						No of Shares	% Total Shares of the Company
			18-Jan-2019	-8,99,511	Transfer	3,07,78,891	1.71
			25-Jan-2019	-4,52,829	Transfer	3,03,26,062	1.68
			1-Feb-2019	-5,067,860	Transfer	2,52,58,202	1.40
			8-Feb-2019	-2,55,114	Transfer	2,50,03,088	1.39
			15-Feb-2019	-9,51,723	Transfer	2,40,51,365	1.34
			22-Feb-2019	-13,79,490	Transfer	2,26,71,875	1.26
			1-Mar-2019	-31,86,947	Transfer	1,94,84,928	1.08
			8-Mar-2019	70,708	Transfer	1,95,55,636	1.09
			15-Mar-2019	-3,92,544	Transfer	1,91,63,092	1.06
			22-Mar-2019	-8,91,454	Transfer	1,82,71,638	1.02
			29-Mar-2019	2,46,72,926	Transfer	4,29,44,564	2.39
		4,29,44,564	31-Mar-2019			4,29,44,564	2.39
3	ICICI PRUDENTIAL BALANCED ADVANTAGE FUND*	-	1-Apr-2018			-	0.00
			27-Apr-2018	64,34,312	Transfer	64,34,312	0.36
			4-May-2018	-88,752	Transfer	63,45,560	0.35
			11-May-2018	-98,176	Transfer	62,47,384	0.35
			18-May-2018	-93,008	Transfer	61,54,376	0.34
			25-May-2018	-1,57,504	Transfer	59,96,872	0.33
			1-Jun-2018	-93,136	Transfer	59,03,736	0.33
			8-Jun-2018	-5,280	Transfer	58,98,456	0.33
			15-Jun-2018	-8,704	Transfer	58,89,752	0.33
			22-Jun-2018	-2,21,168	Transfer	56,68,584	0.31
			29-Jun-2018	96,54,578	Transfer	1,53,23,162	0.85
			6-Jul-2018	-29,17,984	Transfer	1,24,05,178	0.69
			13-Jul-2018	-12,23,184	Transfer	1,11,81,994	0.62
			20-Jul-2018	-6,36,784	Transfer	1,05,45,210	0.59
			27-Jul-2018	-12,31,104	Transfer	93,14,106	0.52
			3-Aug-2018	-15,24,128	Transfer	77,89,978	0.43
			10-Aug-2018	-94,608	Transfer	76,95,370	0.43
			17-Aug-2018	-1,96,880	Transfer	74,98,490	0.42
			24-Aug-2018	-5,98,495	Transfer	68,99,995	0.38
			31-Aug-2018	-8,29,888	Transfer	60,70,107	0.34
			7-Sep-2018	-36,416	Transfer	60,33,691	0.34
			14-Sep-2018	-5,056	Transfer	60,28,635	0.33
			21-Sep-2018	-5,360	Transfer	60,23,275	0.33
			28-Sep-2018	-17,440	Transfer	60,05,835	0.33
			5-Oct-2018	9,744	Transfer	60,15,579	0.33
			12-Oct-2018	-400	Transfer	60,15,179	0.33
			19-Oct-2018	1,840	Transfer	60,17,019	0.33
			26-Oct-2018	-2,320	Transfer	60,14,699	0.33

Sl. No.	Name	No. of Shares At the Beginning (April 01, 2018/ end of year March 31, 2019)	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
						No of Shares	% Total Shares of the Company
			2-Nov-2018	-2,160	Transfer	60,12,539	0.33
			9-Nov-2018	-1,760	Transfer	60,10,779	0.33
			16-Nov-2018	-1,456	Transfer	60,09,323	0.33
			23-Nov-2018	-2,880	Transfer	60,06,443	0.33
			30-Nov-2018	-13,600	Transfer	59,92,843	0.33
			7-Dec-2018	-1,94,048	Transfer	57,98,795	0.32
			14-Dec-2018	-1,184	Transfer	57,97,611	0.32
			21-Dec-2018	-5,696	Transfer	57,91,915	0.32
			28-Dec-2018	-2,272	Transfer	57,89,643	0.32
			31-Dec-2018	-1,840	Transfer	57,87,803	0.32
			4-Jan-2019	1,96,944	Transfer	59,84,747	0.33
			11-Jan-2019	-3,920	Transfer	59,80,827	0.33
			18-Jan-2019	8,144	Transfer	59,88,971	0.33
			25-Jan-2019	-4,480	Transfer	59,84,491	0.33
			1-Feb-2019	-4,912	Transfer	59,79,579	0.33
			8-Feb-2019	-157	Transfer	59,79,422	0.33
			15-Feb-2019	-15,759	Transfer	59,63,663	0.33
			22-Feb-2019	1,63,82,945	Transfer	2,23,46,608	1.24
			1-Mar-2019	-1,06,34,503	Transfer	1,17,12,105	0.65
			8-Mar-2019	-6,95,327	Transfer	1,10,16,778	0.61
			15-Mar-2019	-11,02,484	Transfer	99,14,294	0.55
			22-Mar-2019	1,25,80,840	Transfer	2,24,95,134	1.25
			29-Mar-2019	-1,70,108	Transfer	2,23,25,026	1.24
		2,23,25,026	31-Mar-2019			2,23,25,026	1.24
4	THE WELLINGTON TRUST COMPANY NATIONAL ASSOCIATION MULTIPLE COMMON TRUST FUNDS TRUST EMERGING MARKETS LOCAL EQUITY PORTFOLIO	43,71,287	1-Apr-2018	-	-	43,71,287	0.49
			27-Apr-2018	43,71,287	Split of Share	87,42,574	0.49
			27-Jul-2018	6,33,892	Transfer	93,76,466	0.52
			12-Oct-2018	9,71,602	Transfer	1,03,48,068	0.57
			22-Feb-2019	48,499	Transfer	1,03,96,567	0.58
			1-Mar-2019	25,32,167	Transfer	1,29,28,734	0.72
		1,29,28,734	31-Mar-2019			1,29,28,734	0.72
5	NOMURA INDIA INVESTMENT FUND MOTHER FUND#	63,48,927	1-Apr-2018			63,48,927	0.71
			27-Apr-2018	63,48,927	Split of Shares	1,26,97,854	0.71
			8-Jun-2018	-300,000	Transfer	1,23,97,854	0.69
			12-Oct-2018	-55,00,000	Transfer	68,97,854	0.38

Sl. No.	Name	No. of Shares At the Beginning (April 01, 2018/ end of year March 31, 2019)	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
						No of Shares	% Total Shares of the Company
			19-Oct-2018	-40,00,000	Transfer	28,97,854	0.16
			26-Oct-2018	-28,97,854	Transfer	0	0.00
		-	31-Mar-2019			0	0.00
6	HDFC TRUSTEE CO LTD A/C HDFC HOUSING OPPORTUNITIES FUND*	8,23,000	1-Apr-2018			8,23,000	0.09
			27-Apr-2018	8,23,000	Split of Shares	16,46,000	0.09
			25-May-2018	5,00,000	Transfer	21,46,000	0.12
			22-Jun-2018	20,00,000	Transfer	41,46,000	0.23
			6-Jul-2018	10,15,000	Transfer	51,61,000	0.29
			28-Sep-2018	8,00,000	Transfer	59,61,000	0.33
			12-Oct-2018	35,00,000	Transfer	94,61,000	0.53
		94,61,000	31-Mar-2019			94,61,000	0.53
7	THE NOMURA TRUST AND BANKING CO., LTD AS THE TRUSTEE OF NOMURA INDIA STOCK MOTHER FUND#	45,25,852	1-Apr-2018	-		45,25,852	0.50
			27-Apr-2018	45,25,852	Split of Shares	9,051,704	0.50
			6-Jul-18	5,00,000	Transfer	95,51,704	0.53
			13-Jul-18	30,00,000	Transfer	1,25,51,704	0.70
			28-Sep-18	-25,05,935	Transfer	1,00,45,769	0.56
			5-Oct-18	-30,00,000	Transfer	70,45,769	0.39
			12-Oct-18	-50,00,000	Transfer	20,45,769	0.11
			19-Oct-18	-20,45,769	Transfer	0	0.00
		-	31-Mar-2019			0	0.00
8	STATE BANK OF INDIA*	17,62,000	1-Apr-2018			17,62,000	0.19
			13-Apr-2018	95,000	Transfer	18,57,000	0.02
			27-Apr-2018	18,57,000	Split of Shares	37,14,000	0.21
			8-Jun-2018	13,15,000	Transfer	50,29,000	0.28
			22-Jun-2018	7,00,000	Transfer	57,29,000	0.32
			29-Jun-2018	14,00,000	Transfer	71,29,000	0.40
			6-Jul-2018	1,50,000	Transfer	72,79,000	0.40
			13-Jul-2018	8,56,442	Transfer	81,35,442	0.45
			20-Jul-2018	4,10,000	Transfer	85,45,442	0.47
			27-Jul-2018	-1,00,000	Transfer	84,45,442	0.47
			3-Aug-2018	2,78,296	Transfer	87,23,738	0.48
			22-Feb-2019	50,000	Transfer	87,73,738	0.49
			1-Mar-2019	-50,000	Transfer	87,23,738	0.48
		87,23,738	31-Mar-2019	-	-	87,23,738	0.48
9	GOVERNMENT PENSION FUND GLOBAL*	10,81,452	1-Apr-2018	-	-	10,81,452	0.12

Sl. No.	Name	No. of Shares At the Beginning (April 01, 2018/ end of year March 31, 2019)	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
						No of Shares	% Total Shares of the Company
			27-Apr-2018	10,81,452	Split of Shares	21,62,904	0.12
			2-Nov-2018	1,58,259	Transfer	23,21,163	0.13
			9-Nov-2018	10,88,869	Transfer	34,10,032	0.19
			16-Nov-2018	16,10,505	Transfer	50,20,537	0.28
			23-Nov-2018	8,00,693	Transfer	58,21,230	0.32
			30-Nov-2018	11,86,822	Transfer	70,08,052	0.39
			7-Dec-2018	7,27,174	Transfer	77,35,226	0.43
		77,35,226	31-Mar-2019	-	-	77,35,226	0.43
10	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	30,78,341	1-Apr-2018	-	-	30,78,341	0.34
			27-Apr-2018	30,78,341	Split of Shares	61,56,682	0.34
			3-Aug-2018	3,09,653	Transfer	64,66,335	0.36
			10-Aug-2018	1,72,120	Transfer	66,38,455	0.37
			16-Nov-2018	6,70,061	Transfer	73,08,516	0.41
		73,08,516	31-Mar-2019	-	-	73,08,516	0.41
11	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	34,52,308	1-Apr-2018	-	-	34,52,308	0.38
			27-Apr-2018	34,52,308	Split of Shares	69,04,616	0.38
			4-May-2018	-18,240	Transfer	68 86,376	0.38
			11-May-2018	-17,328	Transfer	68 69,048	0.38
			1-Jun-2018	-13,680	Transfer	68 55,368	0.38
			22-Jun-2018	-37,638	Transfer	68 17,730	0.38
			29-Jun-2018	-60,588	Transfer	67 57,142	0.38
			6-Jul-2018	-24,786	Transfer	67 32,356	0.37
			13-Jul-2018	-39,474	Transfer	66 92,882	0.37
			16-Nov-2018	17,970	Transfer	67 10,852	0.37
			23-Nov-2018	46,722	Transfer	67 57,574	0.38
			7-Dec-2018	22,762	Transfer	67 80,336	0.38
			21-Dec-2018	64,692	Transfer	68 45,028	0.38
			1-Feb-2019	60,726	Transfer	69 05,754	0.38
			8-Feb-2019	1,93,695	Transfer	70 99,449	0.39
			29-Mar-2019	24,081	Transfer	71 23,530	0.40
		71,23,530	31-Mar-2019	-	-	71 23,530	0.40
12	RAMESH DAMANI	30,00,000	1-Apr-2018	-	-	30,00,000	0.33
			27-Apr-2018	30,00,000	Split of Shares	60,00,000	0.33
		60,00,000	31-Mar-2019	-	-	60,00,000	0.33
13	AMUNDI FUNDS SBI FM EQUITY INDIA#	28,00,000	1-Apr-2018	-	-	28,00,000	0.31

Sl. No.	Name	No. of Shares At the Beginning (April 01, 2018/ end of year March 31, 2019)	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
						No of Shares	% Total Shares of the Company
			27-Apr-2018	28,00,000	Split of Shares	56,00,000	0.31
			18-May-2018	-6,06,292	Transfer	49,93,708	0.28
			25-May-2018	-71,904	Transfer	49,21,804	0.27
			1-Jun-2018	-8,76,175	Transfer	40,45,629	0.22
			22-Jun-2018	-23,69,596	Transfer	16,76,033	0.09
			29-Jun-2018	-2,43,708	Transfer	14,32,325	0.08
			20-Jul-2018	-14,32,325	Transfer	-	0.00
			31-Mar-2019	-	-	-	0.00
14	TATA INVESTMENT CORPORATION LIMITED	25,67,500	1-Apr-2018	-	-	25,67,500	0.29
			27-Apr-2018	25,67,500	Split of Shares	51,35,000	0.29
			22-Jun-2018	-1,00,000	Transfer	50,35,000	0.28
			3-Aug-2018	1,00,000	Transfer	51,35,000	0.29
			16-Nov-2018	-1,00,000	Transfer	50,35,000	0.28
			23-Nov-2018	-3,00,000	Transfer	47,35,000	0.26
			4-Jan-2019	4,00,000	Transfer	51,35,000	0.29
		51,35,000	31-Mar-2019	-	-	51,35,000	0.29
15	ICICI PRUDENTIAL EQUITY ARBITRAGE FUND#	33,13,636	1-Apr-2018	-	-	33,13,636	0.37
			6-Apr-2018	13,880	Transfer	33,27,516	0.37
			13-Apr-2018	-18,712	Transfer	33,08,804	0.37
			20-Apr-2018	-88,176	Transfer	32,20,628	0.36
			26-Apr-2018	-3,200	Transfer	32,17,428	0.36
			27-Apr-2018	-32,17,428	Transfer	-	0.00
			27-Apr-2018	28,02,000	Transfer	28,02,000	0.15
			11-May-2018	90,000	Transfer	28,92,000	0.16
			29-Jun-2018	-10,02,000	Transfer	18,90,000	0.10
			17-Aug-2018	-3,78,000	Transfer	15,12,000	0.08
			28-Sep-2018	-1,68,000	Transfer	13,44,000	0.07
			12-Oct-2018	4,50,000	Transfer	17,94,000	0.09
			16-Nov-2018	-14,22,000	Transfer	3,72,000	0.02
			23-Nov-2018	-3,72,000	Transfer	-	0.00
		-	31-Mar-2019	-	-	-	0.00

**Notes:**

1. Equity shares of ₹ 2 splitted into Equity Share or ₹ 1 on April 27, 2018.
2. # in the list of top ten shareholders as on April 1, 2018 and \* in the list of top ten shareholders as on March 31, 2019.



**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	NAME	No. of Shares at the beginning the year (April 01, 2018)/ No. of Shares at the end of the year (March 31, 2019)	Transaction Date	Increase/ Decrease in share-holding	Reason	Cumulative Number of Shares	Percentage of total shares of the company
1	Dr. Anoop K Mittal	3,202	1-Apr-2018	-	-	-	0.0002
			27-Apr-2018	3,202	Split of Shares	6,404	0.0002
		6,404	31-Mar-2019	-	-	6,404	0.0002
2	Shri Rajendra Chaurdhari	5,984	1-Apr-2018	-	-	5,984	0.0003
			27-Apr-2018	5,984	Split of Shares	11,968	0.0003
		11,968	31-Mar-2019	-	-	11,968	0.0003
3	Shri Neelash M Shah	5,002	1-Apr-2018	-	-	5,002	0.0002
			27-Apr-2018	5,002	Split of Shares	10,004	0.0002
		10,004	31-Mar-2019	-	-	10,004	0.0002
4	Smt. BK Sokhey	5,002	1-Apr-2018	-	-	5,002	0.0002
			27-Apr-2018	5,002	Split of Shares	10,004	0.0002
		10,004	31-Mar-2019	-	-	10,004	0.0002
5	Smt. Deepti Gambhir	3,202	1-Apr-2018	-	-	3,202	0.0002
			27-Apr-2018	3,202	Split of Shares	6,404	0.0002
		6,404	31-Mar-2019	-	-	6,404	0.0002

Equity shares of ₹ 2 splitted into Equity Share of ₹ 1 on April 27, 2018.

**(V) INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-----NIL-----			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
Change in Indebtedness during the financial year	-----NIL-----			
• Addition				
• Reduction				

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Net Change</b>				
Indebtedness at the end of the financial year	-----NIL-----			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

## (VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. REMUNERATION OF WHOLE-TIME DIRECTORS:

(Amt. in ₹)

PARTICULAR	Shri Anoop Kumar Mittal (CMD)	Shri Rajendra Chaudhari D(C)	Shri Neelesh Shah D(P)	TOTAL
<b>Gross Salary</b>	72,57,473	61,23,688	57,04,488	1,90,85,649
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961				
(b) Value of perquisites u/s	1,91,000	65,462	32,400	2,88,862
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 196	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission as % of profit	-	-	-	-
E.P.F., employers Pension, Contribution	6,12,036	5,37,987	5,03,268	16,53,291
Provisions for EI & HPL Leave Encashment, PRMB, Gratuity & PRP	14,76,554	3,88,743	7,52,318	26,17,615
<b>Total</b>	<b>95,37,063</b>	<b>71,15,880</b>	<b>69,92,474</b>	<b>2,36,45,417</b>

### B. REMUNERATION OF OTHER DIRECTORS:

(Amt. in ₹)

Particulars of Remuneration	Shri C R Raju	Shri Sairam Mocherla	Maj. Gen. T M Mhaisale	Shri C Subba Reddy	Shri Ashok Khurana	Shri Rajendra S. Rana	Total
Fee for attending Board Meetings	80,000	1,60,000	1,40,000	1,00,000	1,40,000	1,80,000	8,00,000
Fee for attending Committee Meetings	90,000	2,40,000	2,55,000	60,000	2,10,000	2,25,000	10,80,000
Commissions	-	-	-	-	-	-	-
Others, Please specify	-	-	-	-	-	-	-
<b>Total</b>	<b>1,70,000</b>	<b>4,00,000</b>	<b>3,95,000</b>	<b>1,60,000</b>	<b>3,50,000</b>	<b>4,05,000</b>	<b>18,80,000</b>

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL (KMP) OTHER THAN MD/MANAGER/WTD

(Amt. in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		BK SOKHEY Chief Financial Officer	DEEPTI GAMBHIR, COMPANY SECRETARY	
1.	Gross salary	37,50,333	24,64,895	62,15,228
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL		NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL		NIL
2.	Stock Option	NIL		NIL
3.	Sweat Equity	NIL		NIL
4.	Commission as % of profit - others, specify...	NIL		NIL
5.	E.P.F., employers Pension contribution	3,73,084	2,55,931	6,29,015
6.	Provisions for EI & HPL Leave Encashment, PRMB, Gratuity & PRP	4,24,503	2,11,858	6,36,361
	<b>Total</b>	<b>45,47,920</b>	<b>29,32,684</b>	<b>74,80,604</b>

### VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL				
Punishment					
Compounding					

Sd/-

**(Shiv Das Meena)**

Chairman- Cum- Managing Director  
DIN-01881010

Place : New Delhi  
Date : August 8, 2019

## BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	<b>Corporate Identity Number (CIN) of the Company</b>	L74899DL1960GOI003335
2.	<b>Name of the Company</b>	NBCC (India) Limited
3.	<b>Registered address</b>	NBCC Bhawan, Lodhi Road, New Delhi- 110003
4.	<b>Website</b>	www.nbccindia.com
5.	<b>E-mail id</b>	co.sectt@nbccindia.com
6.	<b>Financial Year reported</b>	April 01, 2018 - March 31, 2019
7.	<b>Sector(s) that the Company is engaged in (industrial activity code-wise)</b>	<p>NBCC operates in three business segments:</p> <p><b>i. Project Management Consultancy (NIC 41001)</b> The company provides management and consultancy for a range of civil construction projects including residential and commercial complexes, re-development of old government colonies, education and medical institutions, infrastructure project roads, water supply systems, storm water systems and water storage solutions.</p> <p><b>ii. Engineering Procurement and Construction (NIC 41001)</b> The company's infrastructure operations encompass chimneys, cooling towers, roads, border fencing, water and sewage treatment plants, solid waste management systems. NBCC provides services from concept to commissioning and also assists its clients/owners in getting clearances from various government departments.</p> <p><b>iii. Real Estate Development(NIC 41001)</b> Real Estate Development focuses primarily on residential and commercial projects. Land reserves of 138 acres are located in different parts of the country for real estate's purposes.</p>
8.	<b>List three key products/services that the Company manufactures/ provides (as in the balance sheet)</b>	<p>Project Management Consultancy</p> <p>EPC Contracting</p> <p>Real Estate Development</p>
9.	<b>Total number of locations where business activity is undertaken by the Company</b> <b>(a) Number of International Locations (Provide details of major 5)</b> <b>(b) Number of National Locations</b>	<p><b>International Offices:</b> Maldives, Dubai, Africa, Mauritius and Seychells</p>

		<b>(b) Domestic offices:</b> <b>RBG/ SBG Offices:</b> Delhi, Uttar Pradesh, Rajasthan, Gujarat, Madhya Pradesh, West Bengal, Maharashtra, Nagpur, Goa, Meghalaya/Mizoram, Tripura & Sikkim, Arunachal Pradesh, Nagaland & Manipur, Jammu & Kashmir, Uttarakhand, Jharkhand & Bihar, Chhapra, Bhubneshwar, Odisha, Andhra Pradesh, Telangana, Kaddapa and Guntur
10	<b>Markets served by the Company – Local/State/ National/International</b>	NBCC has presence in Local, State, National and International markets.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	<b>Paid up Capital (₹ in crore)</b>	180.00
2	<b>Total Turnover (₹ in crore)</b>	(Standalone: 7244.76) (Consolidated: 9942.97)
3	<b>Total profit after taxes (₹ in crore)</b>	(Standalone: 384.11) (Consolidated : 391.64)
4	<b>Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)</b>	At least 2% of the previous 3 years Average Net Profit. i.e. ₹ 950.96 lakh
5	<b>List of activities in which expenditure in point 4 above has been incurred:-</b>	<ul style="list-style-type: none"> <li>• Conservation, restoration and development of Purana Qila</li> <li>• Construction of Sainik Rest Houses (SRH) in Betul, Madhya Pradesh for Armed forces veterans</li> <li>• Construction of Widow Hostel at Vasant Kunj, New Delhi</li> <li>• Construction of CC Road and U drain from Shankar Nagar Crossing to Ganeshpur Police Station, Basti, Uttar Pradesh</li> <li>• Educational Scholarships to Kalinga Institute of Social Sciences</li> <li>• Allocation of CSR Funds for “Swachh Bharat Kosh” set up by the Central Government of India.</li> </ul>

## SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	The Company has six wholly owned subsidiary subsidiaries i.e. NBCC Services Limited, NBCC Engineering & Consultancy Limited, NBCC International Limited, NBCC Environment Engineering Limited, HSCC (India) Limited and NBCC DWC-LLC (Foreign Subsidiary) and two subsidiaries ‘Hindustan Steelworks Constructions Limited’ and “NBCC Gulf LLC”, Oman (Foreign Subsidiary) as on March 31, 2019.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Yes, NBCC Services Limited, the subsidiary company participates in the BR initiatives of the parent company.

3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The BR initiatives of NBCC have the cooperation of all its stakeholders (Govt. of India, employees, contractors, suppliers, vendors and the community at large) and these stakeholders assist NBCC in achieving its business responsibility. However, it is difficult to establish the extent to which their support helps in facilitating NBCC's business responsibility initiative.
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## SECTION D: BR INFORMATION

1.	Details of Director/ Directors responsible for BR	Chairman-cum-Managing Director of the Company is responsible for Ethics & Transparency.		
a.	Details of the Director/Director responsible for the implementation of the BR policy/policies			
	DIN Number	Name	Designation	
	05177010	Shri Anoop Kumar Mittal	Chairman-cum-Managing Director (till March 31, 2019 )	
	07559368	Shri C. R. Raju	Chairperson, CSR Committee	
	07151492	Shri Rajendra Chaudhari	Director (Commercial)	
b.	Details of the BR head(s)	CSR	HR	SD
	DIN Number (if applicable)	Nil	Nil	Nil
	Name	Shri R. Wanchoo	Shri Manas Kaviraj	Md. Salim
	Designation	ED (EDC/Training)	CGM(HRM)	CGM (Quality)
	Telephone number	011-24367314-5, 43591555		
	E-mail id	csr@nbccindia.com	hrm@nbccindia.com	quality@nbccindia.com

Principle-wise BR Policy/policies

### Name of principles:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

**(a) Details of compliance (Reply inY/N)**

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	<a href="http://www.nbccindia.gov.in/nbccindia/nroot/njsp/Transparency.jsp">http://www.nbccindia.gov.in/nbccindia/nroot/njsp/Transparency.jsp</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company undertakes assurance for sustainability development report, which covers almost all principles mentioned here. To review FY 2018-19 sustainability report and assurance statement, please visit <a href="http://www.nbccindia.gov.in">www.http://www.nbccindia.gov.in</a>								

**2. Governance related to BR**

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year: Annually.
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? : Sustainability and BRR performance is detailed in the NBCC (India) Ltd.- Annual Report section.



## SECTION E:

## PRINCIPLE-WISE PERFORMANCE

## Principle 1

**Business should conduct and govern themselves with Ethics, Transparency and Accountability**

Good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company and also help in maximizing value for all its stakeholders. NBCC being a listed Public Sector Enterprise, conducts and governs itself with Ethics, Transparency and Accountability as per policies mandated by Department of Public Enterprises (DPE) Guidelines on Corporate Governance, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other guidelines and policies of the DPE. NBCC follows practices of Corporate Governance at all levels to ensure transparency, integrity and accountability in its functioning, which are vital to achieve its Vision. A well-defined policy framework and strong structural set-up are keys to effective implementation of corporate governance initiatives.

The company has an established Code of Conduct and Business Ethics, and Whistle Blower Policy. These documents are underpinned by a NBCC Sustainable Development Framework – policies, management and technical standards. The code, policies and standards communicate our zero tolerance approach to ethical violations, and communicate our commitment and requirement for legal compliance and ethical good practice. At the top level, Audit Committee of the Board has been constituted, which is empowered to examine and deal with all issues relating to ethics in the Corporation.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

The Company has a well-structured vigilance department ushering transparency, efficiency and integrity and best corporate practices in the working of the organisation. The Company has a Whistle Blower Policy meant for employees to raise any ethical issues within the organisation. The Business Code of Conduct and Ethics informs our approach to sustainability and how we conduct ourselves day to day – with each other, our customers, our shareholders, our competitors, our employees, our neighbouring communities, our host government and our suppliers and contractors. **It covers all the employees of the Company including posted in Subsidiaries and Joint Ventures Company.**

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The company has a designed mechanism for all its stakeholders to communicate to the Management any inappropriate behaviour. The exclusive whistle blowing Policy of the company, has provisioned for a contact number, and email id, which both our internal as well as external stakeholders can make use of to report anonymously to the management. **During the reporting period Nil Whistle-blowing cases were reported.**

## Principle 2:

**Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

NBCC is committed to build a strong and sustainable business that believes in the well being of the community, where it operates and actively pursues the goals of improving the impact of its business on the environment, for moving towards a sustainable business environment. NBCC recognizes its responsibility in ensuring energy security for the vast population of the country and works towards strengthening the three pillars of sustainability viz. economic, social and environmental pillars.

As part of ongoing green initiative, NBCC has conducted plantation drives across its project sites throughout the country where it has planted thousands of trees. At NBCC, all work practices, procedures and production methods are oriented towards complying with the highest standards of Health, Safety and Environment, as per the statutory norms.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

### **Waste Water Management**

**Process:** NBCC built East Kidwai Nagar redeveloped project has capacity to process 100% waste and sewage at source. Treated water & manure generated to be re-used within the society.

**Benefits:** preservation of water and its maximum uses.

### **Green/ Horti cultural Waste**

**Process:** All kinds of green waste, i.e., grass, dry leaves, branches, twigs, etc., are collected in a green waste collection area. The waste is then put into a shredder where it is dried and cut to the correct size for turning it into pellets (Green Coal). Once processed in the shredder, the green waste is then fed into a conveyer belt which is connected to cyclone heating and drying unit to dry the moisture content. Once the waste is dried and the moisture content has been reduced, the waste is then fed into another conveyer belt that directly feeds it into the hopper of the pellet press machine. The end result is a coal-like substance that can be used as fuel in boilers, furnaces, and all other applications that use conventional coal. This green coal is completely environment-friendly as it does not release harmful gases into the air and has a calorific value as good as wood/sawdust.

**Benefits:** In-house treatment of green waste into an environment friendly product, saving cost of transportation and use of landfills/ illegal waste dump sites.

### **Organic Kitchen waste management :**

**Process:** Household waste is segregated into organic and dry recyclable waste. The next step is to transport the organic waste into the waste treatment facility through electric rickshaw. Once received, the organic waste is processed in a shredder prior to its treatment in the organic waste composting (OWC) unit. Finally, the shredded organic waste along with green waste is processed in the OWC for 20-30 minutes and is made into homogenous odour free material. After treatment in the OWC, the homogenous waste is stored in curing trays for about 15 days. These trays are fitted with water sprinklers that are automatically timed for sprinkling twice a day. At the end of the 15-days cycle, the organic is ready to use and is packed and sent for all horti cultural purposes.

**Benefits:** All kitchen waste is treated in an environment friendly process and turned into a useful product without being disposed off to a landfill.

### **Plastic Wastes**

**Process:** Pyrolysis is the process involved in the treatment of plastic waste. The waste is treated in high temperatures and in the absence of oxygen to turn it into a value-added fuel product. This fuel is environment-friendly and can be used in generators that use conventional diesel. The minimal gas that is released can be stored and used for cooking using LPG cylinders or direct gas lines.

**Benefits:** All plastic waste can be treated in-house without the need for sending it to far-distance recycling centres or landfills. Plastics are not only a useful product in our day-to-day life but they are also a very profitable and big industry. This technology is by far the most innovative and environment friendly solution to manage the huge quantum of plastic waste.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain.

During the financial year 2018-19, the company has not measured usage of water, energy and raw material on all its projects being executed all over the India. However, NBCC is actively engaged in providing services at its project sites to propagate the use of natural resources and energy saving alternatives. Sustainability and Sustainable Development has been adopted as a practiced philosophy towards 'Building Green' making use of water energy and renewable energy, and eco-friendly recycled/recyclable materials for improved quality of life and comfort.

- (b) Reduction during usage by consumers (energy, water) achieved since the previous year

NBCC has undertaken re-development works of old Government Colonies. All new construction work under the Re-development category would be carried out in the Smart City concept and will include salient features such as sewage treatment plants, C&D recycling plant on site, solid waste management, energy efficient LED and solar light fittings, rain water harvesting, solar water heaters, vehicle free residential zone (100% underground parking, etc.),

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

The Company pursues its business activities in a safe and sustainable manner. All work practices, procedures and production endeavours comply with the highest Health, Safety and Environment standards as per the Industry norms, Government and relevant statutory bodies. Since NBCC is engaged in the civil construction services sector, it offers 'Green Building' solutions to its clients. These initiatives not only nurture the environment but also translate into improved comfort and health for the occupants. Some of the prominent building structures executed by NBCC and conforming to GRIHA Certification include:

- Indian Institute of Corporate Affairs, IICA, Manesar, LEED - India Gold rating.
- Civil Services Officers Institute (CSOI) in New Delhi, - GRIHA 3-Star Building.
- India's first and largest Green Home Campus at New Moti Bagh- IGBC silver rating.
- National Institute for Solar Energy (NISE), Gurgaon - GRIHA 5 star rating.
- Central Bureau of Investigation (CBI) H.Q. building -IGBC green building certification trophy 2015 for silver rating.

Further, NBCC has set up a C&D waste recycling plant at the East Kidwai Nagar redevelopment Project for manufacturing of bricks which have been used in the project. Most of the Company's upcoming building projects are Green Buildings and enjoy 3,4, & 5 Star GRIHA rating. The Company is pursuing in letter & spirit the concept of "Greening the vendor in its entire value chain."

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Presently, the Company does not have a process to measure this parameter. There is a growing demand from NBCC clients for green buildings backed by a highly aware clientele that is environment-conscious and demands a better and healthy lifestyle, while using alternative energy fuels and preserving natural resources.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Being an Indian Central Public Sector Enterprise (CPSE), NBCC's procurement policy and practices are guided by the Government Policies and CVC guidelines. Procurement of goods and services at Corporate Office is mainly done from government-approved sources.

- (a) If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

There is a mechanism for registration of vendors (contractors/sub-contractors and consultants) under different categories in the company. Several vendor-meets are organized during the year, to upgrade them to the sustainable practices and resolve any critical issues that arise during the execution of a project. Besides, these meets go a long way in cementing relationships with the vendors.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

NBCC puts continuous efforts to improve upon utilization of recycled material, minimize loss, improve operational efficiency and reduce material use intensity ensuring optimum use of materials. NBCC has set up a facility to recycle 150 tons of construction and demolition waste per day at the work site of the Old GPRA Colony redevelopment project at East Kidwai Nagar, Delhi. The recycling plant processes C&D waste and is at the same time, capable of producing 30000 bricks/kerb stone, which will be ultimately in the construction activity.

### Principle 3:

#### Business should promote the well-being of all employees

NBCC recognizes that its human resource is integral to meeting organizational goals. NBCC actively promotes the well-being of its employees and their families. The focus of our people's strategy is to recruit, develop and retain our talent in the long-run. We are committed to providing our employees a safe and healthy work environment. Through a high degree of engagement and empowerment, we enable them to realise their full potential, both personally and professionally. The Company has a wide range of HR policies covering all categories of the employees. It addresses all aspect of professional skill & knowledge up-gradation, employee motivation and welfare measures, employees' health and general wellbeing measures, women empowerment.

1. Please indicate the Total number of employees: 1847
2. Please indicate the Total number of employees hired on
  - Temporary: 0
  - Contractual: 9
  - Casual basis: 0
3. Please indicate the number of permanent women employees: 133
4. Please indicate the number of permanent employees with disabilities: .28
5. Do you have an employee association that is recognized by management: Yes
  - All India NBCC Employees (Lal Jhanda) Union, New Delhi
  - All India NBCC Shramik Union, New Delhi
  - NBCC Karamchari Congress, New Delhi
  - NBCC Limited Workers' Union, New Delhi
  - NBCC Workers' and Employees Association, New Delhi
  - All India NBCC Employees Association, New Delhi.
  - NBCC Karamchari Kalyan Sangh, New Delhi
  - All India NBCC Employees Union, New Delhi
  - NBCC SC/ST Employees Welfare Association

6. What percentage of your permanent employees is members of this recognized employee association?:

Generally non executive and supervisory group employees happen to the members of various union(s)/ association(s). The subscription is not detected by the management. Records are maintain by respective union(s) so, accurate percentage cannot be analysed.

7. Please indicate the number of complaints received relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	
2	Sexual harassment		
3	Discriminatory employment		

What percentage of your under mentioned employees was provided safety & skill up- gradation training in the last year?

Permanent Employees	80% (Group A & B)
Permanent Women Employees	0.4% (Group A & B)
Casual/Temporary/Contractual Employees	Nil
Employees with Disabilities	Nil

#### Principle 4:

**Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

NBCC's values its stakeholders and engages with them regularly in order to maintain a symbiotic relationship. The Company has policies in place to address the interests of all stakeholders. NBCC complies with Government directives for upliftment of weaker section of the society. It is fully committed to the welfare of marginalized and vulnerable sections of society. The company follow an inclusive model in which we value the opinion of each and every stakeholder.

1. Has the company mapped its internal and external stakeholders? Yes/No

The company understands the distinct requirements of its various stakeholders, the business has identified certain key groups as having significant interest in its operations: Employees, Shareholders, Lenders, Host Governments, Communities, Civil Society and Industry. We effectively engage with its stakeholders to understand their key concerns and opinions.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Identification of the disadvantaged, vulnerable and marginalised stakeholders is an ongoing process. However, we have given special emphasis to the empowerment of women in our nearby communities. We have initiated several programmes on women education, skill development while providing them entrepreneurial opportunities.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

Yes. We engage with the disadvantaged, vulnerable and marginalised stakeholders through our CSR projects. Across the country, the Self Help Group movement has successfully and systematically empowered marginalised and grass-root level women through awareness raising, capacity building, economic empowerment and solidarity.

## Principle 5:

### Business should respect and promote human rights

NBCC's policies are in line with the principles of Human Rights, the Constitution of India, and various applicable laws. All policies of NBCC takes into account the Human Rights of not only of its employees but also of vendors, contactors and all the other people likely to be affected by the operations of the Company. The HR Policy of the company is aligned to the Standard Principles on business and human rights and includes strict prohibition of child or forced labour – either directly or through contract labour. Further the Code of Business Conduct and Ethics (Code) commits to comply with all relevant national laws and regulations, underpinning and our approach to protecting the fundamental rights of all the direct and indirect employees.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures / Suppliers/Contractors/NGOs/Others?

The HR policy is aligned to the Standard Practice on Business and Human Rights and is a mandate for all of the employees including those of our group companies. Further it also encompasses all our suppliers, contractors and NGOs etc.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints with respect to Human Rights were reported.

## Principle 6:

### Business should respect, protect, and make efforts to restore the environment

NBCC protects and cares for the environment. The company continually strives to mitigate the environmental impact, that may arise from its business activities such as construction by planning the adequate number trees, investing in effluent & solid waste management, environment monitoring and reporting, bio-diversity conservation efforts Sewage treatment at source and the use of recycled water, is the way forward for water conservation by NBCC which it practices in all its projects. Treated water & manure generated is re-used within the society. NBCC promotes and encourages massive tree (not sapling) plantations in the redevelopment of colonies and projects to further boosts the existing trees in the area

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

All our sustainability policies are applicable and extended to the Group/Joint Ventures / Suppliers/ Contractors/ NGOs/others. Initiatives towards protection and restoration of environment are not only implemented by NBCC but also by its wholly owned subsidiary companies/joint ventures and vendors.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give a hyperlink for the webpage.

We have a profound responsibility to address the growing concerns of our environment, most notably, global warming and also to adapt to the future impacts. This remains a high profile challenge across our markets. Countries like India, in which we are operating, are predicted to experience the worst impact of climate change as we are a coal-consuming economy. Climate change poses a real and credible danger to our way of life on this planet. Mitigating it calls for exploration and adoption of innovative technologies that maintain ecological balance without compromising on economic growth.

NBCC is aware about the compelling reasons for addressing the environmental issues. With global energy demand outgrowing production, there is an immediate need for adopting sustainable practices for energy efficiency, reduce impact of climate change, preserve quality of human life and meet government initiatives. High performance green buildings constructed by NBCC directly contribute to this cause by reducing environmental impacts on water, materials, waste, energy and carbon emission while assuring quality of life and comfort to the community.

3. Does the company identify and assess potential environmental risks?Y/N

Yes. NBCC ensures all mandatory clearances including prior environment clearance of the Ministry of Environment and Forests before commencement of construction at project sites. The Company has adopted Enterprise Risk Management Policy and has established mechanisms to identify and assess potential environmental risks and accordingly, developed a mitigation plan.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

NBCC is actively involved in the objective of Clean Development Mechanism (CDM), thus making its contribution to sustainable development and ensuring Certified Emissions Reductions (CER). The Company has been undertaking construction of a large number of green buildings in the past and many more projects are in pipeline for clients mainly ministries, government departments/autonomous bodies and CPSEs.

NBCC's Energy Efficient Green Building Projects are as follows:-

- Indian Institute of Corporate Affairs, IICA, Manesar, LEED India Gold rating.
- Civil Services Officers Institute (CSOI) in New Delhi, a GRIHA 3-Star Building.
- National Institute of Food Technology Entrepreneurship and Management (NIFTEM) in Sonapat, Haryana- IGBC Platinum rating.
- India's first and largest Green Home Campus at New Moti Bagh- IGBC silver rating.
- National Institute for Solar Energy (NISE), Gurgaon conferred upon GRIHA 5 star rating.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

NBCC has taken several initiatives for pursuing clean technology, energy efficiency & renewable energy.

- All Real Estate complexes constructed will be equipped with roof top solar power plant.
- As most of the projects executed by NBCC are in line with the GRIHA norms, the equipments used are all energy efficient. The NBCC Head Office itself is in line with GRIHA norms.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The emission and waste generated by the company at its corporate, field offices and project sites is within the permissible limits. Separately, NBCC has set up a wholly owned subsidiary. NBCC Services Limited (NSL) to undertake and execute maintenance and provide end-to-end service to its customers/clients, thus ensuring compliance with the Environmental and Pollution Control Authorities.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year: NIL



## Principle 7:

### Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Public and regulatory policies relating to operation of Companies in India are formulated by the Government of India. NBCC being a PSE and a responsible corporate citizen of India, it conducts its business in a responsible manner and always pursues the best ethical business practices.

1. Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

The Company has association with a number of trade chambers and associations and the major ones are:

- Federation of Indian Chamber of Commerce and Industry(FICCI)
- All India Management Association (AIMA)
- Confederation of Indian Industry (CII)
- Standing Conference on Public Enterprises (SCOPE)
- Construction Industry Development Council (CIDC)
- National Real Estate Development Council (NAREDCO)

2. Have you advocated/lobbied through the above associations for the advancement or improvement of public good? Yes/No; if Yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

In association with various national and international professional bodies, NBCC actively participates and firms up opinions on Industry related issues, which have significant impact on public policies. References of different Ministries of the Government are attended to with in-depth analysis. NBCC has been engaged in offering constructive suggestions through the above associations in specific areas related to the construction industry and in general, towards sustainable development and corporate social responsibility for the improvement of public good.

