

ENRICHING | EXPANDING | PROGRESSING



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Disclaimer

In this Annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward- looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



ENRICHING EXPANDING PROGRESSING

NCC is more than a construction company; it's a catalyst for national enrichment, expansion, and progress. Our diverse projects, spanning from buildings to irrigation, drive transformation across sectors. Every endeavor reflects our commitment to quality and innovation, reinforcing our four-decade growth trajectory. Our broadened capabilities allow us to deliver intricate projects with unwavering dedication. The landmark infrastructures we construct, the sustainable water management solutions we provide, our groundbreaking transportation advancements, and our significant role in the power and mining sectors all underline our crucial contribution to the nation's development. We are NCC, shaping a better future, project by project.

ABOUT THE COMPANY

NCC has expanded its presence in various sectors of construction and infrastructure development. Our construction endeavours span across the Nation and encompass Buildings, Transportation, Water and Environment, Electrical Transmission and Distribution, Irrigation, Mining, and Railways projects. Each project we undertake is characterised by exceptional quality. Over the past four decades and more, we have experienced significant growth, both in terms of the quantity and diversity of projects. We have continuously enhanced our expertise and capabilities within the Organisation to successfully manage intricate and demanding projects. The extensive projects entrusted to and successfully completed by us, serve as a testament to our competence and unwavering dedication.



FY23 HIGHLIGHTS

₹ 50,244 crores Cumulative Order Book
+28% YEAR ON YEAR

₹ 13,504 crores Revenue (Standalone)
+35 % YEAR ON YEAR



Revenue Milestones Standalone

- 1996: ₹ 100 crores+
- 2005: ₹ 1000 crores+
- 2011: ₹ 5000 crores+
- 2019: ₹ 12,000 crores+
- 2023: ₹ 13,000 crores+

OUR MAJOR CLIENTS

- Airports Authority of India, New Delhi
- Andhra Pradesh Industrial Infrastructure Corporation Limited.
- Andhra Pradesh Township Infrastructure Development
- AP Capital Region Development Authority, Vijayawada
- AP Medical Services & Infrastructure Development Corporation
- Ballari City Corporation, Ballari
- Bangalore Electricity Supply Company Limited, Bangalore
- Bangalore Metro Rail Corporation, Bangalore
- Bangalore Development Authority
- Bharat Heavy Electricals Limited
- Bihar Agricultural University
- Bihar Medical Services & Infrastructure Corporation Limited
- Bihar Power Distribution Company Limited- South & North
- Bihar Rajya Pul Nirman Nigam Limited
- Bridge and Roof Co. (India) Ltd
- Brihan Mumbai Municipal Corporation
- Bangalore Water Supply & Sewerage Board
- Central Public Works Department
- Chennai Metro Rail Limited
- Chennai Metropolitan Water Supply and Sewerage Board
- Cauvery Neeravari Nigama Limited
- City and Industrial Corporation of Maharashtra
- Dakshinanchal Vidyut Vitran Nigam Ltd
- Delhi Metro Rail Corporation Limited
- Dept. of Space, Govt. of India, Sriharikota
- Directorate of Arts & Culture, Meghalaya
- Drinking Water Sanitation Department, Jharkhand
- Engineers India Limited
- Greater Hyderabad Municipal Corporation, Hyderabad, Telangana
- Greater Visakhapatnam Municipal Corporation, Visakhapatnam, AP
- Gujarat Water Supply and Sewerage Board
- Haryana State Industrial and Infrastructure Development Corporation
- Haryana International Horticulture Marketing Corporation Limited
- Hindustan Aeronautics Limited
- Hindustan Steelworks Construction Limited
- HLL Infra Tech Services Limited
- Hyderabad Growth Corridor Limited, Hyderabad
- Hyderabad Metropolitan Development Authority
- Hyderabad Metropolitan Water Supply and Sewerage Board
- Indian Institute of Technology, Jodhpur
- Indian Oil Corporation Limited
- Irrigation and CAD Department, Telangana
- Jharkhand Bijili Vitran Nigam Limited
- Jharkhand Urban Infrastructure Development Company Limited
- Karnataka Housing Board
- Karnataka Road Development Corporation
- Karnataka Power Transmission Corporation Limited
- Karnataka Urban Water Supply Drainage Board
- Lucknow Development Authority
- Madhya Pradesh Public Works Department, Bhopal, Madhya Pradesh
- Madhya Pradesh Jal Nigam Maryadit
- Madhyanchal Vidyut Vitran Nigam Limited
- Mahanadi Coal Fields Limited
- Maharashtra Airport Development Company, Mumbai
- Maharashtra Jeevan Pradikaran
- Maharashtra Metro Rail Corporation Ltd.
- Maharashtra State Electricity Distribution Corporation Limited (MSEDCL)



- Maharashtra State Road Development Corporation Ltd
- Military Engineer Services
- Ministry of Transport & Communication - Govt. of Oman
- Mumbai Metropolitan Region Development Authority, Mumbai
- Municipal Corporation of Greater Mumbai
- Muscat Municipality, Sultanate of Oman
- Nagpur Metro Rail Corporation Ltd. Nagpur
- Nalanda University, Rajgir, Bihar
- Narmada Water Resources Water Supply & Kalpasar Department, Gujarat
- National Highways Authority of India (NHAI)
- National Institute of Technology
- National Mineral Development Corporation Limited
- National Thermal Power Corporation
- Navi Mumbai International Airport Limited
- Navi Mumbai Municipal Corporation
- Naya Raipur Atal Nagar Vikas Pradikaran
- NBCC Limited
- Odisha Bridge & Construction Corporation Limited
- Panchimanchal Vidyut Vitran Nigam Limited
- Patni Computers
- Public Health Engineering Department (of various states)
- Punjab Water Supply Sewerage Board
- Purvanchal Vidyut Vitran Nigam Limited
- Rail Vikas Nigam Limited
- Rajiv Gandhi Rural Housing Corporation Limited, Bangalore
- Reliance Industries Limited
- Reserve Bank of India
- Road Development Authority, Srilanka
- Rural Water Supply & Sanitation Department (of various states)
- Sardar Sarovar Narmada Nigam Limited
- Shriram Properties Private Limited
- Singareni Collieries Company Limited
- State Bank of India
- State Electricity Boards (of various States)
- State Public Works Departments (of various states)
- State Water & Sanitation Mission, (NG&RWS Dept), Govt of UP
- Steel Authority of India Limited
- Symbiosis University
- Tamil Nadu Generation and Distribution Corporation Limited, Chennai
- Tamil Nadu Housing Board
- Tamil Nadu Trade Promotion Organization
- Tamilnadu Water Supply Drainage Board
- Transmission Corporation of Telangana Limited
- Telangana State Power Generation Corporation Limited
- The Project Seabird, New Delhi
- The West Bengal Power Development Corporation Limited
- Transmission Corporation of Telangana Limited
- UP Expressway Industrial Development Authority
- Uttar Pradesh Housing & Development Board, Lucknow
- Uttar Pradesh Jal Nigam Limited
- Uttarakhand Pajal Nigam Limited
- Visvesvaraya Jala Nigam Ltd
- West Bengal Housing Infrastructure Limited
- Western Coalfields Limited
- Water Resources Department (of various States)
- West Bengal State Electricity Distribution Company Limited (WBSEDCL)

MESSAGE FROM THE FOUNDER AND CHAIRMAN EMERITUS



Dear Shareholders,

I am delighted to witness the exceptional performance of NCC Ltd in FY23. I take immense pride and joy in seeing the realisation of our vision and the unwavering commitment to the values and ethics that form the bedrock of NCC Ltd.

Our resolute vision to become a world-class construction and infrastructure enterprise, driven by our unwavering pursuit of quality, timely completion, customer satisfaction, continuous learning, and the enhancement of stakeholders' value, has yielded remarkable results year on year. We remain steadfast in our mission to build a robust future, ensuring increased returns to our esteemed shareholders and enhanced support to our dedicated associates. By embracing cutting-edge technologies in engineering, construction, operation, and maintenance of infrastructure projects, we have pushed boundaries and achieved significant milestones. We foster a culture of innovation, professional integrity, and continuous skills upgrading among our exceptional employees, while prioritising a safe working environment. As responsible corporate citizens, we remain committed to making a positive impact on society.

As we embark on a new fiscal year, I am confident that NCC Ltd will continue to excel and exceed expectations, fuelled by our shared vision and unwavering commitment to creating value for our stakeholders.

With utmost appreciation,

Dr. AVS Raju

Founder and Chairman Emeritus



VISION



To be a world-class construction and infrastructure enterprise committed to quality, timely completion, customer satisfaction, continuous learning, and enhancement of stakeholders' value.

MISSION



To build a strong future ensuring increased returns to shareholders and enhanced support to associates.

To adopt the latest technologies in the fields of engineering, construction, operation, and maintenance of infrastructure projects.

To encourage innovation, professional integrity, upgradation of knowledge and skills of employees, and a safe working environment.

To be a responsible corporate citizen committed to the social cause.

VALUES



- Openness and trust
- Integrity and reliability
- Teamwork and collaboration
- Commitment
- Creativity

MESSAGE FROM THE CHAIRMAN



Dear Shareholders,

It is with great pleasure and a sense of pride that I address you today as the Chairman of NCC Limited. As an infrastructure construction company in India, we have remained steadfast in our commitment to building a better future for our country. Through our focus on constructing buildings, water treatment plants, roads, metro rail networks, railways, and various other projects, we have continued to create significant value for our nation and its people.

PERFORMANCE DURING FY23

During the fiscal year 2022-2023, NCC Limited demonstrated exceptional performance, achieving several milestones and overcoming various challenges. We successfully completed a range of projects across different sectors, contributing to the growth and development of our great nation. Our unwavering dedication to excellence and innovation has earned us recognition as a leading player in the infrastructure industry.

I am pleased to share that we have attained the highest-ever annual order inflow of ₹ 25,895 crores, a testament to the trust and confidence bestowed upon us by our valued clients. Furthermore, our order book has surpassed the ₹ 50,000 crores mark for the first time, solidifying our foundation for future growth. Our consolidated revenue for the year amounted to ₹ 15,701 crores, signifying an impressive growth of 40% over the previous year.

GOVERNMENT OF INDIA'S POLICY INITIATIVES

India's population growth and economic development require enhanced transport infrastructure, including investments in roads, railways, aviation, shipping, and inland waterways. Under the Government of India's policy initiatives, we are witnessing a significant focus on infrastructure development to propel the



country towards its 2025 economic target of US\$ 5 trillion.

The recently announced Budget for 2023-24 has permitted continuation of the 50-year interest-free loan to state governments for one more year. This measure aims to spur investment in infrastructure and incentivize complementary policy actions. The enhanced outlay of ₹ 1.3 lakh crore (US\$ 16 billion) reemphasizes the Government's commitment to providing the necessary resources for infrastructure development.

Furthermore, under the National Infrastructure Pipeline (NIP), projects worth ₹ 108 trillion (US\$ 1.3 trillion) are currently at different stages of implementation. This comprehensive pipeline underscores the Government's vision for infrastructure development and presents significant opportunities for companies like ours to contribute to the nation's growth.

In November 2022, the National Investment and Infrastructure Fund (NIIF) was established as a collaborative investment platform between the Government of India, global investors, Multilateral Development Banks (MDBs), and domestic financial institutions. This initiative, including the India Japan Fund, facilitates investment across multiple sectors in India, fostering infrastructure development.

Under the Budget for 2023-24, the capital investment outlay for infrastructure is being increased by 33% to ₹ 10 lakh crore (US\$ 122 billion). This substantial increase, amounting to 3.3% of GDP and almost three times the outlay in 2019-20, demonstrates the Government's commitment to accelerating infrastructure development in the country.

To further enhance opportunities for private investment in infrastructure, including railways, roads, urban infrastructure, and power, the Budget for 2023-24 also includes the establishment of an Infrastructure Finance Secretariat. This initiative aims to create a conducive environment for private stakeholders to invest in infrastructure projects, aligning with the Government's vision of public-private partnerships.

ESG INITIATIVES: BUILDING A SUSTAINABLE FUTURE

At NCC Limited, we understand the importance of Environmental, Social, and Governance (ESG) initiatives in building a sustainable future. We are committed to conducting our business in an environmentally responsible manner, adopting sustainable practices, and minimising our carbon footprint. Our initiatives include the efficient utilisation of resources, the promotion of renewable energy, waste management practices, and the implementation of green building standards. We firmly believe that sustainable development is essential for the long-term prosperity of our company and the well-being of future generations.