## Principle 8:

### Businesses should support inclusive growth and equitable development

CSR policy of the company envisage to undertake holistic development initiatives / projects in the community at large and to take up CSR projects in the area of quality education, skill development and livelihoods, healthcare, infrastructural development in rural areas, training and awareness etc. to improve the quality of life and standard of living of the rural populace as first priority. The Company has a structured mechanism for Corporate Social Responsibility and Sustainable Development.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If Yes, provide details thereof.

NBCC's social development projects are aimed at promoting healthcare, providing sanitation, and creating livelihood for people especially those belonging to the disadvantaged sections of the society. Some of the projects and initiatives in this direction are:

- Financial contribution to Swachh Bharat Kosh
- Educational Scholarship to tribal girls students at Kalinga Institute of Social Science
- Construction of widows Hostel (Indian Navy)
- Construction of Sainik Rest House for Armed Forces veterans
- Construction, Restoration & Development of Purana Qila

2. Are the programmes/projects undertaken through an in-house team/own foundation/external NGO/Government structures/any other organization?

3. CSR initiatives/projects are undertaken through a wholly owned subsidiary, NGOs and Government agencies. As per the DPE guidelines, CPSEs cannot implement the projects through their employees/staff.

3. Have you done any impact assessment of your initiative?

The Company has assigned tasks related to Impact Assessment of its CSR initiatives to third-parties on competent tender basis.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

(₹ in lakh)

Sl. No	Project / Activity	Sector in which project is covered	Location	Total sanctioned budget for the project / programme	Amount outlay (budget) project or program wise	Amount Spent on the projects or programs	Cumulative exp. upto the reporting period	Amount spent: Direct or through implementing Agency
1	Conservation, restoration and development of Purana Qila	Schedule-VII Item No.(v)	New Delhi	1435.00	419.05	419.50	719.50	ASI & NBCC
2	Construction of Sainik Rest Houses (SRH) in Betul, Madhya Pradesh for Armed forces veterans *	Schedule-VII Item No.(vi)	Betul, Madhya Pradesh	124.00	16.15	30.93	123.81	NBCC Services Limited
3	Construction of CC Road and U drain from Shankar Nagar Crossing to Ganeshpur Police Station, Basti, Uttar Pradesh	Schedule-VII Item No.(x)	Basti, Uttar Pradesh	144.18	115.01	101.30	130.47	NBCC Services Limited
4	Educational Scholarships to Kalinga Institute of Social Sciences (KISS)	Schedule-VII Item No.(ii)	Bhubaneswar, Odisha	100 tribal school children were adopted for scholarships for 5 years (amount varies from year to year)	14.08	14.08	23.53	Kalinga Institute of Social Sciences (KISS)
5	Allocation of CSR Funds for "Swachh Bharat Kosh" set up by the Central Government of India.	Schedule-VII Item No.(i)	New Delhi	33% of CSR fund annually	313.82	313.82	858.34	Coordinator Swachh Bharat Kosh
6	Construction of Widow Hostel, Vasant Kunj, New Delhi	Schedule-VII Item No.(vi)	New Delhi	675.50	61.23	98.74	550.15	NBCC (I) Ltd
7	Impact Assessment of NBCC's CSR Activities of FY 2017-18	-	-	3.18	3.18	-	-	NBCC (I) Ltd

Sl. No	Project / Activity	Sector in which project is covered	Location	Total sanctioned budget for the project / programme	Amount outlay (budget) project or program wise	Amount Spent on the projects or programs	Cumulative exp. upto the reporting period	Amount spent: Direct or through implementing Agency
8	Administrative expenditure for FY 2018-19							
a	Impact Assessment of NBCC's CSR Activities of FY 2018-19	-	-	5% of CSR Budget	5.00	-	-	NBCC (I) Ltd
b	Miscellaneous Administrative Expenditure	-	-	5% of CSR Budget	3.00	-	-	NBCC (I) Ltd
c	Inauguration Exp. Gramalaya, Harchand-Pur Project	-	-		0.44	0.21	-	NBCC (I) Ltd
	<b>Total</b>				<b>950.96</b>	<b>978.57</b>		

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Prior to undertaking a CSR project, need assessment is conducted in order to ascertain the specific needs, problems and relevant solutions from the community perspective as also the gain from the concerned authorities, school, health officials and society at large. The projects are designed and taken up only after consultation with the relevant stakeholders and on the basis of need assessment. After approval of the CSR activity/initiative from CSR Board, the concerned RBG/SBG/ZO is responsible for timely completion, quality of work and timely handing over. Upkeep and maintenance of the assets created is looked after by the concerned government authorities and local institutions.

### Principle 9:

#### Businesses should engage with and provide value to their customers and consumers in a responsible manner

NBCC always endeavours to nurture relationships with its customers. The Company deals with its contractors, customers in a transparent manner and ensure the interest of all the stakeholders. NBCC has a comprehensive system to address its customers' grievances. The Company has a structured and dedicated Vendor Portal for its contractors.

- What percentage of customer complaints/consumer cases are pending as on the end of financial year?  
21.73% cases are under process.
- Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information).  
Salient features, specifications and services depend upon the requirement of clients, which may differ from project to project. Detailed terms and conditions are separately enumerated in the bi-partite agreement executed by the Company with its clients while conforming to the applicable laws of the land.
- Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so:  
The information in this regard may be treated as 'nil'.
- Did your company carry out any consumer survey/ consumer satisfaction trends?  
The Company is pro-active on its part in dealing with customers. After the project is completed, feedback is obtained from its clients. During the course of execution, regular and structured meetings are often held to understand problems and difficulties for immediate remedy or to avoid recurrence thereafter. Any short coming/defect during construction is rectified and attended to promptly. This approach has led to customer's satisfaction, which is often reflected in the form of repeat orders.

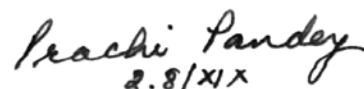
**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE  
FINANCIAL STATEMENTS OF NBCC (INDIA) LIMITED FOR THE YEAR ENDED  
31 MARCH 2019**

The preparation of financial statements of **NBCC (INDIA) LIMITED** for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **NBCC (INDIA) LIMITED** for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the  
Comptroller and Auditor General of India**



**(Prachi Pandey)**

**Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-I,  
New Delhi.**

**Place: New Delhi**

**Dated: 2 August 2019**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NBCC (INDIA) LIMITED FOR THE YEAR ENDED 31 MARCH 2019**

The preparation of consolidated financial statements of **NBCC (INDIA) LIMITED** for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **NBCC (INDIA) LIMITED** for the year ended 31 March 2019 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of its two subsidiaries Hindustan Steelworks Construction Limited and HSCC (India) Limited and its jointly controlled entity Real Estate Development & Construction Corporation of Rajasthan Limited but did not conduct supplementary audit of the financial statements of its four subsidiaries whose list is annexed for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to its three joint ventures NBCC-R.K.Millen, NBCC-MHG and NBCC-AB being private entities and to its subsidiaries NBCC Gulf L.L.C and NBCC DWC LLC and joint venture Jamal NBCC International (PTY) Limited<sup>1</sup> being entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

<sup>1</sup> Investment in the JV has been written-off by NBCC (India) Limited during the financial year 2018-19 and the same has not been considered for consolidation in Consolidated Financial Statements of the company.



On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the  
Comptroller and Auditor General of India**

*Prachi Pandey*  
14/8/2019  
(Prachi Pandey)

**Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-I,  
New Delhi**

**Place: New Delhi  
Dated: 14 August 2019**

**List of subsidiaries of NBCC (INDIA) LIMITED whose audit was not conducted by the  
O/o C& AG of India**

NBCC Services Limited

NBCC Engineering & Consultancy Limited

NBCC Environment Engineering Limited

NBCC International Limited

The Nil comments of Comptroller and Auditor General of India has been taken note by the Board of Directors on August 19, 2019.



# **STANDALONE FINANCIAL STATEMENTS**



# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF NBCC (INDIA) LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of NBCC (India) Limited (herein referred to as "the Company"), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements including a summary of the significant accounting policies and other explanatory information, in which is included the unaudited financial statements of 1 foreign branch of the company located at Mauritius for the year ended on that date as certified by the management) (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2019, profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that in our professional judgement were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<b><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from contracts with Customers" (Revenue Accounting Standard) applicable from 1st April 2018.</i></b>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We assessed the company's internal process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p>

<p>The application of the new revenue accounting standard from current financial year involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the financial statements.</p> <p>Refer Note No. 46 to the standalone financial statements.</p>	<ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>• Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</li> <li>• Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> </ul>
<p><b>Assessment and Recoverability of trade receivables</b></p> <p>The company has trade receivables outstanding of ₹ 2107.63 crore at the end of March 2019.</p> <p>These balances are related to revenue recognized in line with Ind AS for ongoing contracts and completed contracts. The assessment of its recoverability is a key audit matter in the audit due to its size and high level of management judgment.</p> <p>Refer Note No. 11 to the standalone financial statements.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We assessed the company's internal process to recognize the revenue and review mechanism of trade receivables. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the process of invoicing, verification and reconciliation with customer.</li> <li>• Reviewed the guidelines and policies of the company for impairment of trade receivables.</li> <li>• Tested the accuracy of ageing of trade receivables at the year end on sampling basis.</li> <li>• Performed analytical procedures and test of data, their reasonableness and recoverability and other material items.</li> </ul>
<p><b><u>Provisions and Contingent Liabilities</u></b></p> <p>The company is involved in various taxes and other disputes for which final outcomes cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgment and such judgment relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the financial statements.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit procedure in response to this key Audit Matter included, among others:</p> <ul style="list-style-type: none"> <li>• Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings.</li> <li>• Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the company considering the legal precedence and other rulings in similar cases.</li> </ul>

Because of the judgment required, the materiality of such litigations and the complexity of the assessment process, the area is a key matter for our audit.	<ul style="list-style-type: none"> <li>• Inquiry with legal and tax departments of the company regarding the status of the most significant disputes and inspection of the key relevant documentation.</li> <li>• Analysis of opinion received from the experts, where available.</li> <li>• Review of the adequacy of the disclosures in the notes to the financial statements.</li> </ul>
Refer Note No. 38 to the standalone financial statements.	

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The company's management is responsible for the preparation of the other information. The other information comprises the information included in director's report and annexure but does not include the standalone financial statements and our auditor's report thereon. The director's report and annexure is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

### **Management's Responsibility and Those Charged with Governance for the Standalone Financial Statements**

The management of the company and the board of directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and changes in equity and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management of the company either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors is responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **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 sub-section (11) of section 143 of the Act, we give in "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143 (3) of the Act, based on our audit 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 and proper returns adequate for the purposes of our audit have been received from the branch(es) not visited by us;
  - c. The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - e. The company being a Government Company, the provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the company in terms of notification no. G.S.R.463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India;
  - 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 B”;
  - g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, we are informed that the company being a Government Company, the provisions of section 197 read with schedule V of the Act, relating to managerial remuneration are not applicable to the company in terms of Notification No. G.S.R. 463(E) dated 5th June 2015.
  - h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note No. 38 to the financial statements.
    - ii) The company has made provision, as required under the applicable laws or Indian Accounting Standards for material foreseeable losses, if any, on long-term contracts. Refer Note No. 19 and 23. Further, the company does not have any derivative contract as at March 31, 2019.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company in accordance with the relevant provisions of the Act and Rules made there under.
- (3) As required by section 143(5) of the Act, we have considered the directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact on the accounts and financial statements of the company –Refer “Annexure C” attached.

For **Dhawan & Co.**  
Chartered Accountants  
FRN: 002864N

Sd/-  
**Inder Jeet Dhawan**  
(Partner)  
M. No. : 081679

Place : New Delhi  
Dated : May 29, 2019

## ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date on the accounts of NBCC (India) Limited (herein referred to as the company), for the year ended March 31, 2019)

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, physical verification of property, plant & equipment is being conducted annually, which, in our opinion, is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such verification during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title / lease deeds of the immovable properties (as disclosed in Note 2 on Property, plant & Equipment to the financial statements) are held in the name of the company except in cases given below:

In case of Land:		₹ In lakh
Total number of cases	2	1
Whether Lease hold/free hold	Lease Hold	Free Hold
Gross Carrying Amount (at cost, as at 31.3.2019)	536.26	1218.73
Net Book Value ( as at 31.3.2019)	522.34	1218.73

In case of Buildings:		₹ In lakh
Total number of cases	3	
Whether Lease hold/free hold	Lease Hold	
Gross Carrying Amount (at cost, as at 31.3.2019)	2245.15	
Net Book Value ( as at 31.3.2019)	2192.97	

- ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii) According to the information given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, provisions of clause (iii) (a), (iii) (b) and (iii) (c) of paragraph 3 of the Order are not applicable to the company.
- iv) The company has not granted any loans, or made any investments, or provided any guarantee or security to the parties covered under the provisions of the section 185 and 186 of the Companies Act, 2013. Therefore, provisions of clause (iv) of paragraph 3 of the Order are not applicable to the company.
- v) According to the information and explanations given to us and the records examined by us, the company has not accepted any deposits from public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014 and the rules framed thereunder. Accordingly, provisions of clause 3(v) of the Order are not applicable to the company.
- vi) We have broadly reviewed the books of accounts maintained by the company in respect of Engineering, Procurement and Construction (EPC) Division and Real Estate Division where, pursuant to the rules made by the Central Government, the maintenance of cost records has been specified under sub-section (1) of section 148

of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been so made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete. For Project Management and Consultancy (PMC) division, we have been informed that these activities are carried on back to back basis by sub contractors appointed by the company. Hence, the company is not required to maintain cost records for the said division.

- vii) (a) According to the information and explanations given to us and the records of the company produced before us for verification, in our opinion, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, goods & service tax, cess and other material statutory dues, as applicable to it and there are no undisputed statutory dues outstanding as on 31st March 2019 for a period of more than six months from the date, they became payable. We have been informed that the provisions of Employees State Insurance Act are not applicable to the company.
- (b) According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of income tax, value added tax, service tax and goods and service tax as at 31st March 2019, which have not been deposited on account of dispute are as under:

Name of the Statutes	Nature of Dues	Period to which the amount relates	(₹ lakh)	Pending Forum
Finance Act, 1994	Service Tax	2007-08 to 2011-12	153.75	CESTAT, Ranchi
		2005-06 to 2007-08	835.48	High Court, Ranchi
		2001-02 to 2011-12	994.57	CESTAT, Kolkata
		2010-11 to 2014-15	871.00	Commissioner, Patna
		2015-16	166.86	Commissioner (Appeals), WB
		2012-13 to 2016-17	4.29	Asst. Commissioner (Audit), Circle-G, GST, Audit-II Mumbai
		2012-13 to 2016-17	1,169.25	Commissioner GST, Audit-II Mumbai
		2007-08 to 2013-14	480.08	Hon'ble Supreme Court
		2010-11 to 2014-15	142.66	CESTAT, Allahbad, U.P.
		2015-16	17.44	Commisioner (Appeals), U.P.
		2012-13 to 2014-15	7.37	Commisioner of Service Tax, Noida
		2013-14 to 2015-16	19.46	Commissioner of Service Tax, Chennai
		2016-17	121.00	Commissioner of Central Tax (Appeals-II), Delhi
Jharkhand VAT Act, 2005	Value Added Tax (VAT)	2008-09 to 2014-15	5,882.82	Joint Commissioner of Commercial Taxes, Jharkhand
West Bengal VAT Act, 2003	Value Added Tax (VAT)	2009-10 to 2014-15	3,837.58	West Bengal Tax Tribunal
		2008-09	49.87	
		2009-10	42.72	
Maharashtra VAT Act, 2002	Value Added Tax (VAT)	2012-13 to 2013-14	176.54	Commissioner of Sales Tax Department, Mumbai
		2014-15	63.25	Dy. Commissioner of MVAT, Mumbai



Name of the Statutes	Nature of Dues	Period to which the amount relates	(₹ lakh)	Pending Forum
Delhi VAT Act, 2004	Value Added Tax (VAT)	2013-14, 2014-15	40,480.18	Appellate Tribunal VAT, New Delhi
Karnataka VAT Act, 2003	Value Added Tax (VAT)	2010-11 to 2012-13	64.82	Karnataka Appellate Tribunal
Haryana VAT Act, 2003	Value Added Tax (VAT)	2012-13	45.36	Excise & Taxation Officer Cum Assessing Authority Ward -4 Kurukshetra
Madhya Pradesh VAT Act, 2002	Value Added Tax (VAT)	2013-14	100.51	Appellate Deputy Commissioner of Commercial Tax, Satna
		2014-15	39.87	
		2015-16	17.97	
Uttar Pradesh VAT Act, 2008	Value Added Tax (VAT)	2010-11	22.40	Additional Commissioner of Commercial Tax
		2011-12	51.34	
		2012-13	18.64	
Goods and Services Tax	Goods and Services Tax	2018-19	2,205.36	Advance Ruling of Delhi Authority
Income Tax Act, 1961	Income Tax Act	2014-15	212.06	ITAT
		2012-13	154.74	Commissioner (Appeal)
		2011-12	54.14	Appellate Tribunal
		2008-09 (Re-open)	226.93	
		2016-17	136.60	CIT (A)
		2011-12	910.28	Delhi High Court

- viii) In our opinion and according to the information and explanations given to us, the company has not defaulted on repayment of dues to banks. Further, the company has not issued any debentures during the year.
- ix) During the year, the company has not raised any money through initial public offer or further public offer (including debt instruments) and term loans. Therefore, provisions of clause (ix) of paragraph 3 of the Order relating to utilization of moneys raised by way of initial public offer or further public offer including debt instruments and term loans is not applicable to the company.
- x) During the course of our examination of the books and records of the company in accordance with generally accepted auditing practices in India and according to the information and explanations given to us and as represented by the management, no case of frauds by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi) The company being a Government company, provisions of clause no. (xi) of para 3 of the Order regarding section 197 of the Companies Act, 2013 relating to managerial remuneration is not applicable to the company in view of Notification no. G.S.R. 463(E) dated 05.06.2015.
- xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company and therefore, the provisions of clause (xii) of para 3 of the Order are not applicable to the company;

- xiii) According to the records of the company examined by us and the information and explanations given to us, the related party transactions entered into by the company during the year have been entered at arm's length basis in ordinary course of business and are in compliance with section 177 and 188 of the Companies Act, 2013 and have been disclosed in the standalone Ind AS financial statements;
- xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and accordingly the provisions of clause (xiv) of para 3 of the Order are not applicable to the company;
- xv) The company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause (xv) of para 3 of the Order are not applicable to the company;
- xvi) According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Dhawan & Co.**  
Chartered Accountants  
FRN: 002864N

Sd/-  
**Inder Jeet Dhawan**  
(Partner)  
M. No. : 081679

Place : New Delhi  
Dated : May 29, 2019

## **“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NBCC (INDIA) LIMITED (hereinafter referred to as COMPANY)**

### **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 **NBCC (INDIA) LIMITED** as of March 31, 2019 in conjunction with our audit of the standalone 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. 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.

#### **Auditor’s 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 unauthorized 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 March 31, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Dhawan & Co.**  
Chartered Accountants  
FRN: 002864N

Sd/-  
**Inder Jeet Dhawan**  
(Partner)  
M. No. : 081679

Place : New Delhi  
Dated : May 29, 2019

## ANNEXURE - C TO INDEPENDENT AUDITOR'S REPORT

Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of NBCC (India) Limited for the year 2018-19 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013

S. No.	Areas Examined	Replies	Impact on financial statements
1	Whether the Company has system in place to process all the accounting transactions through IT system. If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.	The company has an in house developed ERP system to process all the accounting transactions through IT system. For Billing, company has a separate web portal 'Online Billing' and said bill is posted manually in books in ERP. Some manual intervention is necessitated for valuation of inventories; however, accounting entries for the same are also processed through ERP.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender due to the company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of restructuring of any loan or cases of waiver / write off of debts / loans / interest etc. made by any lender due to the company's inability to repay the loan.	Nil
3	Whether fund received / receivable for specific schemes from Central / State agencies were properly accounted for /utilized as per its term and conditions? List the cases of deviation.	The company has not received any fund for specific schemes from Central / State Agencies during the year.	Nil

For **Dhawan & Co.**  
Chartered Accountants  
FRN: 002864N

Sd/-  
**Inder Jeet Dhawan**  
(Partner)  
M. No. : 081679

Place : New Delhi  
Dated : May 29, 2019

## Balance Sheet as at March 31, 2019

(₹ in lakh)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I.	<b>ASSETS</b>			
	<b>1. Non-Current Assets</b>			
	(a) Property, Plant and Equipment	2	7,200.41	6,183.94
	(b) Investment Property	3	164.18	166.88
	(c) Financial Assets			
	(i) Investments	4	34,360.17	5,860.17
	(ii) Other Financial Assets	5	6,539.41	4,440.67
	(d) Deferred Tax Asset (Net)	6	40,120.00	11,569.60
	(e) Non Current Tax Assets (Net)	7	3,470.36	1,354.93
	(f) Other Non Current Assets	8	731.00	2,342.03
			<b>92,585.53</b>	<b>31,918.22</b>
	<b>2. Current Assets</b>			
	(a) Inventories	9	1,83,232.27	1,65,750.98
	(b) Financial Assets			
	(i) Investments	10	1,501.47	-
	(ii) Trade Receivables	11	2,10,763.98	2,25,845.76
	(iii) Cash and Cash Equivalents	12	1,44,550.72	1,29,967.77
	(iv) Other Bank Balances	13	13,514.22	41,387.19
	(v) Other Financial Assets	14	1,17,098.60	1,08,700.39
	(c) Current Tax Assets (Net)	15	2,691.30	2,920.54
	(d) Other Current Assets	16	63,161.75	58,512.50
			<b>7,36,514.31</b>	<b>7,33,085.13</b>
	(e) Assets held for Sale	17	841.52	-
			<b>7,37,355.83</b>	<b>7,33,085.13</b>
	<b>TOTAL ASSETS</b>		<b>8,29,941.36</b>	<b>7,65,003.35</b>
II.	<b>EQUITY AND LIABILITIES</b>			
	<b>1. Equity</b>			
	(a) Equity Share capital	18	18,000.00	18,000.00
	(b) Other Equity		1,38,480.80	1,64,136.52
	<b>Total Equity</b>		<b>1,56,480.80</b>	<b>1,82,136.52</b>
	<b>2. Liabilities</b>			
	<b>Non-Current Liabilities</b>			
	(a) Provisions	19	9,663.62	7,343.15
			<b>9,663.62</b>	<b>7,343.15</b>
	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade Payables	20	-	-
	- Micro Enterprises and Small Enterprises			
	- Others		2,93,840.68	2,99,378.90
	(ii) Other Financial Liabilities	21	84,746.80	82,460.38
	(b) Other Current Liabilities	22	2,78,895.30	1,85,974.32
	(c) Provisions	23	5,928.91	7,710.08
			<b>6,63,411.69</b>	<b>5,75,523.68</b>
	(d) Liabilities Associated with the Assets held for Sale	24	385.25	-
			<b>6,63,796.94</b>	<b>5,75,523.68</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>8,29,941.36</b>	<b>7,65,003.35</b>

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 49

For and on behalf of the Board of Directors

Sd/-  
(DEEPTI GAMBHIR)  
Company Secretary  
(FCS : 4984)

Sd/-  
(B. K. SOKHEY)  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
(NEELES M SHAH)  
Director  
(DIN : 07444898)

Sd/-  
(RAJENDRA CHAUDHARI)  
Director  
(DIN : 07151492)

As per our Report of even date attached

For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
(Inder Jeet Dhawan)

Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019

## Statement of Profit and Loss for the year ended on March 31, 2019

(₹ in lakh)

	Particulars	Note No.	For the year ended on March 31, 2019	For the year ended on March 31, 2018
I.	Revenue From Operations			
	Value of Services	25	714,160.37	587,169.08
	Other Operating Revenues	26	10,315.54	3,331.64
II.	Other Income	27	18,746.64	10,613.42
III.	<b>Total Income (I + II)</b>		<b>743,222.55</b>	<b>601,114.14</b>
IV.	<b>Expenses:</b>			
	Land Purchased & Materials Consumed	28	1,901.31	843.18
	Change in Inventories of Real Estate Projects	29	20,647.33	(8,722.94)
	Work & Consultancy Expenses	30	620,857.15	511,716.33
	Employee Benefits Expense	31	26,312.79	30,966.51
	Finance Costs	32	60.74	21.00
	Depreciation and Amortisation Expense	2 & 3	263.56	270.97
	Other Expenses	33	15,261.11	15,732.96
	Write Offs	34	2,072.38	23.89
	<b>Total Expenses (IV)</b>		<b>687,376.37</b>	<b>550,851.90</b>
V.	<b>Profit before Exceptional Items and Tax (III-IV)</b>		<b>55,846.18</b>	<b>50,262.24</b>
VI.	Exceptional Items		-	-
VII.	<b>Profit before Tax (V + VI)</b>		<b>55,846.18</b>	<b>50,262.24</b>
VIII.	<b>Tax Expense:</b>	35		
	(1) Current Tax		19,028.38	18,759.35
	(2) Deferred Tax		(1,717.65)	(1,606.24)
	(3) Taxation in respect of Earlier Years		124.35	(251.48)
IX.	<b>Profit / (Loss) for the Period from Continuing Operations (VII-VIII)</b>		<b>38,411.10</b>	<b>33,360.61</b>
X.	Profit / (Loss) for the Discontinued Operations		-	-
XI.	Tax expenses of Discontinued Operations		-	-
XII.	<b>Profit / (Loss) for the Discontinued Operations (after tax) (X-XI)</b>		<b>-</b>	<b>-</b>
XIII.	<b>Profit / (Loss) for the Period (IX+XII)</b>		<b>38,411.10</b>	<b>33,360.61</b>
XIV.	<b>Other Comprehensive Income</b>	36		
	A (i) Items that will not be reclassified into Profit or Loss		(2,198.89)	(1,231.93)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		768.38	426.35
	B (i) Items that will be reclassified into Profit or Loss		(136.34)	(27.18)
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		47.64	9.50
XV.	<b>Total Comprehensive Income for the period (XIII+XIV)</b>		<b>36,891.89</b>	<b>32,537.35</b>
XVI.	Earnings per Share (Face value of ₹ 1/- per Equity Share)	37		
	(1) Basic (in ₹)		2.13	1.85
	(2) Diluted (in ₹)		2.13	1.85

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 49

For and on behalf of the Board of Directors

Sd/-  
(DEEPTI GAMBHIR)  
Company Secretary  
(FCS : 4984)

Sd/-  
(B. K. SOKHEY)  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
(NEELES M SHAH)  
Director  
(DIN : 07444898)

Sd/-  
(RAJENDRA CHAUDHARI)  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
(Inder Jeet Dhawan)  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019



## Statement of Changes in Equity as at March 31, 2019

### A. Equity Share Capital

(₹ in lakh)

Particulars	Balance at the beginning of the Reporting Period	Changes in Equity Share Capital during the year	Balance at the end of Reporting Period
Balance as at March 31, 2018	18,000.00	-	18,000.00
<b>Balance as at March 31, 2019</b>	<b>18,000.00</b>	<b>-</b>	<b>18,000.00</b>

### B. Other Equity

(₹ in lakh)

Particulars	Reserves and Surplus		Other Comprehensive Income (OCI)		Total
	General Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	Exchange difference on translation of Foreign Operations	
Balance as at April 1, 2017	38,515.99	1,10,893.72	(49.39)	-	1,49,360.32
Profit for the period	-	33,360.61	-	-	33,360.61
Other Comprehensive Income (OCI)	-	-	(1,231.93)	(27.18)	(1,259.11)
Income Tax on Items of OCI	-	-	426.35	9.50	435.85
Dividend paid including Interim Dividend and Dividend Distribution Tax#	-	(17,761.15)	-	-	(17,761.15)
Shares Issue Expenses	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>38,515.99</b>	<b>1,26,493.18</b>	<b>(854.97)</b>	<b>(17.68)</b>	<b>1,64,136.52</b>
Profit for the period	-	38,411.10	-	-	38,411.10
Transitional Adjustment of Ind AS 115*	-	(49,866.41)	-	-	(49,866.41)
Other Comprehensive Income (OCI)	-	-	(2,198.89)	(136.34)	(2,335.23)
Income Tax on Items of OCI	-	-	768.38	47.64	816.02
Dividend paid including Dividend Distribution Tax#	-	(12,151.97)	-	-	(12,151.97)
Shares Issue Expenses	-	(529.23)	-	-	(529.23)
<b>Balance as at March 31, 2019</b>	<b>38,515.99</b>	<b>1,02,356.67</b>	<b>(2,285.48)</b>	<b>(106.38)</b>	<b>1,38,480.80</b>

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 49

\* Adjustment pursuant to Indian Accounting Standard (Ind AS) - 115 (Refer Note 46)

# For details (Refer Note 39)

### For and on behalf of the Board of Directors

Sd/-  
(DEEPTI GAMBHIR)  
Company Secretary  
(FCS : 4984)

Sd/-  
(B. K. SOKHEY)  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
(NEELES M SHAH)  
Director  
(DIN : 07444898)

Sd/-  
(RAJENDRA CHAUDHARI)  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
(Inder Jeet Dhawan)  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019

## Statement of Cash Flows for the year ended on March 31, 2019

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the company are segregated.

(₹ in lakh)

	Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>A.</b>	<b>Cash flows from Operating Activities</b>		
	<b>Net Profit Before tax and Exceptional items</b>	<b>55,846.18</b>	50,262.24
	Adjustment for:		
	Exchange difference on translation of Foreign Operations	(136.34)	(27.18)
	Depreciation	263.56	270.97
	(Profit) / Loss on Sale of Assets (Net)	(19.48)	(0.76)
	Interest Income on Unwinding of Financial Instruments	-	(1,201.23)
	(Gain) / Loss on Derecognition of Financial Asset / Liabilities (Ind AS)	-	(54.61)
	(Gain) / Loss on Modification of Financial Asset / Liabilities (Ind AS)	-	249.69
	Provisions for Research & Development	333.61	351.10
	Provision for Impairment of Trade Receivables	7,014.70	9,330.60
	Provision for Impairment of Investments	-	100.00
	Provision for Impairment of Inventories	507.85	-
	Provision for Impairment of Other Financial Assets	1,438.93	-
	Provision for Warranty Charges	309.00	-
	Provision for Onerous Contracts	184.44	57.57
	Finance Cost	60.74	21.00
	Interest Received	(15,478.48)	(8,685.22)
	Rent	(441.79)	(433.95)
	Dividend Received	(2,673.67)	(462.36)
	Provisions for Employee Benefits (Net of Payments)	(2,275.78)	3,383.86
	Expenditure on Research & Development Activities	(210.86)	(241.82)
	<b>Operating Profit before Working Capital Changes</b>	<b>44,722.61</b>	<b>52,919.90</b>
	Adjustment for:		
	Decrease /(Increase) in Other Financial Assets (Non Current)*	(1,469.28)	5,104.17
	Decrease/(Increase) in Non Current Tax Assets	(2,115.43)	(1,527.95)
	Decrease/(Increase) in Inventories	(3,002.93)	(259.87)
	Decrease/(Increase) in Work-in-Progress*	23,753.99	(8,454.17)
	Decrease/(Increase) in Trade receivables	709.75	(22,530.40)
	Decrease/(Increase) in Other Financial Assets*	(16,168.80)	(69,500.58)
	Decrease/(Increase) in Current Tax Assets	3,121.58	739.03
	Decrease/(Increase) in Other Current Assets	(4,649.25)	(18,206.70)
	(Decrease) /Increase in Trade payables	(5,589.94)	45,038.35
	(Decrease) /Increase in Other Financial Liabilities (Current)	2,286.42	9,205.28
	(Decrease)/ Increase in Provisions-Current	-	(128.63)
	(Decrease) /Increase in Other Current Liabilities*	(16,824.05)	39,601.56
	(Decrease) /Increase in Liabilities Associated with the Assets held for Sale	385.25	-
	<b>Cash generated from Operations before Exceptional Items</b>	<b>25,159.92</b>	31,999.99
	Exceptional Items	-	-
	Direct Taxes Paid	(13,200.00)	(10,750.00)
	<b>Net Cash from Operating Activities (A)</b>	<b>11,959.92</b>	<b>21,249.99</b>

	Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>B.</b>	<b>Cash Flows from Investing Activities:</b>		
	Payment for acquisition of Subsidiaries and Joint Ventures	(28,500.00)	(200.00)
	Distribution received from Subsidiaries and Joint Ventures	2,637.69	330.00
	Capital Advance for Purchase of Property, Plant and Equipment	(253.73)	(1.14)
	Purchase of Property, Plant and Equipment	(170.45)	(144.07)
	Assets Held for Sale	(96.71)	-
	Sale of Property, Plant and Equipment	32.55	21.35
	Flexi Bank Deposit having Original Maturity more than 3 months and upto 12 Months	19,992.78	(7,644.70)
	Flexi Bank Deposit having Original Maturity more than 12 months	(5.24)	-
	Fixed Bank Deposit having Original Maturity more than 3 months and upto 12 Months	7,880.19	11,913.69
	Investment in Liquid Fund Cash Plan	(1,501.47)	4,724.61
	Interest Received (Net of Tax Deducted at Source)	14,845.65	7,903.66
	Rent (Net of Tax Deducted at Source)	406.99	396.87
	Dividend Received	35.98	132.36
	<b>Net Cash from Investing Activities (B)</b>	<b>15,304.23</b>	<b>17,432.63</b>
<b>C.</b>	<b>Cash Flows from Financing Activities:</b>		
	Dividend on Equity Shares paid (Including Dividend Distribution Tax)	(12,151.97)	(17,761.15)
	Repayment of Borrowings	-	(593.46)
	Shares Issue Expenses	(529.23)	-
	<b>Net Cash from Financing Activities (C)</b>	<b>(12,681.20)</b>	<b>(18,354.61)</b>
	<b>Net Increase in Cash and Cash Equivalent (A) + (B) + (C)</b>	<b>14,582.95</b>	<b>20,328.01</b>
	<b>Cash and Cash Equivalents - Opening</b>	<b>129,967.77</b>	<b>109,639.76</b>
	<b>Cash and Cash Equivalents - Closing</b>	<b>144,550.72</b>	<b>129,967.77</b>
i)	<b>Cash and Cash Equivalents Includes:</b>		
a)	Cash in Hand	-	0.01
b)	Remittances in Transit / Cheques in Hand	29.00	1,363.80
c)	Balances / Fixed Deposit / Flexi Deposits/Call Deposits with Banks	144,483.95	128,571.81
d)	Balances with Bank in Unclaimed Dividend Account	37.77	21.31
e)	Balances with Bank in Interim Dividend Account	-	10.84
	<b>Total</b>	<b>144,550.72</b>	<b>129,967.77</b>

ii) Figures in brackets indicate cash outgo

\* Adjustment pursuant to Indian Accounting Standard (Ind AS) - 115 (Refer Note 46)

**For and on behalf of the Board of Directors**

Sd/-  
**(DEEPTI GAMBHIR)**  
Company Secretary  
(FCS : 4984)

Sd/-  
**(B. K. SOKHEY)**  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
**(NEELES M SHAH)**  
Director  
(DIN : 07444898)

Sd/-  
**(RAJENDRA CHAUDHARI)**  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
**(Inder Jeet Dhawan)**  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019

## NOTE – 1

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 NATURE OF PRINCIPAL ACTIVITIES**

NBCC (India) Limited (referred to as “NBCC” or “the Company” or “Parent Company”) is a Government of India Navratna Enterprise under the Ministry of Urban Development. The Company operates into three major segments namely Project Management Consultancy, Real Estate and Engineering Procurement & Construction.

#### **1.2 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS**

The Company is incorporated and domiciled in India with registered office at New Delhi. The Company is headquartered in New Delhi, India. The shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange.

The Standalone Financial Statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 issued by Ministry of Corporate Affairs (‘MCA’). The Company has uniformly applied the Accounting Policies during the period presented.

Unless otherwise stated, all amounts are stated in lakh of Rupees).

The Standalone Financial Statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 29th May, 2019.

#### **1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Standalone Financial Statements have been prepared using the Accounting Policies and measurement basis summarized below.

#### **1.4 OVERALL CONSIDERATIONS**

The Standalone Financial Statements have been prepared using the significant Accounting Policies and measurement bases that are in effect at 31 March 2019, as summarised below.

##### **1.4.1 INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount.

##### **1.4.2 FOREIGN CURRENCY TRANSLATION**

###### **Functional and Presentation Currency**

The Standalone Financial Statements are presented in Indian Rupee (‘INR’), which is company’s functional Currency.

###### **Foreign Currency Transactions and Balances**

Foreign Currency transactions are recorded in the reporting Currency, by applying to the Foreign Currency amount the exchange rate between the Reporting Currency and the Foreign Currency at the date of the transaction.

Foreign Currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a Foreign Currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous Financial Statements, are recognized as Income/ Expenses in the year in which they arise.

### **Foreign Operations**

For the foreign operations, all assets and liabilities are translated into INR using the exchange rate prevailing at the reporting date and their Statement of Profit and Loss are translated at date of transaction/average rate prevailing over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

## **1.5 REVENUE RECOGNITION**

The Company derives revenues primarily from Constructions contracts and Real Estate Projects. Construction contracts comprise of geotechnical investigations, topographical surveys, resource-planning, preparation of DPR, obtaining statutory approvals, construction of the building, ratification of defects during defect liability period etc. ("together called as construction related services"). In case of Redevelopment construction contracts, sale of the redevelopment properties is also entrusted onto the company in addition to the construction related services. In Real Estate projects, the contract with customer comprises of delivery of residential/ commercial space, parking slots, after sale maintenance services etc.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer.

### **a) Project Management Consultancy**

In case of PMC contracts, the Company undertakes to perform tasks such as geotechnical investigations, topographical surveys, resource-planning, preparing detailed engineering designs and supervising execution of works etc. For contracts where there is one performance obligation, revenue is recognized over time based on the input method of measuring progress as in these contracts, the customer receives and uses the benefits simultaneously.

Some redevelopment construction contracts include additional deliverables, such as marketing and publicity services or the services relating to appointment of real estate consultant, e-auction etc. of commercial and residential areas. These services are separately sold in the market with no dependence on the construction related services and therefore are accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. For marketing and publicity services, the performance obligation is to facilitate and manage the sale process on behalf of client. The performance obligation is satisfied at the time of booking of sale of unit on behalf of client. The revenue is recognized at a point in time when the performance obligation is completed.

For maintenance services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.

### **b) Real Estate Development**

In real estate development contracts, there are multiple promises such as (a) Sale of property, (b) Sale of additional parking slots and (c) Maintenance services etc. These individual items are sold separately in market and add value to the customer on an individual basis. Therefore, these services are considered as separate performance obligations.

The revenue for these performance obligations is recognized based on the stand-alone selling prices.

Revenue for 'sale of property' and 'sale of additional parking slots' is recognized when control over the property has been transferred to the customer. The properties have generally no alternative use for the Company due to contractual restrictions. An enforceable right to payment does not arise until the transfer of control of property to customer. Revenue is recognized at a point in time when the possession is handed over to the customer including deemed possession.

For maintenance services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.

### **c) Engineering, Procurement and Construction (EPC)**

Under EPC Contracts, the Company is required to construct, manufacture or develop an asset on behalf of a customer, which is considered as a single performance obligation as the bundle of goods or services represent the combined output for which the customer has contracted with the Company i.e. construction of the project/asset.

For EPC contracts, transaction price is the price which is contractually agreed with the customer for provision of services. The revenue is recognized over time based on the input method of measuring progress because in such contracts, the customer receives and uses the benefits as the Company performs its obligation.

Revenue includes:

1. Work done for which only letters of intent have been received, however, formal contracts / agreements are in the process of execution.
2. Work executed and measured by the Company pending certification by the client.
3. Work executed but not measured/ partly executed is accounted for at engineering estimate.
4. Extra / Substituted items and the Claims lodged against clients to the extent considered realizable.

## **1.6 OTHER INCOME**

### **Interest, Dividend and Rental income**

Interest income is reported on an accrual basis using the Effective Interest Rate method. Interest income on mobilisation advances given to contractors recoverable in short term is recognised using simple interest method which approximates the effective interest rate.

Interest income on bank deposits held on behalf of client is netted off from interest payable to client on such deposits.

Dividend income is recognised at the time the right to receipt is established.

Rental income is recognised on a straight-line basis over the period of lease terms.

Other items of income are recognised in the statement of profit and loss when control of respective goods or service has been transferred to customer.

## **1.7 INTANGIBLE ASSETS**

### **Recognition**

Intangible assets are initially measured at cost of acquisition thereof. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

### Subsequent Measurement (Amortization)

Amortization on Intangible Assets is charged on the straight line method on the basis of rates arrived at with reference to the useful life of the assets evaluated and approved by the Management.

Asset category	Estimated useful life (in years)
<b>Other Intangible Assets</b>	
Computer Software	3 Years

### De-recognition

An item of Intangible Asset or any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss Account when the asset is derecognised.

## 1.8 PROPERTY, PLANT AND EQUIPMENT

### Recognition

Properties Plant and Equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

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 April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment.

### Subsequent measurement (Depreciation)

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The following useful lives are applied:

Asset category	Estimated useful life (in years)
<b>Buildings</b>	
Building(other than factory buildings)	60 Years
Other (including temporary structure, etc.)	3 Years
<b>Plant and Machinery used in civil construction</b>	12 Years
<b>Furniture and fittings</b>	10 Years
<b>Motor Vehicles</b>	8 Years
<b>Office equipment</b>	5 Years
<b>Computers and data processing units</b>	
Servers and networks	6 Years
End user devices viz. desktops, laptops, etc.	3 Years



Premium paid on land where lease agreements have been executed for specified period are written off over the period of lease proportionately.

Property, Plant and Equipment individually costing upto INR 10,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **De-Recognition**

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised.

### **1.9 INVESTMENT PROPERTY**

#### **Recognition**

Investment Properties are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

#### **Subsequent Measurement (Depreciation)**

Depreciation on Investment Property is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates are arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The following useful lives are applied:

Asset category	Estimated useful life (in years)
<b>Buildings</b>	
Building (other than factory buildings)	60 Years
Other (including temporary structure, etc.)	3 Years

The residual values, useful lives and methods of depreciation of investment properties are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **De-Recognition**

An item of Investment Property and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

### **1.10 LEASES**

#### **Company as a Lessee**

##### **Finance Leases**

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a Finance Lease. Finance Leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

The interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease. The leased asset is depreciated over the useful life of the asset or lease term whichever is lower.

#### **Operating Leases**

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to Statement of Profit and Loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

#### **Company as a Lessor**

##### **Operating lease**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

### **1.11 IMPAIRMENT OF NON FINANCIAL ASSETS**

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/ external indicators. An impairment loss is recognised in the Statement of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

## **FINANCIAL INSTRUMENTS**

### **Financial Assets**

#### **Initial recognition and measurement**

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the Financial Instrument and are measured initially at fair value adjusted for transaction costs.

#### **Subsequent Measurement**

- i. **Debt instruments at Amortised Cost**– A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit And Loss (FVTPL) based on Company’s business model.

- ii. **Equity Investments** – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on an instrument to instrument basis.

- iii. **Mutual Funds** – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

#### **De-recognition of Financial Assets**

A Financial Asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

#### **Financial Liabilities**

##### **Initial recognition and measurement**

All Financial Liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the Financial Liabilities is also adjusted. Financial Liabilities are classified as amortised cost.

##### **Subsequent measurement**

Subsequent to initial recognition, these liabilities are measured at Amortised Cost using the Effective Interest Rate method.

##### **De-recognition of Financial Liabilities**

A Financial Liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. Consequently write back of unsettled credit balances and invoked bank guarantee is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognised in Other Operating Revenues.

Further 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

##### **Offsetting of 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.

### **1.12 IMPAIRMENT OF FINANCIAL ASSETS**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for Financial Assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company considers the following –

- All contractual terms of the Financial Assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### **Trade Receivables**

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average

default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses.

#### **Other Financial Assets**

For recognition of impairment loss on Other Financial Assets and Risk Exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

### **1.13 INVENTORIES**

#### **Inventories are valued as under:**

**Land Bank** – It consists of asset purchased by the Company that it intends to develop later on into residential / commercial project but on which no construction has commenced. Land is initially recognized at fair value which is generally the cost or net realizable value whichever is less. However, it is discounted to present value when payment terms are deferred for a period of more than one year.

**Work in Progress** – Work-in-Progress includes construction work in progress and unsold portion of completed Real Estate Projects. Increase / decrease in Work-in-Progress is accounted for as Income or Expenditure for the year, as the case may be. Valuation of Work-in-Progress including unsold portion of reality project is being done on basis of actual cost and overheads incurred which are directly attributable to project, till completion or net realizable value whichever is less.

**Direct Materials, Stores and Spare Parts** are valued at lower of cost or net realizable value. Cost is determined on Weighted Average Cost Method.

**Consumables** including Canterring, Shuttering and Scaffolding, Loose Tools, Laboratory Equipment, empty containers & others are valued on the basis of realizable value, based on the engineering estimate.

Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

### **1.14 INCOME TAXES**

Tax expense recognised in Profit and Loss comprises the sum of Current Tax and Deferred Tax and Current Tax not recognised in Other Comprehensive Income or directly in Equity.

Calculation of Current Tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred Income Taxes are calculated using Balance Sheet Approach.

Deferred Tax Liabilities are generally recognised in full for all taxable temporary differences.

Deferred Tax Assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

### **1.15 CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents comprise Cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 1.16 EQUITY, RESERVES AND DIVIDEND PAYMENTS

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity includes Other Comprehensive Income (OCI) arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### 1.17 NON CURRENT ASSETS HELD FOR SALE

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions.

### 1.18 POST-EMPLOYMENT BENEFITS AND SHORT-TERM EMPLOYEE BENEFITS

#### Defined Contribution Plan

Company's Contribution paid/payable during the year to Provident Fund, EPS 1995 and Company's Pension Scheme is recognised in the Statement of Profit and Loss for the year in which the related services are rendered. The same is paid to a fund administered through separate trusts and by EPFO.

#### Defined Benefit Plan

Company's liability towards Gratuity, Post-Retirement Medical Benefits and TA on Superannuation are determined by independent actuary, at the year-end using the Projected Unit Credit Method. Actuarial gains or losses are recognised in the Other Comprehensive Income. Liability for Gratuity as per actuarial valuation is paid to a fund administered through a separate Trust.

#### Other Long-Term Benefits

Company's liability towards Leave (Earned and Sick) and Long Service Awards is determined by independent actuary, at the year-end using the Projected Unit Credit Method. Actuarial gains or losses are recognised in the Profit and Loss.

#### Short Term Employee Benefits

Short term benefits comprise of employee costs such as Salaries, Bonus, PLI, PRP and Short-term compensated absences are accrued in the year in which the associated services are rendered by employees of the Company.

#### Employee Separation Costs

Ex-gratia to employees who have opted for retirement under the Voluntary Retirement Scheme of the Company is charged to Statement of Profit and Loss in the year of acceptance of the option by the management.

### **1.19 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions recognised by the Company include provisions for Warranties, Research & Development, Contingencies, Onerous Contracts and Corporate Social Responsibility (CSR). A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent Liabilities are disclosed on basis of judgment of management after a careful evaluation of facts and legal aspects of matter involved.

Contingent Assets are disclosed when probable and recognised when realization of income is virtually certain.

### **1.20 ARBITRATION AWARDS**

Arbitration / Court's awards along with related interest receivable/payable are, to the extent not taken into accounts at the time of initiation, are recognized after it becomes decree. Permanent Machinery of Arbitration, Govt of India, is accounted for on finalisation of award by the appellate authority. Interest to/from in these cases are accounted when the payment is probable which the point is when matter is considered settled by management.

### **1.21 LIQUIDATED DAMAGES**

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

### **1.22 PRIOR PERIOD EXPENDITURE/ INCOME**

Expenditures / Incomes relating to prior periods and considered not material has been accounted for in the respective head of accounts in the current year.

### **1.23 SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING**

#### **POLICIES AND ESTIMATION UNCERTAINTY**

Financial Statements are prepared in accordance with GAAP in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in accompanying Financial Statements are based upon management's evaluation of relevant facts and circumstances as of date of Financial Statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying Financial Statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Indian Accounting Standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

#### **Significant Management Judgements**

The following are Significant Management Judgements in applying the Accounting Policies of the Company that have the most significant effect on the Financial Statements.

**Recognition of Deferred Tax Assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for Impairment of Assets** - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Property, Plant and Equipment** - Management assess the remaining useful lives and residual value of property, plant and equipment and believes that the assigned useful lives and residual value are reasonable (see note 4.5).

#### **Estimation Uncertainty**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

**Revenue Recognition** – Where revenue contracts include deferred payment terms, the management determines the fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

**Recoverability of Advances/ Receivables** – The Project heads, Zonal heads and Regional/Strategic Business groups from time to time review the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

**Defined Benefit Obligation (DBO)** - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

**Contingencies** - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**Provisions for Warranties**- Management's estimate of the warranties is based on engineering estimates and variation in these assumptions may impact the provision amount and the annual warranty expenses.

**Liquidated Damages** -Liquidated Damages receivables are estimated and recorded as per contractual terms; estimate may vary from actuals as levy on contractor.

#### **1.24 STANDARDS ISSUED AND ARE EFFECTIVE**

##### **Ind AS 12 – Income Taxes**

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit.

The above mentioned insertion/amendments do not have any significant impact over deferred tax computation on the company.

**Ind AS 115- Revenue from Contract with Customers: On March 28, 2018** : Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers effective from April 1. 2018. The company



has adopted the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 are not be retrospectively adjusted. Detailed disclosures as mandated by the standard are incorporated in the financial statements (Refer Note no. 46).

#### **1.25 STANDARDS ISSUED BUT NOT EFFECTIVE**

**Ind AS 116 Leases** : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments** : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

**Amendment to Ind AS 12 – Income taxes :** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit and loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

**The amendments require an entity:**

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the impact of this amendment in the Standalone Financial Statements.

## Note-2

### Property, Plant and Equipment:

Details of the Company's Property, Plant and Equipment and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(₹ in lakh)

	Particulars	Gross Carrying Amount (At Cost)			Accumulated Depreciation / Amortisation				Net Book Value	
		As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	Charge for the Year	On Disposals	As at March 31, 2019	As at March 31, 2018
<b>a</b>	<b>Tangible Assets</b>									
	Land & Buildings#	2,494.89	95.38	619.37	1,970.90	69.59	13.83	32.53	50.89	1,920.01
	Plant and Equipment	336.93	-	69.49	267.44	173.36	31.64	60.18	144.82	122.62
	Furniture and Fixtures	363.92	-	-	363.92	51.71	33.63	-	85.34	278.58
	Vehicles	59.04	-	5.40	53.64	26.31	7.77	1.80	32.28	21.36
	Office Equipment	531.42	41.10	0.35	572.17	262.41	90.49	0.20	352.70	219.47
	Others (Office Furniture)	90.39	4.43	0.64	94.18	43.36	10.14	0.63	52.87	41.31
	Temporary Hutment	49.65	-	-	49.65	38.55	11.11	-	49.66	(0.01)
	Total (i)	3,926.24	140.91	695.25	3,371.90	665.29	198.61	95.34	768.56	2,603.34
<b>b</b>	<b>Tangible Assets (Under Lease)</b>									
	Land*#	2,322.35	29.54	157.97	2,193.92	65.82	21.94	-	87.76	2,106.16
	Buildings	689.34	1,864.76	-	2,554.10	22.88	40.31	-	63.19	2,490.91
	Total (ii)	3,011.69	1,894.30	157.97	4,748.02	88.70	62.25	-	150.95	4,597.07
	<b>TOTAL (i+ii)</b>	<b>6,937.93</b>	<b>2,035.21</b>	<b>853.22</b>	<b>8,119.92</b>	<b>753.99</b>	<b>260.86</b>	<b>95.34</b>	<b>919.51</b>	<b>7,200.41</b>
	Previous Year	6,832.72	144.07	38.86	6,937.93	503.98	268.28	18.27	753.99	6,183.94

A \* No provision for amortisation has been made on land acquired under Perpetual Lease. Leasehold land is amortised on straight line basis over the unexpired period of their respective lease ranging from 85 - 90 years.

# (i) Disposal of Gross Block of Tangible Assets (Under Lease) includes Land at Golf Link amounting to ₹ 157.97 lakh transferred to Assets held for sale (Refer Note 17).

(ii) Disposal of Gross Block & Accumulated Depreciation of Tangible Assets Land & Buildings includes Residential Flat at Asiad Village amounting to ₹ 619.37 lakh & ₹ 32.53 lakh respectively transferred to Assets held for sale (Refer Note 17).

B The amount of Contractual Commitments for the acquisition of Property, Plant and Equipments are as follows-

(₹ in lakh)

Particulars	Period	Upto 1 year	More than 1 year	Total
Land	As at March 31, 2019	-	-	-
	As at March 31, 2018	83.18	-	83.18

C Lease / Title Deeds for the following Land and Buildings are pending for execution in the name of Company.

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Land at MBP, Mehrauli Road, Ghitorni, New Delhi.	195.77	195.77
(ii) Land at Golf Link, New Delhi	-	157.97
(iii) Land at Raipur	340.49	310.95
(iv) Land at Faridabad	1,218.73	1,139.00
(v) Office Building at Arun Chambers, Mumbai	1.04	1.04
(vi) Office Building at Assam	379.35	363.70
(vii) Flats at Kidwai Nagar	1,864.76	-
<b>Total</b>	<b>4,000.14</b>	<b>2,168.43</b>

The above figures represent the Land Cost including provision for stamp duties payable on execution of lease / title deeds made in respect of (iii) to (vi).

### Note-3

#### Investment Property:

(₹ in lakh)

S. No	Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value	
		As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	Charge for the Year	On Disposals	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
a	Buildings	170.70	-		170.70	3.82	2.70	-	6.52	164.18	166.88
	<b>TOTAL</b>	<b>170.70</b>	<b>-</b>	<b>-</b>	<b>170.70</b>	<b>3.82</b>	<b>2.70</b>	<b>-</b>	<b>6.52</b>	<b>164.18</b>	<b>166.88</b>
	Previous Year	170.70	-	-	170.70	1.13	2.69	-	3.82	166.88	

#### (i) Amounts recognised in Statement of Profit & Loss for Investment Properties:

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Rental Income	8.48	10.07
Direct Operating Expenses from property generating Rental Income (including Repair and Maintenance)	-	-
<b>Profit from Investment Properties before depreciation</b>	<b>8.48</b>	<b>10.07</b>
Depreciation	(2.70)	(2.69)
<b>Profit from Investment Properties</b>	<b>5.78</b>	<b>7.38</b>

#### (ii) Leasing Arrangements

Certain Investment Properties are leased to tenants under long-term operating leases with rentals payable monthly (Refer Note 41). The Company Capitalized ₹ 170.70 lakh from Inventory (Real Estate Completed Projects) as investment property in the financial year 2016-17. Future minimum lease payments receivable under long-term operating leases of Investment Properties in the aggregate is ₹ NIL lakh {Previous Year ₹ 28.16 lakh} and for each of the following period:

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Within one year	-	3.58
Later than one year but not later than 5 years	-	16.96
Later than 5 years	-	7.62

#### (iii) Fair value

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Buildings	173.00	157.00

#### (iv) Lease / Title Deeds for the following Investment Property is pending for execution in the name of Company.

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Buildings	170.70	170.70

#### (v) Description of Valuation Techniques used and key inputs to Valuation on Investment Properties:

Valuation Approach - Market Approach, This Approach is utilized to estimate the value of the subject site by comparing recent sales of similar interests located in the surrounding area. By analyzing sales which qualify as 'arms hand length transactions, between willing buyers and sellers, adjustments can be made for size, location, time, amenities and other relevant factors when comparing such sales against the subject property. This approach is based on the premise that a prudent and knowledgeable buyer will pay no more for a property than the cost to acquire an equally desirable substitute of similar utility.

Commercial property in same commercial complex was used for comparison and adjustments made for following factors

- Listing Discount,
- Location,
- Size, and
- Time

(vi) All resulting fair value estimates for Investment Properties are included in level 2 Fair Value

**Note-04**

(₹ in lakh)

Investments - Non Current	As at March 31, 2019	As at March 31, 2018
<b>Investment in Equity Instruments :</b>		
Investment in Subsidiaries*	32,862.04	4,362.04
Less: Aggregate amount of Impairment in Value of Investments	(100.00)	(100.00)
Investment in Joint Ventures	200.00	203.40
Less: Aggregate amount of Impairment in Value of Investments	-	(3.40)
Other Investments:		
Investment in Joint Ventures	1,398.13	1,398.13
<b>Total</b>	<b>34,360.17</b>	<b>5,860.17</b>

\* The company has incorporated a wholly owned subsidiary NBCC DWC LLC in Dubai UAE on December 24, 2018 for which Share Capital has not yet remitted.

**Note-04 A**

(₹ in lakh)

Investments - Non Current	As at March 31, 2019	As at March 31, 2018
(a) Aggregate Amount of Quoted Investments and Market Value thereof	-	-
(b) Aggregate Amount of Unquoted Investments	<b>34,460.17</b>	5,963.57
(c.) Aggregate Amount of Impairment in Value of Investments	<b>(100.00)</b>	(103.40)
<b>Total</b>	<b>34,360.17</b>	<b>5,860.17</b>

**Note-04 B Details of Investment in Subsidiary Companies (Unquoted) (At Cost)**

S. N.	Particulars	Place of Business	Percentage of Holding		Amount (₹ in lakh)	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<b>Investment in Company</b>					
1	NBCC Services Limited - 20,00,000 equity shares of ₹ 10 each, fully paid up	India	<b>100.00%</b>	100.00%	<b>200.00</b>	200.00
2	NBCC GULF L.L.C - 175000 equity shares of 1 Omani Rial each, fully paid up	Oman	<b>70.00%</b>	70.00%	<b>292.04</b>	292.04
3	Hindustan Steelworks Construction Limited - 3,57,00,000 equity shares of ₹ 10 each, fully paid up*	India	<b>51.00%</b>	51.00%	<b>3,570.00</b>	3,570.00
4	HSCC (INDIA) Limited - 1,80,014 equity shares of ₹ 100 each, fully paid up**	India	<b>100.00%</b>	0.00%	<b>28,500.00</b>	-
5	NBCC International Limited - 10,00,000 equity shares of ₹ 10 each, fully paid up#	India	<b>100.00%</b>	100.00%	<b>100.00</b>	100.00
6	NBCC Environment Engineering Limited - 10,00,000 equity shares of ₹ 10 each, fully paid up#	India	<b>100.00%</b>	100.00%	<b>100.00</b>	100.00
7	NBCC Engineering & Consultancy Limited - 10,00,000 equity shares of ₹ 10 each, fully paid up	India	<b>100.00%</b>	100.00%	<b>100.00</b>	100.00
	Less: Provision for impairment in the value of Investment				<b>(100.00)</b>	(100.00)
	<b>Total</b>				<b>32,762.04</b>	4,262.04

2448 equity shares (Previous Year 2400) in Subsidiary Companies are held in the name of nominees of the company.

\* The company is entitled to transfer the shares held in HSCL only to an affiliate of the company upto an extent of 25% subject to the approval of Central Government. However in case the affiliate ceased to be an affiliate of the company by any reasons, the shares so held by the affiliate shall be transferred back to the company. Notwithstanding anything contained in the transfer agreement, the company shall continue to have the beneficial ownership of the shares and shall be bound by all the obligation of transfer as a principal obligator.

\*\* During the year company has acquired 100% stake in HSCC (India) Limited. The company is not entitled directly or indirectly to sell or transfer, or create any encumbrance or transfer the legal or beneficial ownership of the shares, to any person without prior approval of Government of India for a period of three years from acquisition date.

# The company in its Board Meeting dated 11.08.2018 has decided to close the subsidiary companies by winding up. The company has received approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs on 27.03.2019 for the proposed closure by way of merger.

#### Note-04 C Detail of Trade Investments in Joint Ventures (Unquoted) (At Cost)

S. N.	Particulars	Place of Business	Percentage of Holding		Amount (₹ in lakh)	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Investment in Company Real Estate Development & Construction Corporation of Rajasthan Limited - 2000000 equity shares of ₹ 10 each, fully paid up*	India	50.00%	50.00%	200.00	200.00
2	Jamal NBCC International (PTY) Limited** Less: Provision for diminution in the value of Investment	Botswana	49.00%	49.00%	-	3.40 (3.40)
	<b>Investment in Association of Persons</b>					
3	NBCC-R. K. Millen#	India	50.00%	50.00%	1,113.36	1,113.36
4	NBCC-MHG	India	50.00%	50.00%	232.62	232.62
5	NBCC-AB	India	50.00%	50.00%	52.15	52.15
	<b>Total</b>				<b>1,598.13</b>	1,598.13

\* 2 equity shares in Joint Venture Company are held in the name of nominees of the company.

\*\* The company has written off investment in Jamal NBCC International (PTY) Limited during the financial year keeping in view the high litigation costs and uncertainty involved in dissolutions of disputes with Joint Venture partners.

# The company has received an amount of ₹ 1569.31 lakh on behalf on Joint Venture under the arbitration award in favour of company. However, pending decision of special leave petition in Hon'ble High Court Delhi filed by M/s R.K. Millen & Co (India) Private Limited, the same is not adjusted against the investment.

#### Note-05

(₹ in lakh)

Other Financial Assets (Non Current)	As at March 31, 2019	As at March 31, 2018
Retention Money & Security Deposits with Clients*	6,539.41	4,440.67
<b>Total</b>	<b>6,539.41</b>	4,440.67

\* Adjustment pursuant to Indian Accounting Standard (Ind AS) - 115 (Refer Note 46)

#### Note-06

##### Movements in Deferred Tax Assets

(₹ in lakh)

Deferred Tax Assets (Net)	As at March 31, 2018	(Charged) / Credited to Statement of Profit & Loss	(Charged) / Credited to OCI	Ind AS 115 Adjustment*	As at March 31, 2019
<b>Deferred Tax Assets</b>					
<b>Arising on account of Temporary difference in:</b>					
Provision for Employee Benefits	1,263.53	1,349.62		-	2,613.15
Amount paid under VRS	190.06	(39.62)		-	150.44
Impairment Allowance	9,221.82	2,331.26		-	11,553.08
Provision for Research & Development	264.89	42.89		-	307.78
Provision for Warranty Charges	721.53	107.97		-	829.50
Provision for Onerous Contract	100.84	64.46		-	165.30

Deferred Tax Assets (Net)	As at March 31, 2018	(Charged) / Credited to Statement of Profit & Loss	(Charged) / Credited to OCI	Ind AS 115 Adjustment*	As at March 31, 2019
Provision for Other Contingency	16.53	-		-	16.53
Provision for Inventories	-	179.22		-	179.22
Provision for Other Financial Assets	-	502.82		-	502.82
Advance Revenue PMC	-	(601.86)		21,624.61	21,022.75
Advance Revenue Real Estate	-	(2,340.20)		5,422.14	3,081.94
Amortised Value of Financial Assets	257.86	-		(257.86)	-
Exchange difference on translation of Foreign Operations	9.50	-	47.65	-	57.14
<b>Deferred Tax Liabilities</b>					
Arising on account of Temporary difference in Depreciation	304.50	55.15		-	359.65
Interest on Income Tax Refund	172.46	(172.46)		-	-
<b>Total</b>	<b>11,569.60</b>	<b>1,717.65</b>	<b>47.65</b>	<b>26,785.11</b>	<b>40,120.00</b>

\* Adjustment pursuant to Indian Accounting Standard (Ind AS) - 115 (Refer Note 46)

#### Note-07

(₹ in lakh)

Non Current Tax Assets (Net)	As at March 31, 2019	As at March 31, 2018
Advance Income Tax	56,345.41	48,591.06
Less: Provision for Taxation	52,875.05	47,236.13
<b>Total</b>	<b>3,470.36</b>	<b>1,354.93</b>

#### Note-08

(₹ in lakh)

Other Non Current Assets	As at March 31, 2019	As at March 31, 2018
Capital Advances	731.00	2,342.03
<b>Total</b>	<b>731.00</b>	<b>2,342.03</b>

#### Note-09

(₹ in lakh)

Inventories (At Cost)	As at March 31, 2019		As at March 31, 2018	
Raw Materials and components		8.56		8.56
Land Bank		66,441.53		63,334.87
Work-in-progress				
(i) Construction Work in Progress*	71,465.34		92,486.29	
(ii) Completed Projects #	45,586.63		9,579.47	
Less: Provision for Impairment	497.23	1,16,554.74	-	1,02,065.76
Stores and spares	6.89		8.09	
Loose Tools	30.25		53.50	
Scrap	5.64		5.64	
Centering, Shuttering and Scaffolding	184.45		263.73	
Hostel Staff Camp Equipments	0.38		0.38	
Finished Goods	15.48		15.48	
Less: Provision for Obsolescence	15.65	227.44	5.03	341.79
<b>Total</b>		<b>1,83,232.27</b>		<b>1,65,750.98</b>

\* Including adjustment pursuant to Indian Accounting Standard (Ind AS) - 115 (Refer Note 46)

# Work in Progress for Completed Projects includes ₹ 916.96 lakh {Previous Years ₹ 916.96 lakh} as Company's share in a Jointly Developed Project. Company has 76.98% Interest in NBCC - Agartala Municipal Corporation (Joint Operation).



## Note-10

(₹ in lakh)

Current Investments	As at March 31, 2019	As at March 31, 2018
<b>Investment in Mutual Funds (At FVTPL)</b>		
Investment in Liquid Fund Cash Plan	1,501.47	-
<b>Total</b>	<b>1,501.47</b>	<b>-</b>

## Note-10 A

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Aggregate Amount of Quoted Investments and Market Value thereof	-	-
(b) Aggregate Amount of Unquoted Investments	1,501.47	-
(c.) Aggregate Amount of Impairment in Value of Investments	-	-
<b>Total</b>	<b>1,501.47</b>	<b>-</b>

## Note-10 B

(₹ in lakh)

Details of Current Investments	No. of Units		Amount	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Others - Unquoted Mutual Funds				
UTI Liquid Cash- Institutional Plan-Daily Dividend-Reinvestment, Fully Paid	1,47,281.52	-	1,501.47	-
<b>Total</b>	<b>1,47,281.52</b>	<b>-</b>	<b>1,501.47</b>	<b>-</b>

## Note-11

(₹ in lakh)

Trade Receivables	As at March 31, 2019		As at March 31, 2018	
Secured:				
- Considered Good		-		-
Unsecured:				
- Considered Good*	2,39,782.60		2,47,707.49	
- Considered Doubtful	418.59	2,40,201.19	560.79	2,48,268.28
Impairment Allowance :				
- Unsecured, Considered Good	29,018.62		21,861.73	
- Unsecured, Considered Doubtful	418.59	29,437.21	560.79	22,422.52
<b>Total</b>		<b>2,10,763.98</b>		<b>2,25,845.76</b>

\* Includes amount receivable from Subsidiary companies.

940.31

## Note-12

(₹ in lakh)

Cash and Cash Equivalents	As at March 31, 2019	As at March 31, 2018
Balances with Banks in Current Account *	17,839.90	7,766.76
Cash in hand	-	0.01
Remittances in Transit	29.00	1,363.80
Flexi Deposits upto 3 months Original Maturity **	1,18,944.66	1,20,837.20
Fixed Deposits upto 3 months Original Maturity #	7,737.16	-
<b>Total</b>	<b>1,44,550.72</b>	<b>1,29,967.77</b>

\* Includes balance with Banks under Lien

12.65

12.50

\* Includes Balances in Unpaid Dividend Account

37.77

21.31

\* Includes Balances in Interim Dividend Account

-

10.84

\*\* Includes Interest Accrued on Flexi Deposits

140.64

436.29

# Includes Interest Accrued on Fixed Deposits

2.63

-

**Note-13**

(₹ in lakh)

Other Bank Balances	As at March 31, 2019	As at March 31, 2018
Flexi Deposits having Original Maturity more than 3 months and upto 12 Month.	12,580.23	32,573.01
Fixed Deposits having Original Maturity more than 3 months and upto 12 Month*	933.99	8,814.18
<b>Total</b>	<b>13,514.22</b>	<b>41,387.19</b>
* Includes Fixed Deposits with Banks under Lien	62.87	60.61
* Includes Interest Accrued on Fixed Deposits	63.38	164.38

**Note-14**

(₹ in lakh)

Other Financial Assets	As at March 31, 2019		As at March 31, 2018	
Earnest Money & Security Deposits		1,072.61		9,616.69
Advance Recoverable from Staff		148.39		54.57
Retention & Security Deposit with Clients		12,489.94		17,188.13
Advance / Loan to Clients		98,195.51		71,532.43
Fixed Deposits having Original Maturity more than 12 months.		5.24		-
Unbilled Revenue #		1,508.10		8,026.10
Interest Recoverable from Contractor		1,851.08		-
Interest Recoverable	138.93	-	138.93	-
Less : Impairment Allowance	138.93	-	-	138.93
Other Financial Assets*	3,127.73	-	2,143.54	-
Less : Impairment Allowance	1,300.00	1,827.73	-	2,143.54
<b>Total</b>	-	<b>1,17,098.60</b>		<b>1,08,700.39</b>

\* Includes dividend receivable from Subsidiary company  
(declared on March 28, 2019 and received on April 12, 2019. 1,124.01

# Disclosure in pursuant to Indian Accounting Standard (Ind AS) - 115 (Refer Note 46)

**The following Bank Balances out of Note 12, 13 and 14 are held in the Separate Bank Accounts maintained on behalf of Clients / Ministries:-**

(₹ in lakh)

Bank Balance held on behalf of Ministries/Clients	As at March 31, 2019	As at March 31, 2018
Balances with Banks in Current Account	12,336.07	3,928.40
Flexi Deposits upto 3 months Original Maturity	1,12,356.73	1,13,848.91
Flexi Deposit having Original Maturity more than 3 months and upto 12 Months	12,580.23	32,573.01
Fixed Deposit having Original Maturity more than 12 months.	5.24	-
Balances with Banks in RERA Account	2,700.39	830.02
<b>Total</b>	<b>1,39,978.66</b>	<b>1,51,180.34</b>

**Note-15**

(₹ in lakh)

Current Tax Assets (Net)	As at March 31, 2019	As at March 31, 2018
Advance Income Tax	2,691.30	23,537.11
Less: Provision for Taxation	-	20,616.57
<b>Total</b>	<b>2,691.30</b>	<b>2,920.54</b>

## Note-16

(₹ in lakh)

Other Current Assets	As at March 31, 2019	As at March 31, 2018
Advance Fringe Benefit Tax	6.86	6.86
Advances to PRWs, Suppliers & Others (Net)*	51,322.36	46,176.72
Prepaid Expenses	52.88	66.81
Balances with Government Authorities	11,779.65	12,262.11
<b>Total</b>	<b>63,161.75</b>	<b>58,512.50</b>

\*Includes amount receivable from Subsidiary companies.

240.09

349.96

\*Includes amount paid in advance to Gratuity Trust

1,072.67

## Note-17

(₹ in lakh)

Assets held for Sale#	As at March 31, 2019	As at March 31, 2018
Residential Flat*	683.55	-
Land**	157.97	-
<b>Total</b>	<b>841.52</b>	<b>-</b>

# The Assets held for sale includes assets amounting to ₹ 744.81 lakh transferred from Property, Plant and Equipment (Refer Note 2)

\* Liabilities associated with the assets held for Sale (Refer Note 24).

\*\*The above figures represent the Land Cost including provision for stamp duties payable on execution of lease / title deeds.

## Note-18

(₹ in lakh)

Equity Share Capital	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
<b>Authorised:</b>				
Equity Shares of ₹ 1/- (Previous Year ₹ 2) each	2,00,00,00,000	20,000.00	1,00,00,00,000	20,000.00
<b>Issued, Subscribed &amp; Paid up</b>				
Fully paid up Equity Shares of ₹ 1/- (Previous Year ₹ 2) each	1,80,00,00,000	18,000.00	90,00,00,000	18,000.00
<b>Total</b>	<b>1,80,00,00,000</b>	<b>18,000.00</b>	<b>90,00,00,000</b>	<b>18,000.00</b>

## Note-18 A

(₹ in lakh)

Equity Share Capital	Equity Shares			
	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,80,00,00,000	18,000.00	90,00,00,000	18,000.00
Add : Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,80,00,00,000	18,000.00	90,00,00,000	18,000.00

## Note-18 B

Shareholders holding more than 5% of fully paid-up equity shares:

(₹ in lakh)

Name	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Percentage	No. of Shares	Percentage
President of India	1,22,73,08,635	68.18	66,86,08,249	74.29
Life Insurance Corporation of India Limited	11,78,66,918	6.55	5,89,33,459	6.55

## Note-18 C

The Company has only one class of Equity Shares having a par value of ₹ 1 per share. Each shareholders is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### Note-18 D

During the year 2011-12, 30000000 Equity Shares of ₹ 10/- each were issued as fully paid Bonus Shares with rights pari passu with existing Equity Shares.

During the year 2016-17, 300000000 Equity Shares of ₹ 2/- each were issued as fully paid Bonus Shares with rights pari passu with existing Equity Shares.

#### Note-18 E

Company has split face value of equity share from ₹ 10/- each to ₹ 2/- per share as approved by the shareholders of the Company through postal ballot on June 02, 2016

Company has split face value of equity share from ₹ 2/- each to ₹ 1/- per share as approved by the shareholders of the Company through postal ballot on April 05, 2018.

#### Note-18 F

##### Reserves and Surplus

##### Nature and purpose of Other Reserves

##### Retained Earnings

Retained Earning represent the undistributed profits of the Company.

##### General Reserve

General Reserve represents the statutory reserve, this is in accordance with Corporate law wherein a portion of profit is apportioned to General Reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declared dividend, however under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Company.

##### Other Comprehensive Income

Other Comprehensive Income represents balance arising on account of Gain/(Loss) booked on Re-measurement of Defined Benefit Plans and Exchange Difference on translation of foreign operation.

#### Note-19

(₹ in lakh)

Provisions- Non Current	As at March 31, 2019	As at March 31, 2018
<b>Provisions for Employee Benefits :</b>		
Leave Encashment	3,880.39	3,583.08
Travelling Allowance on Superannuation	38.28	41.18
Post Retirement Medical Benefit	5,561.96	3,563.54
Long Service Awards	135.69	108.05
Other / Contingencies	47.30	47.30
<b>Total</b>	<b>9,663.62</b>	<b>7,343.15</b>

For movements in each class of Provision during the Financial Year ( Refer Note 23A & 23B )

#### Note-20

(₹ in lakh)

Trade Payables	As at March 31, 2019	As at March 31, 2018
Due to Micro Enterprises and Small Enterprises#	-	-
Due to Others*	2,87,664.43	2,98,453.92
Amount withheld against Work	6,176.25	924.98
<b>Total</b>	<b>2,93,840.68</b>	<b>2,99,378.90</b>

\*Includes amount payable to Subsidiary Companies.

2,944.24

1,682.00

# In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006, the outstanding, interest due thereon, interest paid etc to these enterprises are required to be disclosed. However, these enterprises are required to be registered under the Act. In absence of information about registration of the enterprises under the above Act, the required information could not be furnished.

## Note-21

(₹ in lakh)

Other Financial Liabilities (Current)	As at March 31, 2019	As at March 31, 2018
Earnest Money & Security Deposits*	71,296.60	69,721.36
Other Payables	13,412.43	12,705.98
Unclaimed Dividend#	37.77	22.20
Interim / Final Dividend Payable	-	10.84
<b>Total</b>	<b>84,746.80</b>	<b>82,460.38</b>

\*Includes amount payable to Subsidiary Companies.

7.18

8.90

# No amount is due for credit to Investor Education and Protection Fund.

## Note-22

(₹ in lakh)

Other Current Liabilities	As at March 31, 2019	As at March 31, 2018
Taxes Payable	11,576.17	11,153.78
Advance from Clients*	1,98,868.51	1,69,896.04
Revenue Received in Advance#	68,450.62	4,924.50
<b>Total</b>	<b>2,78,895.30</b>	<b>1,85,974.32</b>

\*Includes amount due to Subsidiary Companies.

276.56

64.31

# Disclosure pursuant to Indian Accounting Standard (Ind AS) - 115 (Refer Note 46)

# No amount is due for credit to Investor Education and Protection Fund.

## Note-23

(₹ in lakh)

Provisions-Current	As at March 31, 2019	As at March 31, 2018
<b>Provision for Employee Benefits:</b>		
Gratuity	-	3,643.25
Leave Encashment	762.16	639.53
Travelling Allowance on Superannuation	6.18	6.03
Post Retirement Medical Benefit	1,417.54	270.52
Long Service Awards	15.40	39.31
Provision for Research & Development	880.79	758.04
Provision for Warranty Charges	2,373.81	2,064.81
Provision for Onerous Contracts	473.03	288.59
<b>Total</b>	<b>5,928.91</b>	<b>7,710.08</b>

For movements in each class of Provision during the Financial Year (Refer Note 23A &amp; 23B)

**Disclosure under Ind AS -37 on "Provisions, Contingent Liabilities and Contingent Assets":**
**Movement in Provisions**

## Note-23A

**Movements in each class (Current & Non Current) of provision during the financial year, are set out below:**

(₹ in lakh)

Particular	Provision for Warranty Charges	Provision for Research & Development	Provision for Onerous Contract	Other/Contingencies
As at April 1, 2018	2,064.81	758.04	288.59	47.30
Provision made during the year	309.00	333.61	184.44	-
Less : Paid during the year	-	210.86	-	-
<b>As at March 31, 2019</b>	<b>2,373.81</b>	<b>880.79</b>	<b>473.03</b>	<b>47.30</b>

(₹ in lakh)

Particular	Gratuity	Leave Encashment	Travelling Allowance on Superannuation	Post Retirement Medical Benefit	Long Service Awards
As at April 1, 2018	3,643.25	4,222.61	47.21	3,834.06	147.36
Provision made during the year Profit & Loss	719.63	1,587.52	5.51	315.13	33.73
Provision made during the year - Other Comprehensive Income (OCI)	(905.91)	-	(7.59)	3,112.39	-
Less : Paid during the year	4,529.64	1,167.58	0.67	282.08	30.00
<b>As at March 31, 2019</b>	<b>(1,072.67)</b>	<b>4,642.55</b>	<b>44.46</b>	<b>6,979.50</b>	<b>151.09</b>

#### Note - 23B

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

##### Gratuity

The Company has defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity on superannuation, resignation, termination, disablement or on death in accordance with Gratuity Act 1972. In the year 2017-18, consequent upon the amendment in the Gratuity Act 1872, the maximum limit of Gratuity to be paid to any employee enhanced from ₹ 10.00 lakh to ₹ 20.00 lakh. The scheme is funded by the Company and is managed by a separate trust formed in the year 2007-08. The liability for the same is recognised on the basis of actuarial valuation and accordingly transferred to Gratuity Trust. The provision for the year 2018-19 is ₹ 719.63 lakh {Previous Year ₹ 4146.82 lakh}. The gains/losses on the remeasurement of the assumptions on the Gratuity plan have been recognised in Other Comprehensive Income (OCI).

##### Earned Leave

The Company has other long term benefit plan for Earned Leave Encashment. Provision for Encashment of Earned Leave equivalent to maximum of 300 days (basic pay plus dearness allowance) is provided at the year end and charged to Statement of Profit & Loss. The liability for the year 2018-19 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Earned Leave Encashment as on March 31, 2019 is ₹ 3243.61 lakh {Previous Year ₹ 2982.55 lakh}.

##### Sick Leave

The Company has a other long term benefit plan for Sick Leave Encashment. The encashment of half pay leave on superannuation will be allowed in addition to encashment of earned leave subject to overall limit of 300 days. The cash equivalent payable for Sick leave would be equal to leave salary as admissible for half basic pay plus dearness allowance and to make up the shortfall in earned leave. No commutation of Sick leave shall be allowed for this purpose. The liability for the year 2017-18 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Sick Leave Encashment as on March 31, 2019 is ₹ 1398.94 lakh {previous year ₹ 1240.06 lakh}.

##### Travelling Allowance on Superannuation

The cumulative liability for Travelling Allowance to be paid to the employees on superannuation (exit) as on March 31, 2019 is ₹ 44.46 lakh {previous year ₹ 47.21 lakh} based on actuarial valuation.

##### Post Retirement Medical Benefits (PRMB)

The Company is having a defined benefit plan for Post Retirement Medical Benefits payable to the employees and the retirees of the company. The liability for the year 2018-19 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Post Retirement Medical Benefits as on March 31, 2019 is ₹ 6979.50 lakh {Previous Year ₹ 3834.06 lakh}.

##### Pension

The company has implemented pension scheme through NBCC Employees Defined Contribution Superannuation Pension trust under IDA pattern for those employees who have completed 15 years of service in the CPSE and on the regular rolls of the company as on November 26, 2008. The scheme is managed by a separate Trust formed in the year 2012-13 for the purpose. The contribution for pension amounting to ₹ 866.68 lakh {Previous Year ₹ 922.18 lakh} has been paid during the year 2018-19.