CONCLUDING REMARKS

I would like to express my heartfelt gratitude to all our stakeholders, including our esteemed shareholders, dedicated employees, valued customers, project partners, and the local communities where we operate. Your unwavering support and trust have been instrumental in our success, and we remain committed to upholding the highest standards of corporate governance, transparency, and ethical business practices.

In conclusion, I am proud to report that NCC Limited continues to contribute significantly to the development and growth of our great nation. Our performance during the fiscal year 2022-2023 reflects our unwavering commitment to excellence and our ability to adapt to changing market dynamics. With the continued support of our stakeholders and the strong foundation we have built, I am confident that we will overcome future challenges and achieve even greater milestones.

Thank you once again for your continued trust in NCC Limited. Together, we will continue to build a brighter and more prosperous future for our country.

Yours sincerely,

Hemant M Nerurkar
Chairman

REVIEW BY THE MANAGING DIRECTOR



Dear Shareholders,

I am delighted to present a concise overview of NCC Ltd's performance for the fiscal year 2023. The company has achieved remarkable milestones and demonstrated substantial growth across various key indicators. I would like to highlight the following key points:

FINANCIAL PERFORMANCE:

NCC Ltd has exhibited robust financial performance during the fiscal year. Standalone revenue reached ₹ 13,504 crores, reflecting a growth rate of nearly 35%. Consolidated revenue stood at ₹ 15,701 crores. The consolidated EPS increased to ₹ 9.77, compared to ₹ 7.91 in the previous year, indicating significant improvement. The company has delivered strong financial results and continues to prioritise enhancing profitability and efficiency.

ORDER BOOK:

NCC Ltd is well-positioned with diversified execution capabilities, evident from the highest-ever order book achieved by the company. Currently, the orders on hand are valued at ₹ 50,244 crores, with an increase of ₹ 25,895 crores in FY 2023, showcasing a growth rate of 28%. This robust order book positions the company for future growth. The company has secured substantial orders, reflecting clients' confidence in our capabilities.

ORDER BOOK HIGHLIGHTS:

I am delighted to share notable highlights regarding NCC Ltd's order book. One noteworthy achievement is the efficient conversion of our order book into successful execution. We have demonstrated exceptional performance in this aspect, as evidenced by a lower "book to bill ratio" of 2.98. This ratio indicates our strong execution capabilities to convert orders effectively into revenue.



ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG):

We have included the Business Responsibility and Sustainability Report (BRSR) as part of this report, providing a comprehensive overview of our ESG practices. This reflects our unwavering commitment to transparency, accountability, and equity. We prioritise the well-being of our stakeholders, including shareholders, employees, government partners, and society at large. Operating across diverse construction and infrastructure sectors, we strive to minimise environmental impact and uphold human rights. We express our gratitude for your continued support as we work together to build a sustainable future where everyone thrives.

GOING FORWARD/ OUTLOOK:

Looking ahead, NCC Ltd is well-positioned to capitalise on the extensive infrastructure pipeline, with continued momentum in awarding activities translating into healthy order inflows. The company expects a robust order inflow during FY 2024. The management also forecasts ~20% growth in topline and bottomline for FY 2024. NCC

Ltd will focus on monetising non-core subsidiaries to generate cash flows, strengthen the balance sheet, and gradually reduce debt. The company remains committed to operational excellence and creating long-term value for shareholders.

In conclusion, NCC Ltd's performance has been commendable during the year with significant achievements in various areas. The company's strong order book, anticipated growth, and commitment to operational excellence position it favourably for the future. We extend our gratitude to all stakeholders, including our customers, employees, banks, investors, and government agencies for their continued patronage and support.

Sincerely,

A A V Ranga Raju

Managing Director

BOARD OF DIRECTORS



Mr. Hemant M Nerurkar

Independent Director,
Chairman

Mr. Hemant M Nerurkar, with over four decades of rich experience in the Steel and Mining Sector, including his role as Managing Director of Tata Steel Ltd., brings valuable expertise to the Board. He is on the board of several other leading companies as an Independent Director. He is also closely associated with organisations such as Indian Institute of Metals, INSDAG, MEPSC and AIMA. Mr. Nerurkar holds a B.Tech (Metallurgical) degree from Pune University.



Mrs. Renu Challu

Independent Director, Chairperson - Stakeholders' Relationship Committee and Nomination and Remuneration Committee

Mrs Renu Challu has nearly four decades of professional experience in commercial banking, investment banking and in the field of financial services. She has vast experience in strategy formulation, planning and in the achievement of goals in her various assignments in State Bank of India and its subsidiaries. She has served as the Managing Director of State Bank of Hyderabad, MD & CEO of SBIDFHI, President and Chief Operating Officer of SBI Capital Markets Ltd and Dy Managing Director (Corporate Strategies and New Businesses) of SBI. She also serves as an Independent Director on the Boards of Schaeffler India Ltd. and Ceinsys TechLtd.



Dr. A.S. Durga Prasad

Independent Director,
Chairman - Audit Committee and ERM Committee

Dr. A.S. Durga Prasad, an accomplished executive with nearly four decades of rich experience in Financial Management and Cost Management across diverse sectors, brings valuable insights to the board. He is the former President of the Institute of Cost Accountants of India. He holds a PhD (in Commerce) and is a Fellow Member of the Institute of Cost Accountants of India.



Mr. OP Jagetiya

Independent Director,
Chairman - ESG Committee

Mr. OP Jagetiya possesses a wealth of experience spanning over four decades having worked at senior level with reputed companies such as A.C.C. Ltd., Zuari Group, Nagarjuna Fertilizers & Chemicals Ltd., and Hyderabad Industries Ltd. He has also held leadership positions in various Industry and Trade Associations. Mr. Jagetiya holds a BE (Hons) degree and a Masters in Business Administration from BITS Pilani.



Mr. Utpal Sheth

Non-executive Director

Mr. Utpal Sheth is a capital market veteran with over 30 years of experience across various reputed Indian financial firms. He is currently the CEO and Senior Partner at RARE Enterprises which is a multi-billion dollar proprietary asset management firm. His focus therein is on long term investing in public markets and private equity, portfolio construction and Risk Management. He engages with investee companies to enhance shareholder value by emphasizing sustainable value drivers. He is also the Founder and Mentor of TRUST Group where his focus is on strategy, institutionalization and team building.



Mr. AAV Ranga Raju

Managing Director

Mr. AAV Ranga Raju has nearly five decades of rich experience in Construction, Infrastructure Development, and allied fields. As the Managing Director of NCC he has been instrumental in the progress achieved by the company year after year and in making NCC as one of the leading construction companies in the country.



Mr. AGK Raju

Executive Director

Mr. AGK Raju has nearly four decades of rich experience in the fields of Construction, Finance, Materials Management, Administration, HR, and Corporate Communications. His leadership has been integral to the company's operational efficiency and growth. Mr. AGK Raju holds an MBA post-graduate degree from Pune University.



Mr. ASN Raju

Wholetime Director,
Chairman - CSR
Committee

Mr. ASN Raju brings valuable experience in the construction industry, showcasing commendable execution capabilities of complex projects spanning over four decades. His responsibilities include leading the Buildings and Transportation Division at NCC



Mr. J V Ranga Raju

Wholetime Director

Mr. J V Ranga Raju, associated with the Construction Industry for nearly four decades has contributed significantly in making NCC as one of the largest construction companies in India. His rich experience extends to the Hospitality and Education fields as well.



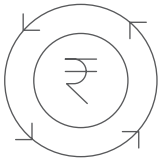
Mr. AVN Raju

Wholetime Director

With 35 years of rich experience in the construction industry, Mr. AVN Raju possesses extensive knowledge and leads the operations of the Electrical and Irrigation Divisions with utmost commitment and diligence.

HOW WE CREATE VALUE

A value creation model for NCC Ltd based on the six capitals of integrated reporting would involve considering how the company creates and utilises each capital to generate value. Here’s an outline of the value creation model for NCC Ltd using the six capitals



FINANCIAL CAPITAL

NCC Ltd leverages its financial resources to invest in construction projects, procure necessary materials and equipment, manage cash flow, and generate revenue through project contracts and fees.



MANUFACTURED CAPITAL

NCC Ltd utilizes its manufactured capital, which includes construction machinery, equipment, and infrastructure, to execute construction projects efficiently and effectively, ensuring the successful completion of projects within the stipulated time and quality standards.



INTELLECTUAL CAPITAL

NCC Ltd’s intellectual capital encompasses the knowledge, skills, and expertise of its employees, as well as its proprietary construction techniques, project management systems, and engineering capabilities. This intellectual capital enables the company to plan and design projects effectively, optimise resource allocation, and implement innovative construction practices to enhance efficiency and quality.

VALUE CREATED HIGHLIGHTS:

- Revenue ₹ **13504** Crore
- PAT ₹ **569** Crore
- Dividend paid ₹ **125.57** Crore
- EPS ₹ **9.13/-**
- Tax expenses ₹ **215.57** Crore

VALUE CREATED HIGHLIGHTS:

- **490 +** Building Projects
- **20,000 + KMS.** Water Pipelines
- **350,000 +** Acres Land irrigated

VALUE CREATED HIGHLIGHTS:

- Digital and IT initiatives, Unique processes, automated bid management tool for better success rate, modern Human Resource Management system.



SOCIAL AND RELATIONSHIP CAPITAL

NCC Ltd values its relationships with various stakeholders, including clients, suppliers, contractors, and local communities. The Company actively engages with stakeholders, promotes ethical and sustainable practices, and contributes to the social and economic development of the communities it operates in. Strong relationships and a positive reputation enhance NCC Ltd's ability to secure contracts, attract talent, and build long-term partnerships.

VALUE CREATED HIGHLIGHTS:

- ₹ 7.8 CRORE CSR outlay in FY23
- **MORE THAN 50,000** beneficiaries through the CSR initiatives

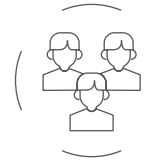


NATURAL CAPITAL

NCC Ltd recognises the importance of environmental sustainability and strives to minimise its environmental impact. The company adopts eco-friendly construction practices, reduces waste generation, conserves resources, and complies with environmental regulations. By integrating sustainable practices, NCC Ltd aims to preserve natural capital and contribute to a more sustainable future.

VALUE CREATED HIGHLIGHTS:

- Initiatives to conserve energy and environment
- Sewage treatment plants constructed



HUMAN CAPITAL

The human capital of NCC Ltd comprises its skilled workforce, which includes engineers, project managers, construction workers, and other professionals. The company invests in the development of its employees through training programs, knowledge sharing, and career advancement opportunities. NCC Ltd recognises that its employees' expertise and dedication are crucial in delivering high-quality construction services.

VALUE CREATED HIGHLIGHTS:

- Employees: **20611**
- No of Training programs: **135**

OUR DIVISIONS

NCC's business divisions contribute to the growth and development of the nation.

In the Buildings Division, NCC excels in constructing landmark projects in the hospitals and medical colleges (like AIIMs, Leading health care facilities), Educational institutes (like IITs, NITs), industrial and commercial spaces, providing quality housing solutions, and creating innovative IT parks, institutional buildings, sports complexes, and stadia. The Water & Environment Division focuses on water management and sanitation solutions, executing projects such as water treatment plants and underground drainage systems. The Transportation Division revolutionises roads and highways, while the Railways Division enhances railway infrastructure. In the Irrigation Division, NCC develops irrigation infrastructure. Lastly, the Mining Division plays a catalytic role in India's mining sector supporting the power generation in the country, and the Electrical T&D Division drives electrification and power distribution projects.



NCC's Building Division contributes to the growth and development of the nation by constructing diverse buildings that reflect living standards. This includes expertise in industrial, commercial, housing, IT parks, institutional, sports complexes, hospitals, airports and stadiums. NCC excels in constructing functional industrial and commercial spaces while providing quality housing solutions. We also create IT parks for innovation, institutional buildings for education, and sports complexes for community engagement. NCC's expertise extends to building modern hospitals and promoting healthcare infrastructure. Their contributions positively impact the growth and living standards of the nation.



NCC Ltd. excels in the transportation business, understanding the pivotal role of a robust transportation network in facilitating progress. Roads/Metros/ Fly overs serve as vital arteries, ensuring accessibility to even the most remote corners of the country while generating substantial economic and social advantages. With a proven track record of reliably executing large-scale contracts under strict timelines, NCC has established itself as a trustworthy partner. Collaborating closely with the government, NCC is dedicated to revolutionising the country's transportation network.

The company's expertise encompasses the construction of expressways and highways, highway realignment and bypass projects, Metro Projects, carriageway widening and strengthening, development of road sections, rehabilitation, and up-gradation initiatives, as well as the construction of bridges and flyovers. By prioritising quality and actively contributing to the enhancement of transportation infrastructure, NCC plays a crucial role in fostering connectivity and driving progress within the transportation sector.