##### Long Service Awards

The Company has introduced a Scheme of Long Service Awards during the Financial Year 2016-17 covering all the Employees below Board Level who are on the regular roll as on September 3, 2016 onwards and completed (i) 30 Years of Service or more (ii) 35 Years of Service or more. The company has recognised a liability of ₹ 151.09 lakh { Previous Year ₹ 147.36 lakh } during the Financial Year 2018-19 on the basis of Actuarial Valuation.

a) The amounts recognized in the Balance Sheet is as under:

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Present value of obligations as at the end of year	2018-19	11,766.65	3,243.61	1,398.94	44.46
	2017-18	13,086.52	2,982.55	1,240.06	47.21
Fair value of plan assets as at the end of the year	2018-19	12,839.32	-	-	-
	2017-18	9,443.27	-	-	-
<b>Net Assets/(Liability) recognized in balance sheet</b>	2018-19	1,072.67	(3,243.61)	(1,398.94)	(44.46)
	2017-18	(3,643.25)	(2,982.55)	(1,240.06)	(47.21)

b) Expense recognized in Statement of Profit and Loss is as under:

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Current Service Cost	2018-19	442.74	274.03	75.63	1.93
	2017-18	443.29	227.38	69.06	1.79
Past Service Cost	2018-19	-	-	-	-
	2017-18	2,489.34	-	-	-
Interest Cost on Defined Benefit Obligation	2018-19	994.58	226.67	94.24	3.59
	2017-18	768.85	269.26	82.48	3.43
Interest Income on Plan Assets	2018-19	717.69	-	-	-
	2017-18	789.04	-	-	-
Net Actuarial (Gain) / Loss recognized in the period	2018-19	-	563.46	353.48	-
	2017-18	-	1,101.85	229.54	-
<b>Expenses recognized in Statement of Profit and Loss</b>	2018-19	719.63	1,064.16	523.35	5.52
	2017-18	2,912.44	1,598.49	381.08	5.22

c) Expenses recognized in Other Comprehensive Income is as under:

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Actuarial Gains/(Loss) on Defined Benefit Obligation	2018-19	816.40	-	-	7.59
	2017-18	(1,393.18)	-	-	2.45
Actuarial Gains/(Loss) on Asset	2018-19	89.51	-	-	-
	2017-18	158.80	-	-	-
<b>Unrecognized actuarial Gain/(Loss) recognized in Other Comprehensive Income</b>	2018-19	905.91	-	-	7.59
	2017-18	(1,234.38)	-	-	2.45

d) Reconciliation of Opening and Closing balances of Defined Benefit Obligation is as under:

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Present Value of Obligations as at beginning of year	2018-19	13,086.52	2,982.55	1,240.06	47.21
	2017-18	10,251.27	3,590.20	1,085.24	45.75
Acquisition Adjustment	2018-19	-	4.61	0.52	-
	2017-18	2.85	23.00	7.98	-
Acquisition Adjustment Subsidiaries	2018-19	43.61	86.70	-	-
	2017-18	27.81	68.99	-	-
Interest Cost	2018-19	994.58	226.67	94.24	3.59
	2017-18	768.85	269.26	82.48	3.43
Current Service Cost	2018-19	442.74	274.03	75.63	1.93



Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Actuarial (Gains)/Losses arising from:	2017-18	443.29	227.38	69.06	1.79
Changes in Demographic Assumptions	2018-19	-	-	-	-
	2017-18	-	-	-	-
Changes in Financial Assumptions	2018-19	(72.56)	(29.79)	(9.71)	(0.98)
	2017-18	395.76	146.94	(107.20)	(0.83)
Experience Adjustments	2018-19	(743.84)	593.25	363.19	(6.61)
	2017-18	997.41	954.91	336.75	(1.62)
Past Service Cost	2018-19	-	-	-	-
	2017-18	2,489.35	-	-	-
Benefits Paid	2018-19	(1,984.40)	(894.41)	(364.99)	(0.68)
	2017-18	(2,290.07)	(2,298.13)	(234.25)	(1.31)
<b>Present value of obligations as at end of year</b>	2018-19	11,766.65	3,243.61	1,398.94	44.46
	2017-18	13,086.52	2,982.55	1,240.06	47.21

**e) Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets is as under:**

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Fair Value of plan assets as on beginning of year	2018-19	9,443.27	-	-	-
	2017-18	10,520.50	-	-	-
Actual return on Plan asset	2018-19	807.23	-	-	-
	2017-18	947.83	-	-	-
Fund Management Charges	2018-19	(0.04)	-	-	-
	2017-18	-	-	-	-
Contributions from the employer	2018-19	4,573.25	-	-	-
	2017-18	265.00	-	-	-
Benefits paid	2018-19	(1,984.40)	-	-	-
	2017-18	(2,290.07)	-	-	-
<b>Fair value of Plan Assets at the end of year</b>	2018-19	12,839.31	-	-	-
	2017-18	9,443.26	-	-	-

**f) Actuarial Assumptions are as under:**

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Discount Rate	2018-19	7.75%	7.75%	7.75%	7.75%
	2017-18	7.60%	7.60%	7.60%	7.60%
Expected rate of Future Salary Increase	2018-19	6.00%	6.00%	6.00%	6.00%
	2017-18	6.00%	6.00%	6.00%	6.00%
Retirement Age	2018-19	60 years	60 years	60 years	60 years
	2017-18	60 years	60 years	60 years	60 years
Ages		<b>Withdrawal Rate</b>	<b>Withdrawal Rate</b>	<b>Withdrawal Rate</b>	<b>Withdrawal Rate</b>
Up to 30 Years	2018-19	3.00%	3.00%	3.00%	3.00%
	2017-18	3.00%	3.00%	3.00%	3.00%
From 31 to 44 years	2018-19	2.00%	2.00%	2.00%	2.00%
	2017-18	2.00%	2.00%	2.00%	2.00%
Above 44 years	2018-19	1.00%	1.00%	1.00%	1.00%
	2017-18	1.00%	1.00%	1.00%	1.00%

### Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)

#### Risks Associated with Plan Provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:

<b>Salary Increases</b>	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
<b>Investment Risk</b>	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
<b>Discount Rate</b>	Reduction in discount rate in subsequent valuations can increase the plan's liability.
<b>Mortality &amp; disability</b>	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
<b>Withdrawals</b>	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

#### g) Maturity Profile of Defined Benefit Obligation is as under:

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave
Duration of defined benefit obligation				
Duration (years)				
1	2018-19	2,078.61	473.25	288.91
2	2019-20	2,627.22	49.64	19.51
3	2020-21	1,385.13	50.45	19.73
4	2021-22	1,127.56	54.85	19.90
5	2022-23	1,049.90	155.16	70.79
6	2023-24	734.83	459.93	212.95
Above 6	2025 Onwards	2,511.22	1,968.23	708.88
<b>Total</b>		<b>11,514.47</b>	<b>3,211.51</b>	<b>1,340.67</b>

#### h) Summary of Membership Data:

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Number of Employees	1850	1940
Total Monthly Salary for Gratuity (₹ in lakh )	1172.38	1136.37
Total Monthly Salary for leave avilment (₹ in lakh )	1172.38	1136.37
Average Past Service (Years )	19.31	22.46
Average Age (Years )	47.02	47.69
Average remaining Working Life (Years )	12.98	12.31

#### i) Major Categories of Plan Assets (as percentage of total plan assets) is as under:

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Fund Managed by Insurer	2018-19	100%	-	-	-
	2017-18	100%	-	-	-

j) Sensitivity analysis is as under:

Impact of the Change in Discount Rate

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Impact due to Increase of 0.50%	2018-19	(487.13)	(94.83)	(31.18)	(1.35)
Impact due to Decrease of 0.50%	2018-19	445.45	101.88	33.03	1.37

Impact of the Change in Salary Increase

(₹ in lakh)

Particulars	Period	Gratuity	Earned Leave	Sick Leave	Travelling Allowance
Impact due to Increase of 0.50%	2018-19	450.75	103.13	(31.18)	-
Impact due to Decrease of 0.50%	2018-19	(447.37)	(96.78)	33.03	-

Changes in Defined Benefit Obligation due to 0.5% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Note-24

(₹ in lakh)

Liabilities Associated with the Assets held for Sale	As at March 31, 2019	As at March 31, 2018
Residential Flats*	385.25	-
Land	-	-
<b>Total</b>	<b>385.25</b>	<b>-</b>

\* Refer Note No. 17

Note-25

(₹ in lakh)

Revenue from Operations	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>Value of Services</b>		
Value of Work Done	7,14,160.37	5,87,169.08
<b>Total</b>	<b>7,14,160.37</b>	<b>5,87,169.08</b>

Note-25 A

(₹ in lakh)

Gross income derived from Services are as under:	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Project Management Consultancy (PMC)	6,33,161.87	5,33,932.69
Real Estate (RE)	48,046.97	2,522.75
Engineering, Procurement & Construction (EPC)	32,951.53	50,713.64
<b>Total</b>	<b>7,14,160.37</b>	<b>5,87,169.08</b>

## Note-25 B

The table below presents disaggregated revenues as per para 114 & 115 of Ind AS 115 Revenue from Contracts with Customers for the year ended March 31, 2019 :

(₹ in lakh)

Disaggregation of Revenue By:	Types of Services by Nature:	PMC	RE	EPC	Total
Type of Contract	Cost Plus Contracts	6,33,161.87	-	-	6,33,161.87
	Fixed Price Contracts	-	48,046.97	32,951.53	80,998.50
<b>Total</b>		<b>6,33,161.87</b>	<b>48,046.97</b>	<b>32,951.53</b>	<b>7,14,160.37</b>
Timing of Satisfaction of Performance obligation	Over the period of time	6,33,161.87	-	32,951.53	6,66,113.40
	At a Point of time	-	48,046.97	-	48,046.97
<b>Total</b>		<b>6,33,161.87</b>	<b>48,046.97</b>	<b>32,951.53</b>	<b>7,14,160.37</b>
Method of Measurement of Performance obligation	Input Method	6,33,161.87	-	32,951.53	6,66,113.40
	Output Method	-	-	-	-
	Stand-alone selling price	-	48,046.97	-	48,046.97
<b>Total</b>		<b>6,33,161.87</b>	<b>48,046.97</b>	<b>32,951.53</b>	<b>7,14,160.37</b>

## Note-26

(₹ in lakh)

Other Operating Revenues	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Miscellaneous Receipts	4,648.19	2,778.96
Unadjusted Credit Balances Written Back	5,178.49	552.68
Provisions Written Back - Trade Receivables	142.19	-
Provisions Written Back - Investment	3.40	-
Provisions Written Back - Others	343.27	-
<b>Total</b>	<b>10,315.54</b>	<b>3,331.64</b>

## Note-27

(₹ in lakh)

Other Income	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Banks Interest Gross	6,417.36	7,322.46
Less: Interest passed to Clients	6,090.96	6,767.04
Interest on Advance from Contractor	326.40	555.42
Interest on Advance from Staff	3,488.14	2,978.62
Interest Others	1.77	0.84
Less: Interest passed to Others	11,662.17	5,150.34
Rent	-	-
Dividend on Liquid Cash Plan (Mutual Fund)	441.79	433.95
Dividend from Subsidiaries	35.98	132.36
Interest income on Unwinding of Financial Instruments	2,637.69	330.00
Gain / (Loss) on Derecognition of Financial Asset / Liabilities (Ind AS)	-	1,201.23
Gain / (Loss) on Modification of Financial Asset / Liabilities (Ind AS)	-	54.61
Net Gain/(Loss) on Sale of Assets	-	(249.69)
Gain on Foreign Exchange Translation	19.48	0.76
	133.22	24.98
<b>Total</b>	<b>18,746.64</b>	<b>10,613.42</b>

**Note-28**

(₹ in lakh)

Land Purchased & Materials Consumed	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
Land Purchased		1,514.59		174.00
Material Cost				
Inventory at the beginning of the year	14.20		36.04	
Add: Purchases	387.79		674.29	
Less: Inventory at the end of the year	14.20		14.20	
Less: Transfers, Returns & Sales	1.07		26.95	
Add: Carriage & Freight Inward	-	386.72	-	669.18
<b>Total</b>		<b>1,901.31</b>		<b>843.18</b>

**Note-29**

(₹ in lakh)

Change in Inventories of Real Estate Projects	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
<b>(Increase) / Decrease in Inventory:</b>				
<b>Land Bank:</b>				
Opening Balance		63,334.87		63,066.10
Adjustments/ Transfers during the year		-		-
Closing Balance		66,441.53		63,334.87
<b>(Increase) / Decrease in Land Bank (A)</b>		<b>(3,106.66)</b>		<b>(268.77)</b>
<b>Construction Work in Progress:</b>				
Opening Balance		92,486.29		84,046.16
Adjustments/ Transfers during the year		14,575.17		-
Closing Balance		71,465.34		92,486.29
<b>(Increase) / Decrease in Construction WIP (B)</b>		<b>35,596.12</b>		<b>(8,440.13)</b>
<b>Completed Projects:</b>				
Opening Balance		9,579.47		9,565.43
Adjustments/ Transfers during the year		24,165.03		-
Closing Balance		45,586.63		9,579.47
<b>(Increase) / Decrease in Completed Project Inventory (C)</b>		<b>(11,842.13)</b>		<b>(14.04)</b>
<b>Net (Increase) / Decrease in Inventories/ Work in Progress(A+B+C)</b>		<b>20,647.33</b>		<b>(8,722.94)</b>

**Note-30**

(₹ in lakh)

Work and Consultancy Expenses	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
Work Expenses (with material)		6,03,181.32		4,98,031.38
Work Expenses (without material)		14,631.79		9,695.78
Consultancy		3,044.04		3,989.17
<b>Total</b>		<b>6,20,857.15</b>		<b>5,11,716.33</b>

**Note-31**

(₹ in lakh)

Employee Benefits Expense	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
Salaries and Incentives		20,214.41		21,257.01
Contributions to Provident and Other Fund		1,485.85		1,725.07
Contribution for Pension Fund		866.68		922.18
Gratuity Fund Contributions		719.63		2,912.44

Employee Benefits Expense	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Post Retirement Medical Benefit	315.13	1,424.49
Leave Encashment	1,587.52	1,278.27
Travelling Allowance-Superannuation	5.51	5.22
Staff Welfare Expenses	1,118.06	1,441.83
<b>Total</b>	<b>26,312.79</b>	<b>30,966.51</b>

### Note-31 A

The Remuneration of Key Managerial Personnel including Chairman-cum-Managing Director, Functional Directors and Company Secretary included in various schedules to Statement of Profit & Loss is as under:-

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Salaries and Incentives	253.01	239.44
Provident Fund Contribution	13.87	11.36
Pension Fund Contribution	8.95	6.61
Provision for Retirement Benefits (On Actuarial Basis)	32.54	71.73
<b>Total</b>	<b>308.37</b>	<b>329.14</b>

### Note-32

(₹ in lakh)

Finance Costs	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Interest Expenses on Unwinding of Financial Instruments	60.74	21.00
<b>Total</b>	<b>60.74</b>	<b>21.00</b>

### Note-33

(₹ in lakh)

Other Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Advertisement	457.50	476.13
Auditor's Remuneration	43.07	44.18
Bank Charges & Guarantee Commission	90.22	119.67
Carriage & Freight (General)	4.43	17.04
Conference & Management Development Expenses	602.68	556.20
CSR Expenditure	978.57	895.61
Director's Sitting Fee	18.80	18.75
Entertainment	23.95	24.61
Hire Charges	91.35	99.45
Insurance	21.81	1.16
Internal Audit Expenses	24.14	19.90
Interest Others	68.48	87.19
Legal & Professional Charges	524.67	593.37
Miscellaneous Expenses	379.89	426.62
Other Consumables:		
(i) CSS	38.70	36.24
(ii) Loose Tools	5.88	8.26
(iii) Laboratory Equipment's	0.30	0.72
Postage & Telephone	164.81	203.88

Other Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Printing & Stationery	168.45	179.34
Provision for Impairment of Trade Receivables	7,156.89	9,330.60
Provision for Impairment of Other Financial Assets	1,438.93	-
Provision for Impairment of Inventory	507.85	-
Provision for Impairment of Investments	-	100.00
Provision for Research & Development*	333.61	351.10
Provision for Warranty Charges	309.00	-
Rates & Taxes	288.73	486.66
Rent	70.53	312.05
Repairs & Maintenance		
(i) Plant & Machinery/Vehicles	21.70	34.05
(ii) Buildings	510.89	378.93
(iii) Others	48.42	60.80
Research & Development Expenses	-	-
Running Expenses of Plant & Machinery/ Vehicles	56.82	83.74
Travelling & Conveyance	516.69	549.56
Water, Electricity & Allied charges	293.35	237.15
<b>Total</b>	<b>15,261.11</b>	<b>15,732.96</b>

\* Provision for Research & Development has been made in accordance with DPE Guidelines O/o No. 3(9)/2010-DPE (MOU) dated September 23, 2011.

#### Note-33 A

(₹ in lakh)

Payment to Auditors	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Audit fee	25.75	27.50
Tax Audit	5.25	5.25
Quarterly Limited Review	9.00	8.25
Corporate Governance	2.00	2.00
Reimbursement of Expenses	1.07	1.18
<b>Total</b>	<b>43.07</b>	<b>44.18</b>

Payment to Auditors includes ₹ 2.00 lakh for Audit Fee related to 2017-18 (Previous Year ₹ 5.00 lakh for Audit Fee related to 2016-17).

#### Note-33 B

##### DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Annual CSR Allocation	950.96	876.42
Actual Amount Spent*	978.57	895.61

\* Amount spent during the year :



(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>(i) Construction/acquisition of any assets (A)</b>		
Sainik Rest Houses	30.93	81.97
Widows Hostel (Indian Navy)	98.74	420.24
CC Road and U drain	101.30	12.94
Gramalayas at village Harchandpur	-	33.84
<b>Total (A)</b>	<b>230.97</b>	<b>548.99</b>
<b>(ii) On purposes other than (i) above</b>		
Educational Scholarships to Kalinga Institute of Social Sciences (KISS)	14.07	3.15
Financial Contribution to Paralympic Athletes	-	50.00
Repair & Maintenance Works of Purana Qila	419.50	-
Allocation of CSR Fund for Swachh Bharat Kosh	313.82	289.22
Others	0.21	4.25
<b>Total (B)</b>	<b>747.60</b>	<b>346.62</b>
<b>Total (A+B)</b>	<b>978.57</b>	<b>895.61</b>

#### Note-34

(₹ in lakh)

Write Offs:	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Trade Receivables	1,287.07	12.25
Loans and Advances	781.91	9.17
Investments	3.40	-
Loss on Sale of Stores & WIP Inventory	-	2.47
<b>Total</b>	<b>2,072.38</b>	<b>23.89</b>

#### Note-35

(₹ in lakh)

Tax Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Tax expense comprises of:		
Current Income Tax	19,028.38	18,759.35
Deferred Tax	(1,717.65)	(1,606.24)
Taxation in Respect of Earlier Year	124.35	(251.48)
<b>Total</b>	<b>17,435.08</b>	<b>16,901.63</b>

#### Note-35 A

The major components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax Rate of the Company and the reported Tax Expense in Statement of Profit or Loss are as follows:

(₹ in lakh)

Tax Reconciliation	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>Accounting Profit before Tax from Continuing Operations</b>	<b>55,846.18</b>	<b>50,262.24</b>
Accounting Profit before Income Tax	55,846.18	50,262.24
At India's Statutory Income Tax Rate	34.944%	34.608%
Income Tax	19,514.89	17,394.76
Tax effect due to Non-Taxable Income	(934.29)	(163.20)
Effect of Tax Incentive	(2,185.73)	(1,276.51)
Effect of Taxability of Notional Rent	70.48	-

Tax Reconciliation	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Effect of Non-Deductible Expenses (Net)	845.38	1,319.87
Additional deduction on Research and Development Expense	-	(10.66)
Effect due to Change in deferred tax rate	-	(111.15)
Tax in respect of Earlier Years	124.35	(251.48)
<b>Tax Expense</b>	<b>17,435.08</b>	16,901.63
<b>Actual Tax Expense</b>	<b>17,435.08</b>	16,901.63
<b>Effective Tax Rate</b>	<b>31.22%</b>	33.63%

#### Note-36

(₹ in lakh)

Other Comprehensive Income	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>Items that will not be reclassified to profit or loss :</b>		
Re-measurement gains (losses) on defined benefit plans	(2,198.89)	(1,231.93)
Income tax effect of the above	768.38	426.35
<b>Items that will be reclassified to profit or loss:</b>		
Exchange differences on translation of foreign operations	(136.34)	(27.18)
<b>Income tax effect of the above</b>	<b>47.64</b>	<b>9.50</b>
<b>Total</b>	<b>(1,519.21)</b>	<b>(823.26)</b>

#### Note-37

Earning per Share (EPS) is computed in accordance with Indian Accounting Standard (Ind As-33) on "Earning per Share"

(₹ in lakh)

Earnings per Equity Share	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>Profit attributable to Equity Holders</b>		
Continuing Operations	38,411.10	33,360.61
Discontinued Operation	-	-
<b>Profit attributable to Equity Holders for basic Earnings</b>	<b>38,411.10</b>	<b>33,360.61</b>
<b>Profit attributable to Equity Holders adjusted for the effect of dilution</b>	<b>38,411.10</b>	<b>33,360.61</b>
Weighted average number of Equity shares for basic EPS*	1,80,00,00,000	1,80,00,00,000
Face Value per Equity Share ( ₹ )	1.00	1.00
<b>Earnings per Equity Share (for continuing operation):</b>		
(1) Basic (in ₹ )	2.13	1.85
(2) Diluted (in ₹ )	2.13	1.85

\* Company has split face value of equity share to ₹ 1/- per share as approved by the shareholders of the Company through postal ballot on April 5, 2018. As per para 64 of Ind AS on Earning per Share ( Ind AS -33 ), Earning Per Share calculation for the previous year are based on new number of equity shares.

### Note-38

Earning per Share (EPS) is computed in accordance with Indian Accounting Standard (Ind As-33) on "Earning per Share"

(₹ in lakh)

Contingent Liabilities, Contingent Assets and Commitments (To the extent not provided for)	As at March 31, 2019	As at March 31, 2018
<b>(a) Contingent Liabilities</b>		
Claims against the company not acknowledged as debts. Counter claims of the Corporation against these claims amounting to ₹ 2782.45 lakh (March 31, 2018 ₹ 1562.07 lakh) not accounted for in books.	33,162.25	21,847.15
<b>Demand in respect of taxes not accepted by company:</b>		
i) Value Added Tax Including Interest & Penalty as per demand notice order (Company is contesting these demands including demand of ₹ 40480.18 lakh, chances of materialization of which in opinion of the Management are remote.	50,893.87	50,825.85
ii) Goods and Services Tax on sale of Commercial built-up space of Nauroji Nagar Project .	2,205.36	-
iii) Service Tax (Company is contesting demands)	4,983.20	4,262.92
<b>Income Tax:</b>		
iv) Demands raised by Income Tax Department but not accepted by the company.	766.94	751.40
v) Appeals decided in favour of company but department has filed further appeals	927.81	976.10
vi) Property Tax deposited under Protest	686.81	686.81
vii) Employee Provident Fund demand ( Company is contesting Demand )	152.49	152.49
viii) Employee State Insurance demand (Company is contesting Demand)	-	147.83
Bank Guarantees for performance, Earnest Money Deposits and Security Deposits	51,926.00	46,786.76
The Govt. guarantee charges on internal / external borrowings have not been accounted for as the matter regarding waiver of these charges has been taken up with the Govt. of India, Ministry of Housing & Urban Affairs.	1,654.93	1,654.93
Recovery at penal rate on account of excess consumption of material over theoretical norms for the materials supplied by the clients at issue price and free of cost, pending final settlement with the clients.	NOT ASCERTAINABLE	NOT ASCERTAINABLE
<b>(b) Contingent Assets</b>		
i) Value Added Tax Including Interest & Penalty (Refer Note 38 (a) (i) ) is fully payable by the Client in the event of confirmation of demand.	40,480.18	40,480.18
ii) Goods and Service Tax as Refer Note 38 (a) (ii) is fully recoverable from Customers as per terms of sale.	2205.36	-
<b>(c) Commitments</b>		
Capital Commitments for the acquisition of Capital Assets	391.67	328.28

### Note-39

#### Dividend and Reserves

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Cash Dividends on Equity Share declared and Paid		
Final Dividend	10,080.00	9,900.00
Dividend Distribution Tax on Final Dividend	2,071.97	1,970.62
Interim Dividend	-	4,950.00
Dividend Distribution Tax on Interim Dividend	-	940.52
<b>TOTAL</b>	<b>12,151.97</b>	<b>17,761.14</b>

A) Proposed Dividend ₹ 0.65 per share on face value of ₹ 1.00 per share (previous year ₹ 0.56 per share on face value of ₹ 1 per share)

B) Proposed Dividend is subject to approval of Shareholders in ensuing general meeting of the company.

#### Note-40

As required by Ind AS "Related Party Disclosure" are given below-

Related party transactions :

**A. Whole Time Directors/Chief Financial Officer/  
Company Secretary**

1. Shri Shivdas Meena  
(Chairman-cum-Managing Director)  
(w.e.f April 05, 2019)
2. Shri Anoop Kumar Mittal  
(Chairman-cum-Managing Director)  
(upto March 31, 2019)
3. Shri Rajendra Chaudhari,  
Director (Commercial)
4. Shri Neelesh Kumar Shah,  
Director (Projects)
5. Smt. B. K. Sokhey,  
Chief Financial Officer
6. Smt Deepti Gambhir  
(Company Secretary)

**B. Independent Directors**

1. Shri Ashok Khurana
2. Major General Tajuddin  
Moulali Mhaisale
3. Shri C. Subba Reddy
4. Shri C. R. Raju
5. Shri Rajendrasinh G. Rana
6. Shri Sairam Mocherla

**C. Government Nominee Directors**

1. Shri Manoj Kumar  
(upto November 20, 2018)
2. Shri K. Sanjay Murthy  
(w.e.f November 20, 2018)
3. Smt. Jhanja Tripathy

Details relating to the parties referred to in item No. A & B above:

(₹ in lakh)

Key Managerial Personnel	For the year ended on March 31, 2019					
	Short Term Employee Benefits	Post Employment Benefits	Other Long Term Employee Benefits	Total Remuneration	Sitting Fees	O/s Loans (Gross / Advance Receivables)
<b>A. Whole Time Directors / Chief Financial Officer / Company Secretary</b>						
Shri Anoop Kumar Mittal	72.57	6.12	14.77	93.46		
Shri Rajendra Chaudhari	61.24	5.38	3.88	70.50		
Shri Neelesh Shah	57.05	5.03	7.52	69.60		
Smt Baldev Kaur Sokhey	37.50	3.73	4.25	45.48		
Smt Deepti Gambhir	24.65	2.56	2.12	29.33		
<b>B. Independent Directors</b>						
Shri Ashok Khurana					3.50	
Shri C.R.Raju					1.70	
Shri C.Subba Reddy					1.60	
Shri Rajendrasinh G. Rana					4.05	
Shri Sai Ram Mochacla					4.00	
Shri Tajuddin Moulali Mahisale					3.95	
<b>Total</b>	<b>253.01</b>	<b>22.82</b>	<b>32.54</b>	<b>308.37</b>	<b>18.80</b>	

Key Managerial Personnel	For the year ended on March 31, 2018					
	Short Term Employee Benefits	Post Employment Benefits	Other Long Term Employee Benefits	Total Remuneration	Sitting Fees	O/s Loans (Gross / Advance Receivables)
<b>A. Whole Time Directors / Chief Financial Officer / Company Secretary</b>						
Shri Anoop Kumar Mittal	81.12	5.57	15.51	102.20		
Shri Rajendra Chaudhari	67.71	4.88	11.66	84.25		
Shri Neelesh Shah	8.36	0.56	12.13	21.05		
Shri S.K. Pal	55.02	4.36	21.10	80.48		
Smt Baldev Kaur Sokhey	3.56	0.29	8.47	12.32		
Smt Deepti Gambhir	23.68	2.32	2.84	28.84		
<b>B. Independent Directors</b>						
Shri Ashok Khurana					3.90	
Shri C.R.Raju					3.35	
Shri C.Subba Reddy					1.55	
Shri Rajendrasinh G. Rana					3.15	
Shri Sai Ram Mochacla					3.20	
Shri Tajuddin Moulali Mahisale					3.45	
<b>Total</b>	<b>239.45</b>	<b>17.98</b>	<b>71.71</b>	<b>329.14</b>	<b>18.60</b>	

## 2. Relationship with Entities

### Details of Joint Ventures (JV) / Associate Entities

NBCC – MHG

NBCC - AB

NBCC - R.K. Millen

Real Estate Development & Construction Corporation of Rajasthan Limited

### Details relating to the parties referred to in item No. 2 above:

(₹ in lakh)

Nature of Transaction	For the year ended on March 31, 2019			
	NBCC - MHG	NBCC - AB	Jamal NBCC International	NBCC - R.K. Millen
<b>Nature of Transaction :</b>				
Amount Received	90.00	-	-	1,569.31
Advances for works	-	-	-	-
Share of Profit from J.V	-	-	-	-
Repayment of Investments	-	-	-	-

(₹ in lakh)

Nature of Transaction	For the year ended on March 31, 2018			
	NBCC - MHG	NBCC - AB	Jamal NBCC International	NBCC - R.K. Millen
<b>Nature of Transaction :</b>				
Amount Received	15.38	-	-	-
Advances for works	-	-	-	-
Share of Profit from J.V	-	-	-	-
Repayment of Investments	-	-	-	-

### 3. Relationship with Entities

#### Details of Subsidiaries

NBCC Services Limited (NSL)  
NBCC Engineering & Consultancy Limited (NECL)  
NBCC Environment Engineering Limited (NEEL)  
NBCC International Limited (NIL)  
Hindustan Steelworks Construction Limited (HSCL)  
HSCC (INDIA) Limited (HSCC)  
NBCC Gulf L.L.C  
NBCC DWC LLC- Dubai

The company is a government company under the aegis of Ministry of Housing and Urban Affairs. 68.18% of the share holding in the company as at March 31, 2019 is held by President of India.

The Company is having five fully owned subsidiary and three partly owned subsidiary over which government exercise direct/indirect control by holding more than 50% of the voting power.

In accordance with para 25 of Indian Accounting Standard (Ind As - 24) Related Party Disclosure, no disclosure is required for Subsidiary Companies/ Joint Venture Entities which can be treated as state controlled enterprises( i.e ownership by Central/ State Government, directly or Indirectly, is more than 50% of voting rights)

The company generally enter into transactions with the subsidiary companies at arm's length price in the normal course of business which includes the purchase and sale of properties, rendering of services and secondment of employees.

#### Details of significant transactions relating to the parties referred to in item No. 3 above:

(₹ in lakh)

Nature of Transaction	For the year ended on March 31, 2019							Total
	NSL	NECL	NEEL	NIL	HSCL	HSCC	NBCC Gulf L.L.C	
<b>Nature of Transaction :</b>								
Sale of Real Estate Property	1,905.74	-			4,245.11	6,830.90	-	12,981.75
Receipt of Secondment Charges	85.69	47.95	-	-	33.25	10.19	1.57	178.65
Dividend	-	-			1,513.68	1,124.01	-	2,637.69
Repayment of Investments	-	-	-	-	-	-	-	-
Investment in Subsidiary	-	-	-	-	-	28,500.00	-	28,500.00

(₹ in lakh)

Nature of Transaction	For the year ended on March 31, 2018							Total
	NSL	NECL	NEEL	NIL	HSCL	HSCC	NBCC Gulf L.L.C	
<b>Nature of Transaction :</b>								
Sale of Real Estate Property	-	-	-	-	-	-	-	-
Receipt of Secondment Charges	76.88	43.09			14.70		1.29	135.96
Dividend	330.00	-	-	-	-	-	-	330.00
Repayment of Investments	-	-	-	-	-	-	-	-
Investment in Subsidiary	-	-	100.00	100.00	-	-	-	200.00

Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

#### Note-41

##### Operating Leases – Lessee

The Company's significant leasing arrangements are in respect of operating leases relating to its leased office premises. These lease arrangements which are cancellable, are generally renewable by mutual consent.

## Note-42

### Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"

#### a) Operating Segments

Management currently identifies the Company's three service lines as its Operating Segments as follows:-

- Project Management Consultancy ( PMC )
- Real Estate
- Engineering, Procurement and Construction ( EPC )

#### b) Segment Revenue & Expenses

Revenue & Expenses directly attributable to the segment is considered as "Segment Revenue & "Segment Expenses"

#### c) Segment Assets & Liabilities

Segment Assets & Liabilities include the respective directly identifiable to each of the segments.

These Operating Segments are monitored by the Company's chief operating decision maker and strategic decisions are made on the basis of segment Operating Results. Segment performance is evaluated based on the profit of each segment.

The following tables present Revenue and Profit Information and certain Assets and Liability information regarding the Company's reportable segments for the years ended March 31, 2019 and March 31, 2018.

(₹ in lakh)

Particulars	PMC		Real Estate		EPC		Unallocated		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Revenue</b>										
Revenue to External Customers	6,33,161.87	5,33,932.69	48,046.97	2,522.75	32,951.53	50,713.64	-	-	7,14,160.37	5,87,169.08
Inter-Segment Sale	-	-	-	-	-	-	-	-	-	-
<b>Segment Revenue</b>	6,33,161.87	5,33,932.69	48,046.97	2,522.75	32,951.53	50,713.64	-	-	7,14,160.37	5,87,169.08
Interest Revenue	4,316.87	2,810.23	235.51	589.70	347.83	1,106.95	10,578.27	5,379.57	15,478.48	9,886.45
Interest Expense	-	-	4.39	11.77	-	-	56.35	9.23	60.74	21.00
Depreciation and Amortisation	76.93	96.81	22.11	25.04	18.81	15.56	145.71	133.56	263.56	270.97
Other Reversal of Provisions	350.41	-	-	-	60.43	-	78.02	-	488.86	-
Dividend Revenue	-	-	-	-	-	-	35.98	132.36	35.98	132.36
Dividend from Subsidiaries Companies	-	-	-	-	-	-	2,637.69	330.00	2,637.69	330.00
Profit / (Loss) on sale of Property, Plant and Equipment	-	-	-	-	-	-	19.48	0.76	19.48	0.76
Segment Result (Profit Before Tax)	38,375.59	58,117.88	22,074.53	(257.14)	185.07	4,315.62	(4,789.01)	(11,914.12)	55,846.18	50,262.24
Tax Expense	-	-	-	-	-	-	(17,435.08)	(16,901.63)	(17,435.08)	(16,901.63)
Material Non-Cash items other than Depreciation and Amortisation.	1,709.99	20.64	4.00	-	345.34	0.05	13.05	3.20	2,072.38	23.89
Segment Assets	3,98,724.04	4,10,503.53	1,87,979.81	1,74,620.27	71,784.22	80,107.11	1,71,453.29	99,772.44	8,29,941.36	7,65,003.35
Segment Liabilities	5,38,862.77	4,74,473.95	41,162.58	14,135.20	53,106.66	58,274.63	40,328.55	35,983.05	6,73,460.56	5,82,866.83
Additions to Non Current Assets other than Financial Instruments, Deferred Tax Assets, Net Defined Benefit Assets.	9.72	20.99	109.27	15.63	-	-	1,916.22	107.45	2,035.21	144.07



### Geographical Information

The operations of the Company are mainly carried out within the country and therefore, geographical segments are not disclosed.

### Information about major customers

During the year ended March 31, 2019 revenue of approximately 11.36 % (previous year : 23.53%) are derived from a single external customer in the Project Management Consultancy Segment).

### Note-43

#### Financial Assets and Liabilities

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

#### Financial Instruments by Category

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019			As at March 31, 2018		
		FVTPL	Amortised cost	Fair Value	FVTPL	Amortised cost	Fair Value
<b>Financial Assets</b>							
Investments:							
Mutual Funds	<b>Note -10</b>	1,501.47	-	1,501.47	-	-	-
Trade Receivables	<b>Note -11</b>	-	2,10,763.98	2,10,763.98	-	2,25,845.76	2,25,845.76
Cash and Cash Equivalents	<b>Note -12</b>	-	1,44,550.72	1,44,550.72	-	1,29,967.77	1,29,967.77
Other Bank Balances	<b>Note -13</b>	-	13,514.22	13,514.22	-	41,387.19	41,387.19
Other Financial Assets	<b>Note -14</b>	-	1,04,608.66	1,04,608.66	-	91,512.26	91,512.26
Retention Money & Security Deposits:							
Current	<b>Note -14</b>	-	12,489.94	12,489.94	-	17,188.13	17,188.13
Non-Current	<b>Note -05</b>	-	6,539.41	6,539.41	-	4,440.67	4,506.74
<b>Total Financial Assets</b>		<b>1,501.47</b>	<b>4,92,466.93</b>	<b>4,93,968.40</b>	-	<b>5,10,341.78</b>	<b>5,10,407.85</b>

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019			As at March 31, 2018		
		FVTPL	Amortised cost	Fair Value	FVTPL	Amortised cost	Fair Value
<b>Financial Liabilities</b>							
Trade Payables	<b>Note -20</b>	-	2,93,840.68	2,93,840.68	-	2,99,378.90	2,99,378.90
Other Financial Liabilities	<b>Note -21</b>	-	84,746.80	84,746.80	-	82,460.38	82,460.38
<b>Total Financial Liabilities</b>		-	<b>3,78,587.48</b>	<b>3,78,587.48</b>	-	<b>3,81,839.28</b>	<b>3,81,839.28</b>

The carrying amount of Trade Receivables, Trade Payables and Cash & Cash Equivalent are considered to be the same as their Fair Values due to their short term nature

The carrying amount of the Financial Assets and Liabilities carried Amortised Cost is considered a reasonable approximation of Fair Value.

The above table excludes Investment in Subsidiaries, Associate and Joint Venture, which are measured at cost in accordance with Ind AS 27, 'Separate Financial Statements'.

#### (i) Fair Value Hierarchy

Financial Assets and Financial Liabilities measured at fair value in the Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table shows the Levels within the hierarchy of Financial Assets and Liabilities measured at Fair Value on a recurring basis at March 31, 2019 and March 31, 2018:

**(ii) Financial Assets measured at Fair Value – Recurring Fair Value Measurements**

(₹ in lakh)

Particulars	Period	Note Reference	Level 1	Level 2	Level 3	Total
<b>Financial Instruments at FVTPL</b>						
Mutual Funds - Liquid Funds	March 31, 2019	Note -10	-	1,501.47	-	1,501.47
	March 31, 2018		-	-	-	-

**(iii) Valuation Technique used to determine Fair Value**

Specific valuation techniques used to value Financial Instruments includes the use of Net Asset Value for Mutual Funds on the basis of the statement received from investee party.

**Note-44**

**Financial Risk Management**

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

**(A) Credit Risk**

The Company is exposed to credit risk from its Operating Activities (Primarily Trade Receivables) and from its Financing Activities including Deposits with Banks, Mutual Funds and Financial Institutions and other Financial Instruments.

**(i) Credit Risk Management**

The Company assesses and manages credit risk of Financial Assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of Financial Assets.

A: Low Credit Risk on financial reporting date

B: Moderate Credit Risk

C: High Credit Risk

The Company provides for Expected Credit Loss based on the following:

Asset group	Basis of categorisation	Provision for expenses credit loss
Low Credit Risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	12 month expected credit loss
Moderate Credit Risk	Trade Receivables	Life time expected credit loss
High Credit Risk	Trade Receivables and other Financial Assets	Life time expected credit loss or fully provided for

In respect of Trade Receivables, the company recognises a provision for lifetime Expected Credit Loss.

Based on business environment in which the Company operates, a default on a Financial Asset is considered when the counter party fails to make payments within the agreed time period as per contract or decided later based upon the factual circumstances on case to case basis. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

(₹ in lakh)

Credit rating	Particulars	March 31, 2019	March 31, 2018
A: Low credit risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	2,83,204.42	2,84,496.02
B: Moderate credit risk	Trade Receivables	2,39,782.60	2,47,707.49
C: High credit risk	Trade Receivables and other Financial Assets	1,857.52	560.79

#### Concentration of Trade Receivables

The Company's Major Exposure to Credit Risk for Trade Receivables are from various Government Departments/ Ministries

#### Credit Risk Exposure

#### Provision for Expected Credit Losses

The Company provides for Expected Credit Loss based on 12 month and lifetime Expected Credit Loss basis for following Financial Assets –

#### A: Low Credit Risk

##### March 31, 2019

(₹ in lakh)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	Note -12	1,44,550.72	-	1,44,550.72
Other Bank Balances	Note -13	13,514.22	-	13,514.22
Other Financial Assets	Note -5,10 & 14	1,25,139.48	-	1,25,139.48

##### March 31, 2018

(₹ in lakh)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	Note -12	1,29,967.77	-	1,29,967.77
Other Bank Balances	Note -13	41,387.19	-	41,387.19
Other Financial Assets	Note -5,10 & 14	1,13,141.06	-	1,13,141.06

#### B: Moderate Credit Risk

#### Expected Credit Loss for Trade Receivables under simplified approach

##### March 31, 2019

(₹ in lakh)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount	Note -11	1,56,799.50	23,682.42	18,636.95	41,082.32	2,40,201.19
Expected Credit Losses (Loss Allowance Provision)		-	4,898.86	4,595.69	19,524.07	29,018.62
Carrying Amount of Trade Receivables (Net of Impairment)		1,56,799.50	18,783.56	14,041.26	21,558.25	2,11,182.57

##### March 31, 2018

(₹ in lakh)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount	Note -11	1,72,506.23	30,414.37	14,231.81	31,096.92	2,48,249.33
Expected Credit Losses (Loss Allowance Provision)		-	5,661.99	3,222.67	12,977.07	21,861.73
Carrying Amount of Trade Receivables (Net of Impairment)		1,72,506.23	24,752.38	11,009.14	18,119.85	2,26,387.60

## Reconciliation of Loss Provision – Trade Receivables

(₹ in lakh)

Reconciliation of Loss Allowance	Loss Allowance
<b>Loss allowance on March 31, 2017</b>	12,629.15
Impairment Loss Recognised	9,232.58
Reversal	-
<b>Loss allowance on March 31, 2018</b>	21,861.73
Impairment Loss Recognised	7,156.89
Reversal	-
<b>Loss Allowance on March 31 2019</b>	<b>29,018.62</b>

## C: High Credit Risk

(₹ in lakh)

Particulars	Note reference	Period	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Trade Receivables	Note -11	March 31, 2019	418.59	418.59	-
		March 31, 2018	560.79	560.79	-
Other Financial Assets	Note -14	March 31, 2019	1,438.93	1,438.93	-
		March 31, 2018	-	-	-

## (B) Liquidity Risk

The Company's principal sources of liquidity are Cash and Cash Equivalents which are generated from Cash Flow from Operations. The Company has no fund based outstanding Bank Borrowings. The Company Consider that the Cash Flows from Operations are sufficient to meet its current liquidity requirements.

## Maturities of Financial Liabilities

The tables below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

(₹ in lakh)

March 31, 2019	Note reference	Up to one year	More than one year	Total
Trade Payable	Note -20	2,93,840.68	-	2,93,840.68
Earnest Money & Security Deposits	Note -21	71,296.60	-	71,296.60
<b>Total</b>		<b>3,65,137.28</b>	<b>-</b>	<b>3,65,137.28</b>

(₹ in lakh)

March 31, 2018	Note reference	Up to one year	More than one year	Total
Trade Payable	Note -20	2,99,378.90	-	2,99,378.90
Earnest Money & Security Deposits	Note -21	69,721.36	-	69,721.36
<b>Total</b>		<b>3,69,100.26</b>	<b>-</b>	<b>3,69,100.26</b>

## (C.) Market Risk

The Company's exposure towards Price Risk arises from Investments held and classified in the Balance Sheet either as Fair Value through Other Comprehensive Income or at Fair Value through Profit & Loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

The Company's exposure to equity securities price risk arises from Investments held by the Company and classified in the Balance Sheet as Fair Value through Profit & Loss.