**WATER & ENVIRONMENT**

NCC Ltd. has established itself as a prominent player in the water and environment business, recognising the pressing need for water management and sanitation solutions in today's world. With a remarkable track record of successful projects, such as the gravity-based water supply system in Amaravati, Maharashtra, which earned a place in the Limca Book of Records, NCC has proven its expertise in this field. As the demand for water supply and sanitation projects continues to grow, NCC is well-positioned to meet these challenges with its extensive experience and impeccable credentials. The company specialises in executing a wide range of projects, including water treatment plants, distribution networks, river intake works, underground drainage systems, lift irrigation schemes, sewage pumping stations, and treatment plants. With a deep commitment to innovation and a focus on delivering high-value projects, NCC remains at the forefront of water and environmental solutions.

**ELECTRICAL T&D**

NCC Ltd.'s Electrical (T&D) division is at the forefront of transforming the nation through transmission and distribution projects, recognising the crucial role of electrification in driving development. With the government's focus on ensuring universal and uninterrupted access to power, NCC's Electrical Division has successfully undertaken extensive and demanding electrical construction projects. The division boasts a wide range of expertise, including design, engineering, erection, testing, and commissioning of EHV/HV/LV substations and transmission lines, high voltage distribution systems, and feeder separation schemes. By harnessing its strengths and capabilities, NCC contributes to various projects aimed at electrification and distribution in different utilities. Notably, the division has been involved in significant ventures such as the 765KV Transmission line in Jaipur. Through its dedicated efforts, NCC plays a pivotal role in meeting the growing demand for electricity and driving the nation's progress in the electrical transmission and distribution sector.

**IRRIGATION**

We actively participate in the irrigation business, recognising its significance as the lifeline for farmers and the foundation for ensuring food security for the vast population. The company undertakes a wide range of projects related to irrigation infrastructure, including major, medium, and minor canals sourced from rivers, groundwater, well-based systems, tanks, and rainwater harvesting initiatives. Additionally, NCC's expertise and resources in irrigation infrastructure development extend to sectors such as forestry, animal husbandry, horticulture, and sericulture, which heavily rely on water resources. Through its involvement in irrigation projects, NCC contributes to enhancing food security, reducing reliance on monsoons, improving agricultural and allied industrial productivity, and creating employment opportunities in rural areas. The company's proficiency encompasses the construction of dams and reservoirs, tunnels, barrages, spillways, aqueducts, and even hydroelectric power projects, further demonstrating its commitment to sustainable and comprehensive irrigation solutions. By sowing the seeds of the future, NCC plays a pivotal role in the development and progress of the irrigation sector.



With the aim of bolstering India's self-reliance in mining natural resources, NCC has embraced this opportunity to play a catalytic role in the industry. The mining sector has witnessed reforms from the government, including the participation and permission for commercial mining, creating favourable conditions for investment and growth. NCC's mining division is primarily focused on Mine Developer-cum-Operator (MDO) activities, involving the removal of overburden and extraction of coal, lignite, and other minerals from open-cast mines across India. Through its mining endeavours, NCC aims to bridge the gap between the demand and supply of coal, address the increased power demand, and contribute to the overall growth and development of the mining sector in India.



NCC Ltd. is actively involved in the railways business, aiming to support the nation's development and facilitate efficient transportation of people and goods. The company undertakes various projects to keep the wheels of growth in constant motion, including dedicated freight corridors, railway projects including EPC, OHE, and S & T. NCC's expertise in this field extends to critical aspects of railway construction, such as earthworks, track lining, railway bridges, and railway electrical signalling systems. By focusing on these areas, NCC contributes to the expansion and enhancement of railway infrastructure. With a commitment to excellence and a vision for the future, NCC plays a pivotal role in connecting futuristic tracks, ensuring smooth and reliable rail transportation that drives the nation forward.



ORDER INFLOW & ORDER BOOK STATUS

ORDER INFLOW FY23:

₹25895 CRS

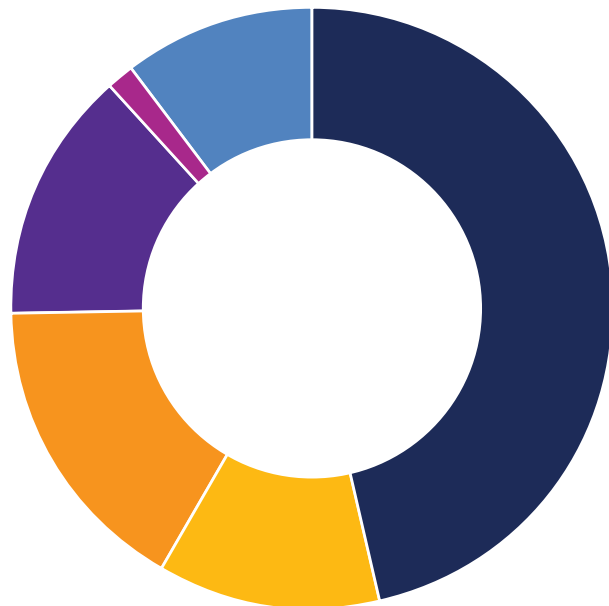
■ Buildings	41%
■ Transportation	12%
■ Water & Railways	16%
■ Electrical	20%
■ Mining	11%



ORDER AS ON 31.03.2023

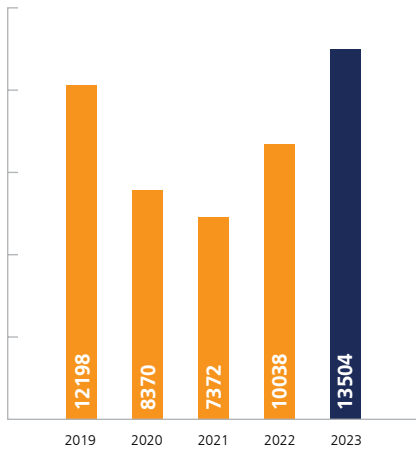
₹50244 CRS

■ Buildings	46%
■ Transportation	12%
■ Water & Railways	16%
■ Electrical	14%
■ Irrigation	2%
■ Mining	10%

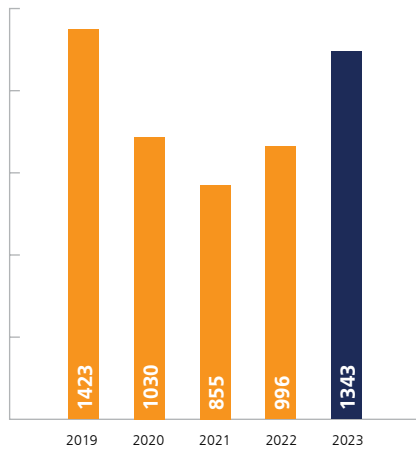


KEY PERFORMANCE INDICATORS

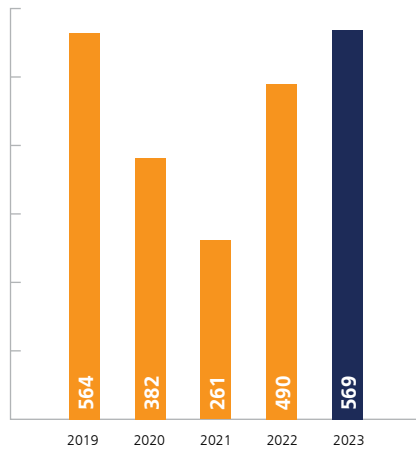
TURNOVER (₹ In Crores)



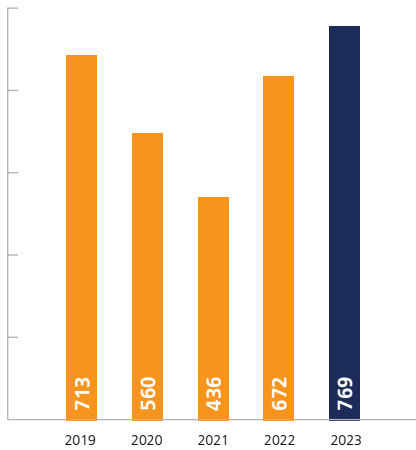
EBIDTA (₹ In Crores)



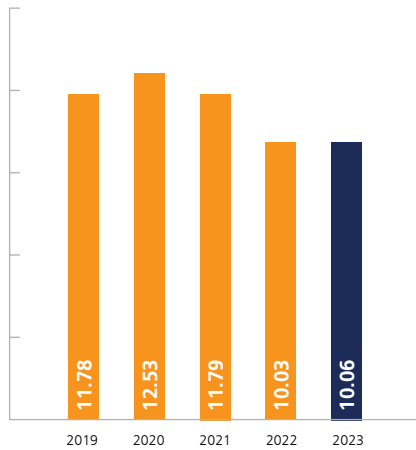
PAT (₹ In Crores)



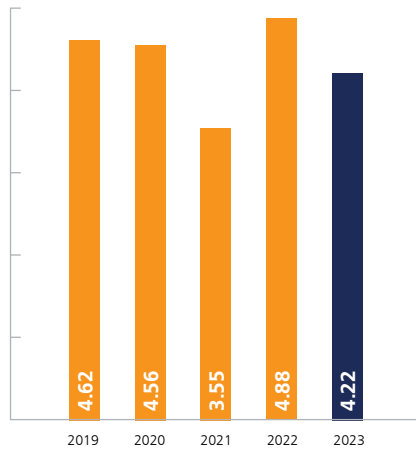
CASH PROFIT (₹ In Crores)



EBIDTA (%)

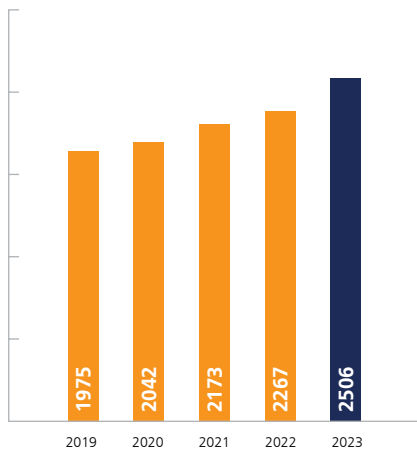


PAT (%)

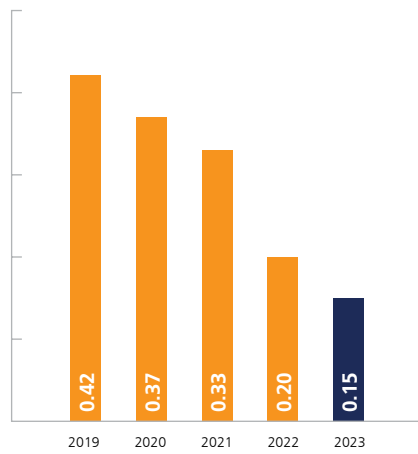




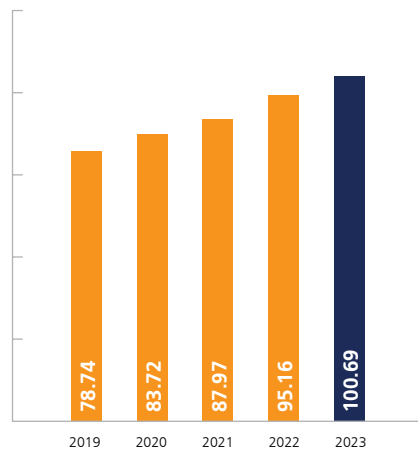
GROSS BLOCK (₹ In Crores)



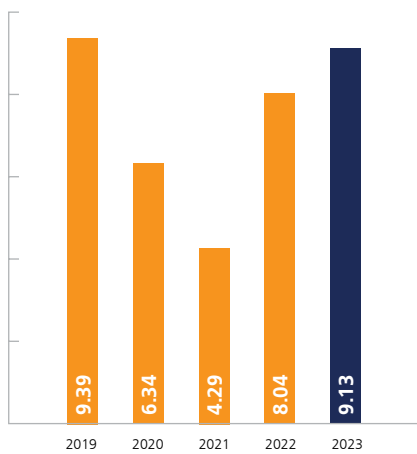
DEBT EQUITY (RATIO)



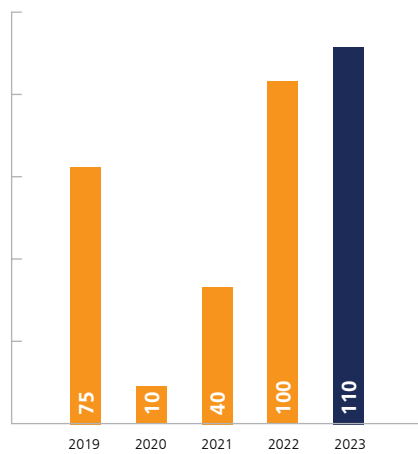
BOOK VALUE PER SHARE (₹)



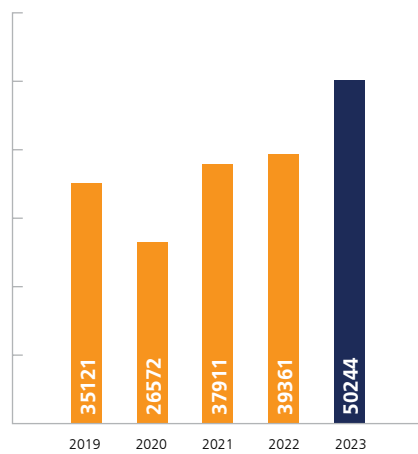
EPS (₹)



DIVIDEND (%)



ORDER BOOK (₹ In Crores)



HUMAN CAPITAL

The human capital of NCC Ltd comprises of its skilled workforce, which includes engineers, project managers, construction workers, and other professionals. The company invests in the development of its employees through training programs, knowledge sharing, and career advancement opportunities. NCC Ltd recognises that its employees' expertise and dedication are crucial in delivering high-quality construction services.