(₹ in lakh)

Particulars	Note Reference	March 31, 2019	March 31, 2018
Investments - Mutual funds	Note -10	1,501.47	-

## Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods-

(₹ in lakh)

Particulars	March 31, 2019	March 31, 2018
Price Sensitivity		
Price increase by 3% - FVTPL	45.04	-
Price decrease by 3% - FVTPL	(45.04)	-

## Note-45

### Capital Management

The Company's objectives when managing capital are to:

- - Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- - Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt (net debt comprises of borrowings less cash and cash equivalents). Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio.

(₹ in lakh)

Particulars	March 31, 2019	March 31, 2018
Equity Share Capital	18,000.00	18,000.00
Other Equity	1,38,480.80	1,64,136.52
<b>Total Equity</b>	<b>1,56,480.80</b>	<b>1,82,136.52</b>

The Company has no outstanding fund based debt as at the end of the respective years. Accordingly company has NIL Capital gearing ratio as at March 31, 2019 and March 31, 2018.

## Note-46

### Revenue from Contracts with Customers :

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

The accounting policies set out in note 1 have been applied in preparing the Financial Statements Effective April1,2018. The Company adopted Ind AS115"Revenue from Contracts with Customers "using modified cumulative catch-up" transition method. Under this method, the cumulative effect of initially applying this standard to the uncompleted contracts as on April 01, 2018 has been adjusted (Net of Taxes) to the opening balance of retained earnings as on that date. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. An explanation of how the transition from previous Ind AS 11 & 18 to Ind AS 115 has affected the Company's Financial Position, Financial Performance is set out in the following tables and notes.

Consequent upon the withdrawal of Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), issued in May 2016 in Real Estate Segment and restructuring of performance obligations, the net cumulative impact of initial application of Ind AS 115 upto 31 March 2018 has been appropriated against the retained earnings as at the initial adoption date, as permitted by the standard.

For the year ended March 31, 2019, had the company recognised the revenue based on Ind AS 11 & Ind AS 18, the revenue & profit would have been lower by ₹ 23961.54 lakh & ₹ 8529.29 lakh respectively. Comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods.

The Company has aligned its policy of revenue recognition with Ind AS 115 "Revenue from Contracts with Customers" which is effective from April 1, 2018.

### 1. Reconciliation of Total Equity as at April 1, 2018

(₹ in lakh)

Particulars	Note Reference	As at April 1, 2018
<b>Total Equity (Shareholder's Funds) as per Previous GAAP</b>		1,82,136.52
<b>Adjustments in Retained Earning for:</b>		
(i) Security Deposit and Retention Money of Clients Non Current	Note -05	629.46
(ii) Security Deposit and Retention Money of Clients - Current	Note -13	100.54
(ii) Inventory (Work in Progress)	Note -09	38,740.20
(iii) Unbilled Revenue	Note -14	(6,437.44)
(iv) Deferred Revenue (Revenue Received in Advance) - PMC Segment	Note -22	(61,883.61)
(v) Deferred Revenue (Revenue Received in Advance) - RE Segment	Note -22	(47,800.68)
(vi) Tax Impact on Above Adjustments	Note -06	26,785.13
<b>Total Adjustments in Retained Earning</b>		<b>(49,866.40)</b>
<b>Total Equity as per Ind AS 115</b>		<b>1,32,270.12</b>

### 2. This change in Accounting Policy affected Balance Sheet as follows:

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2018 (As per Previous Ind AS 11 & 18)	Adjustment as per Ind AS 115	As at April 1, 2018 (As per Ind AS 115)
<b>Assets</b>				
Inventories	Note -09	1,65,750.98	38,740.20	2,04,491.18
Deferred Tax Assets	Note -06	11,569.60	26,785.13	38,354.73
Unbilled Revenue	Note -14	8,026.10	(6,437.44)	1,588.66
Retention & Security Deposit with Clients - Non Current	Note -05	4,440.67	629.46	5,070.13
Retention & Security Deposit with Clients - Current	Note -13	17,188.13	100.54	17,288.67
<b>Liabilities</b>				
<b>Revenue Received in Advance :-</b>				
– Project Management Consultancy (PMC)	Note -22	-	61,883.61	61,883.61
– Real Estate	Note -22	786.06	47,800.68	48,586.74
– Engineering, Procurement and Construction (EPC)	Note -22	4924.5	-	4,924.50
<b>Equity</b>				
Retained Earning		1,64,136.52	(49,866.41)	1,14,270.11

### 3. This change in Accounting Policy affected statement of Profit and Loss as follows:

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019 (As per Previous Ind AS 11 & 18)	Adjustment as per Ind AS 115	As at March 31, 2019 (As per Ind AS 115)
Revenue From Operations - Value of Services	Note -25	6,90,198.83	23,961.54	7,14,160.37
Land Purchased & Materials Consumed	Note -28	1,901.31	-	1,901.31
Change in Inventories of Real Estate Projects	Note -29	5,215.08	15,432.25	20,647.33
Work & Consultancy Expenses	Note -30	6,20,857.15	-	6,20,857.15
Profit Before Tax		47,316.89	8,529.29	55,846.18
Tax Expense	Note -35	14,493.02	2,942.06	17,435.08
Profit After Tax		32,823.87	5,587.23	38,411.10

#### 4. Significant changes in contract Assets and Liabilities :

##### (a) Contract Liabilities - Deferred Income (Revenue Received in Advance):

Invoicing in excess of revenue recognised is classified as revenue received in advance. Any amount previously recognised as revenue received in advance is recognised to revenue on satisfaction of the performance obligation over the construction period.

##### (i) Movement of Contract Liabilities - Project Management Consultancy (PMC)

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019 (As per Ind AS 115)
Opening balance of Contract liabilities		-
Add: Amount of Revenue Recognised Reversed on Transition	Note -22	61,883.61
Add: Net Addition in Balance of Contract Liabilities for Current Year		1,193.23
Closing balance of Contract liabilities		63,076.84

##### (ii) Movement of Contract Liabilities - Real Estate

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019 (As per Ind AS 115)
Opening balance of Contract liabilities		786.06
Add: Amount of Revenue Recognised Reversed on Transition	Note -22	47,800.68
Add: Net Addition in balance of contract liabilities for current year		(18,220.12)
Closing balance of Contract liabilities		30,366.62

##### (iii) Movement of Contract Liabilities -Engineering, Procurement and Construction (EPC)

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019 (As per Ind AS 115)
Opening balance of Contract liabilities		4,924.50
Add: Amount of Revenue Recognised Reversed on Transition	Note -22	-
Add: Net Addition in balance of contract liabilities for current year		449.28
Closing balance of Contract liabilities		5,373.78

##### (b) Contract Liabilities - Security Deposit & Retention Money:

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019 (As per Ind AS 115)
Opening balance of Contract liabilities - Security deposit & Retention Money		69,721.36
Less: Amount of unwinding reversed during the year	Note -21	-
Add: Net Addition in balance of contract liabilities for current year		1,575.24
Closing balance of Contract liabilities - Security deposit & Retention Money		71,296.60

##### (c) Contract Assets - Unbilled Revenue:

Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Revenue in excess of billing is recorded as unbilled revenue and is classified as a contract asset. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.



**Movement of Contract Assets - Unbilled Revenue:**

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019 (As per Ind AS 115)
Opening Balance of Contract assets - Unbilled Revenue	Note -14	8,026.10
Less: Amount of Revenue Reversed on Transition		6,456.14
Add: Net Addition in Balance of Contract Assets for Current Year		(61.86)
<b>Closing Balance of Contract assets - Unbilled revenue</b>		<b>1,508.10</b>

**(d) Contract Assets - Security Deposit & Retention Money with Clients:**

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019 (As per Ind AS 115)	
		Non-current	Current
Opening Balance of Contract assets - Security deposit & Retention Money with Clients	Note-05 & 14	4,440.67	17,188.13
Add: Amount of Discounting Reversed on Transition		629.46	100.54
Add: Net Addition in balance of contract assets for current year		1,469.28	(4,798.73)
<b>Closing Balance of Contract assets - Security deposit &amp; Retention Money with Clients</b>		<b>6,539.41</b>	<b>12,489.94</b>

**(e) Revenue Recognised in relation to Contract Liabilities :**

Disclosure pursuant to para 116(b) & (c) of Ind AS 115 in respect of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods are as below:

(₹ in lakh)

Particulars	For the year ended on March 31, 2019
Amounts included in Contract Liabilities at the Beginning of the year	-
Performance obligations Satisfied in Previous Years	-
<b>Total</b>	<b>-</b>

**(f) Disclosure pursuant to para 116(a) of Ind AS 115 Assets and Liabilities related to Contracts with Customers.**

(₹ in lakh)

Particulars	Note Reference	As at 31 March 2019		As at 31 March 2018	
		Non-current	Current	Non-current	Current
<b>Contract Assets Related to Sale of Service:</b>					
Unbilled revenue	Note -22	-	1,508.10	-	8,026.10
Trade Receivables	Note -11	-	2,10,763.98	-	2,25,845.76
Security Deposit & Retention Money	Note -05 & 14	6,539.41	12,489.94	4,440.67	17,188.13
<b>Contract Liabilities related to Sale of Service:</b>					
<b>Revenue Received in Advance :-</b>					
- Project Management Consultancy (PMC)	Note -22	-	63,076.84	-	-
- Real Estate	Note -22	-	30,366.62	-	786.06
- Engineering, Procurement and Construction (EPC)	Note -22	-	5,373.78	-	4,924.50

**(g) Performance obligations and remaining performance obligations :**

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Remaining performance obligation estimates are subject to change and are affected by several factors, such as changes in the scope of contracts, periodic revalidations, terminations, adjustment for revenue that has not materialized as at the reporting date.

#### **Note-47**

The company has changed its accounting policy w.r.t. valuation of Inventories during the financial year. The Work in Progress representing the Real Estate inventories are now valued at lower of cost or net realizable value. The change of accounting policy resulted in decrease in profit for the year ended on March 31, 2019 by ₹ 497.23 lakh.

#### **Note-48**

##### **Events After Balance Sheet Date**

Proposed Dividend ₹ 0.65 per share on face value of ₹ 1.00 per share (previous year ₹ 1.10 per share on face value of ₹ 2 per share)

#### **Note-49**

Previous year figures have been regrouped and/or reclassified, wherever, necessary to conform to those of the current year grouping and/or classification. Negative figures have been shown in brackets.

##### **For and on behalf of the Board of Directors**

Sd/-  
**(DEEPTI GAMBHIR)**  
Company Secretary  
(FCS : 4984)

Sd/-  
**(B. K. SOKHEY)**  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
**(NEELESH M SHAH)**  
Director  
(DIN : 07444898)

Sd/-  
**(RAJENDRA CHAUDHARI)**  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
**(Inder Jeet Dhawan)**  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019

*National Police Memorial, New Delhi*



*Central Information Commission Building, New Delhi*





# **CONSOLIDATED FINANCIAL STATEMENTS**

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF NBCC (INDIA) LIMITED

### Report on the Audit of the Consolidated Financial Statements

#### Qualified Opinion

We have audited the accompanying consolidated financial statements of **NBCC (India) Limited**, (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding company and its subsidiaries collectively referred to as "the Group"), its joint ventures and associates, which comprise the consolidated balance sheet as at 31<sup>st</sup> March, 2019, the consolidated statement of profit and loss, including Other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, and notes to the consolidated financial statement, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its Joint Ventures and associates as at 31<sup>st</sup> March, 2019, of consolidated profit, total consolidated comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

#### Basis for Qualified Opinion

The statutory auditor of one of the 100% subsidiary of the company has given qualified opinion by inviting attention to the following:

- 1) The following banks are pending reconciliation, hence the un reconciled bank balances will have an impact on profit and loss and balance sheet of the company which is presently not quantifiable:

S. No.	Name of the Bank	Branch	Project with Which Related (Project No.)	A/c no.
1	Indian Overseas Bank	Sector- 1, Noida	Ayush New Delhi	172502000000644
2	Indian Overseas Bank	Sector- 1, Noida	HSCC Bank A/c	172502000000151
3	Indian Overseas Bank	Sector- 1, Noida	HSCC (India) Ltd	172502000000331
4	SBI	Sector- 1, Noida	AIIMS New OPD Block	34930766338
5	India Overseas Bank	Sector- 1, Noida	PMSSY GTB Amritsar	172501000017019
6	Indian Overseas Bank	Sector- 1, Noida	TEZPUR LGBRIMS	172501000017325
7	HDFC	Sector - 26 Noida	HSCC (India) Ltd.	502000011829157

- 2) Amount lying in interest receivable from banks, retention money a/c, client deposit funds, trade receivables, trade payables, EMD, security deposit (receivable & payable both), balances of ministries, client and government dues with respect to direct taxes, indirect taxes and other state taxes are unconfirmed & un reconciled. The un-reconciled balances will have an impact on profit & loss and balance sheet of the company which is presently not quantifiable.

- 3) The internal control system, which requires checking and verification of all transactions including that of interest on fixed deposits made by the company in FDR's, interest accrued and liquid funds and timely accounting and adjustment of secured advances to contractors, interim bill payment to contractors and professionals, expenses, income and bank transactions in the books of accounts is found to be weak and hence increases the probability of losses which cannot be quantified. [Internal Financial Control over financial statements].
- 4) There are projects which have been completed and handed over to the Ministry/client but financial closure of these accounts in the books of the company have not been done. Further, there are projects which have been completed but handing over and taking over process for the same has not taken place. The impact of this on the profit or loss will be accounted in the year in which the financial closure takes place.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated financial statements* section of our report. We are independent of the group, its joint ventures and associates, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their report referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

#### ***Information Other than the Consolidated Financial Statements and Auditor's Report Thereon***

The Holding company's management and board of directors are responsible for preparation of the other information. The other information comprises the information included in director's report and annexure but does not include the consolidated financial statements and our Auditor's Report thereon. The director's report and annexure is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

#### ***KEY Audit Matters***

Key audit matters (KAM) are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matters	Auditor's Response
<b><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from contracts with Customers" (Revenue Accounting Standard) applicable from 1st April 2018.</i></b>	<b><u>Principal Audit Procedures</u></b> We assessed the company's internal process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:



<p>The application of the new revenue accounting standard from current financial year involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the financial statements.</p> <p><b>Refer Note No.-57</b> to the consolidated financial statements.</p>	<ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>• Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</li> <li>• Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> </ul>
<p><b>Assessment and Recoverability of trade receivables</b></p> <p>The company has trade receivables outstanding of ₹ 2,44,889.53 lakh at the end of March 2019.</p> <p>These balances are related to revenue recognized in line with Ind AS 115 "Revenue from contracts with customers for ongoing contracts and completed contracts". The assessment of its recoverability is a key audit matter in the audit due to its size and high level of management judgment.</p> <p><b>Refer Note No. - 15</b> to the consolidated financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>We assessed the company's internal process to recognize the revenue and review mechanism of trade receivables. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the process of invoicing, verification and reconciliation with customer.</li> <li>• Reviewed the guidelines and policies of the company for impairment of trade receivables.</li> <li>• Tested the accuracy of ageing of trade receivables at the year end on sampling basis.</li> <li>• Performed analytical procedures and test of data, their reasonableness and recoverability and other material items.</li> </ul>
<p><b>Provisions and Contingent Liabilities</b></p> <p>The company is involved in various taxes and other disputes for which final outcomes cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgment and such judgment relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the financial statements. Because of the judgment required, the materiality of such litigations and the complexity of the assessment process, the area is a key matter for our audit.</p> <p><b>Refer Note No. - 44</b> to the consolidated financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedure in response to this key Audit Matter included, among others:</p> <ul style="list-style-type: none"> <li>• Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings.</li> <li>• Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the company considering the legal precedence and other rulings in similar cases.</li> <li>• Inquiry with legal and tax departments of the company regarding the status of the most significant disputes and inspection of the key relevant documentation.</li> <li>• Analysis of opinion received from the experts, where available.</li> <li>• Review of the adequacy of the disclosures in the notes to the financial statements.</li> </ul>
<p><b><u>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates*</u></b></p> <p>Estimated efforts is a critical estimate to determine revenues and liabilities for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration for progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>• Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.</li> </ul>



	<ul style="list-style-type: none"> <li>Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>Perform analytical procedures and test of details for reasonableness of incurred and estimated efforts.</li> </ul>
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**\* Key Audit Matter as reported by auditor of one of the subsidiary viz. NBCC Services Limited.**

### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

The Holding company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, its joint ventures and associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective board of directors of the companies included in the Group, of its joint ventures and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the holding company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the Group, its joint ventures and associates are responsible for assessing the ability of the Group, its joint ventures and associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective board of directors of the companies included in the Group, its joint ventures and associates are responsible for overseeing the financial reporting process of the Group, its joint ventures and associates.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group, its joint ventures and associates, which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its joint ventures and associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group, its Joint Ventures and Associates controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its joint ventures and associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the holding company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

We did not audit the financial statements / financial information of 7 subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 5,22,685.95 lakh, net assets of ₹ 46,471.03 lakh at 31st March, 2019, total revenues of ₹ 2,89,898.36 lakh and net cash Inflows/(outflows) amounting to ₹ 13,257.83 lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 37.52 lakh for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of 3 joint ventures and associates, whose financial statements / financial information have not been audited by us.

These financial statements have been audited by other auditors whose reports have been furnished to us by the holding company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

One of the subsidiary is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in that country. The company's management has converted the financial statements of such subsidiary located outside India from the accounting principles in its country to accounting principles generally applicable in India. These converted financial statements have been certified by a Chartered Accountant in India appointed by the company for the specific purpose and has been relied upon by us. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the reports of other auditors as mentioned above.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Further to above;

- a) NBCC – RK Millen, Parent's joint venture has not been considered for consolidation since it is not operational and there is ongoing legal case between co-venturers. Also investment in Jamal NBCC International (Pty) Limited, has been written off during the year and Parent is taking steps for its dissolution, hence, not consolidated. Further, a newly formed subsidiary viz. NBCC DWC – LLC, Dubai has not yet commenced its operations since the capital contribution to be made by NBCC has not been made. Hence, the same are also not consolidated. [Refer Note No. -55A].
- b) We draw attention to Note No. - 58 to the consolidated financial statements regarding decision of the management of NBCC Limited to wind up two of its subsidiary viz. NBCC International Limited and NBCC Environment Engineering Limited, by way of merger into NBCC (India) Limited. NBCC (India) Limited has also obtained approval from the Ministry of Housing and Urban Affairs vide their letter dated 27.03.2019. These events and conditions cast significant doubt on the Going Concern status of these two subsidiaries.

Our opinion on the consolidated financial statements and our report on other legal and regulatory requirements below is not modified in respect of matters at (a) and (b) above.

**Emphasis of Matter**

The Statutory Auditors of the subsidiary company viz. HSCC (India) Limited, a wholly owned subsidiary of NBCC (India) Limited has reported following Emphasis of Matters:

- 1) Internal Financial control over financial statements is weak and need to be strengthened.
- 2) Significant transactions AMOUNTING TO ₹ 2926.00 lacs were noticed which can be termed as instances of doubtful reliability. Provision for the same has been made from the reserves as at April 01, 2017 as transactions were entered prior to FY 16-17.
- 3) The company has recorded FDR of ₹ 410.76 lacs in the books of accounts during the year by transferring the same to 'interest accrued a/c'. The debit balance of ₹ 74.59 lacs in interest accrued a/c has been written off.

The Statutory Auditors of the subsidiary company viz. Hindustan Steelworks Construction Limited, a subsidiary of NBCC (India) Limited has reported following Emphasis of Matters:

We draw attention to Note No. 58 regarding balance shown under claims recoverable, Trade Receivables, Advances to Contractors, Trade Payable and Sundry Deposits / Earnest money from contractors which are subject to confirmation and respective consequential adjustments. Regarding GST under Note No. 27, the Company is still under Process of determination of anti-profiteering element.

Opinion of other auditors is not qualified in respect of above matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and joint ventures referred to in the Other Matters section above, we report, to the extent applicable that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e. Being Government Companies, the provisions of section 164(2) of the Act in respect of disqualification of directors are not applicable to the company and its subsidiaries incorporated in India, in terms of notification no. G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India. On the basis of the reports of the statutory auditors of one joint venture incorporated in India, none of the directors of the joint venture is disqualified as on 31st March, 2019 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 Holding Company, its subsidiary companies, joint ventures and associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure 1";
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we are informed that the company and its subsidiary companies

and joint ventures incorporated in India being Government Companies, the provisions of section 197 read with schedule V of the Act, relating to managerial remuneration are not applicable to the company in terms of Notification No. G.S.R. 463(E) dated 5th June 2015.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the financial statements of the subsidiary companies, joint ventures and associates, as noted in other matter paragraph:
- i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint ventures and associates. (Refer Note 44 to the Consolidated Financial Statements).
  - ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Note No. 24 and 28 to the Consolidated Financial Statements.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, joint ventures and associates incorporated in India, during the year ended 31st March 2019.

For **Dhawan & Co.**  
Chartered Accountants  
FRN: 002864N

Sd/-  
**Inder Jeet Dhawan**  
(Partner)  
M. No. : 081679

Place : New Delhi  
Dated : May 29, 2019

## **ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF EVEN DATE TO THE MEMBERS OF NBCC (INDIA) LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **NBCC (INDIA) LIMITED** (hereinafter referred to as "Holding Company") and its subsidiary companies (collectively referred to as "the Group") joint ventures and associates, which are companies incorporated in India, as of that date.

#### ***Management's Responsibility for Internal Financial Controls***

The respective board of directors of the holding company its subsidiary companies, joint ventures and associates which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 ("the 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### ***Auditors' Responsibility***

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

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

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in term of their reports is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Group, its joint ventures and associates, which are companies incorporated in India.

#### ***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 and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, joint ventures and associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Group and its joint venture, 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 except in case of one of the 100% subsidiary company, where it is reported by the statutory auditor that the internal financial controls system over financial reporting is WEAK and such internal financial control over financial reporting needs improvements and in case of one JV where it is reported by the statutory auditor that since the company has neither started any operation till the end of this financial year ended on 31st March 2019, nor any appointment of any personnel has been made, and that the company is in process of establishing the internal financial controls over financial reporting, we could not comment on the adequacy and effectiveness of the internal financial control system and its effective operation for the period ended on 31st March, 2019.

#### ***Other Matters***

Our aforesaid reports under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial control over the financial reporting insofar as it relates to 6 subsidiaries and 1 joint venture incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Dhawan & Co.**  
Chartered Accountants  
FRN: 002864N

Sd/-  
**Inder Jeet Dhawan**  
(Partner)  
M. No. : 081679

Place : New Delhi  
Dated : May 29, 2019



## MANAGEMENT REPLY TO STATUTORY AUDITOR'S QUALIFICATION ON CONSOLIDATED FINANCIAL STATEMENT ON THE BASIS OF AUDITOR'S REPORT OF HSCC (INDIA) LIMITED AS ON MARCH 31, 2019

S. No.	Auditor's Remarks				Management Reply
1	The following banks are pending reconciliation, hence the un reconciled bank balances will have an impact on profit and loss and balance sheet of the company which is presently not quantifiable:				The company has reconciled five bank accounts out of seven un-reconciled bank balances as of date, with respect to qualification related to un-reconciled bank balances. The proper follow ups and communications are being made with respective banks to reconcile rest of two bank accounts.
	S. No.	Name of the Bank	Branch	Project with Which Related (Project No.)	A/c no.
	1	Indian Overseas Bank	Sector- 1, Noida	Ayush New Delhi	172502000000644
	2	Indian Overseas Bank	Sector- 1, Noida	HSCC Bank A/c	172502000000151
	3	Indian Overseas Bank	Sector- 1, Noida	HSCC (India) Ltd	172502000000331
	4	SBI	Sector- 1, Noida	AIIMS New OPD Block	34930766338
	5	India Overseas Bank	Sector- 1, Noida	PMSSY GTB Amritsar	172501000017019
	6	Indian Overseas Bank	Sector- 1, Noida	TEZPUR LGBRIMS	172501000017325
	7	HDFC	Sector-26 Noida	HSCC (India) Ltd.	502000011829157
2	Amount lying in interest receivable from banks, retention money a/c, client deposit funds, trade receivables, trade payables, EMD, security deposit (receivable & payable both), balances of ministries, client and government dues with respect to direct taxes, indirect taxes and other state taxes are unconfirmed & un reconciled. The un-reconciled balances will have an impact on profit & loss and balance sheet of the company which is presently not quantifiable.				HSCC has undertaken works from Central Government, State Government and PSUs. The confirmation of Balances from clients is being done by the Company as per established accounting practices. The management is of the view that it would arrange substantial balance confirmations in FY 2019-20.

S. No.	Auditor's Remarks	Management Reply
3	The internal control system, which requires checking and verification of all transactions including that of interest on fixed deposits made by the company in FDR's, interest accrued and liquid funds and timely accounting and adjustment of secured advances to contractors, interim bill payment to contractors and professionals, expenses, income and bank transactions in the books of accounts is found to be weak and hence increases the probability of losses which cannot be quantified. [Internal Financial Control over financial statements].	With regard to qualification relating to internal financial controls, The Company is in process of strengthening its internal financial controls. The preliminary assessment of internal financial controls of the company has been done by external agency. Further, the proposal is under process to appoint a firm of Chartered Accountants for detailed examination and implementation of robust internal financial controls in FY 2019-20.
4	There are projects which have been completed and handed over to the Ministry/client but financial closure of these accounts in the books of the company has not been done. Further, there are projects which have been completed but handing over and taking over process for the same has not taken place. The impact of this on the profit or loss will be accounted in the year in which the financial closure takes place.	It is felt that financial closure of physically closed projects will be finalized to the extent possible in the current financial year.

Place : New Delhi  
Dated : August 8, 2019

Sd/-  
**B.K. Sokhey**  
(Chief Finance Officer)

# Consolidated Balance Sheet as at March 31, 2019

(₹ in lakh)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I.	<b>ASSETS</b>			
	<b>1. Non-Current Assets</b>			
	(a) Property, Plant and Equipment	2	17,984.19	12,766.09
	(b) Capital Work in Progress	3	16.77	16.77
	(c) Investment Property	4	164.18	166.88
	(d) Other Intangible Assets	5	4.18	10.24
	(e) Intangible assets under development	6	13.16	13.16
	(f) Investments Accounted for using Equity Method	7	1,630.58	1,664.74
	(g) Financial Assets			
	(i) Investments	8	1,113.38	1,113.38
	(ii) Other Financial Assets	9	9,345.34	6,443.40
	(h) Deferred Tax Asset (Net)	10	50,740.30	19,093.72
	(i) Non Current Tax Assets (Net)	11	3,470.36	1,354.93
	(j) Other Non Current Assets	12	932.37	2,372.04
			85,414.81	45,015.35
	<b>2. Current Assets</b>			
	(a) Inventories	13	183,329.53	165,818.19
	(b) Financial Assets			
	(i) Investments	14	1,501.47	-
	(ii) Trade Receivables	15	244,889.53	265,288.91
	(iii) Cash and Cash Equivalents	16	190,755.04	162,818.00
	(iv) Other Bank Balances	17	318,527.15	308,222.54
	(v) Other Financial Assets	18	171,518.65	179,246.83
	(c) Current Tax Assets (Net)	19	9,042.80	8,703.68
	(d) Other Current Assets	20	103,722.70	91,744.14
			1,223,286.87	1,181,842.29
	(e) Assets held for Sale	21	841.52	-
			1,224,128.39	1,181,842.29
	<b>TOTAL ASSETS</b>		1,309,543.20	1,226,857.64
II.	<b>EQUITY AND LIABILITIES</b>			
	<b>1. Equity</b>			
	(a) Equity Share capital	22	18,000.00	18,000.00
	(b) Other Equity		132,841.12	188,618.51
	<b>Equity attributable to Owners of the Parent</b>		150,841.12	206,618.51
	Non Controlling Interest		14,831.77	15,401.43
	<b>Total Equity</b>		165,672.89	222,019.94
	<b>2. Liabilities</b>			
	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	23	1,822.34	2,368.91
	(b) Provisions	24	10,701.57	8,282.10
			12,523.91	10,651.01
	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade Payables			
	- Micro Enterprises and Small Enterprises	25	760.04	-
	- Others		422,861.59	392,030.87
	(ii) Other Financial Liabilities	26	162,466.51	173,872.60
	(b) Other Current Liabilities	27	526,843.60	407,966.45
	(c) Provisions	28	18,029.41	20,316.77
			1,130,961.15	994,186.69
	(d) Liabilities Associated with the Assets held for Sale	29	385.25	-
			1,131,346.40	994,186.69
	<b>TOTAL EQUITY &amp; LIABILITIES</b>		1,309,543.20	1,226,857.64

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 60

For and on behalf of the Board of Directors

Sd/-  
**(DEEPTI GAMBHIR)**  
Company Secretary  
(FCS : 4984)

Sd/-  
**(B. K. SOKHEY)**  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
**(NEELES M SHAH)**  
Director  
(DIN : 07444898)

Sd/-  
**(RAJENDRA CHAUDHARI)**  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
**(Inder Jeet Dhawan)**  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019

## Consolidated Statement of Profit and Loss for the year ended on March 31, 2019

(₹ in lakh)

	Particulars	Note No.	For the year ended on March 31, 2019	For the year ended on March 31, 2018
I.	<b>Revenue From Operations</b>			
	Value of Services	30	980,638.93	839,387.36
	Other Operating Revenues	31	13,658.48	5,321.38
II.	Other Income	32	20,839.16	16,253.71
III.	<b>Total Income (I + II)</b>		<b>1,015,136.57</b>	<b>860,962.45</b>
IV.	<b>Expenses:</b>			
	Land Purchased & Materials Consumed	33	1,913.09	1,021.90
	Change in Inventories of Real Estate Projects	34	16,369.92	(8,722.94)
	Work & Consultancy Expenses	35	884,876.58	748,714.28
	Employee Benefits Expense	36	32,641.61	36,534.66
	Finance Costs	37	60.74	2,491.80
	Depreciation and Amortisation Expense	2 & 3 & 4	436.39	590.38
	Other Expenses	38	19,812.12	21,927.86
	Write Offs	39	2,173.55	23.89
	<b>Total Expenses (IV)</b>		<b>958,284.00</b>	<b>802,581.83</b>
V.	<b>Profit before Exceptional Items and Tax (III-IV)</b>		<b>56,852.57</b>	<b>58,380.62</b>
VI.	(i) Exceptional Items	40	-	(13.46)
	(ii) Share of Profit/ (Loss) in Joint Ventures (Net of Tax )		37.52	57.67
VII.	<b>Profit before Tax (V + VI)</b>		<b>56,890.09</b>	<b>58,424.83</b>
VIII.	<b>Tax Expense:</b>	41		
	(1) Current Tax		21,971.16	22,168.93
	(2) Deferred Tax		(4,510.21)	(2,426.74)
	(3) Taxation in respect of Earlier Years		265.15	(889.53)
IX.	<b>Profit / Loss for the Period from Continuing Operations (VII-VIII)</b>		<b>39,163.99</b>	<b>39,572.17</b>
X.	Profit / (Loss) for the Discontinued Operations		-	-
XI.	Tax expenses of Discontinued Operations		-	-
XII.	<b>Profit / (Loss) for the Discontinued Operations (after tax) (X-XI)</b>		<b>-</b>	<b>-</b>
XIII.	<b>Profit / (Loss) for the Period (IX-XII)</b>		<b>39,163.99</b>	<b>39,572.17</b>
XIV.	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified into Profit or Loss	42	(2,202.04)	(1,203.36)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		768.38	416.46
	B (i) Items that will be reclassified into Profit or Loss		(123.01)	(25.25)
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		42.98	8.81
XV.	<b>Total Comprehensive Income for the period (XIII+XIV)</b>		<b>37,650.30</b>	<b>38,768.83</b>
	<b>Profit/(Loss) attributable to</b>			
	Owners of the Parent		37,515.96	37,829.10
	Non Controlling Interests		1,648.03	1,743.07
	<b>Other Comprehensive Income attributable to</b>			
	Owners of the Parent		(1,514.75)	(812.87)
	Non Controlling Interests		1.06	9.53
	<b>Total Comprehensive Income attributable to</b>			
	Owners of the Parent		36,001.21	37,016.24
	Non Controlling Interests		1,649.09	1,752.59
XVI.	<b>Earnings per Share (Face value of ₹ 1/- per Equity Share)</b>	43		
	(1) Basic (in ₹ )		2.08	2.10
	(2) Diluted (in ₹ )		2.08	2.10

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 60

For and on behalf of the Board of Directors

Sd/-  
(DEEPTI GAMBHIR)  
Company Secretary  
(FCS : 4984)

Sd/-  
(B. K. SOKHEY)  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
(NEELES M SHAH)  
Director  
(DIN : 07444898)

Sd/-  
(RAJENDRA CHAUDHARI)  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
(Inder Jeet Dhawan)  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019

# Consolidated Statement of Changes in Equity as at March 31, 2019

## A. Equity Share Capital

(₹ in lakh)

Particulars	Balance at the beginning of the Reporting Period	Changes in Equity Share Capital during the year	Balance at the end of Reporting Period
Balance as at March 31, 2018	18,000.00	-	18,000.00
Balance as at March 31, 2019	18,000.00	-	18,000.00

## B. Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income (OCI)		Other Equity attributable to Parent	Equity attributable to Non-controlling Interests (NCI)	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	Exchange difference on translation of Foreign Operations			
<b>Balance as at April 1, 2017</b>	-	-	38,515.99	112,915.47	(49.39)	1.85	151,383.93	23,809.39	175,193.32
Transfer of Share from HSCL*	10,259.89	-	-	80.59	0.09	-	10,340.57	(10,340.57)	-
Transfer of Share from HSCC*	-	-	3,195.54	10,764.28	-	-	13,959.82	180.01	14,139.83
Profit for the period	-	-	-	37,829.10	-	-	37,829.10	1,743.07	39,572.17
Other Comprehensive Income (OCI)	-	-	-	-	421.30	9.02	430.32	(5.04)	425.28
Income Tax on Items of OCI	-	-	-	(19,186.31)	-	-	(19,186.31)	-	(19,186.31)
Dividends paid including Interim Dividend and Dividend Distribution Tax#	-	-	200.00	(200.00)	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	(19,186.31)	-	-	(19,186.31)	-	(19,186.31)
Buyback of Share	-	-	-	(4,895.73)	-	-	(4,895.73)	-	(4,895.73)
Creation of Capital Redemption Reserve	-	60.00	(60.00)	-	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	10,259.89	60.00	41,851.53	137,307.40	(845.36)	(14.96)	188,618.51	15,401.43	204,019.94
Transitional Adjustment of Ind AS 115	-	-	-	(50,235.21)	-	-	(50,235.21)	(285.48)	(50,520.69)
Amalgamation Adjustment Deficit Account	-	-	-	(28,319.99)	-	-	(28,319.99)	(180.01)	(28,500.00)
Profit for the period	-	-	-	37,515.96	-	-	37,515.96	1,648.03	39,163.99
Other Comprehensive Income (OCI)	-	-	-	-	(2,200.50)	(127.01)	(2,327.51)	2.46	(2,325.05)
Income Tax on Items of OCI	-	-	-	-	768.38	44.38	812.76	(1.40)	811.36
Dividend paid including Dividend Distribution Tax#	-	-	-	(12,694.16)	-	-	(12,694.16)	(1,753.26)	(14,447.42)
Transfer from Retained Earnings	-	-	-	-	-	-	-	-	-
Shares Issue Expenses	-	-	-	(529.23)	-	-	(529.23)	-	(529.23)
<b>Balance as at March 31, 2019</b>	10,259.89	60.00	41,851.53	83,044.77	(2,277.48)	(97.59)	132,841.12	14,831.77	147,672.90

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 60

\* Consolidation using Common Control (Refer Note 58)

# Dividends paid including Interim Dividend and Dividend Distribution Tax (Refer Note 45)

For and on behalf of the Board of Directors

Sd/-  
(DEEPTI GAMBHIR)  
Company Secretary  
(FCS : 4984)

Sd/-  
(B. K. SOKHEY)  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
(NEELES M SHAH)  
Director  
(DIN : 07444898)

Sd/-  
(RAJENDRA CHAUDHARI)  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
(Inder Jeet Dhawan)  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019

## Consolidated Statement of Cash Flows for the year ended on March 31, 2019

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Group are segregated.

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>A. Cash flows from operating activities</b>		
<b>Net profit before tax and Exceptional items</b>	<b>56,852.57</b>	58,380.62
Adjustment for:		
Exchange difference on translation of Foreign Operations	(123.01)	(25.25)
Depreciation	436.39	590.38
(Profit) / Loss on Sale of Assets (Net)	(19.48)	(0.87)
Interest Income on Unwinding of Financial Instruments	-	(2,327.77)
Gain on Derecognition of Financial Assets	-	155.67
Gain on Modification of Financial Assets	-	249.69
Exceptional Items	-	(13.46)
Provisions for Research & Development	333.61	351.10
Provision for Doubtful Advances (Net)	1,252.30	370.52
Provision for Impairment of Trade Receivables (Net)	6,154.91	9,800.41
Provision for Impairment of Inventories	507.85	-
Provision for Impairment of Other Financial Assets	1,438.93	-
Provision for Warranty Charges (Net)	210.52	(79.57)
Provision for Onerous Contracts	184.44	57.57
Finance Cost	60.74	2,491.80
Interest Received	(19,559.71)	(13,126.85)
Rent	(1,090.77)	(1,015.76)
Dividend Received	(35.98)	(132.36)
Provisions for Employee Benefits (Net of Payments)	(2,105.16)	3,233.25
Expenditure on Research & Development Activities	(210.86)	(241.82)
<b>Operating Profit before Working Capital Changes</b>	<b>44,287.29</b>	58,717.30
Adjustment for:		
Decrease/(Increase) in Other Financial Assets (Non Current)	(2,272.48)	9,498.60
Decrease/(Increase) in Other Non Current Assets	(171.36)	100.78
Decrease/(Increase) in Non Current Tax Assets	(2,115.43)	(1,527.95)
Decrease/(Increase) in Inventories	(3,032.98)	(232.94)
Decrease/(Increase) in Work-in-Progress	19,476.58	(8,454.17)
Decrease/(Increase) in Trade receivables	6,650.85	(19,488.50)
Decrease/(Increase) in Other Financial Assets	(42.41)	(77,252.81)
Decrease/(Increase) in Current Tax Assets	(293.92)	417.39
Decrease/(Increase) in Other Current Assets	(13,230.86)	(22,980.56)
(Decrease)/ Increase in Provisions-Non Current	-	128.88
(Decrease) /Increase in Other Financial Liabilities (Non Current)	(1,437.44)	(10,287.14)
(Decrease) /Increase in Trade payables	31,539.04	64,169.07
(Decrease) /Increase in Other Financial Liabilities (Current)	(11,406.09)	18,372.90
(Decrease)/ Increase in Provisions-Current	(482.48)	(1,963.87)
(Decrease) /Increase in Other Current Liabilities	9,132.12	94,569.23
(Decrease) /Increase in Liabilities Associated with the Assets held for Sale	385.25	-
<b>Cash generated from Operations</b>	<b>76,985.68</b>	103,786.21
Direct Taxes Paid	(13,200.00)	(13,111.77)
<b>Net Cash from Operating Activities (A)</b>	<b>63,785.68</b>	90,674.44

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>B. Cash Flows from Investing Activities:</b>		
Distribution received from Subsidiaries and Joint Ventures	-	-
Payment for acquisition of Subsidiaries and Joint Ventures	(28,500.00)	-
Capital Advance for Purchase of Property, Plant and Equipment	(253.73)	(0.60)
Purchase of Property, Plant and Equipment & Other Intangible Assets	(303.12)	(513.36)
Sale of Property, Plant and Equipment	38.43	21.61
Assets Held for Sale	(60.91)	-
Flexi Bank Deposit having Original Maturity more than 3 months and upto 12 Months.	7,257.62	1,442.32
Fixed Bank Deposit having Original Maturity more than 3 months and upto 12 Months	(17,562.23)	(66,765.32)
Fixed Bank Deposit having Original Maturity more than 12 months.	(5.24)	-
Investment in Liquid Fund Cash Plan	(1,501.47)	4,724.61
Interest Received (Net of Tax Deducted at Source)	18,926.69	12,557.00
Rent Received (Net of Tax Deducted at Source)	1,055.99	978.68
Dividend Received	35.98	132.36
<b>Net Cash from Investing Activities: (B)</b>	<b>(20,871.99)</b>	<b>(47,422.70)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Dividend on Equity Shares paid (Including Dividend Distribution Tax)	(14,447.42)	(19,186.31)
Buy Back of Shares	-	(4,955.71)
Repayment of Borrowings	-	(593.46)
Shares Issue Expenses	(529.23)	-
<b>Net Cash from Financing Activities (C)</b>	<b>(14,976.65)</b>	<b>(24,735.48)</b>
<b>Net Increase in Cash and Cash Equivalent (A) + (B) + (C)</b>	<b>27,937.04</b>	<b>18,516.26</b>
<b>Cash and Cash Equivalents - Opening</b>	<b>162,818.00</b>	<b>144,301.74</b>
<b>Cash and Cash Equivalents - Closing</b>	<b>190,755.04</b>	<b>162,818.00</b>
<b>i) Cash and Cash Equivalents Includes:</b>		
a) Cash in Hand	0.05	0.06
b) Remittances in Transit / Cheques in Hand	29.00	1,363.80
c) Balances / Flexi Deposits/Fixed Deposit Call Deposits with Banks	189,564.21	160,250.84
d) Balances with Bank in Unclaimed Dividend Account	1,161.78	10.80
e) Balances with Bank in Interim Dividend Account	-	1,192.50
	<b>190,755.04</b>	<b>162,818.00</b>
<b>ii) Figures in brackets indicate cash outgo</b>		

For and on behalf of the Board of Directors

Sd/-  
**(DEEPTI GAMBHIR)**  
Company Secretary  
(FCS : 4984)

Sd/-  
**(B. K. SOKHEY)**  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
**(NEELES M SHAH)**  
Director  
(DIN : 07444898)

Sd/-  
**(RAJENDRA CHAUDHARI)**  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
**(Inder Jeet Dhawan)**  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019



## NOTE – 1

### CONSOLIDATED ACCOUNTING POLICIES

#### 1.1. NATURE OF PRINCIPAL ACTIVITIES

NBCC (India) Limited and (referred to as “NBCC” or “the Company” or “Parent Company”) is a Government of India Navratna Enterprise under the Ministry of Urban Development. The Company operates into three major segments namely Project Management Consultancy, Engineering Procurement & Construction and Real Estate.