At NCC, we firmly believe that our company's greatest asset extends beyond financial capital, buildings, properties, or projects. It is our people, our human capital, that truly defines our success, growth, and resilience throughout our remarkable four-decade and over journey.

A ROBUST TEAM OF QUALIFIED EXPERTS

With a staff of over 20611 highly qualified and experienced technical and commercial professionals, we transform the company's philosophy into meticulous action. At NCC, we foster a people-first culture, providing an environment where individuals can thrive. We value competence and prioritize the freedom to work, striking a balance between dedication and enjoyment.

A FAMILY-LIKE WORKPLACE

Our humane approach when engaging with people cultivates a workplace atmosphere that feels like family, where enduring relationships are nurtured and cherished. We recognize that learning and

evolution are inherent to our DNA. We learn from one another, considering continuous learning as an integral part of our job.

LEARNING AND DEVELOPMENT INITIATIVES

Our Learning and Development (L&D) programs are tailored to support career progression, bridge skill gaps, and enhance performance and productivity. We understand that by investing in employee growth, we contribute to our own advancement as well. 135 training programmes were held in 202-23.

MUTUAL GROWTH

Just as our learning programs empower professional development, it helps propel our organization forward. At NCC, we foster an environment that encourages constant growth and progress. As employees contribute expertise and commitment, we, as a company, continue to flourish.

BUILDING A STRONG FUTURE TOGETHER

In conclusion, NCC Ltd's human capital serves as our core strength, driving our success, growth, and ability to overcome

challenges. Our exceptional team of talented professionals, coupled with our people-centric approach, creates a workplace where individuals are valued, learning is continuous, and growth is inevitable.

As we continue to expand and excel in the industry, we remain committed to nurturing our human capital, providing opportunities for development, and fostering an environment that promotes collaboration, innovation, and excellence. Together, we will build a strong and prosperous future.



QUALITY MANAGEMENT SYSTEMS



At NCC Ltd, quality management systems play a vital role in ensuring the delivery of exceptional construction projects. The company is dedicated to advocating best practices and providing education and training on quality management, benefiting both its members and the wider construction community.

NCC adheres to a policy of continual improvement, aligning its quality

objectives with the framework established by the ISO 9001-2015 standard. These objectives are designed to address both the risks and opportunities within the company, allowing for effective risk management and enhancement of operational efficiency.

To ensure ongoing effectiveness, NCC regularly monitors and maintains its quality objectives, ensuring that it

remains at the forefront of quality management practices.

Through its unwavering dedication to quality management, NCC Ltd strives to exceed expectations, foster innovation, and leave a lasting positive impact on the construction industry.

DIGITAL AND IT INITIATIVES

NCC Ltd embarked on a comprehensive digitisation initiative in October 2020 to enhance its digital capabilities. This note highlights the significant benefits derived from these initiatives, which have positively impacted and will continue to impact NCC's performance across various operational and financial aspect.



NEXT-GENERATION ERP IMPLEMENTATION

The introduction of a next-generation Enterprise Resource Planning (ERP) system, an ongoing initiative, has played a pivotal role in streamlining NCC's operations. This advanced ERP facilitates seamless data integration, enhances monitoring and control, and enables efficient decision-making across the organisation.

ENHANCED ANALYTICS FOR STRATEGIC INSIGHTS

NCC's focus on enhancing its analytics capabilities has led to valuable insights and data-driven decision-making. Leveraging advanced analytics tools, the company can proactively identify trends, risks, and opportunities, contributing to better planning and performance evaluation.

IMPROVED ESTIMATION WITH MARKET-LEADING TOOLS

NCC has adopted market-leading estimation tools to achieve standardisation and improve accuracy in project estimations. This strategic move has resulted in a higher success rate..

STREAMLINED BID MANAGEMENT THROUGH AUTOMATION

The implementation of an automated bid management tool has bolstered operational efficiency in NCC's bid management lifecycle. The streamlined process allows for better resource allocation and improved project bidding competitiveness.

MODERNISATION OF HUMAN RESOURCES MANAGEMENT

By leveraging a modern Human Resources management system, NCC has optimised its HR processes, leading to improved workforce management and employee satisfaction.

AUTOMATION OF PROCUREMENT PROCESSES

Automation of procurement processes across all lines of business has reduced manual intervention and accelerated procurement cycles, and improved supply chain management.

LEVERAGING E-AUCTION PLATFORMS FOR COMPETITIVE PRICING

NCC has adopted e-auction platforms to consolidate demand and achieve competitive pricing for materials and equipment. Additionally, integrating

online market aggregators as service providers has further optimised price discovery.

EFFECTIVE GST MANAGEMENT AND VENDOR RISK OPTIMIZATION

The implementation of a leading GST automation tool will streamline GST-related processes and improve data accuracy. This, in turn, will enable NCC to optimise vendor risk management and comply with regulatory requirements more effectively. This is in an advanced stage of implementation.

TIMELY DATA-DRIVEN DECISION-MAKING

Digitisation initiatives have enhanced data input timeliness, empowering NCC's management to make informed decisions promptly.

PLANNING TOOLS FOR PROJECT EXCELLENCE

The utilisation of planning tools has been instrumental in managing critical projects. By standardising and implementing procedures, NCC has optimised resource utilisation and monitoring project execution more efficiently.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

NCC Limited believes that occupational health, safety, and environmental sustainability are not mere obligations but moral, social, and legal responsibilities. This belief is deeply ingrained in the corporate culture and demonstrated through its comprehensive Quality, Environment, Health and Safety (QEHS) Policy.



At the heart of NCC Limited’s operations there is a robust Health, Safety, and Environment (HSE) management system. This system outlined meticulous processes and procedures to ensure that every task, from the smallest to the largest, was performed with the least possible risk and ill-health to its employees and the environment. Central to this management system is the crucial practice of hazard identification and risk assessment, which involves engaging at all levels of the organization employees. By adopting the latest innovative construction and maintenance

technologies, NCC Limited diligently planned and implemented risk mitigation measures. NCC holds Occupational Health and Safety Management Systems (ISO 45001 : 2018) and Environmental Management Systems (IS 14001 : 2015).

Recognizing the importance of knowledge and awareness, the organization provides comprehensive HSE training to all employees. Before setting foot on any project site, each employee underwent an HSE orientation program to understand the company’s safety protocols and procedures. They were equipped with the necessary

skills through skill-based trainings, pre task briefings and received regular updates on the latest safety practices. To reinforce their training, employees were given on-site practical demonstrations, ensuring they could perform their tasks safely and effectively, with minimal impact on the environment.

NCC Limited’s dedication to employee well-being extended beyond the workplace. Prior to commencing operations, all employees underwent thorough health checkups, ensuring they were fit for their assigned tasks. Subsequent health checkups were



conducted based on the nature of their jobs, with medical practitioners providing recommendations for adjustments when necessary. Whether it involved changing job tasks, reducing exposure limits, or upgrading machinery, the organization prioritizes the occupational health and non-occupational health of its employees.

The company actively engages with the communities they operated in, organizing frequent health and hygiene awareness camps. These camps not only addressed occupational health concerns but also addressed common communal diseases prevalent in the area. NCC Limited understood the importance of creating a positive impact on the communities they served and made it a part of their HSE initiatives.

Complying with legal and contractual requirements is a top priority for NCC Limited, the same is committed in QHES Policy. Maintaining meticulous legal registers and ensured that all obligations were met without any deviations. This commitment to adherence showcased their sense of responsibility and accountability, earning them the trust and respect of their stakeholders.

NCC Limited's dedication to safety also extended to their investment in HSE resources. They procure the latest safety feature machinery and provided their employees with top-of-the-line Personal Protective Equipment (PPE). Their HSE infrastructure is planned and maintained in alignment with project milestones, ensuring that safety remained uncompromised throughout the construction process.

The environmental sustainability is a key consideration, and the organization carried out impact assessments for all their operations, implementing measures

such as waste management plans, the adoption of least-polluting machinery, and even tree plantation initiatives.

In their unwavering commitment to employee welfare, NCC Limited left no stone unturned. The organization provides clean and hygienic accommodation, potable drinking water, comprehensive medical facilities, well-equipped canteens, creche facilities, safe transportation, and comfortable restrooms with clean toilets. These amenities created a supportive work environment where employees feel valued and cared for.

Motivation and enforcement played a pivotal role in NCC Limited's HSE programs. They encouraged employees to actively participate in safety observations, issuing warnings and penalty notices when necessary. The company also implemented reward and award systems to recognize and celebrate the employees who went above and beyond in implementing HSE systems. Through these motivational measures, NCC Limited fostered a culture of safety and continuous improvement.

To ensure preparedness in emergencies, the organization conducts periodic mock drills tailored to the specific locations, terrains, and nature of their operations. By simulating emergency situations and evaluating their response capabilities, they minimized potential risks and enhanced the safety of their workforce.

The organization unwavering dedication to safety, health, environment, and employee welfare did not go unnoticed. They received numerous appreciation certificates for their outstanding implementation of HSE systems across multiple project sites. These accolades served as a testament to their

commitment and further fuelled their determination to continue prioritizing the well-being of their employees.

In conclusion, NCC Limited's commitment to safety, health, environment, and welfare established them as a responsible and caring organization. Through their unwavering dedication, they fostered confidence and peace of mind, creating a culture of safety that not only benefited their employees but also strengthened their reputation and nation. Improves morale, and ensured their long-term success. NCC Limited stood as a shining example of how a construction company could prioritize the well-being of its workforce and contribute to the greater good of society.

CORPORATE SOCIAL RESPONSIBILITY

At NCC Ltd, we firmly believe that as a responsible corporate entity, it is our duty to contribute towards the betterment of society. That's why we have undertaken a range of Corporate Social Responsibility (CSR) activities that showcase our unwavering commitment to various social causes. From education to healthcare and rural development, our initiatives aim to create a positive impact on the community and address critical social needs. We understand the importance of education in empowering individuals and driving societal progress. Through our CSR programs, we actively support educational initiatives, including infrastructure development, and skill development programs, to ensure that every child has access to quality education. Additionally, we recognize the significance of healthcare in building a healthy and resilient society. We invest in healthcare facilities, awareness campaigns, and medical camps to provide better healthcare access to underserved communities. Moreover, we are dedicated to uplifting rural areas by implementing projects that focus on infrastructure development and livelihood generation. By engaging in these activities, we aim to bring about meaningful change and create a positive and lasting impact on the lives of individuals and communities.

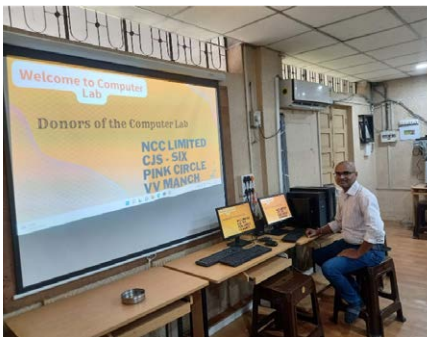
EDUCATION



Ekal Vidyalaya - Single Teacher informal school for tribals in Andhra Pradesh and Telangana.



Students' requirements and digital classroom for ZPHS and MPPS Schools at Kothapeta, Hyderabad.



Upgradation of Computer Lab at Arts and Science College for Women, Andhra Mahila Sabha, Hyderabad.



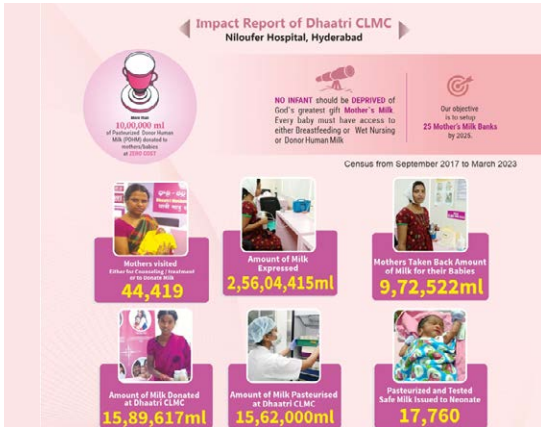
Setting up of Central Instrumentation Laboratory at University College for Women at Koti, Hyderabad



Online education for the dropouts, partially schooled & unschooled students in secondary grades through Avileen Education Foundation



HEALTHCARE



Operational expenses of Dhaatri's Milk Bank at Niloufer Hospital, Hyderabad through Sushena Health Foundation. Support funding for implementing Aaryajanani Program through Global Illumine.



Eye treatment and surgery for economically weaker sections at no cost at LV Prasad Eye Institute, Hyderabad through Hyderabad Eye Research Foundation.



Dedicated and customised delivery vehicles for transportation of cooked food through The Akshaya Patra Foundation

RURAL DEVELOPMENT



Underground Drainage and other rural development projects in Tangatoor, Shankarpalli near Hyderabad.



Construction of Rural Housing and Other Rural Development Projects in Antervedipalem, EGDT, A.P.



CORPORATE INFORMATION

Padma Shri Awardee

Dr. A V S Raju, Founder & Chairman Emeritus

Board of Directors

Sri Hemant M Nerurkar

Independent Director - Chairman

Smt Renu Challu

Independent Director

Dr. A S Durga Prasad

Independent Director

Sri O P Jagetiya

Independent Director

Sri Utpal Sheth

Director

Sri A A V Ranga Raju

Managing Director

Sri A G K Raju

Executive Director

Sri A S N Raju

Wholetime Director

Sri J V Ranga Raju

Wholetime Director

Sri A V N Raju

Wholetime Director

Chief Financial Officer & EVP (F&A)

Sri K Krishna Rao

Company Secretary &

Sr. EVP (legal)

Sri M V Srinivasa Murthy

Statutory Auditors

M/s. S R Batliboi & Associates LLP

Chartered Accountants

The skyview 10

Survey No. 83/1, Raidurgam

Hyderabad - 500 032

Registered Office

NCC House

Madhapur, Hyderabad - 500 081

Tel: +91 40 23268888

Email: ho.secr@nccltd.in

www.ncclimited.com

CIN: L72200TG1990PLC011146

Registrar and Share Transfer Agent

KFin Technologies Limited

Selenium Building, Tower B,

Plot No.31 & 32, Financial District,

Nanakramguda, Hyderabad -500 032

Toll-Free No: 1800 309 4001

Email: einward.ris@kfintech.com

www: ris.kfintech.com

Bankers

- State Bank of India
- Canara Bank
- Punjab National Bank
- Indian Overseas Bank
- ICICI Bank
- Standard Chartered Bank
- IDBI Bank
- Union Bank of India
- IndusInd Bank
- Punjab & Sind Bank
- Indian Bank
- Export Import Bank of India
- Karnataka Bank
- Yes Bank

33rd Annual General Meeting

Friday, 8th September 2023 • 3.00 PM (IST) through VC/OAVM



BOARD'S REPORT

To the Members,

Your Directors take pleasure in presenting the 33rd Annual Report together with the Audited Statement of Accounts for the Financial Year ended March 31, 2023.

Standalone Financial Results

(₹ in crores)

Particulars	2022-23	2021-22
Revenue from Operations	13351.32	9930.03
Other Income	152.25	108.21
Total Income	13503.57	10038.24
Profit before Interest, Depreciation, Exceptional Items and Tax (PBITD)	1494.77	1104.32
Less: Finance Costs	510.00	459.60
Profit before Depreciation, Exceptional Items and Tax	984.77	644.72
Less: Depreciation and Amortisation Expenses	199.81	182.34
Profit before exceptional item & tax	784.96	462.38
Exceptional items (Net)	---	145.64
Profit before tax	784.96	608.02
Provision for Tax (Including earlier Year Taxation)	215.75	117.90
Profit after Tax	569.21	490.12
Other comprehensive income / (loss) for the year	(4.56)	(2.82)
Total comprehensive income for the year	564.65	487.30
Retained earnings- Opening Balance	1669.75	1478.42
Add: Profit for the Year	569.21	490.12
Less: Transferred to General Reserve	350.00	250.00
Less: Dividend paid during the year	125.57	48.79
Retained earnings - Closing Balance	1763.39	1669.75
Paid up Capital	125.57	121.97

Operational performance

Standalone

Your Board takes pleasure in reporting that the Revenue from Operations of the Company for the Financial Year ended 31st March 2023 amounted to ₹ 13,351.32 crores as against ₹ 9930.03 crores in F.Y 2021-22 and earned a Profit before

Interest, Depreciation, Exceptional Items and Tax (PBITD) of ₹ 1494.77 crores for the F.Y 2022-23 as against ₹ 1104.32 crores in the previous year. After deducting financial charges of ₹ 510 crores, providing a sum of ₹ 199.81 crores towards depreciation and ₹ 215.75 crores for income tax, the operations of the Company resulted in a net profit of ₹ 569.21 crores for the F.Y 2022-23 as against ₹ 490.12 crores in F.Y 2021-22.

Consolidated

During the year under review, the Revenue from Operations of the Company on a consolidated basis amounted to ₹ 15,553.41 crores as against ₹ 11,137.96 crores in the previous fiscal. Your Company has earned a PBITD of ₹ 1606.58 crores for the F.Y 2022-23 as against ₹ 1094.52 crores in the previous Financial Year. The operations resulted in a net profit attributable to the shareholders of the Company of ₹ 609.20 crores as against ₹ 482.41 crores in the previous financial year.

During the year, the Company, on consolidated basis, bagged new orders valued around ₹ 25,895 crores (including change in scope of work) and after deducting the Orders executed, the Order Book of the company as on March 31, 2023 stood at ₹ 50,244 crores.

You will be happy to note that the Company has exhibited robust financial performance during the fiscal year under review.

Dividend

Your Board takes pleasure in recommending payment of Dividend of ₹ 2.20/- (110%) per Equity Share of ₹ 2/- each as against ₹ 2/- per Equity Share in the previous year for the consideration and approval of the members of the Company at the forthcoming Annual General Meeting.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at <https://www.ncclimited.com/policies&codes.html>

Transfer to Reserves

Out of the amount of ₹ 2113.39 crores available for appropriation your Board approved transfer of ₹ 350 crores to the Reserves and the remaining amount of ₹ 1763.39 crores in the retained earnings.

Management Discussion and Analysis

Business overview and outlook and the state of the affairs of the Company and the Industry in which it operates, is discussed in detail in the section relating to Management Discussion & Analysis which forms part of this Report.

Change in nature of business

There has been no change in the nature of business carried on by the Company during the year under review.

Material Changes and Commitments affecting the financial position of the Company

There are no Material Changes and Commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report.

Conversion of Warrants issued to Promoters to into Equity Shares

Pursuant to the provisions of the Companies Act, 2013, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR Regulations) and the approval accorded by the members of the Company, the Company had issued 1,80,00,000 Convertible Warrants on Preferential basis to the Promoters / Promoter Group Shareholders of the Company at a price of ₹ 59/- per warrant (including premium of ₹ 57/- per warrant) as per the applicable SEBI ICDR Regulations and upon receipt of the consideration amounting to ₹ 26.55 crores (towards 25% of the issue price) the Company had allotted partly paid warrants to the allottees on 12th February 2021. As per terms of the preferential issue these warrants were converted into equity shares of the Company upon receipt of the balance 75% amounting to ₹ 79.65 Crore from the allottees. The Equity Shares allotted consequent to the conversion of the Warrants are listed and traded on NSE & BSE.

Share Capital

During the financial year under review, the Issued & Paid-up Capital of the Company increased from ₹ 121.97 crores to ₹ 125.57 crores consequent to the allotment of equity shares to the Promoters. There has been no change in the Authorised Share Capital of the Company.

Particulars of Contracts or Arrangements with Related Parties

All related party transactions entered during the financial year were in the ordinary course of the business of the Company and were on an arm's length basis. There were no materially significant related party transactions entered by the Company during the year with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

The policy on Related Party Transactions as approved by the Audit Committee and the Board of Directors is hosted on the website of the Company and the link for the same is: <https://ncclimited.com/policies&codes.html>

Directors' responsibility statement

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your Directors to the best of their knowledge and ability confirm as under:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) We have 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 as of 31st March 2023 and of the profit of the Company for the financial year ended 31st March 2023;
- (c) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) The Company had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Subsidiary / Joint Venture Companies:

The Company has 24 subsidiaries (including step-down subsidiaries) as on 31st March 2023.

As per the provisions of Section 129 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the Subsidiary Companies / Associate Companies/ Joint Venture Companies is prepared in **Form AOC-1** and is attached to the Financial Statements of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Rules framed thereunder, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are being made available on the website of the Company and are not attached with the Financial Statements of the Company. The Company will make available the Financial Statements of the subsidiary companies and the related information to any member of the Company who may be interested in obtaining the same.

In compliance with Section 134 of the Companies Act, 2013 read with the rules framed thereunder and the provisions of the SEBI



(Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended from time to time the Financial Statements for the F.Y 2022-23 have been prepared in compliance with the applicable Indian Accounting Standards.

Consolidated financial statements

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 and the Indian Accounting Standards Ind-AS 110 and other applicable Accounting Standards, your Directors have pleasure in attaching the consolidated financial statements for the financial year ended March 31, 2023, which forms part of the Annual Report.

Disclosures: Deposits

During the year, the Company has not accepted any public deposits.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

A. Conservation of energy

The Company's core activity is civil construction which is not power intensive. The Company is making every effort to conserve the usage of power wherever possible.

B. R&D and technology absorption: Not applicable

C. Foreign exchange earnings and outgo during the F.Y 2022-23

- i. Foreign exchange earnings: ₹ 1.77 crores.
- ii. Foreign exchange outgo:
 - a. Towards travel: ₹ 0.46 crores
 - b. Towards import of capital goods & material supplies: ₹ 87.04 crores

During the year under review no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Particulars of loans, guarantees or investments under Section 186;

Details of Loans, Guarantees, Investments under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 as of 31st March 2023 form part of the Notes to the financial statements provided in this Annual Report.

Directors:

In pursuance of Section 152 of the Companies Act, 2013 and the rules framed there under, Sri A S N Raju (DIN 00017416),

Whole-time Director and Sri A G K Raju (DIN 00019100), Executive Director are liable to retire by rotation, at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment.

The Independent Directors have submitted the requisite declaration of independence, pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 read with sub rule (1) and (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 as amended.

Key Managerial Personnel

As on 31st March 2023 Sri A A V Ranga Raju, Managing Director, Sri A G K Raju, Executive Director, Sri A S N Raju, Sri J V Ranga Raju and Sri A V N Raju, Wholetime Directors, Sri K Krishna Rao, EVP (F&A) and CFO and Sri M V Srinivasa Murthy, Company Secretary & Sr. EVP (Legal) continued as the Key Managerial Personnel of the Company in accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Policy on Directors' Appointment and Remuneration and other details

The Company's policy on Directors' appointment and remuneration and other matters pursuant to Section 178(3) of the Companies Act, 2013 is hosted on the Company's website and the web link thereto is: <https://nclimited.com/policies&codes.html>

The requisite information pursuant to Section 178(4) of the Act is given in the Corporate Governance Report which forms part of the Annual Report.

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, the Individual Directors, the Chairman of the Company, etc pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder and SEBI (LODR) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information, and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc.

In a separate meeting of Independent Directors, performance of the Directors, the Board as a whole, and the Chairman of

the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Meetings of Board of Directors

The Board Calendar is prepared and circulated in advance to the Directors. During the Financial Year under review the Board has met 6 times i.e., on April 28, 2022, May 11, 2022, August 9, 2022, September 27, 2022, November 08, 2022, and February 8, 2023. The details with respect to the Board and Committee meetings and attendance there at as required under the Secretarial Standard-1 issued by the Institute of Company Secretaries of India have been provided in the Corporate Governance Report forming part of this Annual Report.

Familiarization Programme

The details of the familiarization programme formulated for Independent Directors is hosted on the Company's website and the web link thereto is <https://ncclimited.com/independent-directors.html>.

Audit Committee

The Company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013 read with the Rules made thereunder and Regulation 18 of the SEBI (LODR) Regulations, 2015. The details relating to the Audit Committee are given in the section relating to Corporate Governance forming part of the Annual Report.