#### 1.2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

The Parent Company is incorporated and domiciled in India with registered office at New Delhi. The Parent Company are headquartered in New Delhi, India. The shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange.

The Consolidated Financial Statements of the Group have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 issued by Ministry of Corporate Affairs (‘MCA’). The Group has uniformly applied the Accounting Policies during the period presented.

Unless otherwise stated, all amounts are stated in lakh of Rupees.

The Consolidated Financial Statements for the year ended March 31, 2019 were authorized and approved for issue by the Board of Directors on May 29, 2019.

#### 1.3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements have been prepared using the Accounting Policies and measurement basis summarized below.

#### 1.4. OVERALL CONSIDERATIONS

The Consolidated Financial Statements have been prepared using the significant Accounting Policies and measurement bases that are in effect at March 31, 2019 as summarised below.

##### 1.4.1. BASIS OF CONSOLIDATION

##### **Basis of Accounting:**

- i. The Financial Statements of the Subsidiary Companies and joint ventures in the consideration are drawn up to the same reporting date as of the Company for the purpose of consolidation.
- ii. The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (IndAS) 110– ‘Consolidated Financial Statements’ and Indian Accounting Standard (Ind AS) 111 – ‘Financial Reporting of interest in joint ventures’ specified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

##### **Principles of Consolidation:**

The Consolidated Financial Statements have been prepared as per the following principles:

- i. The Financial Statements of the Company and its Subsidiary Companies are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealized profits or losses.
- ii. Profit and Loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the Non-Controlling Interests (NCI) based on their respective ownership interests.

Non-controlling interests, presented as part of equity, represent the portion of a Subsidiary's Profit and Loss and net assets that is not held by the Group.

- iii. The Consolidated Financial Statements also include the interest of the Company in joint ventures, which has been accounted for using the equity method where the carrying amount of the investment in joint ventures is increased or decreased to recognize the Group's share of the Profit and Loss and other comprehensive income of the joint venture, adjusted where necessary to ensure consistency with the Accounting Policies of the Group. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

In respect of joint operations, Group recognises its share of assets, liabilities, revenue and expenses of the joint operations in the Financial Statements under appropriate headings.

Unrealized gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities.

- iv. The Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Separate Financial Statements except as otherwise stated in the notes to the accounts.

v. **Business Combination**

Acquisitions of businesses (except for Business Combinations under Common Control) are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that: –

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' and Ind AS 19 'Employee Benefits' respectively;
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 'Noncurrent Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained by the Group during the 'measurement period' about facts and circumstances that existed at the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period recognising additional assets or liabilities (if any) to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

#### **Business Combination under Common control**

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C to Ind AS 103 and are accounted for using the pooling of- interest method as follows:

- The assets and liabilities of the combining entities are reflected at the carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identities of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is considered as capital reserve/ cost of control and is presented separately.

### **Non-controlling interests**

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders.

Non-controlling interests are initially measured at the proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

### **Cost of Control on consolidation**

Cost of control arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business.

## **1.4.2. FOREIGN CURRENCY TRANSLATION**

### **Functional and Presentation Currency**

The Consolidated Financial Statements are presented in Indian Rupee ('INR'), which is the functional currency of the Parent Company.

### **Foreign Currency Transactions and Balances**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of Group at rates different from those at which they were initially recorded during the year, or reported in previous Financial Statements, are recognized as income or as expenses in the year in which they arise.

### **Foreign Operations**

For the foreign operations of the Group, all assets and liabilities are translated into INR using the exchange rate prevailing at the reporting date and their Statement of Profit and Loss are translated at average rates prevailing over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

## **1.5. REVENUE RECOGNITION**

The Company derives revenues primarily from Constructions contracts and Real Estate Projects. Construction contracts comprise of geo-technical investigations, topographical surveys, resource-planning, preparation of DPR, obtaining statutory approvals, construction of the building, ratification of defects during defect liability period etc. ("together called as construction related services"). In case of Redevelopment construction contracts, sale of the redevelopment properties is also entrusted onto the company in addition to the construction related services. In Real Estate projects, the contract with customer comprises of delivery of residential/ commercial space, parking slots, after sale maintenance services etc.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer.

**a) Project Management Consultancy**

In case of PMC contracts, the Company undertakes to perform tasks such as geotechnical investigations, topographical surveys, resource-planning, preparing detailed engineering designs and supervising execution of works etc. For contracts where there is one performance obligation, revenue is recognized over time based on the input method of measuring progress as in these contracts, the customer receives and uses the benefits simultaneously.

Some redevelopment construction contracts include additional deliverables, such as marketing and publicity services or the services relating to appointment of real estate consultant, e-auction etc. of commercial and residential areas. These services are separately sold in the market with no dependence on the construction related services and therefore are accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. For marketing and publicity services, the performance obligation is to facilitate and manage the sale process on behalf of client. The performance obligation is satisfied at the time of booking of sale of unit on behalf of client. The revenue is recognized at a point in time when the performance obligation is completed.

For maintenance services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.

**b) Real Estate Development**

In real estate development contracts, there are multiple promises such as (a) Sale of property, (b) Sale of additional parking slots and (c) Maintenance services etc. These individual items are sold separately in market and add value to the customer on an individual basis. Therefore, these services are considered as separate performance obligations.

The revenue for these performance obligations is recognized based on the stand-alone selling prices.

Revenue for 'sale of property' and 'sale of additional parking slots' is recognized when control over the property has been transferred to the customer. The properties have generally no alternative use for the Company due to contractual restrictions. An enforceable right to payment does not arise until the transfer of control of property to customer. Revenue is recognized at a point in time when the possession is handed over to the customer including deemed possession.

For maintenance services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.

**c) Engineering, Procurement and Construction (EPC)**

Under EPC Contracts, the Company is required to construct, manufacture or develop an asset on behalf of a customer, which is considered as a single performance obligation as the bundle of goods or services represent the combined output for which the customer has contracted with the Company i.e. construction of the project/asset.

For EPC contracts, transaction price is the price which is contractually agreed with the customer for provision of services. The revenue is recognized over time based on the input method of measuring progress because in such contracts, the customer receives and uses the benefits as the Company performs its obligation.

**Revenue includes:**

1. Work done for which only letters of intent have been received, however, formal contracts / agreements are in the process of execution.

2. Work executed and measured by the Company pending certification by the client.
3. Work executed but not measured/ partly executed is accounted for at engineering estimate.
4. Extra / Substituted items and the Claims lodged against clients to the extent considered realizable.

## 1.6 OTHER INCOME

### Interest, Dividend and Rental income

Interest income is reported on an accrual basis using the Effective Interest Rate method. Interest income on mobilisation advances given to contractors recoverable in short term is recognised using simple interest method which approximates the effective interest rate.

Interest income on bank deposits held on behalf of client is netted off from interest payable to client on such deposits.

Dividend income is recognised at the time the right to receipt is established.

Rental income is recognised on a straight-line basis over the period of lease terms.

Other items of income are recognised in the statement of profit and loss when control of respective goods or service has been transferred to customer.

## 1.7. INTANGIBLE ASSETS

### Recognition

Intangible assets are initially measured at cost of acquisition thereof. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

### Subsequent Measurement (Amortization)

Amortization on Intangible Assets is charged on the straight line method on the basis of rates arrived at with reference to the useful life of the assets evaluated and approved by the Management.

Asset category	Estimated useful life (in years)
<b>Other Intangible Assets</b>	
Computer Software	3 Years

### De-recognition

An item of Intangible Asset or any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss Account when the asset is derecognised.

## 1.8. PROPERTY, PLANT AND EQUIPMENT

### Recognition

Properties Plant and Equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

On transition to Ind AS, the group 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.

### Subsequent Measurement (Depreciation)

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The following useful lives are applied:

Asset category	Estimated useful life (in years)
<b>Buildings</b>	
Building (other than factory buildings) RCC Frame Structure	60 Years
Building Other than RCC Frame structure	30 Years
Other (including temporary structure, etc.)	3 Years
<b>Plant and Machinery used in civil construction</b>	
Earth moving equipments	9 Years
Others	12 Years
<b>Furniture and fittings</b>	10 Years
<b>Motor Vehicles</b>	8 Years
<b>Office equipment</b>	5 Years
<b>Computers and data processing units</b>	
Servers and networks	6 Years
End user devices, such as, desktops, laptops, etc.	3 Years

Premium paid on land where lease agreements have been executed for specified period are written off over the period of lease proportionately.

Property, Plant and Equipment individually costing upto ₹ 10,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Investment Properties are reviewed at each financial year end and adjusted prospectively, if appropriate.

### De-Recognition

An item of Investment Property and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognised.

## 1.9. INVESTMENT PROPERTY

### Recognition

Investment Properties are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

### Subsequent Measurement (Depreciation)

Depreciation on Investment Property is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The following useful lives are applied:



Asset category	Estimated useful life (in years)
<b>Buildings</b>	
Building(other than factory buildings)	60 Years
Other (including temporary structure, etc.)	3 Years

The residual values, useful lives and methods of depreciation of Investment Properties are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### 1.10. LEASES

##### Group as a lessee

##### Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

The interest element of lease payments is charged to Statement of Profit and Loss, as finance costs over the period of the lease. The leased asset is depreciated over the useful life of the asset or lease term whichever is lower.

##### Operating Leases

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to Statement of Profit and Loss on straight line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

##### Group as a lessor

##### Operating lease

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Group with expected inflationary costs.

#### 1.11. IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal / external indicators. An impairment loss is recognised in the Statement of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

#### FINANCIAL INSTRUMENTS

##### Financial Assets

##### Initial recognition and measurement

Financial Assets and Financial Liabilities are recognised when the Group becomes a party to the contractual provisions of the Financial Instrument and are measured initially at fair value adjusted for transaction costs.

**Subsequent measurement**

- i. **Debt instruments at amortised cost**— A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through Other Comprehensive Income or Fair value through Profit and Loss based on Group's business model.

- ii. **Equity investments** – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value through Profit and Loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument to instrument basis.
- iii. **Mutual funds** – All mutual funds in scope of Ind-AS 109 are measured at fair value through Profit and Loss (FVTPL).

**De-recognition of Financial Assets**

A Financial Asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

**Financial Liabilities****Initial Recognition and Measurement**

All Financial Liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the Financial Liabilities is also adjusted. Financial Liabilities are classified as amortised cost.

**Subsequent Measurement**

Subsequent to initial recognition, these liabilities are measured at Amortised Cost using the Effective Interest Rate Method.

**De-Recognition of Financial Liabilities**

A Financial Liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. Consequently write back of unsettled credit balances and invoked bank guarantee is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognised in Other Operating Revenues.

Further 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### **Offsetting of 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.

#### **1.12. IMPAIRMENT OF FINANCIAL ASSETS**

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for Financial Assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group considers the following –

- All contractual terms of the Financial Assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### **Trade Receivables**

As a practical expedient the Group has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime expected credit losses.

#### **Other Financial Assets**

For recognition of impairment loss on other Financial Assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

#### **1.13. INVENTORIES**

Inventories are valued as under:

**Land Bank** – It consists of asset purchased by the Company that it intends to develop later on into residential / commercial project but on which no construction has commenced. Land is initially recognized at fair value which is generally the cost or net realizable value whichever is less. However, it is discounted to present value when payment terms are deferred for a period of more than one year.

**Work in Progress** – Work-in-Progress includes construction work in progress and unsold portion of completed Real Estate Projects. Increase / decrease in Work-in-Progress is accounted for as Income or Expenditure for the year, as the case may be. Valuation of Work-in-Progress including unsold portion of reality project is being done on basis of actual cost and overheads incurred which are directly attributable to project, till completion or net realizable value whichever is less.

**Direct Materials, Stores and Spare Parts** are valued at lower of cost or net realizable value. Cost is determined on Weighted Average Cost Method.

**Consumables** including Catering, Shuttering and Scaffolding, Loose Tools, Laboratory Equipment, empty containers & others are valued on the basis of realizable value, based on the engineering estimate.

Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

#### **1.14. INCOME TAXES**

Tax expense recognised in Profit and Loss comprises the sum of Current Tax and Deferred Tax not recognised in Other Comprehensive Income or directly in Equity.

Calculation of Current Tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using balance sheet approach.

Deferred Tax Liabilities are generally recognised in full for all taxable temporary differences.

Deferred Tax Assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

#### **1.15. CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents comprise Cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **1.16. EQUITY, RESERVES AND DIVIDEND PAYMENTS**

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity includes Other Comprehensive Income (OCI) arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets.

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

#### **1.17. NON CURRENT ASSET HELD FOR SALE**

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumption.

#### **1.18. POST-EMPLOYMENT BENEFITS AND SHORT-TERM EMPLOYEE BENEFITS**

##### **Defined Contribution Plan**

Group's Contribution paid/payable during the year to Provident Fund, EPS 1995 and Group's Pension Scheme is

recognised in the Statement of Profit and Loss for the year in which the related services are rendered. The same is paid to a fund administered through separate trusts and by EPFO.

#### **Defined Benefit Plan**

Group's liability towards gratuity, post-retirement medical benefits and TA on Superannuation are determined by independent actuary, at the year-end using the projected unit credit method. Actuarial gains or losses are recognised in the other comprehensive income. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

#### **Other Long-Term Benefits**

Group's liability towards leave (earned and sick) and long service awards is determined by independent actuary, at the year-end using the projected unit credit method. Actuarial gains or losses are recognised in the Profit and Loss.

#### **Short Term Employee Benefits**

Short term benefits comprise of employee costs such as salaries, bonus, PLI, PRP and short-term compensated absences are accrued in the year in which the associated services are rendered by employees of the Group.

#### **Employee Separation Costs**

Ex-gratia to employees who have opted for retirement under the voluntary retirement scheme of the Group is charged to statement of Profit and Loss in the year of acceptance of the option by the management.

### **1.19. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions recognised by the Group include provisions for warranties, Research & Development, Contingencies, Onerous Contracts and Corporate Social Responsibility (CSR). A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent Liabilities are disclosed on basis of judgment of management after a careful evaluation of facts and legal aspects of matter involved.

Contingent Assets are disclosed when probable and recognised when realization of income is virtually certain.

### **1.20. ARBITRATION AWARDS**

Arbitration / Court's awards along with related interest receivable/payable are, to the extent not taken into accounts at the time of initiation, are recognized after it becomes decree. Permanent Machinery of Arbitration, Govt of India, is accounted for on finalisation of award by the appellate authority. Interest to/ from in these cases are accounted when the payment is probable which is the point when matter is considered settled by management.

### **1.21. LIQUIDATED DAMAGES**

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

**1.22. PRIOR PERIOD EXPENDITURE/ INCOME**

Expenditures / Incomes relating to prior periods and considered not material has been accounted for in the respective head of accounts in the current year.

**1.23. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY**

Financial Statements are prepared in accordance with GAAP in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the Financial Statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in the Group's Financial Statements are based upon management's evaluation of relevant facts and circumstances as of date of Financial Statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing Group's Financial Statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Accounting Standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

**Significant Management Judgements**

The following are significant management judgements in applying the Accounting Policies of the Group that have the most significant effect on the Financial Statements.

**Recognition of Deferred Tax Assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for Impairment of Assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Property, Plant and Equipment** - Management assess the remaining useful lives and residual value of property, Plant and Equipment and believes that the assigned useful lives and residual value are reasonable (see note 4.6).

**Estimation Uncertainty**

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

**Revenue Recognition** – where revenue contracts include deferred payment terms, the management determines the fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

**Recoverability of Advances/ Receivables** – The Project heads, Zonal heads and Regional/Strategic Business groups from time to time review the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

**Defined Benefit Obligation (DBO)** - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

**Contingencies** - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

**Provisions for Warranties** - Management's estimate of the warranties are based on engineering estimates and variation in these assumptions may impact the provision amount and the annual warranty expenses.

**Liquidated Damages** - Liquidated Damages receivable are estimated and recorded as per contractual terms; estimate may vary from actuals as levy on contractor.

## 1.24 STANDARDS ISSUED AND ARE EFFECTIVE

### Ind AS 12 – Income Taxes

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit.

The above mentioned insertion/amendments do not have any significant impact over deferred tax computation on the company.

**Ind AS 115- Revenue from Contract with Customers: On March 28, 2018 :** Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers effective from April 1, 2018. The company has adopted the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 are not be retrospectively adjusted. Detailed disclosures as mandated by the standard are incorporated in the financial statements (Refer Note no. 46)

## 1.25 STANDARDS ISSUED BUT NOT EFFECTIVE

**Ind AS 116 Leases :** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or



- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting | Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

**Amendment to Ind AS 12 – Income taxes :** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit and loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the impact of this amendment in the Standalone Financial Statements.

## Note-2

### Property Plant and Equipment

Details of the Group's Property, Plant and Equipment and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(₹ in lakh)

Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation/Amortisation				Net Book Value	
	As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	Charge for the Year	On Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
a. Tangible Assets										
Land & Buildings*	6,164.79	4,417.48	655.17	9,927.10	267.81	45.39	32.53	280.67	9,646.43	5,896.98
Plant and Equipment	1,677.34	-	171.15	1,506.19	471.49	98.15	155.96	413.68	1,092.51	1,205.85
Furniture and Fixtures	667.04	70.70	0.24	737.50	212.37	61.03	0.24	273.16	464.34	454.67
Vehicles	138.42	-	5.40	133.02	52.68	(2.53)	1.80	48.35	84.67	85.74
Office Equipment	1,079.97	57.71	0.69	1,136.99	679.29	130.32	0.53	809.08	327.91	400.68
Others (Office Furniture)	92.87	4.43	0.64	96.66	43.95	10.14	0.64	53.45	43.21	48.92
Temporary Hutment	49.65	-	-	49.65	38.55	11.11	-	49.66	(0.01)	11.10
Total (i)	9,870.08	4,550.32	833.29	13,587.11	1,766.14	353.61	191.70	1,928.05	11,659.06	8,103.94
b. Tangible Assets (Under Lease)										
Land**	3,370.92	29.54	157.97	3,242.49	146.24	33.04	-	179.28	3,063.21	3,224.68
Buildings#	1,516.81	1,864.76	-	3,381.57	79.34	40.31	-	119.65	3,261.92	1,437.47
Total (ii)	4,887.73	1,894.30	157.97	6,624.06	225.58	73.35	-	298.93	6,325.13	4,662.15
TOTAL (i+ii)	14,757.81	6,444.62	991.26	20,211.17	1,991.72	426.96	191.70	2,226.98	17,984.19	12,766.09
Previous Year	14,297.20	500.84	40.22	14,757.82	1,430.26	580.94	19.47	1,991.73	12,766.09	

A \*Freehold land includes 4841.66 Sq. Yard of land acquired from Greater Mohali Area Development Authority, in Sector-80, S.A.S Nagar (Mohali) for Office Building Complex for ₹ 1,532.32 lakh during the financial year 2015-16. During the FY 2016-17 an amount of ₹ 15.97 lakh was added, being the cost of boundary wall constructed for demarcation of the plot.

\* Disposal of Gross Block & Accumulated Depreciation of Tangible Assets Land & Buildings includes Residential Flat at Asiad Village amounting to ₹ 619.37 lakh & ₹ 32.53 lakh respectively transferred to Assets held for sale (Refer Note 21).

B \*\* No provision for amortisation has been made on land acquired under Perpetual Lease. Leasehold land is amortised on straight line basis over the unexpired period of their respective lease ranging from 85 - 90 years

\*\* Leasehold land includes a property of 8.28 cottahs of land acquired during FY 2015-16 lying at Plot No. I-5B, Mouza-Laskarhat, J.L. No. 11, P.S Tiljala, Mouja-Kasba, District : 24-Parganas of 99 years from Kolkata Metropolitan Development Authority for ₹ 608.06 lakh. Since the aforesaid land is taken on period of 99 years Lease basis, so amortisation there against has been provided.

\*\* Leasehold Land is amortised proportionately over 90 years from the date of Lease deed from 1996 valuing ₹ 57.49 lakh and from 2006 valuing ₹ 389.16 lakh Two plots no. E-13 and E-14 at Sector – 1, Noida measuring 2518.13 square meters were allotted to HSCC (India) limited and the supplementary lease deed was executed with New Okhla Industrial Development Authority (NOIDA) on 22nd April, 2013. As per clause no. 4 of the deed the lessee i.e. HSCC (India) Ltd. shall have to erect and complete the construction of building on the demised land within

the specified period of four years unless the lessor allows extension of time. As per lease deed clause allowed time for constructions has already expired on 21-04-2017 and the Company has neither applied for extension of time nor constructed the building. Therefore, the Company has made a provision of ₹ 21,95,252/- as extension fee as per the lease deed extension charges clause payable to New Okhla Industrial Development Authority.

\*\* Disposal of Gross Block of Tangible Assets (Under Lease) includes Land at Golf Link amounting to ₹ 157.97 lakh transferred to Assets held for sale (Refer Note 21)

- C # Building of written down value of ₹ 499.12 lakh (31 March 2018: ₹ 513.75 lakh) is constructed on land of 56.41 acres (approx) taken on long term lease.
- D During the year, HSCC a subsidiary of the parent, has changed its accounting estimates with respect to the following –
1. Expected pattern of consumption of the future economic benefits embodied the property, plant and equipment. The Company has now prospectively applied depreciation on property, plant and equipment on straight line method on a monthly pro-rata basis over the remaining useful life of the assets and residual value of the any specific asset as prescribed under Schedule II to the Companies Act, 2013
  2. Assets costing up to ₹ 10,000/- each are fully depreciated in the year of purchase. Previously this amount was ₹ 5,000/-.
- The changes in the above accounting estimates have resulted in increase in profit for the year ended March 31, 2019 by ₹ 33.20 lakh.
- E The amount of Contractual Commitments for the acquisition of Property, Plant and Equipments are as follows:-

(₹ in lakh)

Particulars	Period	Upto 1 year	More than 1 year	Total
Land	As at March 31, 2019	-	-	-
	As at March 31, 2018	83.18	-	83.18

- F Lease / Title Deeds for the following Land and Buildings are pending for execution in the name of Group.:

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Land at MBP, Mehrauli Road, Ghitorni, New Delhi.	195.77	195.77
(ii) Land at Golf Link, New Delhi	-	157.97
(iii) Land at Raipur	340.49	310.95
(iv) Land at Faridabad	1,218.73	1,139.00
(v) Office Building at Arun Chambers, Mumbai	1.04	1.04
(vi) Office Building at Assam	379.35	363.70
(vii) Flats at Kidwai Nagar	1,864.76	-
(viii) NSL Office Building at Okhla	585.75	-
(ix) HSCL Office Building at Okhla	1,342.25	-
(x) HSCC Office Building at Okhla	2,349.41	-

The above figures represent the Land Cost including provision for stamp duties payable on execution of lease / title deeds made in respect of (iii) to (vi).

### Note-03

#### Capital Work in Progress

Details of the Group's Capital Work in Progress and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(₹ in lakh)

S. No.	Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value	
		As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	Charge for the Year	On Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
a	Capital Work in Progress	16.77	-	-	16.77	-	-	-	-	16.77	16.77
	<b>TOTAL</b>	<b>16.77</b>	<b>-</b>	<b>-</b>	<b>16.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.77</b>	<b>16.77</b>
	Previous Year	16.77	-	-	16.77	-	-	-	-	16.77	

### Note -04

#### Investment Property

(₹ in lakh)

S. No.	Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value	
		As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	Charge for the Year	On Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
a	Buildings	170.70	-	-	170.70	3.82	2.70	-	6.52	164.18	166.88
	<b>TOTAL</b>	<b>170.70</b>	<b>-</b>	<b>-</b>	<b>170.70</b>	<b>3.82</b>	<b>2.70</b>	<b>-</b>	<b>6.52</b>	<b>164.18</b>	<b>166.88</b>
	Previous Year	170.70	-	-	170.70	1.13	2.69	-	3.82	166.88	

#### (i) Amounts recognised in Statement of Profit & Loss for Investment Properties:

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Rental Income	8.48	10.07
Direct Operating Expenses from property generating Rental Income (including Repair and Maintenance)	-	-
<b>Profit from Investment Properties before depreciation</b>	<b>8.48</b>	<b>10.07</b>
Depreciation	(2.70)	(2.69)
<b>Profit from Investment Properties</b>	<b>5.78</b>	<b>7.38</b>

#### (ii) Leasing Arrangements

Certain Investment Properties are leased to tenants under long-term operating leases with rentals payable monthly (Refer Note 46). The Group Capitalized ₹ 170.70 lakh from Inventory (Real Estate Completed Projects) as investment property in the financial year 2016-17. Future minimum lease payments receivable under long-term operating leases of Investment Properties in the aggregate is ₹ NIL lakh {Previous Year ₹ 28.16 lakh} and for each of the following period:

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Within one year	-	3.58
Later than one year but not later than 5 years	-	16.96
Later than 5 years	-	7.62

#### (iii) Fair value

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Buildings	173.00	157.00

(vi) Lease / Title Deeds for the following Investment Property is pending for execution in the name of Group.

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Buildings	170.70	170.70

(v) Description of Valuation Techniques used and key inputs to Valuation on Investment Properties:

Valuation Approach - Market Approach, This Approach is utilized to estimate the value of the subject site by comparing recent sales of similar interests located in the surrounding area. By analyzing sales which qualify as 'arms hand length transactions, between willing buyers and sellers, adjustments can be made for size, location, time, amenities and other relevant factors when comparing such sales against the subject property. This approach is based on the premise that a prudent and knowledgeable buyer will pay no more for a property than the cost to acquire an equally desirable substitute of similar utility.

Commercial property in same commercial complex was used for comparison and adjustments made for following factors

- Listing Discount,
- Location,
- Size, and
- Time

(vi) All resulting fair value estimates for Investment Properties are included in level 2 Fair Value

## Note-05

### Other Intangible Assets

(₹ in lakh)

S. No.	Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value	
		As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	Charge for the Year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
a	Computer Software	16.10	0.67	-	16.77	5.86	6.73	-	12.59	4.18	10.24
	<b>TOTAL</b>	16.10	0.67	-	<b>16.77</b>	5.86	6.73	-	<b>12.59</b>	<b>4.18</b>	10.24
	Previous Year	30.12	5.57	-	35.69	18.70	6.75	-	25.45	10.24	-

"During the year, HSCC a subsidiary of the parent, has changed its accounting estimates with respect to the following –

- Expected pattern of consumption of the future economic benefits embodied the property, plant and equipment.. The Company has now prospectively applied depreciation on property, plant and equipment on straight line method on a monthly pro-rata basis over the remaining useful life of the assets and residual value of the any specific asset as prescribed under Schedule II to the Companies Act, 2013
- Assets costing up to ₹ 10,000/- each are fully depreciated in the year of purchase. Previously this amount was ₹ 5,000/-. The changes in the above accounting estimates have resulted in increase in profit for the year ended March 31, 2019 by ₹ 1.60 lakh."

## Note-06

### Intangible assets under development

(₹ in lakh)

S. No.	Particulars	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value	
		As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	Charge for the Year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
a	Capital Work in Progress	13.16	-	-	13.16	-	-	-	-	13.16	13.16
	<b>TOTAL</b>	13.16	-	-	<b>13.16</b>	-	-	-	-	<b>13.16</b>	13.16
	Previous Year	6.21	6.95	-	13.16	-	-	-	-	13.16	-

**Note-07**
**Intangible assets under development**

(₹ in lakh)

Investments Accounted for using Equity Method	As at March 31, 2019	As at March 31, 2018
Investment in Joint Ventures	1,630.58	1,664.74
Less: Aggregate amount of Impairment in Value of Investments	-	-
<b>Total</b>	<b>1,630.58</b>	<b>1,664.74</b>

**Note-07 A**

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Aggregate Amount of Quoted Investments and Market Value thereof	-	-
(b) Aggregate Amount of Unquoted Investments	1,630.58	1,664.74
(c) Aggregate Amount of Impairment in Value of Investments	-	-
<b>Total</b>	<b>1,630.58</b>	<b>1,664.74</b>

**Note-07 B**
**Detail of Trade Investments in Joint Ventures (Unquoted)**

(₹ in lakh)

S.No	Particulars	Place of Business	Share of Profit		Amount ( ₹ in lakh)	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	<b>Investment in Company</b> Real Estate Development & Construction Corporation of Rajasthan Limited - 2000000 equity shares of ₹ 10 each, fully paid up*	India	50.00%	50.00%	170.46	163.69
2	<b>Investment in Association of Persons</b> NBCC-MHG	India	50.00%	50.00%	1,396.05	1,436.91
3	NBCC-AB	India	50.00%	50.00%	64.07	64.15
	<b>Total</b>				<b>1,630.58</b>	<b>1,664.74</b>

\* 2 equity shares in Joint Venture Company are held in the name of nominees of the company.

**Note-08**

(₹ in lakh)

Investments - Non Current	As at March 31, 2019	As at March 31, 2018
Investment in Equity Instruments :		
Engineering Projects (India) Limited - 210 equity shares of ₹ 10 each, fully paid up*	0.02	0.02
Other Investments:		
Investment in Joint Ventures**	1,113.36	1,116.76
Less: Aggregate amount of Impairment in Value of Investments	-	(3.40)
<b>Total</b>	<b>1,113.38</b>	<b>1,113.38</b>

\* 54 Equity Shares of ₹ 1000.00 each fully paid up in Engineering Projects (India) Limited (A Government of India Undertaking) acquired at a cost of ₹ 54,000 but reduced to ₹ 38.95 each after restructuring of the company later on, The Company (EPI) in their 40th Annual General Meeting approved the splitting of shares of face value of ₹ 38.95 each into the face value of ₹ 10 each. As a result, the shareholding of HSCL in EPI has been changed from 54 Equity Share of ₹ 38.95 to 210 share of ₹ 10 each.

\*\* Reason for Non Consolidating this Investment (Refer Note No - 55A )

**Note-08 A**

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Aggregate Amount of Quoted Investments and Market Value thereof	-	-
(b) Aggregate Amount of Unquoted Investments	1,113.38	1,116.78
(c.) Aggregate Amount of Impairment in Value of Investments	-	3.40
<b>Total</b>	<b>1,113.38</b>	<b>1,113.38</b>

**Note-08 B**

**Detail of Trade Investments in Joint Ventures (Unquoted)**

(₹ in lakh)

S.No	Particulars	Place of Business	Share of Profit (%)		Amount (₹ in lakh)	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	<b>Investment in Company</b> Jamal NBCC International (PTY) Limited* Less: Provision for diminution in the value of Investment Jamal NBCC International (PTY) Limited	Botswana	<b>49.00%</b>	49.00%	-	3.40
	<b>Investment in Association of Persons</b> Investment in Association of Persons				-	(3.40)
2	NBCC-R. K. Millen #	India	<b>50.00%</b>	50.00%	<b>1,113.36</b>	1,113.36
	<b>Total</b>				<b>1,113.36</b>	<b>1,113.36</b>

\* The Group has written off investment in Jamal NBCC International (PTY) Limited during the financial year keeping in view the high litigation costs and uncertainty involved in dissolutions of disputes with Joint Venture partners.

# The Group has received an amount of ₹ 1569.31 lakh on behalf of Joint Venture under the arbitration award in favour of company. However, pending decision of special leave petition in Hon'ble High Court Delhi filed by M/s R.K. Millen & Co (India) Private Limited, the same is not adjusted against the investment.

**Note-09**

(₹ in lakh)

Other Financial Assets (Non Current)	As at March 31, 2019	As at March 31, 2018
Retention Money & Security Deposits with Clients & Others (Net)	9,334.56	6,427.11
Advance Recoverable from Staff	10.78	16.29
<b>Total</b>	<b>9,345.34</b>	<b>6,443.40</b>

**Note-10**

(₹ in lakh)

Deferred Tax Assets (Net)	As at March 31, 2018	(Charged) / Credited to Statement of Profit & Loss	(Charged) / Credited to OCI	Ind AS 115 Adjustment	As at March 31, 2019
<b>Deferred Tax Assets</b>					
Arising on account of Temporary difference in					
Provision for Employee Benefits	1,831.96	1,399.88	-	-	3,231.84
Impairment Allowance	10,600.02	2,000.10	-	-	12,600.12
Provision for Research & Development	264.89	42.89	-	-	307.78
Provision for Warranty Charges	824.64	73.56	-	-	898.20
Provision for Onerous Contract	100.84	64.46	-	-	165.30
Provision for Other Contingency	1,081.10	10.33	-	-	1,091.43
Provision for Inventories	-	179.22	-	-	179.22
Provision for Other Financial Assets	-	502.82	-	-	502.82
Advance Revenue PMC	2,664.72	(1,390.83)	-	21,624.61	22,898.50
Advance Revenue Real Estate	-	(2,340.20)	-	5,422.14	3,081.94
Amortised Value of Financial Assets	578.77	(483.59)	-	46.63	141.81
Carry Forward Losses	65.46	41.80	-	-	107.26



Deferred Tax Assets (Net)	As at March 31, 2018	(Charged) / Credited to Statement of Profit & Loss	(Charged) / Credited to OCI	Ind AS 115 Adjustment	As at March 31, 2019
MAT Credit Entitlement**	2,376.65	945.99	-	-	3,322.64
Exchange difference on translation of Foreign Operations	7.40	-	42.99	-	50.39
Inter company sale of Properties	-	3,041.64	-	-	3,041.64
<b>Deferred Tax Liabilities</b>					
Arising on account of Temporary difference in Depreciation	634.61	245.98	-	-	880.59
Amortised Value of Financial Liabilities	495.66	(495.66)	-	-	-
Interest on Income Tax Refund	172.46	(172.46)	-	-	-
<b>Total</b>	<b>19,093.72</b>	<b>4,510.21</b>	<b>42.99</b>	<b>27,093.38</b>	<b>50,740.30</b>

#### \*\*Expiry Date of Minimum Alternative Tax Credit

(₹ in lakh)

Expiry Year	As at March 31, 2019	As at March 31, 2018
1 April 2031 - 31 March 2032#	1,540.14	1,540.14
1 April 2033 - 31 March 2034#	836.51	836.51
1 April 2034 - 31 March 2035	945.99	-

# From financial year ended 31 March 2018, section 115JAA has been amended to provide tax credit determined under this section can be carried forward up to the 15th assessment year, immediately succeeding the assessment years in which such tax credit becomes allowable.

#### Expiry Date of Unused Tax Losses and Depreciation for which No Deferred Tax Asset has been Recognised:

(₹ in lakh)

Expiry Year	As at March 31, 2019	As at March 31, 2018
Unused Tax Losses		
1 April 2019 - 31 March 2020	-	87.47
1 April 2020 - 31 March 2021	-	1,137.48
1 April 2024 - 31 March 2025	13,787.28	16,471.37
Unabsorbed Depreciation for Indefinite Period	2,520.39	2,520.39

#### Note-11

(₹ in lakh)

Non Current Tax Assets (Net)	As at March 31, 2019	As at March 31, 2018
Advance Income Tax	56,345.41	48,591.06
Less: Provision for Taxation	52,875.05	47,236.13
<b>Total</b>	<b>3,470.36</b>	<b>1,354.93</b>

#### Note-12

(₹ in lakh)

Non Current Tax Assets (Net)	As at March 31, 2019	As at March 31, 2018
Capital Advances	731.00	2,342.03
Prepaid Expenses	201.37	30.01
<b>Total</b>	<b>932.37</b>	<b>2,372.04</b>

For Amount of Capital Commitments for the acquisition of Capital Assets (Refer Note No - 44)

**Note-13**

(₹ in lakh)

Inventories	As at March 31, 2019		As at March 31, 2018	
Raw Materials and components		8.56		8.56
Land Bank		66,441.53		63,334.87
Work-in-progress				
(i) Construction Work in Progress	71,465.34		92,486.29	
(ii) Completed Projects *	45,586.63		9,579.47	
(iii) Less : Provision for Impairment	497.23	116,554.74	-	102,065.76
Stores and spares	76.10		42.06	
Loose Tools	30.25		53.50	
Scrap	11.06		5.64	
Centering, Shuttering and Scaffolding	207.08		296.97	
Hostel Staff Camp Equipments	0.38		0.38	
Finished Goods	15.48		15.48	
Less: Provisions for Obsolescence	15.65	324.70	5.03	409.00
<b>Total</b>		<b>1,83,329.53</b>		<b>1,65,818.19</b>

\* Work in Progress includes ₹ 916.96 lakh (Previous Year ₹ 916.96 lakh ) as Group's share in a Jointly developed project. Group has 76.98% Interest in NBCC - Agartala Municipal Corporation (Joint Operation)

**Note-14**

(₹ in lakh)

Current Investments	As at March 31, 2019	As at March 31, 2018
Investment in Mutual Funds		
Investment in Liquid Fund Cash Plan	1,501.47	-
<b>Total</b>	<b>1,501.47</b>	<b>-</b>

**Note -14 A**

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Aggregate Amount of Quoted Investments and Market Value thereof	-	-
(b) Aggregate Amount of Unquoted Investments	1,501.47	-
(c.) Aggregate Amount of Impairment in Value of Investments	-	-
<b>Total</b>	<b>1,501.47</b>	<b>-</b>

**Note-14 B**

(₹ in lakh)

Details of Current Investments	No. of Units		Amount	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Others - Unquoted				
Mutual Funds				
UTI Liquid Cash- Institutional Plan-Daily Dividend-Reinvestment, Fully Paid	147,281.52	-	1,501.47	-
<b>Total</b>	<b>147,281.52</b>	<b>-</b>	<b>1,501.47</b>	<b>-</b>

#### Note-15

(₹ in lakh)

Trade Receivables	As at March 31, 2019		As at March 31, 2018	
Secured:				
- Considered Good		-		-
Unsecured:				
- Considered Good	276,944.41		291,339.88	
- Considered Doubtful	1,145.13	278,089.54	1,413.26	292,753.14
Impairment Allowance :				
- Unsecured, Considered Good	32,054.88		26,050.97	
- Unsecured, Considered Doubtful	1,145.13	33,200.01	1,413.26	27,464.23
<b>Total</b>		<b>244,889.53</b>		<b>265,288.91</b>

#### Note-16

(₹ in lakh)

Cash and Cash Equivalents	As at March 31, 2019	As at March 31, 2018
Balances with Banks in Current Account *	49,977.95	31,914.96
Cash in hand	0.05	0.06
Remittances in Transit	29.00	1,363.80
Cheques in Hand	-	33.01
Flexi Deposits upto 3 months Original Maturity **	119,133.91	122,453.97
Fixed Deposits upto 3 months Original Maturity#	21,614.13	7,052.20
<b>Total</b>	<b>190,755.04</b>	<b>162,818.00</b>
* Includes Balances with Banks under Lien	12.65	-
* Includes Balances in Unpaid Dividend Account	1,161.78	10.80
* Includes Balances in Interim Dividend Account	-	1,192.50
* Includes Balances Research and Development Fund	16.77	16.77
* Includes Balances Sustainable Development Fund	12.91	12.91
** Includes Interest Accrued on Flexi Deposits	297.59	37.08
# Includes Interest Accrued on Flexi Deposits	2.63	-

#### Note-17

(₹ in lakh)

Bank Balance Other Than Above	As at March 31, 2019	As at March 31, 2018
<b>Other Bank Balances</b>		
Flexi Deposits having Original Maturity more than 3 months and upto 12 Months	26,209.27	33,466.89
Fixed Deposits having Original Maturity more than 3 months and upto 12 Months. *	292,317.88	274,755.65
<b>Total</b>	<b>318,527.15</b>	<b>308,222.54</b>
* Includes Fixed Deposits with Banks under Lien	19,716.20	22,103.22
* Includes Interest Accrued on Fixed Deposits	6,375.26	5,055.00
* Includes deposits pledged against bank guarantee	1,835.50	1,151.38

\* Includes ₹ 7,960.43 lakh, (March 31, 2018 ₹ 8,417 lakh) out of ₹ 11,000 lakh received on March 28, 2017 from GOI for discharge of VRS liability. Such amounts received from the Government of India is earmarked for discharge of liability under the Voluntary Retirement Scheme as applicable to the erstwhile employees of the HSCL, a Subsidiary of the Parent.