Whistle Blower Policy/ Vigil Mechanism

Pursuant to Section 177 of the Companies Act, 2013 and the Rules framed there under and pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has established a mechanism through which all the stakeholders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle Blower Policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company <https://ncclimited.com/policies&codes.html>. During the year under review the Company has not received any complaint(s) under the said policy.

Risk Management

The Company has established Enterprise Risk Management process to manage risks with the objective of maximizing shareholders value.

The Board of Directors of the Company has formed a Risk Management Committee to implement and monitor the risk management Policy of the Company. The development and implementation of the risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Compliance with Secretarial Standards

The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under Section 118(10) of the Companies Act, 2013.

Annual Return

Pursuant to Section 92 (3) of the Companies Act, 2013 a copy of the annual return for the financial year ended 31st March 2023 has been placed on the website of the Company at https://ncclimited.com/AGM_EGM_Info.html.

Statutory Auditors and their report

M/s. S R Batliboi & Associates LLP Chartered Accountants (Firm Registration No.101049W/ E300004), who were appointed as Statutory Auditors of the Company for a term of five years from the conclusion of the 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting conducted the Statutory Audit for the F.Y 2022-23. The Independent Auditors' Report(s) to the Members of the Company in respect of the Standalone and the Consolidated Financial Statements for the Financial Year ended March 31, 2023, form part of this Annual Report and do not contain any qualification(s) or adverse observations.

Secretarial Audit Report

As per the provisions of Section 204(1) of the Companies Act, 2013 and the Rules framed there under, the Company has appointed M/s. BS & Company Company Secretaries LLP, Practicing Company Secretaries to conduct Secretarial Audit of the records and documents of the Company for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year ended 31st March 2023 in Form MR-3 is annexed hereto and forms part of this Report - **Annexure - I**. The Secretarial Auditors' Report to the Members of the Company for the Financial Year ended March 31, 2023, does not contain any qualification(s) or adverse observations.



Cost Audit

In compliance with the provisions of Section 148 of the Companies Act, 2013 and the Rules framed thereunder and based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on May 11, 2022, had appointed M/s. Vajralingam & Co., Cost Accountants (Firm Registration No.101059) as the Cost Auditors of the Company for the F.Y 2022-23 to conduct audit of the cost accounts and records maintained by the Company to the extent applicable. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors has to be ratified by the members. Accordingly, necessary resolution is proposed at the ensuing AGM for ratification of the remuneration payable to the Cost Auditors for FY-2022-23.

Corporate Governance

Pursuant to the provisions of Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the members of the Company. A certificate from the Secretarial Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under the said Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also forms part of this Annual Report.

Business Responsibility and Sustainability Report

As stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015, Business Responsibility and Sustainability Report is attached hereto and forms part of the Annual Report.

Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividend are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the said Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. In compliance with the aforesaid provisions the Company has transferred the unclaimed dividends and corresponding shares to IEPF. The details of the unclaimed dividend during the last seven years and also the details of the unclaimed shares transferred to IEPF are given in the Report on Corporate Governance forming part of the Annual Report.

Details of any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, by the Company, before National Company Law Tribunal.

The Consortium formed amongst Maytas Infra Ltd and NCC Ltd was awarded the Road Project between Pondicherry and Tindivanam by National Highways Authority of India (NHAI) in the year 2005 on Build, Operate and Transfer (BOT) basis. The said Consortium had formed Pondicherry Tindivanam Tollway Pvt. Limited (PTTL), a Special Purpose Vehicle for execution of the said Road Project. The Company had along with other Promoters of Pondicherry Tindivanam Tollway Pvt. Limited (PTTL), among others executed the Amended and Restated Promoters' Undertaking (Undertaking) dated 25th June 2008 in relation to the Financial Assistance extended by the Consortium of Banks to the said PTTL. The execution of the road project was completed by PTTL in December, 2011, but on account of breach of the contract on the part of National Highways Authority of India (NHAI), PTTL had sought termination of the Concession Agreement entered into with NHAI and referred the contractual disputes and raised claims against NHAI, which were initially referred to arbitration and thereafter to the Conciliation Committee of Independent Experts (CCIE) set up by NHAI.

While the disputes are sub-judice before the CCIE, Axis Bank being Lead Lenders to PTTL filed an Application u/s 7 of the IBC against the Company and illegally claimed an amount of ₹ 84.04 Crores alleged to be due to them under the said Undertaking and which application is pending for admission by the NCLT, Hyderabad. As no amount is due by the Company to the said Axis Bank under the said Undertaking, the Company has filed an application under section 65 of the IBC Code for dismissal of the frivolous application filed by Axis Bank and the same is subjudice before the Hon'ble NCLT.

As on the date of this report, three applications u/s 9 of the IBC Code filed by the vendors are pending before the NCLT, Hyderabad. The Company has contested the aforesaid applications as no amount is due to them.

Reporting of Frauds

There have been no instances of fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Company or to the Central Government.

Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are

set out in **Annexure-II** of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended. The CSR Policy is available on the website of the Company <https://ncclimited.com/policies&codes.html>. As per the provisions of the Companies Act, 2013 and the Rules framed thereunder during the F.Y 2022-23 the Company was required to spend an amount of ₹ 7.80 Crore towards CSR activities. During the F.Y 2022-23, the Company had spent the entire amount towards various CSR activities undertaken during the F.Y 2022-23 as per details given in the said **Annexure-II**.

Particulars of Employees

Details in respect of the remuneration paid to the employees as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time forms part of this report. The Annual Report and accounts are being sent to the shareholders excluding the aforesaid exhibits. Shareholders interested in obtaining this information may access the same from the Company's website.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in **Annexure-III** and forms part of this Report.

Protection of Women at Workplace

The Company has formulated a policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace. During the financial year ended 31st March 2023, the Company has not received any complaints pertaining to Sexual Harassment.

Acknowledgements

Your Directors place on record their sincere appreciation and thanks for the valuable cooperation and support received from the employees of the Company at all levels, Company's Bankers, Central and State Government Authorities, Associates, JV Partners, Clients, Consultants, Sub-contractors, Suppliers and Members of the Company and look forward for the same in equal measure in the coming years.

For and on behalf of the Board

Hemant M Nerurkar

Chairman

(DIN: 0265887)

Place: Hyderabad

Date: May 26, 2023



ANNEXURE – I

Form No. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To,
The Members,
NCC Limited
Hyderabad

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NCC Limited** (hereinafter referred to as the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other documents/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 year ended on March 31, 2023 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, minutes books, forms and returns filed, and other records maintained by the Company for the financial year ended **March 31, 2023**, according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (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,
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992:-
 - (a) The Securities and Exchange Board of India (Substantial

Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) 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.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

*During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above,.

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.

Adequate notice was given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent 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.

During the period under review, resolutions were carried through majority. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review.

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 following are the major events:

The Company has allotted 1,80,00,000 equity shares of ₹ 2 each at a premium of ₹ 57 per share upon conversion of convertible warrants issued on preferential basis to the promoters/promoter group of the Company.

For BS & Company Company Secretaries LLP

K.V.S. Subramanyam

FCS No.: 5400

C P No.: 4815

PR. No: 705/2020

UDIN: F005400E000377332

Date: May 26, 2023

Place: Hyderabad

Note:

- 1) This report is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of this report.
- *2) There was one day delay in the submission of the disclosure to the stock exchanges pursuant to Regulation 23(9) of SEBI (LODR) regulations 2015

Annexure

To,
The Members,
NCC Limited
Hyderabad

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 audit.
2. We have followed the audit practices and process 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.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations 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.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable laws
8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws, Labour Laws, General and other specific Laws as may be applicable to the Company, have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For BS & Company Company Secretaries LLP

K.V.S. Subramanyam

FCS No.: 5400

C P No.: 4815

PR. No: 705/2020

UDIN: F005400E000377332

Date: May 26, 2023

Place: Hyderabad



ANNEXURE – II

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

1. Brief outline on CSR Policy of the Company:

The perception of CSR is changing from Philanthropy to Sustainability. Shared responsibility and generosity for the society have long been part of the Indian tradition. The tradition continues at NCC, where corporate social responsibility is etched in the organizational DNA. At NCC, we continuously think of ways to direct wealth from successful business endeavors towards societal development. Our responsibility doesn't end with mere thinking. NCC commits resources and effort.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sri A S N Raju	Chairman	2	2
2	Sri Hemant M Nerurkar	Member	2	2
3	Dr. A S Durga Prasad	Member	2	2
4	Sri O P Jagetiya	Member	2	2
5	Sri A G K Raju	Member	2	2

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: <https://ncllimited.com/social-impact-csr.html>.
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable for the current Financial Year
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NIL
- Average net profit of the Company as per section 135(5): ₹ 39020.14 Lakh
- Two percent of average net profit of the Company as per section 135(5): ₹ 780.40 Lakh.
 - Surplus arising out of the CSR projects/ programmes or activities of the previous financial years: NIL
 - Amount required to be set off for the financial year, if any: NIL
 - Total CSR obligation for the financial year: (7a+7b- 7c): ₹ 780.40 Lakh
- CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Lakhs)	Amount Unspent (in ₹ Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (₹. Lakhs)	Date of transfer	Name of the Fund	Amount (₹. Lakhs)	Date of transfer
780.40	NA	NA	NA	NA	NA

b) Details of CSR amount spent against ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹ Lakhs).	Amount spent in the current financial Year (in ₹ Lakhs).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakhs).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
Nil												

c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	3rd Year Operational Expenses of Dhaatri's Milk Bank at Niloufer Hospital	I	Y	Telangana	Hyderabad	10.66	No	Sushena Health Foundation	CSR00005664
2.	3rd Year support funds for implementing Aaryajanani Program	I	Y	Maharashtra	Nagpur	19.00	No	Global Illumine	CSR00033347
3.	Setting up of Central Instrumentation Laboratory at University College for Women at Koti	II	Y	Telangana	Hyderabad	10.22	Yes	-	-
4.	Eye treatment and surgery for economically weaker section at no cost - LV Prasad Eye Institute	I	Y	Telangana	Hyderabad	50.00	No	Hyderabad Eye Research Foundation	CSR00001703
5.	Ekal Vidyalaya - Single Teacher informal school for tribals - 30 schools each in AP & TS ₹ 22000 per School	II	N	Telangana Andhra Pradesh	Hyderabad	13.20	No	Friends of Tribals Society	CSR00001898
6.	Dedicated and customised delivery vehicles (3 in No.) for transportation of cooked food	I	Y	AP, Telangana Maharashtra	-	44.60	No	The Akshaya Patra Foundation	CSR00000286



7	Students' requirements (Shoes, Belt, Socks etc) and Digital classroom for ZPHS and MPPS Schools at Kothapeta, Hyderabad	II	Y	Telangana	Hyderabad	11.66	Yes	-	-
8	Upgradation of Computer Lab at Arts and Science College for Women, Andhra Mahila Sabha	II	Y	Telangana	Hyderabad	9.79	Yes	-	-
9	Underground Drainage and other rural development projects	X	N	Telangana	Tangatooor Shankerpalli	173.12	Yes	-	-
10	For promotion of education of children	II	N	Telangana	Hyderabad	9.20	No	NCC Foundation	CSR00004366
11	Maintenance expenses of the buildings and the infrastructure created at Antervedipalem.	X	N	Andhra Pradesh	Antervedipalem, E G Dist	10.00	No	NCC Foundation	CSR00004366
12	Construction of Rural Housing and other Rural Development Projects	X	N	Andhra Pradesh	Antervedipalem, E G Dist	296.87	No	NCC Foundation	CSR00004366
13	AAS Vidyalaya Education Café - Online education for the dropouts, partially schooled & unschooled students in Secondary grades.	II	N	Maharashtra	Nagpur	7.20	No	Avileen Education Foundation	CSR00000634
14	Laying of CC Road in Allur Village, Chevella Mandal	X	N	Telangana	Chevella, Ranga Reddy Dist	7.88	Yes	-	-
15	Part funding for setting up of Charitable Diagnostics Centre and Poly Clinic at Chandra Rajeswara Rao Foundation for Social Progress in Kondapur	I	Y	Telangana	Hyderabad	5.00	No	Helping Hands of Rotary Trust	CSR00004660
16	Community Centre at Aziz Nagar Village	X	N	Telangana	Aziz Nagar Village, Ranga Reddy Dist	40.00	Yes	-	-
17	Financial assistance (partial) for Enterprise PACS Tele-Radiology Solution to Tata Memorial Cancer Hospital (TMCH) for streamlining the radiology investigations, reporting and data storage	I	N	Maharashtra	Mumbai	25.00	No	Ravindra Joshi Medical Foundation	CSR00008424
	Total					743.40			

- (d) Amount spent in Administrative Overheads: ₹ 37.00 Lakhs
- (e) Amount spent on Impact Assessment, if applicable: Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 780.40 Lakh
- (g) Excess Amount for set off, if any: Nil

Sl. No.	Particular	Amount (in ₹ Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	780.40
(ii)	Total amount spent for the Financial Year	780.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakhs)	Amount spent in the reporting Financial Year (in ₹ Lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹ Lakh)
				Name of the Fund	Amount (in ₹ crore)	Date of transfer	
1.	2019-20	Not Applicable	-	-	-	-	-
2.	2020-21	876.58	152.84	-	-	-	62.87
3.	2021-22	213.90	154.13	-	-	-	59.77
	Total	1090.48	306.97	-	-	-	122.64

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹ Lakh)	Amount spent on the project in the reporting Financial Year (in ₹ Lakh)	Cumulative amount spent at the end of reporting Financial Year (in ₹ Lakh)	Status of the project - Completed / Ongoing
1	FY31.03.2021_1	Construction of Rural Housing and Skill Development Facilities at Antervedipalem	2020-21	Annual	800.00	20.69	737.22	Ongoing



2	FY31.03.2021_2	Construction of Underground Drainage System and other infrastructure projects at Tangatur Village	2020-21	Annual	350.00	132.15	349.92	Ongoing
3.	FY31.03.2022_1	Toilets for Boys and Girls at Govt. School, Pulicharla, Nalgonda	2021-22	6 Months	35.00	30.53	34.63	Ongoing
4.	FY31.03.2022_2	Comfort Room (Toilet) facilities in Govt. Schools, Colleges and other educational institutions in UP	2021-22	Annual	183.00	123.60	123.60	Ongoing
Total					1368.00	306.97	1245.37	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:
- Date of creation or acquisition of the capital asset(s): 30th March 2023
 - Amount of CSR spent for creation or acquisition of capital asset.: ₹ 219 Lakhs
 - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:
NCC Foundation, 41, Nagarjuna Hills, Hyderabad - 500082
 - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):
G+2 Building Consisting of 12 Flats and Infrastructure around Buildings constructed at Antharvedipalem, Sakhinetipalli Mandal, DR. Ambedkar Konaseema District, Andhra Pradesh - 533 252
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):
Not Applicable

For and on behalf of Corporate Social Responsibility Committee

Place: Hyderabad
Date: May 26, 2023

A A V Ranga Raju
Managing Director
(DIN-00019161)

A S N Raju
Chairman, CSR Committee
(DIN-00017416)

ANNEXURE – III

Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2022-23:

S. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Sri Hemant M Nerurkar	1.3:1
2	Smt. Renu Challu	1.7:1
3	Dr. A S Durga Prasad	1.1:1
4	Sri O P Jagetiya	1.5:1
5	Sri Utpal Sheth	0.8:1
6	Sri A A V Ranga Raju	175:1
7	Sri A G K Raju	89:1
8	Sri A S N Raju	90:1
9	Sri J V Ranga Raju	40:1
10	Sri A V N Raju	88:1

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year.

S. No.	Name of the KMP	Percentage increase in the remuneration
1	Sri J V Ranga Raju, Whole-time Director	30.17%(*)
2	Sri K Krishna Rao, EVP (F&A) & CFO	8.7%
3	Sri M V Srinivasa Murthy, CS & Sr.EVP (Legal)	9.1%

With due approval of the Members of the Company at the AGM held on 22nd August 2022, the remuneration of Sri J V Ranga Raju has been increased, w.e.f 1st April 2022. The increase in the remuneration of the other Working Directors is on account of an increase in the commission linked to the profit earned by the Company during the Financial Year 2022-23.

- (iii) The percentage increase in the median remuneration of employees in the financial year 12.2%
- (iv) The number of permanent employees on the rolls of Company as on 31st March 2023 stood at 5515 employees.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase in the salaries of the employees other than the managerial personnel in the last financial year was 11.9% and there has been no increase in the managerial remuneration, except for Sri J V Ranga Raju (other than on account of Commission on Profits) during the last financial year.

- (vi) The Remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Hemant M Nerurkar
Chairman
(DIN No. 00265887)

Place: Hyderabad
Date: May 26, 2023



MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY

The outlook for the global economy took a positive turn early in the year. Inflationary pressures began to ease, with global energy prices back at levels last seen prior to the invasion of Ukraine. In addition, base effects from the rise in energy prices following the invasion are now coming off, putting further downward pressure on inflation for the rest of this year. Prices of other commodities as well as global food prices have also eased. However, domestic inflationary pressures remain relatively elevated in several economies, in particular those with tighter labor markets.

While the outlook for inflation has improved significantly, many central banks remained cautious at the start of the year. The concern was that the bout in inflation, as a result of the reopening of economies after Covid-19 restrictions followed by a commodity shock due to the invasion of Ukraine, has been embedded in inflation expectations and therefore pricing behaviors of firms and wage expectations of employees. The worry is that inflation could remain sticky, with core inflation (which excludes items such as food and energy) stubbornly high and price rises widespread across the economy due to a relatively tight economic environment in some countries.

The pressure on global supply chains has eased significantly in recent months, while shipping costs have dropped. This should help alleviate some inflationary pressures and improve supply capacity. Global trade remains relatively weak, although we expect it to recover this year as trade flows normalize with the reopening of the Chinese economy and a recovery in global growth, while the geopolitical tensions are expected to continue and exert some pressure on trade flows over the medium term.

The labor market remains relatively tight across most countries. Despite the resilience of the labor market and the improving inflation conditions, the global economic growth is expected to be driven by the recovery of the Chinese economy and a relatively strong growth in some of the emerging markets particularly India, while the Eurozone and U.S. economies are expected to contribute less to global growth over the next two years.

INDIAN ECONOMY

India became the world's fifth largest economy. The nominal GDP of India touched US\$ 3.75 trillion mark. In real terms, the economy has grown at 7.2 per cent for the year ending March 2023. This follows a 9.1 per cent growth in the previous financial year. The rise in consumer prices has slowed considerably. The annual rate of inflation is below 6 per cent. Wholesale prices are rising at a rate below 5 per cent. The export of goods and services in 2022-23 increased by about 14 per cent to

US\$ 770.18 billion compared to 2021-22 (US\$ 676.53 billion). Although the high oil price this year compared to last year inflated India's import bill and caused the merchandise trade deficit to widen, concerns over the current account deficit and its financing have ebbed as the year rolled on. Foreign exchange reserve levels are comfortable and external debt is low. India had good monsoon and the fundamentals of the Indian economy are sound as it enters its Amrit Kaal, the 25-year journey towards its centenary as a modern, independent nation.

REVIEW OF INDIAN INFRASTRUCTURE & CONSTRUCTION

Infrastructure is crucial for economic growth and development. As India strives for sustainable and inclusive progress in the next 25 years (Amrit Kaal) following its 75th year of Independence in 2021, infrastructure development becomes even more vital. Investments in infrastructure yield significant benefits, including job creation, enhanced global competitiveness, the attraction of Foreign Direct Investment (FDI), seamless economic integration, and improved living standards. The evolving geopolitical landscape and diversification of the global value chain present an opportunity for India to emerge as a major global force after the pandemic. To seize this opportunity, India must enhance domestic preparedness, improve competitiveness, and minimize logistics costs.

India's share in global merchandise exports is only 1.8% (2022), emphasizing the need to sign new trade agreements and increase its global exports. However, to fully capitalize on access to global markets, India must enhance its competitiveness. In the World Economic Forum's Global Competitiveness Index (2019), India ranked 68th overall and lagged in utility infrastructure (rank 103), despite performing relatively better in transport infrastructure (rank 28).

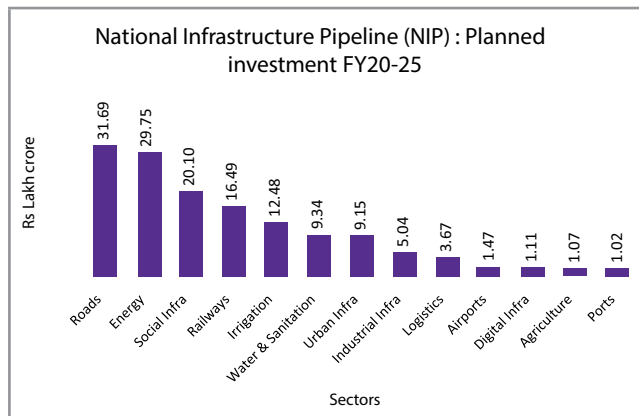
Logistic infrastructure plays a critical role in boosting a country's overall competitiveness. India's logistic costs as a percentage of GDP are estimated to be 14-18%, higher than the global benchmark of 8%. Efforts have been made in recent years to develop roads, railways, ports, airports, last-mile connectivity, and warehousing. Although India's ranking in the World Bank's Logistic Performance Index improved to 38th in 2023 from 44th in 2018, it still lags behind economies like Germany (3rd), Japan (13th), the United States (17th), and China (19th).

The introduction of the National Logistics Policy (NLP), aimed at creating a comprehensive tech-enabled logistics infrastructure, and the PM Gati Shakti plan, focusing on integrated multi-modal connectivity, will further support the logistics sector. The government has also announced initiatives like the National

Infrastructure Pipeline (NIP) with a planned capital expenditure of more than ₹142 lakh crore between FY20-25, National Monetization Pipeline (NMP), which plans to raise about ₹6 lakh crore through the monetization of assets, between FY22-25 and PM Gati Shakti plan to foster holistic development in the infrastructure sector. The sector wise investment in the NIP is -

Sector wise Capex (NIP) - FY2020-25		
S.No.	Sector	Outlay (₹ Lakh Cr)
1	Roads	31.69
2	Energy	29.75
3	Social Infra	20.10
4	Railways	16.49
5	Irrigation	12.48
6	Water & Sanitation	9.34
7	Urban Infra	9.15
8	Industrial Infra	5.04
9	Logistics	3.67
10	Airports	1.47
11	Digital Infra	1.11
12	Agriculture	1.07
13	Ports	1.02
	Total	142.38

Source: India Investment Grid, Ministry of Commerce & Industry, Gol

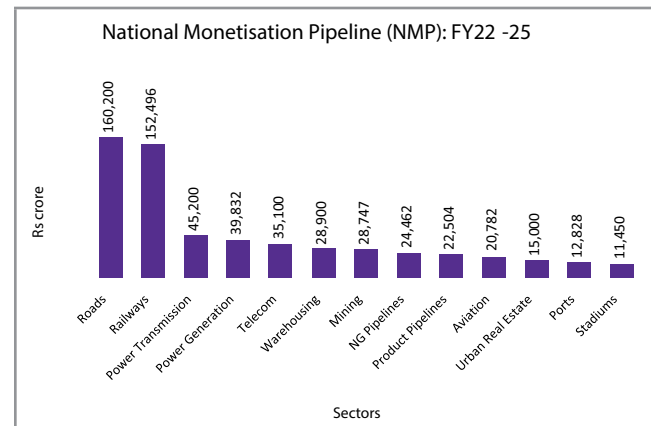


Source: India Investment Grid, Ministry of Commerce & Industry, Gol

The sector wise monetization of the assets as per the NMP is -

Sector wise Monetisation (FY22-25)		
S.No.	Sector	Outlay (Rs Cr)
1	Roads	1,60,200
2	Railways	1,52,496
3	Power Transmission	45,200
4	Power Generation	39,832
5	Telecom	35,100
6	Warehousing	28,900
7	Mining	28,747
8	NG Pipelines	24,462
9	Product Pipelines	22,504
10	Aviation	20,782
11	Urban Real Estate	15,000
12	Ports	12,828
13	Stadiums	11,450
	Total	5,97,501

Source: National Monetization Pipeline, Vol-II, NITI Aayog, Gol



Source: National Monetization Pipeline, Vol-II, NITI Aayog, Gol

The Central Government has launched several schemes, which will give a boost to the construction sector viz.

1. Jal Jeevan Mission, to provide a Functional Household Tap Connection (FHTC) to every rural household in the country by FY24. The outlay for this scheme is ₹ 3.6 lakh crore between FY20-24.
2. The Revamped Distribution Sector Scheme (RDSS) of the Government of India seeks to improve the operational efficiencies and financial sustainability of DISCOMS for



strengthening of power supply infrastructure. The scheme will be implemented between FY22-26 with an outlay of ₹ 3.03 lakh crore.