**Note -18**

(₹ in lakh)

Other Financial Assets	As at March 31, 2019		As at March 31, 2018	
Earnest Money & Security Deposits		9,522.88		16,594.23
Unsecured Retention & Security Deposit with Clients, Considered good		27,827.86		30,899.68
Advance to Clients		98,195.51		71,532.43
Flexi Deposit having Original Maturity more than 12 Months		5.24		-
Advance Recoverable from Staff		198.64		106.91
Interest Recoverable from Contractor		2,335.46		809.79
Unbilled Revenue		24,407.97		48,632.35
Interest Recoverable	496.22		138.93	
Less : Impairment Allowance	138.93	357.29	-	138.93
Other Financial Assets**	9,967.80		10,532.51	
Less : Impairment Allowance	1,300.00	8,667.80	-	10,532.51
<b>Total</b>		<b>171,518.65</b>		<b>179,246.83</b>

\*\* Includes receivable from NHAI of ₹ 799.89 lakh for HSCL/SIPL project, on account of invoked Bank Guarantees by NHAI. An award passed on 23.02.2015 in favour of HSCL-SIPL for a principle amount of ₹ 1,964.64 lakh together with 12% interest w.e.f 27.09.2010. Accordingly total amount receivable till date of the award i.e till 23.02.2015 works out to ₹ 3,005.20 lakh, which includes the refund of the invoked BG amount of ₹ 799.89 lakh.

\*\* In implementation of the decision of the Cabinet in the meeting of the Cabinet held on 25.05.2016 on the proposal for financial restructuring of HSCL & its subsequent takeover by NBCC (India) Ltd the Government of India has released an amount of ₹ 11,000 lakh as grant to HSCL vide order dated 25.03.2017 towards the crystallised contingent liabilities which has been decided by the Supreme Court on 03.03.2016 against HSCL, as part of the VRS related liabilities.

**The following Bank Balances out of Note 16, 17 and 18 are held in the Separate Bank Accounts maintained on behalf of Clients / Ministries:-**

(₹ in lakh)

Bank Balance held on behalf of Ministries/Clients	As at March 31, 2019	As at March 31, 2018
Balances with Banks in Current Account	42,217.74	24,330.16
Flexi Deposits upto 3 months Original Maturity	112,356.73	113,848.91
Flexi Deposit having Original Maturity more than 3 months and upto 12 Months	26,209.27	33,077.25
Fixed Deposit having Original Maturity more than 3 months and upto 12 Months	220,387.20	203,736.37
Fixed Deposit having Original Maturity more than 12 months.	5.24	-
Balances with Banks in RERA Account	2,700.39	830.02
<b>Total</b>	<b>403,876.57</b>	<b>375,822.71</b>

**Note-19**

(₹ in lakh)

Current Tax Assets (Net)	As at March 31, 2019	As at March 31, 2018
Advance Income Tax	25,554.10	43,580.13
Less: Provision for Taxation	16,511.30	34,876.45
<b>Total</b>	<b>9,042.80</b>	<b>8,703.68</b>

**Note-20**

(₹ in lakh)

Other Current Assets	As at March 31, 2019	As at March 31, 2018
Advance Fringe Benefit Tax	6.86	8.82
Advances to PRWs, Suppliers & Others (Net)*	82,934.05	72,675.43
Prepaid Expenses	324.61	422.25
Balances with Government Authorities	20,416.85	18,597.00
Others	40.33	40.64
<b>Total</b>	<b>103,722.70</b>	<b>91,744.14</b>

\*Includes amount paid in advance to Gratuity Trust

1,072.67

## Note-21

(₹ in lakh)

Asset Held for Sale#	As at March 31, 2019	As at March 31, 2018
Residential Flat*	683.55	-
Land**	157.97	-
<b>Total</b>	<b>841.52</b>	<b>-</b>

#The Assets held for sale includes assets amounting to ₹744.81 lakh transferred from Property, Plant and Equipment (Refer Note2).

\* Liabilities associated with the assets held for Sale (Refer Note 29)

\*\*The above figures represent the Land Cost including provision for stamp duties payable on execution of lease / title deeds.

## Note -22

(₹ in lakh)

Equity Share Capital	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
<b>Authorised:</b>				
Equity Shares of ₹ 1/- ( Previous Year ₹ 2) each	2,00,00,00,000	20,000.00	20,00,00,000	20,000.00
<b>Issued, Subscribed &amp; Paid up</b>				
Fully paid up Equity Shares of ₹ 1/- (Previous Year ₹ 2 ) each	1,80,00,00,000	18,000.00	90,00,00,000	18,000.00
<b>Total</b>	<b>1,80,00,00,000</b>	<b>18,000.00</b>	<b>90,00,00,000</b>	<b>18,000.00</b>

## Note -22 A

(₹ in lakh)

Equity Share Capital	Equity Shares			
	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
<b>Shares outstanding at the beginning of the year</b>	1,80,00,00,000	18,000.00	90,00,00,000	18,000.00
Add : Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,80,00,00,000</b>	<b>18,000.00</b>	<b>90,00,00,000</b>	<b>18,000.00</b>

## Note -22 B

Shareholders holding more than 5% of fully paid-up equity shares:

(₹ in lakh)

Name	As at March 31, 2019		As at March 31, 2018	
	No. Of Shares	Percentage	No. Of Shares	Percentage
<b>President of India</b>	1,22,73,08,635	68.18%	66,86,08,249	74.29%
Life Insurance Corporation of India Limited	11,78,66,918	6.55%	5,89,33,459	6.55%

## Note-22 C

The Group has only one class of Equity Shares having a par value of ₹ 1 per share. Each shareholders is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

## Note-22 D

During the year 2011-12, 30000000 Equity Shares of ₹ 10/- each were issued as fully paid Bonus Shares with rights pari passu with existing Equity Shares.

During the year 2016-17, 300000000 Equity Shares of ₹ 2/- each were issued as fully paid Bonus Shares with rights pari passu with existing Equity Shares.

## Note-22 E

Group has split face value of equity share from ₹ 10/- each to ₹ 2/- per share as approved by the shareholders of the Group through postal ballot on June 02, 2016

Group has split face value of equity share from ₹ 2/- each to ₹ 1/- per share as approved by the shareholders of the Company through postal ballot on April 05, 2018.

## Note-22 F

### Reserves and Surplus

#### Nature and purpose of Other Reserves

##### Retained Earnings

Retained Earning represent the undistributed profits of the Group.

##### Capital Reserve

Capital reserve represents the undistributed profits of the HSCL, a subsidiary of the parent. Government of India has approved ₹ 20,000 lakh as outright support for repayment of term loan of ₹ 51,836 lakh as per re-structuring package, as Grant-in-Aid in the year 2015-16. The Grant has been received during the year 2016-17 and the entire loan has been paid off. The Group has recognised 51% share in capital Reserve amounting to ₹ 10259.89 lakh w.e.f April 01, 2017.

##### Capital Redemption Reserve

This reserve represents reserve created on buy-back of equity shares of the HSCC, a subsidiary of the parent. The reserve may be utilised in accordance with the provisions of the Companies Act, 2013.

##### General Reserve

General Reserve represents the statutory reserve, this is in accordance with Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Group can declared dividend, however under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Group.

##### Other Comprehensive Income

Other Comprehensive Income represents balance arising on account of Gain/(Loss) booked on Re-measurement of Defined Benefit Plans and Exchange Difference on translation of foreign operation.

## Note-23

(₹ in lakh)

Non-Current - Financial Liabilities	As at March 31, 2019	As at March 31, 2018
Security Deposits - Contractors	1,822.34	2,368.91
<b>Total</b>	<b>1,822.34</b>	<b>2,368.91</b>

## Note-24

(₹ in lakh)

Provisions- Non Current	As at March 31, 2019	As at March 31, 2018
Provisions for Employee Benefits :		
Leave Encashment	4,890.63	4,503.05
Gratuity	24.98	15.69
Travelling Allowance on Superannuation	41.01	44.47
Post Retirement Medical Benefit	5,561.96	3,563.54
Long Service Awards	135.69	108.05
Other / Contingencies	47.30	47.30
<b>Total</b>	<b>10,701.57</b>	<b>8,282.10</b>

For movements in each class of Provision during the Financial Year (Refer Note 28A)

## Note-25

(₹ in lakh)

Trade Payables	As at March 31, 2019	As at March 31, 2018
Due to Micro, Small and Medium Enterprises	760.04	-
Due to Others	400,895.15	375,919.91
Amount withheld against Work	21,966.44	16,110.96
<b>Total</b>	<b>423,621.63</b>	<b>392,030.87</b>

In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006, the outstanding, interest due thereon, interest paid etc to these enterprises are required to be disclosed. However, these enterprises are required to be registered under the Act. The required information is presented by one of the subsidiary HSCC (India) Limited, In absence of information in the group other than HSCC a subsidiary of the parent, about registration of the enterprises under the above Act, the required information could not be furnished.

## Note -26

(₹ in lakh)

Other Financial Liabilities (Current)	As at March 31, 2019	As at March 31, 2018
Earnest Money & Security Deposits	121,262.81	116,457.44
Other Payables	41,165.93	57,382.12
Unclaimed Dividend#	37.77	22.20
Interim Dividend Payable	-	10.84
<b>Total</b>	<b>162,466.51</b>	<b>173,872.60</b>

# No amount is due for credit to Investor Education and Protection Fund .

## Note-27

(₹ in lakh)

Other Current Liabilities	As at March 31, 2019	As at March 31, 2018
Taxes Payable*	20,554.79	18,442.39
Advance from Clients	428,860.41	373,411.20
Revenue Received in Advance	77,428.40	16,112.86
<b>Total</b>	<b>526,843.60</b>	<b>407,966.45</b>

\* HSCL, a subsidiary of the parent, is in the process of calculation of anti-profiteering as per Goods and Service Tax Act, 2017 for the project awarded before 01 July 2017 spill over 2017-2018 and its necessary adjustment, if any, will be carried out in the books of accounts.

\* HSCC, a subsidiary of the parent, has been made any provision of GST for value of work done taken in respect of unmeasured bills as on 31 March 2019 by the company. Similarly, no credit of GST input credit is accounted for in respect of corresponding expenses. Thus GST (input) and output will be accounted for and set off in the year in which the RA bills are raised by the contractor and also in respect of consultancy fee booked by the company on accrued basis, no GST has been accounted for on unbilled revenue.

## Note-28

(₹ in lakh)

Provisions-Current	As at March 31, 2019	As at March 31, 2018
Provision for Employee Benefits		
Gratuity	37.24	3,932.86
Leave Encashment	815.33	710.08
Travelling Allowance on Superannuation	9.09	7.10
Post Retirement Medical Benefit	1,417.54	270.52
Long Service Awards	15.40	39.31
VRS Liabilities	7,991.46	8,473.95
Provision for PRP	710.49	367.81
Provision for Warranty Charges	2,573.28	2,362.76
Provision for Research & Development	897.56	774.81
Provision for Onerous Contracts	473.03	288.59
Sustained Development Fund	12.91	12.91
Provision for Other Contingency	3,076.08	3,076.07
<b>Total</b>	<b>18,029.41</b>	<b>20,316.77</b>



For movements in each class of Provision during the Financial Year (Refer Note 28A)

**Disclosure under Ind AS -37 on “Provisions, Contingent Liabilities and Contingent Assets”:**

**Movement in Provisions**

**Note-28A**

Movements in each class of provision (Current & Non Current) during the financial year, are set out below:

(₹ in lakh)

Particular	Provision for Warranty Charges	Provision for Research & Development	Provision for Onerous Contract	Other / Contingencies	Provision for VRS Payment
As at April 1, 2018	2,362.76	774.81	288.59	3,123.38	8,473.95
Provision made during the year	309.00	333.61	184.44	-	-
Less : Paid / Reversal during the year	98.48	210.86	-	-	482.49
<b>As at March 31, 2019</b>	<b>2,573.28</b>	<b>897.56</b>	<b>473.03</b>	<b>3,123.38</b>	<b>7,991.46</b>

Particular	Gratuity	Leave Encashment	Travelling Allowance on Superannuation	Post Retirement Medical Benefit	Provision for VRS Payment
As at April 1, 2018	3,948.55	5,213.13	51.57	3,834.06	147.36
Provision made during the year Profit & Loss	793.12	1,703.53	5.51	416.50	33.73
Provision made during the year - Other Comprehensive Income (OCI)	(902.76)	-	(7.59)	3,112.39	-
Less : Paid during the year	4,849.36	1,210.70	(0.61)	383.45	30.00
<b>As at March 31, 2019</b>	<b>(1,010.45)</b>	<b>5,705.96</b>	<b>50.10</b>	<b>6,979.50</b>	<b>151.09</b>

**Note-29**

(₹ in lakh)

Liabilities Associated with the Assets held for Sale	As at March 31, 2019	As at March 31, 2018
Residential Flats*	385.25	-
Land	-	-
<b>Total</b>	<b>385.25</b>	<b>-</b>

\* Refer Note No. 21

**Note-30**

(₹ in lakh)

Revenue from Operations	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Value of Services		
Value of Work Done	980,638.93	839,387.36
<b>Total</b>	<b>980,638.93</b>	<b>839,387.36</b>

**Note-30 A**

(₹ in lakh)

Gross income derived from Services are as under:	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Project Management Consultancy	891,767.14	758,820.56
Real Estate	35,065.22	2,522.75
Engineering, Procurement & Construction	53,806.57	78,044.05
<b>Total</b>	<b>980,638.93</b>	<b>839,387.36</b>

### Note-30 B

The table below presents disaggregated revenues as per para 114 & 115 of Ind AS 115 Revenue from Contracts with Customers for the year ended March 31, 2019:

(₹ in lakh)

Disaggregation of Revenue By:	Types of Services by Nature:	PMC	RE	EPC	Total
Type of Contract	Cost Plus Contracts	891,767.14	-	-	891,767.14
	Fixed Price Contracts	-	35,065.22	53,806.57	88,871.79
<b>Total</b>		<b>891,767.14</b>	<b>35,065.22</b>	<b>53,806.57</b>	<b>980,638.93</b>
Timing of Satisfaction of Performance obligation	Over the period of time	891,767.14	-	53,806.57	945,573.71
	At a Point of time	-	35,065.22	-	35,065.22
<b>Total</b>		<b>891,767.14</b>	<b>35,065.22</b>	<b>53,806.57</b>	<b>980,638.93</b>
Method of Measurement of Performance obligation	Input Method	891,767.14	-	53,806.57	945,573.71
	Output Method	-	-	-	-
	Stand-alone selling price	-	35,065.22	-	35,065.22
<b>Total</b>		<b>891,767.14</b>	<b>35,065.22</b>	<b>53,806.57</b>	<b>980,638.93</b>

### Note-31

(₹ in lakh)

Other Operating Revenues	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Miscellaneous Receipts	5,879.75	3,696.81
Unadjusted Credit Balances Written Back	5,213.41	822.45
Provisions Written Back - Trade Receivables	1,490.04	-
Provisions Written Back - Investment	3.40	-
Provisions Written Back - Others	1,071.88	802.12
<b>Total</b>	<b>13,658.48</b>	<b>5,321.38</b>

### Note-32

(₹ in lakh)

Other Income	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
Banks Interest Gross	26,141.95		20,410.13	
Less: Interest passed to Clients	21,880.95	4,261.00	15,884.35	4,525.78
Interest on Advance from Contractor		3,552.73		3,337.08
Interest on Advance from Staff		5.09		2.16
Interest Others	11,740.89		5,292.31	
Less: Interest passed to Others	-	11,740.89	-	5,292.31
Rent		1,090.77		1,015.76
Dividend on Liquid Cash Plan		35.98		132.36
Interest income on Unwinding of Financial Instruments		-		2,327.77
Gain / Loss on Derecognition of Financial Asset / Liabilities (Ind AS)		-		(155.67)
Gain / Loss on Modification of Financial Asset / Liabilities (Ind AS)		-		(249.69)
Net Gain/(Loss) on Sale of Assets		19.48		0.87
Foreign Exchange Gain		133.22		24.98
<b>Total</b>		<b>20,839.16</b>		<b>16,253.71</b>

**Note-33**

(₹ in lakh)

Land Purchased & Material Consumed	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
Land Purchased		1,514.59		174.00
Material Cost				
Inventory at the beginning of the year	14.20		36.04	
Add: Purchases	399.57		853.01	
Less: Inventory at the end of the year	14.20		14.20	
Less: Transfers, Returns & Sales	1.07		26.95	
Add: Carriage & Freight Inward	-	398.50	-	847.90
<b>Total</b>		<b>1,913.09</b>		<b>1,021.90</b>

**Note-34**

(₹ in lakh)

Change in Inventories of Real Estate Projects	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
(Increase) / Decrease in Inventory				
Land Bank:				
Opening Balance		63,334.87		63,066.10
Adjustments/ Transfers during the year		-		-
Closing Balance		66,441.53		63,334.87
<b>(Increase) / Decrease in Land Bank (A)</b>		<b>(3,106.66)</b>		<b>(268.77)</b>
Work In Progress:				
Opening Balance		92,486.29		84,046.16
Adjustments/ Transfers during the year		10,297.76		-
Closing Balance		71,465.34		92,486.29
<b>(Increase) / Decrease in Construction WIP (B)</b>		<b>31,318.71</b>		<b>(8,440.13)</b>
Completed Projects:				
Opening Balance		9,579.47		9,565.43
Adjustments/ Transfers during the year		24,165.03		-
Closing Balance		45,586.63		9,579.47
<b>(Increase) / Decrease in Completed Project Inventory (C)</b>		<b>(11,842.13)</b>		<b>(14.04)</b>
<b>Net (Increase) / Decrease in Inventories/ Work in Progress(A+B+C)</b>		<b>16,369.92</b>		<b>(8,722.94)</b>

**Note-35**

(₹ in lakh)

Work and Consultancy Expenses	For the year ended on March 31, 2019		For the year ended on March 31, 2018	
Work Expenses (with material)		858,236.70		720,821.67
Work Expenses (without material)		23,111.42		23,882.28
Consultancy		3,528.46		4,010.33
<b>Total</b>		<b>884,876.58</b>		<b>748,714.28</b>

### Note-36

(₹ in lakh)

Employee Benefits Expense	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Salaries and Incentives	25,372.86	25,201.61
Contributions to Provident and Other Fund	2,091.41	2,237.04
Contribution for Pension Fund	914.23	956.34
Gratuity Fund Contributions	793.12	3,244.43
Post Retirement Medical Benefit	416.50	1,553.16
Leave Encashment	1,703.53	1,573.07
Travelling Allowance-Superannuation	5.51	5.22
Staff Welfare Expenses	1,344.45	1,763.79
<b>Total</b>	<b>32,641.61</b>	<b>36,534.66</b>

### Note-37

(₹ in lakh)

Finance Costs	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Interest Expenses on Unwinding of Financial Instruments	60.74	1,954.95
Interest Expenses Others	-	536.85
<b>Total</b>	<b>60.74</b>	<b>2,491.80</b>

### Note-38

(₹ in lakh)

Other Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Advertisement	508.34	544.30
Auditor's Remuneration	82.97	77.37
Bank Charges & Guarantee Commission	176.59	191.32
Carriage & Freight (General)	13.09	27.72
Conference & Management Development Expenses	609.06	558.47
CSR Expenditure	1,295.31	991.26
Director's Sitting Fee	18.80	18.75
Entertainment	23.95	24.61
Exchange (Gain) / Loss	(3.38)	0.37
Hire Charges	111.44	119.09
Insurance	62.46	81.26
Internal Audit Expenses	24.14	19.90
Interest Others	68.54	87.82
Legal & Professional Charges	903.65	1,307.63
Miscellaneous Expenses	1,058.08	1,100.86
Other Consumables:		
(i) CSS	38.70	68.37
(ii) Loose Tools	5.88	8.26
(iii) Laboratory Equipments	0.30	0.72
Postage & Telephone	212.38	273.08
Printing & Stationery	249.13	277.81
Provision for Loans & Advances	1,252.30	370.52
Provision for Impairment of Trade Receivables	7,644.95	10,945.99
Provision for Impairment of Other Financial Assets	1,438.93	-
Provision for Impairment of Inventories	507.85	-
Provision for Research & Development*	333.61	351.10
Provision for Warranty Charges	309.00	-

Other Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Preliminary Expenses	-	7.84
Rates & Taxes	432.58	1,357.39
Rent	185.89	413.22
Repairs & Maintenance		
(i) Plant & Machinery/Vehicles	35.36	55.67
(ii) Buildings	554.86	783.38
(iii) Others	205.35	124.07
Running Expenses of Plant & Machinery/ Vehicles	212.67	390.93
Travelling & Conveyance	903.08	1,002.03
Water, Electricity & Allied charges	336.26	346.75
<b>Total</b>	<b>19,812.12</b>	<b>21,927.86</b>

\* Provision for Research & Development has been made in accordance with DPE Guidelines O/o No. 3(9)/2010-DPE (MOU) dated September 23, 2011.

#### Note-38 A

(₹ in lakh)

Payment to Auditors	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Audit fee	49.31	49.48
Tax Audit	11.76	9.60
Quarterly Limited Review	18.77	9.15
Corporate Governance	2.06	2.05
Reimbursement of Expenses	1.07	7.09
<b>Total</b>	<b>82.97</b>	<b>77.37</b>

Payment to Auditors includes ₹ 2.00 lakh for Audit Fee related to 2017-18 (Previous Year ₹ 5.00 lakh for Audit Fee related to 2016-17).

#### Note-39

(₹ in lakh)

Write Offs	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Trade Receivables	1,287.07	12.25
Loans and Advances	808.49	9.17
Investment	3.40	-
Loss on sale of Stores & WIP Inventory	-	2.47
Others*	74.59	-
<b>Total</b>	<b>2,173.55</b>	<b>23.89</b>

\* HSCC, a subsidiary of the parent, has recorded FDR of ₹410.75 lakh in the books of accounts during the year by transferring the same to 'Interest accrued'. The balance amount of ₹74.59 lakh in interest accrued a/c has been written off

#### Note-40

(₹ in lakh)

Exceptional Items	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Excess Income Reversed*	-	13.46
<b>Total</b>	<b>-</b>	<b>13.46</b>

\* The above exceptional item belongs to HSCC, a subsidiary of the parent.

**Note-41**

(₹ in lakh)

Income tax	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>Tax expense comprises of:</b>		
Current Income Tax	21,971.16	22,168.93
Deferred Tax	(3,564.22)	(2,228.28)
MAT	(945.99)	(198.46)
Taxation in Respect of Earlier Year	265.15	(889.53)
<b>Total</b>	<b>17,726.10</b>	<b>18,852.66</b>

**Note-41 A**

The major components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax Rate of the Company and the reported Tax Expense in Statement of Profit & Loss are as follows:

(₹ in lakh)

Tax Reconciliation	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>Accounting Profit before Tax from Continuing Operations</b>	56,890.09	58,424.83
Accounting Profit before Income Tax	56,890.09	58,424.83
At India's Statutory Income Tax Rate	34.944%	34.608%
Income Tax	19,879.67	20,219.67
Tax effect due to Non-Taxable Income	(18.02)	(68.95)
Effect of Tax Incentive	(2,185.73)	(1,276.51)
Recognition of Previous Year Tax Losses	(1,446.13)	(1,293.33)
Effect of Taxability of Notional Rent	70.48	-
Effect of Non-Deductible Expenses	1,307.69	1,560.49
Difference in Domestic & Overseas Tax Rates	37.89	10.85
Difference in Tax Rates applicable to Holding & Subsidiaries Tax Rates	(49.58)	73.73
Additional deduction on Research and Development Expense	-	(10.66)
Effect due to Change in deferred tax rate	(135.32)	(111.15)
Tax in respect of Earlier Years	265.15	(251.48)
<b>Tax Expense</b>	<b>17,726.10</b>	<b>18,852.66</b>
<b>Actual Tax Expense</b>	<b>17,726.10</b>	<b>18,852.66</b>

**Note-42**

(₹ in lakh)

Other Comprehensive Income	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>A) Items that will not be reclassified into Profit &amp; Loss</b>		
Remeasurement Gains / (Losses) on Defined Benefit Plans	(2,202.04)	(1,203.36)
Income Tax related to above	768.38	416.46
<b>B) Items that will be reclassified into Profit &amp; Loss</b>		
Exchange difference on translation of Foreign Operations	(123.01)	(25.25)
Income Tax related to above	42.98	8.81
<b>Total</b>	<b>(1,513.69)</b>	<b>(803.34)</b>

#### Note-43

Earning per Share (EPS) is computed in accordance with Indian Accounting Standard (Ind AS-33) on "Earning per Share" (₹ in lakh)

Earnings per Equity Share	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>Profit attributable to Equity Holders</b>		
Continuing Operations	37,515.96	37,829.10
Discontinued Operation	-	-
<b>Profit attributable to Equity Holders for basic Earnings</b>	37,515.96	37,829.10
Profit attributable to Equity Holders adjusted for the effect of dilution	37,515.96	37,829.10
Weighted average number of Equity shares for basic EPS*	1,800,000,000	1,800,000,000
Face Value per Equity Share ( ₹ )	1.00	1.00
<b>Earnings per Equity Share (for continuing operation):</b>		
(1) Basic (in ₹ )	2.08	2.10
(2) Diluted (in ₹ )	2.08	2.10

\* Group has split face value of equity share to ₹ 1/- per share as approved by the shareholders of the Company through postal ballot on April 05, 2018. As per para 64 of Ind AS on Earning per Share ( Ind AS -33 ), Per Share calculation for the previous year are based on new number of equity shares.

#### Note-44

(₹ in lakh)

Contingent Liabilities, Contingent Assets and Commitments (To the extent not provided for)	For the year ended on March 31, 2019	For the year ended on March 31, 2018
<b>(a) Contingent Liabilities:-</b>		
Claims against the Group not acknowledged as debts. Counter claims of the Corporation against these claims amounting to ₹ 2782.45 lakh (Previous Year ₹ 1562.07 lakh) not accounted for in books.	<b>72,551.17</b>	94,262.45
i) Value Added Tax Including Interest & Penalty as per demand notice order (Group is contesting these demands Including demand of ₹ 40480.18 lakh, chances of which in opinion of the Management are remote. Further the same amount of ₹ 40480.18 lakh is recoverable from Client in the event of confirmation of demand)	<b>55,173.05</b>	55,105.03
ii) Goods and Services Tax on sale of Commercial built-up space of Nauroji Nagar Project.	<b>2,205.36</b>	-
ii) Service Tax (Group is contesting demands)	<b>11,753.49</b>	11,380.70
iii) Central Excise (Group is contesting demands)	<b>210.75</b>	210.75
<b>Income Tax :</b>		
iv) Demands raised by Income Tax Department but not accepted by the Group.	<b>860.69</b>	845.15
v) Appeals decided in favour of Group but department has filed further appeals	<b>969.81</b>	1,018.10
vi) Property Tax deposited under Protest	<b>686.81</b>	686.81
vii) Employee Provident Fund demand ( Group is contesting Demand )	<b>159.35</b>	159.35
vii) Employee State Insurance demand (Group is contesting Demand)	<b>1.83</b>	149.66
Bank Guarantees for performance, Earnest Money Deposits and Security Deposits	<b>61,961.24</b>	59,616.45
Progressive Advance given to Suppliers	<b>972.00</b>	-
The Govt. guarantee charges on internal / external borrowings have not been accounted for as the matter regarding waiver of these charges has been taken up with the Govt. of India, Ministry of Urban Development (MOUD).	<b>1,654.93</b>	1,654.93
Recovery at penal rate on account of excess consumption of material over theoretical norms for the materials supplied by the clients at issue price and free of cost, pending final settlement with the clients.	<b>NOT ASCERTAINABLE</b>	NOT ASCERTAINABLE
<b>(b) Contingent Assets:-</b>		
i) Value Added Tax Including Interest & Penalty (Refer Note 44 (a) (i) ) is fully payable by the Client in the event of confirmation of demand.	<b>40,480.18</b>	40,480.18
ii) Goods and Service Tax as Refer Note 44 (a) (ii) is fully recoverable from Customers as per terms of sale.	<b>2,205.36</b>	-
iii) Claims against the various party	<b>446.56</b>	446.56
<b>(c) Commitments:-</b>		
Capital Commitments for the acquisition of Capital Assets	<b>391.67</b>	328.28



#### Additional Disclosure of Contingent Liabilities for HSCC, a subsidiary of the parent:-

##### Contingent Liabilities not provided for Ministries/Client

- A) As on March 31, 2019 outstanding amount of Foreign Letters of Credit ₹ 811.65 lakh (March 31, 2018 ₹ 367.16 lakh) opened in favour of suppliers for and on behalf of ministries /clients. However, the management does not foresee any liability on the company in these cases. (₹ in lakh)

S. No.	LC In Currency	Amount in Foreign Currency	Equivalent Amount in ₹
1	US \$	1.89	131.50
2	Euro	2.75	214.29
3	CHF	9.77	465.86
	<b>Total</b>	<b>14.41</b>	<b>811.65</b>

- B) The company is contingently Liabile in respect of employees who have been suspended and no provision has been made in respect of liability that may arise after the decision of the disciplinary inquiry as the amount is unascertained.
- C) There are Projects which have been completed and handed-over to the Ministry/ Clients but financial closure of these Projects in the books of the Company have not been done. Further, there are Projects which have been completed but handing over and taking over process for the same has not yet taken place. The impact of this on the profit or loss, if any will be accounted in the year in which the physical/ financial closure takes place.

#### Note-45

##### Dividend and Reserves

(₹ in lakh)

Distribution Made and Proposed	As at March 31, 2019	As at March 31, 2018
<b>Cash Dividends on Equity Share declared and Paid</b>		
Final Dividend	11,534.32	9,900.00
Dividend Distribution Tax on Final Dividend	2,913.10	1,970.62
Interim Dividend	-	4,950.00
Dividend Distribution Tax on Interim Dividend	-	1,007.70
<b>Total</b>	<b>14,447.42</b>	<b>17,828.32</b>

##### Proposed Dividend for the year 2018-19:

##### A) NBCC (India) Limited

Proposed Dividend ₹ 0.65 per share on face value of ₹ 1.00 per share (Previous year ₹ 0.56 per share on face value of ₹ 1.00 per share)

##### B) Hindustan Steelworks Construction Limited

Proposed Dividend ₹ 4.06 per share on face value of ₹ 10.00 per share (Previous year ₹ 4.24 per share on face value of ₹ 10.00 per share)

- C) Proposed Dividend is subject to approval of Shareholders in ensuing general meeting of the Company.

#### Note-46

##### Operating Leases – Lessee

The Group's significant leasing arrangements are in respect of operating leases relating to its leased office premises. These lease arrangements which are cancellable, are generally renewable by mutual consent.

M/s Kolkata Port Trust has granted lease of 10 years without renewal of weighbridges operation at Kolkata Dock Complex dated 20 November 2013 and Company has deposited ₹ 112.28 lakh as upfront premium towards 10 years lease. Group is paying annual lease rent of ₹ 1 (at nominal rate).

#### Note-47

As required by Ind AS "Related Party Disclosure" are given below-

##### Related party transactions :

##### 1. Relationship with Entities

##### Details of Joint Ventures (JV) / Associate Entities

- |                       |  |
|-----------------------|--|
| 1. NBCC – MHG         | 2. NBCC - AB   |
| 3. NBCC - R.K. Millen | 4. Real Estate Development & Construction Corporation of Rajasthan Limited |

## 2. Relationship with Entities

### Details of Subsidiaries

- |  |   |
|--|---|
| 1. NBCC Services Limited (NSL)                 | 2. NBCC Engineering & Consultancy Limited (NECL)    |
| 3. NBCC Environment Engineering Limited (NEEL) | 4. NBCC International Limited (NIL)                 |
| 5. HSCC (INDIA) Limited (HSCC)                 | 6. Hindustan Steelworks Construction Limited (HSCL) |
| 7. NBCC Gulf L.L.C                             | 8. NBCC DWC LLC- Dubai*                             |

\* The company has incorporated a wholly owned subsidiary NBCC DWC LLC in Dubai UAE on December 24, 2018 for which Share Capital has not yet remitted.

### 3. Key Managerial Personnel (KMP)

#### Parent Company :

##### A. Whole Time Directors/Chief Financial Officer/ Company Secretary

- Shri Shivdas Meena (Chairman-cum-Managing Director) (w.e.f April 05, 2019)
- Shri Anoop Kumar Mittal (Chairman-cum-Managing Director) (upto March 31, 2019)
- Shri Rajendra Chaudhari, Director (Commercial)
- Shri Neelesh M Shah, Director (Projects)
- Smt. B. K. Sokhey, Chief Financial Officer
- Smt Deepti Gambhir (Company Secretary)

##### B. Independent Directors

- Shri Ashok Khurana
- Major General Tajuddin Moulali Mhaisale
- Shri C. Subba Reddy
- Shri C. R. Raju
- Shri Rajendrasinh G. Rana
- Shri Sairam Mocherla

##### C. Government Nominee Directors

- Shri Manoj Kumar (upto November 20, 2018)
- Shri K. Sanjay Murthy (w.e.f November 20, 2018)
- Smt. Jhanja Tripathy

#### Subsidiary Company :

##### NBCC Services Limited :

##### A. Whole Time Directors / Chief Financial Officer / Company Secretary

- Smt. A . Sabeena, CEO, (upto May 17 2018)
- Shri M C Sharma, CEO (w e f May 17, 2018)
- Shri Amarnath Mourya, CFO

##### B. Parent Nominee Directors

- Shri Neelesh M Shah, Director
- Smt. B. K. Sokhey, Director
- Shri Rakesh Gupta, Director

##### NBCC Engineering & Consultancy Limited :

##### A. Whole Time Directors / Chief Financial Officer / Company Secretary

- Shri S.D. Sharma, CEO (upto December 20, 2018)
- Smt. Annu Garg, CEO (w.e.f. December 20, 2018)
- Shri Abhay Prasad, CFO

##### B. Parent Nominee Directors

- Shri Neelesh M Shah, Director
- Shri N. P. Aggarwal, Director
- Shri M. B. Singhal, Director

##### Hindustan Steelworks Construction Limited

##### A. Whole Time Directors / Chief Financial Officer / Company Secretary

- Shri Moyukh Bhaduri, CMD (up to June 12, 2018)
- Shri Neelesh M Shah, Managing Director (Additional Charge) (w.e.f June 13, 2018)
- Smt. Sunita Purswani, Chief Executive Officer (w.e.f June 01, 2018 upto September 15, 2018)
- Shri K.P Mahadeva Swamy, Chief Executive Officer (w.e.f September 15, 2018)
- Shri Mahesh Chand Bansal CFO (w.e.f May 24, 2018)
- Shri P.C. Gupta Company Secretary (up to June 05, 2018)
- Shri Indergurpreet Singh, Company Secretary (w.e.f June 14, 2018 upto August 10, 2018)
- Smt. Ruchi Gupta, Company Secretary (w.e.f August 10 2018)

##### B. Government Nominee Directors

- Shri Rahul Kashyap, Director
- Shri Anoop Kumar Mittal, Chairman (w.e.f May 24, 2018 to March 31, 2019)
- Shri Shivdas Meena, Chairman (w.e.f April 05, 2019)

## HSCC India Limited

### A. Whole Time Directors / Chief Financial Officer / Company Secretary

1. Shri Gyanesh Pandey (Managing Director)
2. Shri. S.K. Jain (Director (Engg) (upto April 16, 2018)
3. Shri Saurabh Srivastava (Chief Financial Officer) (w.e.f February 08, 2019)

### B. Government Nominee Directors

1. Smt. Nandita Gupta, Director (w.e.f February 01, 2019)
2. Smt. Priti Pant (upto February 01, 2019)
3. Shri Vijya Srivastava (upto February 01, 2019)
4. Shri Navdeep Rinwa (upto April 16, 2018)
5. Shri Anoop Kumar Mittal Chairman (w.e.f February 01, 2019 upto March 31, 2019)
6. Shri Shivdas Meena, Chairman (w.e.f April 05, 2019)

## NBCC International Limited

### A. Whole Time Directors / Chief Financial Officer / Company Secretary

1. Shri Mohan Kumar, CEO

### B. Parent Nominee Directors

1. Shri Rajendra Chaudhari, Director
2. Smt. B. K. Sokhey, Director
3. Shri Yogesh Sharma, Director

## NBCC Environment Engineering Limited

### A. Parent Nominee Directors

1. Shri Rajendra Chaudhari, Director
2. Shri Yogesh Sharma, Director
3. Shri M.B. Singhal, Director

HSCC-SIPL arrangement is not in the nature of 'Joint Venture'. The arrangement has also been discontinued and hence lacks commercial substance and economic reality. There is no Board of Directors for the said arrangement and the arrangement has not been legally incorporated as an SPV. Thus the arrangement does not fall within the definition of 'subsidiary' u/s 2(87) of the Companies Act 2013 and consequently provisions of section 129(3) of the Companies Act 2013 on consolidation of financial statements will not be attracted in this case.

The company is a government company under the aegis of Ministry of Housing and Urban Affairs. 68.18% of the share holding in the company as at March 31, 2019 is held by President of India.

The Company is having five fully owned subsidiary and three partly owned subsidiary over which government exercise direct/indirect control by holding more than 50% of the voting power.

In accordance with para 25 of Indian Accounting Standard (Ind As - 24) Related Party Disclosure, no disclosure is required for Subsidiary Companies/ Joint Venture Entities which can be treated as state controlled enterprises( i.e ownership by Central/ State Government, directly or Indirectly, is more than 50% of voting rights)

The company generally enter into transactions with the subsidiary companies at arm's length price in the normal course of business which includes the purchase and sale of properties, rendering of services and secondment of employees.

### Details relating to the parties referred to in item No. 1 above:

(₹ in lakh)

Nature of Transaction	For the year ended on March 31, 2019			
	NBCC - MHG	NBCC - AB	Jamal NBCC International	NBCC - R.K. Millen
<b>Nature of Transaction :</b>				
Amount Received	90.00	-	-	1,569.31
Advances for works	-	-	-	-
Share of Profit from J.V	-	-	-	-
Repayment of Investments	-	-	-	-

(₹ in lakh)

Nature of Transaction	For the year ended on March 31, 2019			
	NBCC - MHG	NBCC - AB	Jamal NBCC International	NBCC - R.K. Millen
<b>Nature of Transaction :</b>				
Amount Received	15.38	-	-	-
Advances for works	-	-	-	-
Share of Profit from J.V	-	-	-	-
Repayment of Investments	-	-	-	-

## Note-48

### Interest in Other Entities

#### (A) Subsidiaries

The Parent's subsidiaries at March 31, 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Parent, and the proportion of ownership interests held equals the voting rights held by the Parent. The country of incorporation or registration is also their principal place of business.

Name of Entity	Country of Incorporation	Functional Currency	Ownership interest held by the Parent		Principal Activities
			March 31, 2019	March 31, 2018	
Hindustan Steelworks Construction Limited (HSCL)	India	INR	51%	51%	Construction Work
HSCC (India) Limited	India	INR	100%	-	Consultancy Work
NBCC Services Limited	India	INR	100%	100%	Maintenance Work
NBCC Engineering & Consultancy Limited	India	INR	100%	100%	Consultancy Work
NBCC GULF L.L.C	Oman	Omani Rial	70%	70%	Consultancy Work
NBCC International Limited	India	INR	100%	100%	Construction Work
NBCC DWC - LLC	Dubai	AED	100%	-	Construction Work
NBCC Environment Engineering Limited	India	INR	100%	100%	Consultancy Work

#### Subsidiary with material Non-Controlling Interests

The Group includes two subsidiary, Hindustan Steelworks Construction Limited & NBCC Oman Gulf, with material non-controlling interests (NCI):

Name	Proportion of ownership interests and voting rights held by the NCI		Total Comprehensive Income allocated to NCI		Accumulated NCI	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Hindustan Steelworks Construction Limited	49.00%	49.00%	1,679.02	1,761.62	14,766.96	15,126.68
NBCC GULF L.L.C	30.00%	30.00%	(29.93)	(9.03)	64.81	94.75

(a) Dividend paid by the subsidiary to the non-controlling interests during the financial year 2018-19 ₹ 1454.32 lakh (Previous Year ₹ NIL).

(b) Summarised Financial Information for Hindustan Steelworks Construction Limited & NBCC Gulf L.L.C, before intragroup eliminations, is set out below:

Particulars	March 31, 2019		March 31, 2018	
	Hindustan Steelworks Construction Limited	NBCC Gulf L.L.C.	Hindustan Steelworks Construction Limited	NBCC Gulf L.L.C.
Non-Current Assets	16,388.57	-	10,148.90	-
Current Assets	150,289.49	322.32	144,916.71	415.63
<b>Total Assets (A)</b>	<b>166,678.06</b>	<b>322.32</b>	<b>155,065.61</b>	<b>415.63</b>
Non-Current Liabilities	1,509.23	-	2,377.43	-
Current Liabilities	135,032.17	106.26	121,817.40	99.81
<b>Total Liabilities (B)</b>	<b>136,541.40</b>	<b>106.26</b>	<b>124,194.83</b>	<b>99.81</b>
<b>Net Assets C= (A-B)</b>	<b>30,136.66</b>	<b>216.06</b>	<b>30,870.78</b>	<b>315.82</b>
Equity Attributable to Owners of the Parent	15,369.70	151.25	15,744.10	221.07
Non - Controlling Interests	14,766.96	64.81	15,126.68	94.75

Particulars	March 31, 2019		March 31, 2018	
	Hindustan Steelworks Construction Limited	NBCC Gulf L.L.C.	Hindustan Steelworks Construction Limited	NBCC Gulf L.L.C.
<b>Revenue</b>				
<b>Profit for the year attributable to owners of the Parent</b>	<b>1,749.16</b>	<b>(75.89)</b>	<b>1,824.00</b>	<b>(21.95)</b>
Profit for the year attributable to NCI	1,680.56	(32.53)	1,752.47	(9.40)
<b>Profit for the Year</b>	<b>3,429.72</b>	<b>(108.42)</b>	<b>3,576.47</b>	<b>(31.35)</b>

Particulars	March 31, 2019		March 31, 2018	
	Hindustan Steelworks Construction Limited	NBCC Gulf L.L.C.	Hindustan Steelworks Construction Limited	NBCC Gulf L.L.C.
<b>Other Comprehensive Income for the year</b>				
Other Comprehensive Income for the year attributable to owners of the parent	(1.61)	6.07	9.53	0.87
Other Comprehensive Income for the year attributable to NCI	(1.54)	2.60	9.15	0.37
<b>Other Comprehensive Income for the year</b>	<b>(3.15)</b>	<b>8.67</b>	<b>18.68</b>	<b>1.24</b>
(All attributable to owners of the parent)				
Total Comprehensive Income for the year attributable to owners of the parent	1,747.55	(69.82)	1,833.53	(21.08)
Total Comprehensive Income for the year attributable to NCI	1,679.02	(29.93)	1,761.62	(9.03)
<b>Total comprehensive income for the year</b>	<b>3,426.57</b>	<b>(99.75)</b>	<b>3,595.15</b>	<b>(30.11)</b>

Summarised Cash Flow for Hindustan Steelworks Construction Limited & NBCC Gulf L.L.C, before intragroup eliminations, is set out below: (₹ in lakh)

Particulars	March 31, 2019		March 31, 2018	
	Hindustan Steelworks Construction Limited	NBCC Gulf L.L.C.	Hindustan Steelworks Construction Limited	NBCC Gulf L.L.C.
Cash Flows from Operating Activities	2,248.06	(91.49)	2,480.18	0.01
Cash Flows from Investing Activities	4,878.02	398.65	4,626.21	(389.63)
Cash Flows from Financing Activities	(3,578.08)	-	-	-
<b>Net increase/ (decrease) in Cash and Cash Equivalents</b>	<b>3,548.00</b>	<b>307.16</b>	<b>7,106.39</b>	<b>(389.62)</b>

#### (B) Associates and Joint Ventures

Set out below are the associates and joint ventures of the group as at March 31, 2019 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Place of business	Functional Currency	Ownership Interest held by the Group		Relationship
			March 31, 2019	March 31, 2018	
NBCC – MHG J.V.	India	INR	50%	50%	Joint Venture
NBCC – AB J.V.	India	INR	50%	50%	Joint Venture
Real Estate Development and Construction Corporation of Rajasthan Limited.	India	INR	50%	50%	Joint Venture

The Group's management has determined that due to dispute with the other shareholder in NBCC RK Millen and HSCL-SIPL JV, the Group does not exercise Joint Control over the two Joint Ventures and therefore feels it is more appropriate to show it an investment as a long term asset in Balance Sheet.

(a) No Dividend is received from any of the above mentioned entities.

b) Summarised Financial Information for Joint Venture's is set out below:

(₹ in lakh)

Particulars	NBCC – MHG		NBCC – AB		REDCLL	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Non-Current Assets	-	-	-	-	-	-
Current Assets	5,885.91	3,998.35	1,593.56	1,593.45	384.22	365.55
<b>Total Assets (A)</b>	<b>5,885.91</b>	<b>3,998.35</b>	<b>1,593.56</b>	<b>1,593.45</b>	<b>384.22</b>	<b>365.55</b>
Non-Current Liabilities	-	-	-	-	-	-
Current Liabilities	3,277.37	1,124.54	1,465.42	1,465.16	43.29	38.18
<b>Total Liabilities (B)</b>	<b>3,277.37</b>	<b>1,124.54</b>	<b>1,465.42</b>	<b>1,465.16</b>	<b>43.29</b>	<b>38.18</b>
<b>Net Assets C= (A-B)</b>	<b>2,608.54</b>	<b>2,873.81</b>	<b>128.14</b>	<b>128.29</b>	<b>340.93</b>	<b>327.37</b>
a) Includes Cash and Cash Equivalents	45.84	47.66	0.06	0.14	15.00	15.01
b) Includes Financial Liabilities (excluding Trade and Other Payables and Provisions)	0.25	0.75	1.08	1.08	33.67	28.83

(c) Summarised Statement of Profit & Loss for Joint Venture's is set out below:

(₹ in lakh)

Particulars	NBCC – MHG		NBCC – AB		REDCCL	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue	232.98	(94.58)	-	-	-	-
Interest Income	81.87	146.40	0.02	0.03	22.25	21.72
Interest Expense	-	0.02	0.03	0.01	-	-
Depreciation and Amortisation	-	-	-	-	-	-
Tax expense	41.39	48.65	-	-	4.70	3.04
<b>Profit and Total Comprehensive Income for the year</b>	<b>61.64</b>	<b>106.61</b>	<b>(0.15)</b>	<b>(0.01)</b>	<b>13.55</b>	<b>8.75</b>

(d) Reconciliation of carrying amounts is set out below:

(₹ in lakh)

Particulars	NBCC – MHG	NBCC – AB	REDCCL
<b>Opening Net Assets (April 1, 2017)</b>	<b>2,767.20</b>	<b>128.30</b>	<b>318.62</b>
Profit for the year	106.61	(0.01)	8.75
Capital Distribution	-	-	-
<b>Closing Net Assets (March 31, 2018)</b>	<b>2,873.81</b>	<b>128.29</b>	<b>327.37</b>
Profit for the year	61.64	(0.15)	13.55
Transition Adjustment Ind AS 115	(143.34)	-	-
Capital Distribution	-	-	-
<b>Closing Net Assets (March 31, 2019)</b>	<b>2,792.11</b>	<b>128.14</b>	<b>340.93</b>
Group share in %	50.00%	50.00%	50.00%
<b>Carrying Amount</b>	<b>1,396.05</b>	<b>64.07</b>	<b>170.47</b>

**Note-49**

**Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"**

**a) Operating Segments**

Management currently identifies the Group's three service lines as its Operating Segments as follows:-

- Project Management Consultancy ( PMC )
- Real Estate
- Engineering, Procurement and Construction ( EPC )

**b) Segment Revenue & Expenses**

Revenue & Expenses directly attributable to the segment is considered as "Segment Revenue & "Segment Expenses"

**c) Segment Assets & Liabilities**

Segment Assets & Liabilities include the respective directly identifiable to each of the segments.

These Operating Segments are monitored by the Group's chief operating decision maker and strategic decisions are made on the basis of segment Operating Results. Segment performance is evaluated based on the profit of each segment.

The following tables present Revenue and Profit Information and certain Assets and Liability information regarding the Group's reportable segments for the years ended March 31, 2019 and March 31, 2018.

(₹ in lakh)

Particulars	PMC		Real Estate		EPC		Unallocated		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue										
Revenue to External Customers	891,767.14	758,820.56	35,065.22	2,522.75	53,806.57	78,044.05	-	-	980,638.93	839,387.36
Inter-Segment Sale	-	-	-	-	-	-	-	-	-	-
<b>Segment Revenue</b>	<b>891,767.14</b>	<b>758,820.56</b>	<b>35,065.22</b>	<b>2,522.75</b>	<b>53,806.57</b>	<b>78,044.05</b>	<b>-</b>	<b>-</b>	<b>980,638.93</b>	<b>839,387.36</b>
Interest Revenue	5,839.86	4,681.13	235.51	589.70	684.47	1,593.27	12,799.87	8,621.00	19,559.71	15,485.10
Interest Expense	-	1,693.90	4.39	11.77	-	249.76	56.35	536.37	60.74	2,491.80
Depreciation and Amortisation	170.64	208.65	22.11	25.04	61.54	203.09	182.10	153.60	436.39	590.38
Dividend Revenue	-	-	-	-	-	-	35.98	132.36	35.98	132.36
Profit / (Loss) on sale of Property, Plant and Equipment	-	-	-	-	-	-	19.48	0.87	19.48	0.87
The Entity's Interest in the Profit & Loss of Associates and Joint Ventures	-	-	-	-	-	-	-	-	-	-
Segment Result (Profit Before Tax)	45,436.75	62,769.81	16,273.05	(220.74)	376.95	5,560.19	(5,196.66)	(9,684.43)	56,890.09	58,424.83
Material Non-Cash items other than Depreciation and Amortisation.	1,811.16	20.64	4.00	-	345.34	0.05	13.05	3.20	2,173.55	23.89
Segment Assets	810,725.47	777,397.29	188,213.87	175,799.27	101,311.28	109,973.34	209,292.58	163,687.74	1,309,543.20	1,226,857.64
Segment Liabilities	942,586.76	849,692.60	40,886.02	14,070.88	82,212.59	92,808.37	78,184.94	48,265.85	1,143,870.31	1,004,837.70
Additions to Non Current Assets other than Financial Instruments, Deferred Tax Assets, Net Defined Benefit Assets.	138.09	105.28	109.27	15.63	-	283.08	6,197.93	109.37	6,445.29	513.36

#### Geographical Information

The operations of the Group are mainly carried out within the country and therefore, geographical segments are not disclosed.

#### Information about major customers

During the year ended March 31, 2019 revenue of approximately 8.27% (previous year : 16.46%) are derived from a single external customer in the Project Management Consultancy Segment.



## Note-50

### Financial Assets and Liabilities

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

#### Financial Instruments by Category

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019			As at March 31, 2018		
		FVTPL	Amortised cost	Fair Value	FVTPL	Amortised cost	Fair Value
<b>Financial Assets</b>							
Investments							
Mutual Funds	<b>Note -14</b>	1,501.47	-	1,501.47	-	-	-
Trade Receivables	<b>Note -15</b>	-	244,889.53	244,889.53	-	265,288.91	265,288.91
Cash and Cash Equivalents	<b>Note -16</b>	-	190,755.04	190,755.04	-	162,818.00	162,818.00
Other Bank Balances	<b>Note -17</b>	-	318,527.15	318,527.15	-	308,222.54	308,222.54
Other Financial Assets - Current	<b>Note -18</b>	-	143,690.79	143,690.79	-	148,347.15	148,347.15
Other Financial Assets - Non Current	<b>Note -09</b>	-	10.78	10.78	-	16.29	16.29
Retention Money & Security Deposits:							
Current	<b>Note -18</b>	-	27,827.86	27,827.86	-	30,899.68	30,899.68
Non-Current	<b>Note -09</b>	-	9,334.56	9,334.56	-	6,427.11	7,185.65
<b>Total Financial Assets</b>		<b>1,501.47</b>	<b>935,035.71</b>	<b>936,537.18</b>	-	<b>922,019.68</b>	<b>922,778.22</b>

(₹ in lakh)

Particulars	Note Reference	As at March 31, 2019			As at March 31, 2018		
		FVTPL	Amortised cost	Fair Value	FVTPL	Amortised cost	Fair Value
<b>Financial Liabilities</b>							
Trade Payables	<b>Note -25</b>	-	423,621.63	423,621.63	-	392,030.87	392,030.87
Other Financial Liabilities	<b>Note -26</b>	-	162,466.51	162,466.51	-	173,872.60	173,872.60
Other Financial Liabilities - Non Current	<b>Note -23</b>	-	1,822.34	1,822.34	-	2,368.91	2,368.91
<b>Total Financial Liabilities</b>		-	<b>587,910.48</b>	<b>587,910.48</b>	-	<b>568,272.38</b>	<b>568,272.38</b>

The carrying amount of Trade Receivables, Trade Payables and Cash & Cash Equivalent are considered to be the same as their Fair Values due to their short term nature.

The carrying amount of the Financial Assets and Liabilities carried Amortised Cost is considered a reasonable approximation of Fair Value.

The above table excludes Investment in Subsidiaries, Associate and Joint Venture, which are measured at cost in accordance with Ind AS 27, 'Separate Financial Statements'.

#### (i) Fair Value Hierarchy

"Financial Assets and Financial Liabilities measured at fair value in the Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3."

The following table shows the Levels within the hierarchy of Financial Assets and Liabilities measured at Fair Value on a recurring basis at March 31, 2019 and March 31, 2018:

#### (ii) Financial Assets measured at Fair Value – Recurring Fair Value Measurements

(₹ in lakh)

Particulars	Period	Note Reference	Level 1	Level 2	Level 3	Total
<b>Financial Instruments at FVTPL</b>	March 31, 2019	Note -14	-	1,501.47	-	-
Mutual Funds - Liquid Funds	March 31, 2018		-	-	-	-

### (iii) Valuation Technique used to determine Fair Value

Specific valuation techniques used to value Financial Instruments includes the use of Net Asset Value for Mutual Funds on the basis of the statement received from investee party.

## Note-51

### Financial Risk Management

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

#### (A) Credit Risk

The Group is exposed to credit risk from its Operating Activities ( Primarily Trade Receivables ) and from its Financing Activities including Deposits with Banks, Mutual Funds and Financial Institutions and other Financial Instruments.

#### (i) Credit Risk Management

The Group assesses and manages credit risk of Financial Assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of Financial Assets.

A: Low Credit Risk on financial reporting date

B: Moderate Credit Risk

C: High Credit Risk

The Group provides for Expected Credit Loss based on the following:

Asset group	Basis of categorisation	Provision for expenses credit loss
Low Credit Risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	12 month expected credit loss
Moderate Credit Risk	Trade Receivables	Life time expected credit loss
High Credit Risk	Trade Receivables and other Financial Assets	Life time expected credit loss or fully provided for

In respect of Trade Receivables, the Group recognises a provision for lifetime Expected Credit Loss.

Based on business environment in which the Group operates, a default on a Financial Asset is considered when the counter party fails to make payments within the agreed time period as per contract or decided later based upon the factual circumstances on case to case basis. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

(₹ in lakh)

Credit rating	Particulars	As at March 31, 2019	As at March 31, 2018
A: Low Credit Risk	Cash and Cash Equivalents, other Bank Balances and other Financial Assets	691,647.65	656,730.77
B: Moderate Credit Risk	Trade Receivables	276,944.41	291,339.88
C: High Credit Risk	Trade Receivables and other Financial Assets	2,584.06	1,413.26

#### Concentration of Trade Receivables

The Group's Major Exposure to Credit Risk for Trade Receivables are from various Government Departments/ Ministries

#### Credit Risk Exposure

#### Provision for Expected Credit Losses

The Group provides for Expected Credit Loss based on 12 month and lifetime Expected Credit Loss basis for following Financial Assets-

**A: Low Credit Risk**

**As at March 31, 2019**

(₹ in lakh)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	Note -16	190,755.04	-	190,755.04
Other Bank Balances	Note -17	318,527.15	-	318,527.15
Other Financial Assets	Note -9,14 & 18	182,365.46	-	182,365.46

**As at March 31, 2018**

(₹ in lakh)

Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	Note -16	162,818.00	-	162,818.00
Other Bank Balances	Note -17	308,222.54	-	308,222.54
Other Financial Assets	Note -9,14 & 18	185,690.23	-	185,690.23

**B: Moderate Credit Risk**

**Expected Credit Loss for Trade Receivables under simplified approach**

**As at March 31, 2019**

(₹ in lakh)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount (Considered Good)		176,346.96	31,558.62	24,085.63	44,953.20	276,944.41
Expected Credit Losses (Loss Allowance Provision)	Note -15	-	5,911.17	5,510.12	20,633.59	32,054.88
Carrying Amount of Trade Receivables (Net of Impairment)		176,346.96	25,647.45	18,575.51	24,319.61	244,889.53

**As at March 31, 2018**

(₹ in lakh)

Ageing	Note reference	Upto 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount (Considered Good)		199,056.71	34,686.19	20,821.69	36,775.29	2,91,339.88
Expected Credit Losses (Loss Allowance Provision)	Note -15	-	7,486.66	4,595.62	13,968.69	26,050.97
Carrying Amount of Trade Receivables (Net of Impairment)		199,056.71	27,199.52	16,226.07	22,806.60	2,65,288.91

**Reconciliation of Loss Provision – Trade Receivables**

(₹ in lakh)

Reconciliation of Loss Allowance	Loss allowance
<b>Loss allowance as on April 1, 2017</b>	15,845.33
Impairment Loss Recognised	10,600.47
Reversal	394.83
<b>Loss allowance on March 31, 2018</b>	26,050.97
Impairment Loss Recognised	7,644.95
Reversal	1,641.04
<b>Loss Allowance on March 31 2019</b>	32,054.88

### C: High Credit Risk

(₹ in lakh)

Particulars	Note reference	Period	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Trade Receivables	<b>Note -15</b>	As at March 31, 2019	1,145.13	1,145.13	-
		As at March 31, 2018	1,413.26	1,413.26	-
Other Financial Assets - Current	<b>Note -18</b>	As at March 31, 2019	1,438.93	1,438.93	-
		As at March 31, 2018	-	-	-

### (B) Liquidity Risk

The Group's principal sources of liquidity are Cash and Cash Equivalents which are generated from Cash Flow from Operations. The Group has no outstanding Bank Borrowings. The Group Consider that the Cash Flows from Operations are sufficient to meet its current liquidity requirements.

### Maturities of Financial Liabilities

The tables below analyse the Group's Financial Liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

(₹ in lakh)

As at March 31, 2019	Note reference	Up to one year	More than one year	Total
Trade Payable	<b>Note -25</b>	423,621.63	-	423,621.63
Earnest Money & Security Deposits	<b>Note -23 &amp; 26</b>	121,262.81	1,822.34	123,085.15
<b>Total</b>		<b>544,884.44</b>	<b>1,822.34</b>	<b>546,706.78</b>

(₹ in lakh)

As at March 31, 2018	Note reference	Up to one year	More than one year	Total
Trade Payable	<b>Note -25</b>	392,030.87	-	392,030.87
Earnest Money & Security Deposits	<b>Note -23 &amp; 26</b>	116,457.44	2,368.91	118,826.35
<b>Total</b>		<b>508,488.31</b>	<b>2,368.91</b>	<b>510,857.22</b>

### (C.) Market Risk

The Group's exposure towards Price Risk arises from Investments held and classified in the Balance Sheet either as Fair Value through Other Comprehensive Income or at Fair Value through Profit & Loss. To manage the price risk arising from investments in equity securities, the Group diversifies its portfolio of assets.

The Group's exposure to equity securities price risk arises from Investments held by the Group and classified in the Balance Sheet as Fair Value through Profit & Loss.

(₹ in lakh)

Particulars	Note Reference	March 31, 2019	March 31, 2018
Investments - Mutual funds	Note -14	1,501.47	-

### Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group's profit for the periods -

(₹ in lakh)

Particulars	March 31, 2019	March 31, 2018
Price Sensitivity:-		
Price increase by 3% - FVTPL	-	141.74
Price decrease by 3% - FVTPL	-	(141.74)

## Note -52

### Capital Management

The Group's objectives when managing capital are to:-

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

-- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt (net debt comprises of borrowings less cash and cash equivalents). Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio.

(₹ in lakh)

Particulars	March 31, 2019	March 31, 2018
Equity Share Capital	18,000.00	18,000.00
Other Equity	132,841.12	188,618.51
<b>Total Equity</b>	<b>150,841.12</b>	<b>206,618.51</b>

The Group has no outstanding funded debt as at the end of the respective years. Accordingly Group has NIL Capital gearing ratio as at March 31, 2019, March 31, 2018.

## Note-53

Statement pursuant to Section 129(3) of Companies Act, 2013 related to Subsidiaries, Associate Companies and Joint Ventures:

### Part "A" : Subsidiaries

(₹ in lakh)

S. No.	Name of Subsidiary	NBCC Services Limited	NBCC Engineering & Consultancy Limited	NBCC International Limited	NBCC Environment Engineering Limited	NBCC GULF L.L.C	Hindustan Steelworks Construction Limited	HSCC (INDIA) Limited
1	The date since when subsidiary was acquired	October 16, 2014	December 15, 2015	July 5, 2017	July 10, 2017	August 03, 2015	April 1, 2017	December 24, 2018
2	Reporting period for subsidiary	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019
3	Reporting Currency a in the case of foreign Subsidiaries.	N.A.	N.A.	N.A.	N.A.	Omani Rial	N.A.	N.A.
4	Exchange Rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries.	N.A.	N.A.	N.A.	N.A.	180.1855	N.A.	N.A.
5	Share Capital	200.00	100.00	100.00	100.00	417.20	7,000.00	180.01
6	Reserve and Surplus	2,139.14	(386.99)	(2.15)	(1.90)	(201.14)	23,136.66	13,690.19
7	Total Assets	8,648.59	490.46	98.93	99.09	322.32	1,66,678.06	3,46,348.50
8	Total Liabilities	6,309.45	777.45	1.08	0.99	106.26	1,36,541.40	3,32,478.30
9	Investments	-	-	-	-	-	0.02	-
10	Turnover	12,580.87	459.59	-	-	-	63,830.00	2,04,946.25
11	Profit Before Taxation	1,143.70	(197.21)	3.51	3.32	(108.42)	3,554.29	7,949.22
12	Provision for Taxation	280.62	(44.22)	1.99	1.85	-	124.57	2,967.85
13	Profit after Taxation	863.08	(152.99)	1.52	1.47	(108.42)	3,429.72	4,981.37
14	Proposed Dividend	350.00	-	-	-	-	2,842.00	2,988.82
15	% of Holding	100%	100%	100%	100%	70%	51%	100%

#### Note-54

Statement pursuant to Section 129(3) of Companies Act, 2013 related to Associates & Joint Ventures:

#### Part "B" : Associates & Joint Ventures

(₹ in lakh)

S. No.	Name of Joint Ventures	NBCC - R.K. Millen (AOP)	NBCC-MHG (AOP)	NBCC-AB (AOP)	REDCC (COMPANY)
1	Latest Audited Balance Sheet Date	N.A.	March 31, 2019	March 31, 2019	March 31, 2019
2	Date on which the Associate or Joint Venture was associated or acquired	October 9, 2007	June 10, 2009	March 11, 2010	September 7, 2015
3	Shares of Joint Ventures held by the Group on the year end				
	Numbers	N.A.	N.A.	N.A.	2000000
	Amount of Investment in Joint Venture	1113.36	232.62	52.15	200
	Extent of Share in Profit / Loss	50%	50%	50%	50%
4	Description of how there is significant influence	Joint Venture & Share in Profit / Loss more than 20%	Joint Venture & Share in Profit / Loss more than 20%	Joint Venture & Share in Profit / Loss more than 20%	Joint Venture & Share in Profit / Loss more than 20%
5	Reason why the Joint Venture is not consolidated	Land of Joint Venture is acquired by Govt. of West Bengal. Hence, it could not take off and there is legal case between coventurers.	N.A.	N.A.	N.A.
6	Net worth Attributable to Shareholding as per latest audited Balance Sheet	N.A.	1,396.05	64.07	170.46
7	Profit / Loss for the year				
	(i) Considered in Consolidation	N.A.	30.82	(0.08)	6.78
	(ii) Not Considered in Consolidation	N.A.	30.82	(0.08)	6.78

N.A. = Not Applicable

A.O.P. = Association of Persons

NBCC - MHG = NBCC - MAHAVIR HANUMAN GROUP

NBCC - AB = NBCC - AHINSHA BUILDERS PRIVATE LIMITED

REDCC = REAL ESTATE DEVELOPMENT & CONSTRUCTION CORPORATION OF RAJASTHAN LIMITED

#### Note-55

Additional Information in pursuant to Schedule III of the Companies Act, 2013

(₹ in lakh)

S. No	Name of the Entity	Ownership Interest	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
			As % of Consolidated net Assets	Amount	As % of consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
1	Parent	-	81.95%	1,23,618.75	80.26%	30,110.69	100.29%	(1,519.21)	79.42%	28,591.48
2	Subsidiaries									
A	Indian									
a.)	NBCC Services Limited	100.00%	0.98%	1,472.04	2.30%	863.08	0.00%	-	2.40%	863.08
b.)	NBCC Engineering & Consultancy Ltd	100.00%	-0.12%	(178.62)	-0.41%	(152.99)	0.00%	-	-0.42%	(152.99)
c.)	NBCC International Ltd	100.00%	0.06%	97.85	0.00%	1.52	0.00%	-	0.00%	1.52

S. No	Name of the Entity	Ownership Interest	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
			As % of Consolidated net Assets	Amount	As % of consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
d.)	NBCC Environment Engineering Ltd	100.00%	0.07%	98.10	0.00%	1.47	0.00%	-	0.00%	1.47
e.)	Hindustan Steelworks Construction Ltd	51.00%	8.94%	13,481.22	4.66%	1,749.16	0.11%	(1.61)	4.85%	1,747.55
f.)	HSCC (India) Ltd	100.00%	7.26%	10,954.73	13.28%	4,981.40	0.00%	-	13.84%	4,981.40
<b>B Foreign</b>										
a.)	NBCC Gulf LLC	70.00%	0.10%	151.24	-0.20%	(75.89)	-0.40%	6.07	-0.19%	(69.82)
b.)	NBCC DWC LLC- Dubai	100.00%								
3	<b>Non - Controlling Interest in All Subsidiaries</b>	-	-	-	-	-	-	-	-	-
4	<b>Joint Ventures</b>									
Investments Accounted for using Equity Method										
<b>A Indian</b>										
a.)	NBCC -MHG (A.O.P.)	50.00%	0.77%	1,163.43	0.08%	30.82	0.00%	-	0.09%	30.82
b.)	NBCC- AB (A.O.P.)	50.00%	0.01%	11.92	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
c.)	Real Estate Development and Construction corporation of Rajasthan Limited	50.00%	-0.02%	(29.54)	0.02%	6.78	0.00%	-	0.02%	6.78
	<b>TOTAL</b>		100.00%	1,50,841.12	100.00%	37,515.96	100.00%	(1,514.75)	100.00%	36,001.21

#### Note-55 A

Following Joint Ventures have not been considered for consolidation:

S. No	Particulars	Reason
a)	NBCC- R.K Millen	Not operational and there is ongoing legal case between co - ventures due to which in opinion of the management it has significantly impaired its ability to transfer funds to the Group. Hence the Group do not exercise joint control over the Joint Venture.
b)	HSCL-SIPL	HSCL-SIPL arrangement is not in the nature of 'Joint Venture'. The arrangement has also been discontinued and hence lacks commercial substance and economic reality.

#### Note-56

##### Events After Balance Sheet Date

- Proposed Final Dividend ₹ 0.65 per share on face value of ₹ 1.00 per share (Previous Year ₹ 0.56 per share on face value of ₹ 1.00 per share) in respect of parent.
- Proposed Final Dividend ₹ 4.06 per share on face value of ₹ 10.00 per share (previous year ₹ 4.24 per share on face value of ₹ 10.00 per share) in respect of HSCL, a subsidiary company. Out of which 49% dividend is payable to Non Controlling Interest (NCI).
- In respect of HSCC, a subsidiary of the parent, in the process of reconciliation of various head of accounts four unidentified transaction, which were confirmed with the banks as mentioned below.

(₹ in lakh)

S. No.	Payment to	Date of Payment	Amount
1	M/s MS Enterprises	16-Sep-16	22.97
2	M/s MS Enterprises	16-Sep-16	26.98
3	M/s MS Enterprises	20-Sep-16	68.87
4	M/s MS Enterprises	20-Sep-16	70.25

A complaint has been lodged with SSP, Gautam Budh Nagar on May 13, 2019



## Note-57

### Effect of Change in Accounting Policies:

- (i) The Group has aligned its policy of revenue recognition with Ind AS 115 "Revenue from Contracts with Customers" which is effective from April 1, 2018. Consequent upon the withdrawal of Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), issued in May 2016 in Real Estate Segment and restructuring of performance obligations in PMC segment, the net cumulative impact of initial application of Ind AS 115 upto March 31, 2018 aggregating to ₹ 58,148.74 lakh has been appropriated against the retained earnings as at the initial adoption date, as permitted by the standard. Had the group recognised the revenue based on Ind AS 11 and Ind AS 18, the revenue & profit would have been lowered by ₹ 26,529.36 lakh & ₹ 12,067.45 lakh respectively for the year ended March 31, 2019. The comparative information is not restated in the financial results.
- (ii) The Group has changed its accounting policy w.r.t. valuation of Inventories during the financial year. The Work in Progress representing the Real Estate inventories are now valued at lower of cost or net realizable value. The change of accounting policy resulted in decrease in profit for the year ended on March 31, 2019 by ₹ 497.23 lakh.

## Note-58

### Other Disclosures (in matter of HSCL, a subsidiary) :

- a) During the Year on March 31, 2018, the Parent has acquired 51% of equity share capital in Hindustan Steelworks Construction Limited (HSCL), which was previously 100% owned by Government of India. Thus HSCL has become subsidiary of the Parent w.e.f. April 1, 2017. Since the Parent and HSCL both had Govt. of India (President of India) as majority shareholder in F.Y. 2016-17 also and thus were under Common Control even prior to HSCL becoming subsidiary of the company, NBCC has accounted for business combination with HSCL in terms of Appendix C of Ind AS 103 on Business Combination which lays down the principles in respect of accounting for business combinations of entities or businesses under common control in accordance of pooling of interest method prescribed there under.
- b) In compliance to the terms and conditions of Financial restructuring of the company approved by the Union Cabinet, Govt. of India communicated vide their letter no. 3(20)/2005- HSM/MFH- Vol. 6(Pt.) dated June 01, 2016 of Ministry of Steel (MFH Division), HSCL has increased its authorized share capital from ₹ 15,000.00 lakh to ₹ 1,61,930.00 lakh by way of special resolution passed in the Extra-Ordinary General Meeting held on June 20, 2016 and filed such resolution to ROC on July 13, 2016. However, to give its effect in the accounts for the year 2015-16, the increased amount of share capital has been shown as on March 31, 2016 in place of ₹ 15,000.00 lakh.
- c) In terms of letter No. 3(20)/2005 - HSM/MFH - Vol. 6(Pt.) dated June 01, 2016 of Ministry of Steel (MFH Division), Government of India has approved the Financial Restructuring of HSCL w.e.f. March 01, 2015 and its take over by the parent. Subsequently, the Board of Directors of the Company has approved the issue and allotment of 15,022,000 Equity Shares of ₹ 1,000 each of the Company for cash at par aggregating to ₹ 150,220.00 lakh against Plan & Non-Plan loan from Government of India, accrued interest thereon and outstanding GOI Guarantee fee.
- d) Further to give the effect of reduction of paid up share capital to the extent of 97.88% of ₹ 16,19,30,00,000.00 as directed by the Union Cabinet, Government of India, the share capital of HSCL has been brought down to ₹ 34,30.00 lakh comprising of 3,43,00,000 equity shares of ₹ 10 each approved by Ministry of Corporate Affairs (MCA) vide letter No. 40/1/2016-CL-III dated: November 15, 2016.
- e) Pending approval of Board of Directors of HSCL, an amount of ₹ 188.11 lakh has been provided in books of accounts towards pay revision arrears proposed to be implemented from 1 April 2018 on implementation of Industrial Dearness Allowance (IDA) 2017 pay scale.
- f) Balances shown under claims recoverable, trade receivables, advances to contractors, trade payable, security deposits and earnest money from contractors are subject to confirmation and respectively consequential adjustments. In the opinion of the management, value of trade receivables, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

### Other Disclosures (in matter of HSCC, a subsidiary) :

- a) During the year, the company has acquired 100% of equity share capital in HSCC (India) Limited (HSCC), which was previously 100% owned by Government of India. Thus HSCC has become subsidiary of the company w.e.f. December 24, 2018. Since the company and HSCC both had Govt. of India (President of India) as majority shareholder in F.Y. 2017-18 also and thus were under Common Control even prior to HSCC becoming subsidiary of the company, NBCC has accounted for business combination with HSCC in terms of Appendix C of Ind AS 103 on Business Combination which lays down the principles in respect of accounting for business combinations of entities or businesses under common control in accordance of pooling of interest method prescribed

thereunder. Hence, amounts for the year ended March 31, 2018 include amount pertaining to HSCC also even though HSCC became subsidiary of the company w.e.f. December 24, 2018. The consolidated audited figures for the year ended March 31, 2018 also include Audited IND AS figures pertaining to newly acquired company HSCC (India) Limited.

- b) Amount lying in Interest receivable from Banks, Retention Money, Client Deposit Funds, Trade Receivables, Trade Payables, EMD, Security Deposit (receivable & payable both), balances of ministries, Clients and Government dues with respect to direct taxes, indirect taxes and other state taxes are not fully confirmed & reconciled. The un-reconciled balances, if any, may have an impact on profit & loss and balance sheet of the company. The same will be accounted for in the year in which the financial reconciliation of all the above items takes place.
- c) Reconciliation with following banks is pending, hence the un-reconciled bank balances may have impact on Profit & Loss and Balance Sheet of the company and will be accounted in the year in which the un-reconciled transaction will be identified.

S. No.	Name of the Bank	Branch	Project Name	A/c No.
1	Indian Overseas Bank	Sector-1, Noida	Ayush, New Delhi	172502000000644
2	Indian Overseas Bank	Sector-1, Noida	HSCC Bank A/C	172502000000151
3	Indian Overseas Bank	Sector-1, Noida	HSCC (India) limited	172502000000331
4	SBI	Sector-1, Noida	AIIMS New OPD Block	34930766338
5	Indian Overseas Bank	Sector-1, Noida	PMSSY GTB Amritsar	172501000017019
6	Indian Overseas Bank	Sector-1, Noida	Tezpur LGBRIMH	172501000017325
7	HDFC Bank	Sector - 26, Noida	HSCC (India) Limited	502000011829157

- d) Undisputed statutory dues including provident fund, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax, labour cess and other statutory dues have been regularly deposited with the appropriate authorities and there are no undisputed statutory dues outstanding as on 31 March 2019 for a period of more than six months from the date they became payable except income tax demand of ₹ 47.21 lakh reflected on E-Filing Portal which is shown as payable in the Books of Accounts. The company is in the process of filing application before the AO for cancellation of income tax demands amounting to ₹ 276.67 lakh and an outstanding TDS demand of ₹ 34.94 lakh.
- e) Significant transactions amounting to ₹ 2926.00 lakh were noticed which can be termed as instances of doubtful reliability. Provision for the same has been made from the reserves as at 01st April 2017 as transactions pertain to the period prior than FY 2016-17.
- f) During test check by CAG of transactions of Company's account at Indian Overseas Bank, Noida, significant transactions were noticed which can be termed as instances of doubtful reliability.
- g) An amount of ₹ 352.00 lakh was included in 'interest receivable' under the head other current assets, even though the same was received in October 2014.
- h) An amount of ₹ 11.00 lakh being the sale tax deposited during 2013-14 by the company on its client behalf was accounted as recoverable from client and is shown under short term loan & advances.
- i) A fixed deposit of ₹ 197.00 lakh which was opened in April 2014 and encashed in July 2014, earned an interest of ₹ 6.00 lakh. It was observed that in the bank ledger of the company, ₹ 197.00 lakh was debited (received) twice against a single encashment.
- j) An amount of ₹ 783.00 lakh was credited in bank account from a Client on 12 April 2014 and the same was shown in the company's accounts under the head deposits from Clients. Thereafter, multiple debit and credit entries of this amount were made in the client ledger during 2014-15 on the pretext of rectifications and reversals. The client ledger which is of liability nature was showing debit balance of ₹ 712.00 lakh in the company's books on 31 March 2018.
- k) A fixed deposit (FD) of ₹ 1,282.00 lakh in Company's account at UCO Bank was encashed in August 2013 along with interest of ₹ 110 lakh. An entry for receipt of encashment proceedings was made 31 March 2014 in Company's account at Indian Overseas Bank, however, in the same voucher, amount received on FD encashment was reversed. Thus, nullify the receipt of FD encashment.
- l) Company had engaged a firm of chartered accountants in April 2017 for checking all bank payments and verification of bank fixed deposit receipts related to financial year 2013-14 and 2014-15 and the report from firm of chartered accountants has not been submitted till date hence, Provision of ₹ 2,926.00 lakh has been made in the books of accounts.

**Other Disclosures (in matter of NSL, a subsidiary) :**

- The reconciliation of Goods and Service Tax (GST) as per financial books with GST returns filed with the authorities is under preparation. The adjustment, if any, arising out of the reconciliation shall be carried out in the subsequent period, which in the opinion of the management will not have a material impact.
- Balances of Trade Receivables , Trade Payables, Other Payables and Loans & Advances are subject to reconciliation and confirmation. Adjustment, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.
- Contractors' claims for price variation/extra work etc. are accounted for as cost of work to the extent such claims are accepted and approved by the engineer of the company by certifying the running bills raised by the contractors. The adjustments, if any shall be accounted for at the time of approval/settlement of final bill by the competent authority, which in the opinion of the management will not have a material impact.
- During the earlier year, one of the clients had raised a claim on the company for recovery of ₹ 95.60 lakh for short deployment of personnel by the contractor and adjustment from the pending payments to the company, though the company had recovered the said amount from the contractor. The company had referred the said matter to Chief Vigilance Officer ("CVO") to examine irregularities, if any with regard to processing of the bills by the officials, the matter is still under investigation.

**In matter of NIL & NEEL subsidiaries of the Group :**

- The Group has decided to close two subsidiaries NBCC International Limited (NIL) & NBCC Environment Engineering Limited (NEEL) by winding up. The Group has received approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs on 27.03.2019 for the proposed closure by way of merger.

**Note-59**

In accordance with the MCA Circular 39/2014 dated October 14, 2014, later reproduced as **Annexure-F** of the Guidance note on the Schedule III of companies Act, 2013, the group while presenting Consolidated Financial Statements has not merely repeated type disclosures made by it under Standalone Financial Statements being consolidated.

In Consolidated Financial Statements, the Group has given all disclosures related to Consolidated Financial Statements only.

**Note-60**

Previous year figures have been regrouped and/or reclassified, wherever, necessary to conform to those of the current year grouping and/or classification. Negative figures have been shown in brackets.

**For and on behalf of the Board of Directors**

Sd/-  
**(DEEPTI GAMBHIR)**  
Company Secretary  
(FCS : 4984)

Sd/-  
**(B. K. SOKHEY)**  
Chief Financial Officer  
(PAN : ALWPS9356A)

Sd/-  
**(NEELES M SHAH)**  
Director  
(DIN : 07444898)

Sd/-  
**(RAJENDRA CHAUDHARI)**  
Director  
(DIN : 07151492)

As per our Report of even date attached  
For **DHAWAN & CO.**  
Chartered Accountants  
(ICAI Firm Reg. No: 002864N)

Sd/-  
**(Inder Jeet Dhawan)**  
Partner  
Membership No. 081679

Place : New Delhi  
Date : May 29, 2019

## NBCC's Presence - Home



## NBCC's Presence - Overseas



### Ongoing

- Africa
- Dubai
- Mauritius
- Seychelles
- Maldives

### Past Presence

- Yemen
- Turkey
- Botswana
- Libya
- Iraq
- Nepal





## NBCC (INDIA) LIMITED

(A Government of India Enterprise)

CIN L74899DL1960GOI003335

Registered Office: NBCC Bhawan, Lodhi Road, New Delhi-110003

E-mail: co.sectt@nbccindia.com, Website: www.nbccindia.com, Phone: 011-24367314-18

### ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain addition Slip at the venue of the meeting

DP ID*	Folio No.
Client ID*	No. of shares

Name and address of the shareholders.....

.....

I hereby record my presence at the **59<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on **Monday, September 23, 2019 at 10.30 a.m. at Air Force Auditorium, Subroto Park, New Delhi - 110010.**

.....

Signature of Member/Proxy

\* Applicable for investors holding shares in electronic form

.....







## NBCC (INDIA) LIMITED

(A Government of India Enterprise)

CIN L74899DL1960GOI003335

Registered Office: NBCC Bhawan, Lodhi Road, New Delhi-110003

E-mail: co.sectt@nbccindia.com, Website: www.nbccindia.com, Phone: 011-24367314-18

### PROXY FORM

Name of the member (s):	e-mail Id:
Folio No/ DP Id*, Client Id*:	
Registered Address:	

I/We, being the member(s), holding.....shares of NBCC (India) Limited, hereby appoint:

- 1) ..... Resident of.....having e-mail id .....or failing him
- 2) ..... Resident of.....having e-mail id .....or failing him
- 3) ..... Resident of.....having e-mail id .....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **59<sup>th</sup> Annual General Meeting** of the Company to be held on **Monday, September 23, 2019 at 10.30 a.m. at Air Force Auditorium, Subroto Park, New Delhi - 110010** and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	For	Against
1. To consider and adopt the audited standalone and consolidated financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon.		
2. To declare a dividend of 65 paise per paid up equity shares of ₹ 1/- each for the financial year ended March 31, 2019.		
3. To appoint a Director in place of Shri Neelesh Manherlal Shah (DIN: 07444898), who retires by rotation and being eligible, offers himself for re-appointment.		
4. To authorize Board of Directors to fix remuneration of the Statutory Auditor(s) of the Company for the FY 2019-20.		
Special Business		
5. To appoint Shri Shiv Das Meena (DIN: 01881010) as Chairman cum Managing Director of the Company.		
6. To appoint Smt. Baldev Kaur Sokhey (DIN: 06955670) as Director (Finance) of the Company.		
7. To appoint Shri Sanjay Murthy Kondru (DIN: 03532374), as Government Nominee Director on the Board of the Company.		
8. To appoint Shri Shyam Sunder Dubey (DIN: 06601151) as Government Nominee Director on the Board of the Company.		
9. To appoint Dr. Jyoti Kiran Shukla (DIN: 03492315), as Independent Director on the Board of the Company.		
10. To ratify the remuneration of the Cost Auditor for the FY 2019-20.		

Signed this .....day of ..... 2019

Signature of Shareholder.....

Signature of Proxy holder(s).....

#### Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, please refer to the Notice of the 59<sup>th</sup> Annual General Meeting.
3. This is only optional. Please put '(✓)' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

\*Applicable for investors holding shares in electronic form

Affix  
Revenue  
Stamp







*A Navratna CPSE*

**NBCC (INDIA) LIMITED**  
(A Government of India Enterprise)

CORPORATE OFFICE: NBCC Bhawan, Lodhi Road, New Delhi-110003 | CIN-L74899DL1960GOI003335  
WEBSITE : [www.nbccindia.com](http://www.nbccindia.com) | E-MAIL : [co.sectt@nbccindia.com](mailto:co.sectt@nbccindia.com) | LANDLINE : 011 - 43591555 / 24367314-15

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