3. The AMRUT 2.0 envisages to provide tap water connection to every household and sewerage/ septage services in 500 cities at an outlay of ₹ 2.99 lakh crore. The timeline for this scheme is five years (FY22-26).
4. The Swachh Bharat Mission - Urban 2.0 has an ambitious vision of creating Garbage Free Cities by focusing on solid waste management. The scheme will be implemented between FY22-26 with an outlay of ₹ 1.41 Lakh crore.
5. The “Parvatmala Pariyojana”, National Ropeway Development Program, was launched to improve connectivity for commuters in hilly areas and decongest urban areas where the conventional mode of transport is saturated. Under this scheme, it is planned to develop over 250 ropeway projects covering around 1,200 kms at an investment of ₹ 1.25 lakh crore over a period of five years.
6. The National Electricity Plan (Generation) has planned to add Power Generation capacity of 211.8 GW at an investment of ₹ 14.5 lakh crore between 2022-27 and add 291.8 GW at an investment of ₹ 19.06 lakh crore between 2027-32.

Improved infrastructure will also bolster the success of other government initiatives, including Make in India and the production-linked incentives (PLI) scheme, which aim to support the manufacturing sector and enhance export competitiveness.

The government has aptly identified capital expenditure as a catalyst to support the economic recovery, post the pandemic. The Centre has budgeted for a strong capex of ₹ 10 lakh crore in FY24, 37% higher than the revised estimate for FY23. The Centre’s capex (adjusted for defence capex) to GDP ratio is budgeted to rise to 2.7% in FY24 from 2.1% in FY23 and 1.1% in the pre-pandemic period of FY19.

The Central Government capex, with a strong multiplier effect of around 2.5 (RBI 2020), is expected to further pull in private investment over a longer period.

Trend in Centre’s Capital Expenditure

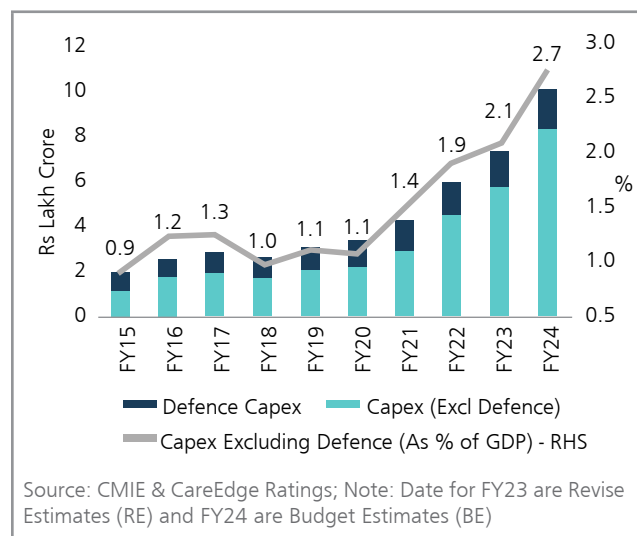


Table 1: Centre’s Capex Growth in Key Infrastructure Sectors

	% Share in Total Caped (Excluding Defence)	CAGR (FY15-19) %	CAGR (FY20-24) %
Road Transport & Highways	36.17	42.14	39.46
Railways	27.90	15.08	37.14
Telecommunications	6.53	22.50	88.09
Housing & Urban Affairs	4.15	20.86	7.72
Energy*	2.32	-0.32	49.43
Ports, Shipping & Waterways	0.12	-11.49	42.53
Civil Aviation	0.02	-9.07	41.92

Source: CMIE & CareEdge Ratings; *Energy includes power, petroleum & natural gas, atomic energy, new & renewable energy;

Note: % share pertains to FY23 (RE)

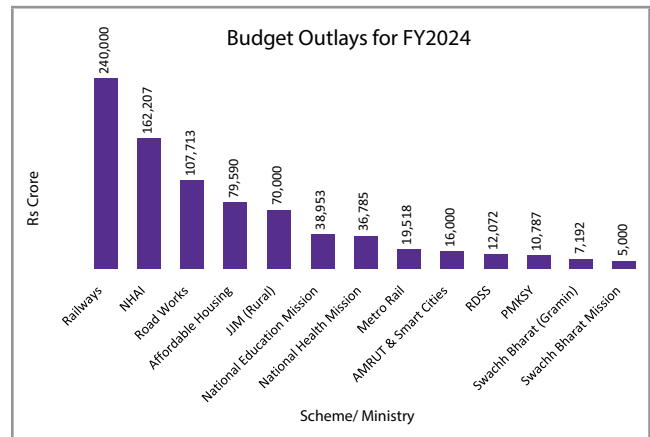
In the Union Budget 2023-24, Important initiatives/ schemes: Infrastructure Sector:

1. Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure that will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.

2. A national financial information registry will be set up to serve as the central repository of financial and ancillary information. This will facilitate efficient flow of credit, promote financial inclusion, and foster financial stability. A new legislative framework will govern this credit public infrastructure.
3. The Government has decided to continue the 50-year interest free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions, with a significantly enhanced outlay of ₹ 1.3 lakh crore.
4. An Urban Infrastructure Development Fund (UIDF) will be established through use of priority sector lending shortfall, which will be managed by the National Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
5. 100 critical transport infrastructure projects, for last mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified and will be taken up on priority with investment of ₹ 75,000 crore, including ₹ 15,000 crore from private sources.
6. Capital outlay for Road Transport and Highways increased to ₹ 2.59 lakh crore in F.Y 24.
7. The outlay for Railways has been increased by 51% to ₹ 2.4 lakh crore in FY24.
8. The outlay for Pradhan Mantri Awas Yojana (PMAY) has been enhanced by 66% to over ₹ 79,000 crore and the programme has been extended to December 31, 2024, to complete the houses sanctioned till March 31, 2022.
9. 50 additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.
10. The Inter-state transmission system for evacuation and grid integration of 13 GW renewable energy from Ladakh will be constructed with an investment of ₹ 20,700 crore including central support of ₹ 8,300 crore.
11. Allocation to the Revamped Distribution Sector Scheme (RDSS) enhanced to ₹ 12,000 crore. Further, a leeway of 0.5% of the fiscal deficit of GSDP will be tied to power sector reforms, as an extension from last year.
12. The National Green Hydrogen Mission, which was launched recently, with an outlay of ₹ 19,700 crores, will facilitate transition of the economy to low carbon intensity, reduce dependence on fossil fuel imports, and make the country assume technology and market leadership in this sunrise sector.

S.No.	Description	Important Budget Outlays for FY2024 (₹ Cr)
1	Railways	2,40,000
2	NHAI	1,62,207
3	Road Works	1,07,713
4	Affordable Housing	79,590
5	JJM (Rural)	70,000
6	National Education Mission	38,953
7	National Health Mission	36,785
8	Metro Rail	19,518
9	AMRUT & Smart Cities	16,000
10	RDSS	12,072
11	PMKSY	10,787
12	Swachh Bharat (Gramin)	7,192
13	Swachh Bharat Mission	5,000

Source: Budget at a Glance 2023-24, Ministry of Finance, GoI



Source: Budget at a Glance 2023-24, Ministry of Finance, GoI

Role of State Governments

State governments play a crucial role in driving infrastructure growth in India's economy. Their capital expenditure (capex) has a significant multiplier effect of 2 (RBI 2020) and holds immense importance in the nation's economic development. A substantial portion of state governments' capex is directed towards infrastructure sectors such as energy, transport, communication, and logistics.

While the allocation of state governments' capital spending (in 19 large states) as a percentage of State Gross Domestic Product (SGDP) increased to around 2.6% in FY23 (revised estimate) from 2.3% in FY19, the actual capex for FY23 may end up being lower than anticipated. The states have faced challenges in maintaining



their capex due to mounting revenue uncertainties and other fiscal commitments. However, to complement the efforts of the central government in promoting infrastructure development, state governments need to prioritise capital expenditure.

By prioritizing capex and actively investing in infrastructure projects, state governments can contribute significantly to India's overall infrastructure growth. Their role becomes even more crucial in leveraging resources, implementing regional development plans, and addressing the specific infrastructure needs of their respective states. Cooperation between the central and state governments is vital for achieving the desired infrastructure targets and fostering sustainable economic development across the country.

Outlook - Opportunities and Challenges

Looking ahead, India's infrastructure sector presents significant opportunities for growth. As India strives to become a USD 25-30 trillion economy by 2047, it will require an additional investment of USD 18-20 trillion in infrastructure over the next 25 years. Currently, a majority of infrastructure financing comes from the government and the public sector, but due to limited financial flexibility, there is a need to encourage private investment to bridge the infrastructure investment gap. Creating an enabling environment for the private sector through appropriate policy frameworks and financial sector reforms is essential. The Public-Private Partnerships (PPP) model, along with financial instruments like Viability Gap Funding (VGF) and Special Purpose Vehicles (SPVs), as well as the introduction of Infrastructure Investment Trusts (InvITs), provide avenues for private sector participation. The National Monetization Pipeline (NMP), which aims to monetize underutilized brownfield infrastructure projects, will further boost private sector involvement. Reforms in the corporate and municipal bond markets, attracting foreign investment, and improving long-term financing options will also support the infrastructure sector.

In recent times, there has been a global shift towards sustainable investments that consider Environmental, Social, and Governance (ESG) aspects. Corporations, investors, and financial institutions are increasingly focused on sustainable growth. Therefore, it is crucial for infrastructure development in India to prioritize sustainable, equitable, and green growth. However, there are challenges to address. Private players may hesitate to participate in infrastructure projects due to the substantial upfront expenditure and long gestation periods involved. To overcome this deterrent, the government needs to continue creating a favorable environment for private sector involvement. It should implement suitable policy frameworks, undertake financial sector reforms, and explore innovative funding mechanisms. By strengthening the ESG framework, ensuring sustainable practices, and promoting green infrastructure, India can attract sustainable

investments from various stakeholders, including sovereign wealth funds, pension funds, private equity players, and other financial investors. Embracing sustainable development will not only enhance the long-term viability of infrastructure projects but also contribute to India's environmental and social goals.

OPERATIONAL PERFORMANCE of NCC LTD- Consolidated

- a) **Revenue from Operations:** The Group reported Revenue from Operations of ₹ 15553.41 crores during the year 2022-23 as against ₹ 11137.96 crores in the previous year, resulting in an increase of 40%.
- b) **EBIDTA:** The Group reported an EBIDTA of ₹ 1458.99 crores as against ₹ 1023.80 crores in the previous year. The increase is primarily on account of increase in Turnover during the year. There is an increase in EBIDTA margin from 9.19% to 9.38%.
- c) **Net profit:** The Group reported Net Profit attributable to Shareholders of the Company of ₹ 609.20 crores as against ₹ 482.41 crores in the previous year resulting in a growth of 26%. The Increase is mainly due to increase in volume of operations.

OPERATIONAL AND FINANCIAL PERFORMANCE - Standalone

- a. **Revenue from Operations:** The Company has reported a Revenue from Operations of ₹ 13351.32 crores during the year 2022-23 as against ₹ 9930.03 crores in the previous year, resulting an increase of 34%.
- b. **Other Income:** Other income comprises of Interest on loans & advances, Interest on Bank Margin Money deposits, interest on income tax refund, Profit on Sale of Property, Plant and Equipment, Investment Property (net) and miscellaneous income. The other income of the company for the year is ₹ 152.25 crores as against ₹ 108.21 crores of previous year. The increase is mainly on account of sale of investment property.
- c. **Direct cost:** The direct cost for the year under review works out to 83.75% of the turnover as against 83.31% last year. The increase is primarily on account of an increase in input costs and on account of changes in the mix of various divisions.
- d. **Overheads:** Overheads comprising salaries and administrative expenses, is ₹ 827.19 crores for the year under review as against ₹ 661.70 crores in the previous year. The increase of 25% in absolute terms amounts to ₹ 165.49 crores over the previous year, is mainly due to increase in volume of operations. However there is a decline as a percentage of Turnover from 6.66% to 6.20%.

- e. **Finance cost:** The Finance cost during the year is increased to ₹ 510.00 crores from ₹ 459.60 crores of previous year. The increase is mainly on account of increase in utilization BGs & LCs in line with increase in volume of operations.
- f. **Depreciation:** The Company's depreciation for the year has increased from ₹ 182.34 crores to ₹ 199.81 crores.
- g. **Tax Expense:** The tax expense of the company for the year 2022-23 is ₹ 215.75 crores as against ₹ 117.90 crores of previous year. The Increase is mainly due to increase in volume of operations.
- h. **EBIDTA:** The Company has reported an EBIDTA of ₹ 1342.52 crores as against ₹ 996.11 crores in the previous year. The increase is primarily on account of increase in Turnover during the year. EBIDTA margin reported at 10.06% as against 10.03% of the previous year.
- i. **Net profit:** The Company has reported a Net Profit of ₹ 569.21 crores as against ₹ 490.12 crores in the previous year, an increase of 65% after excluding an exceptional item of ₹ 145.64 crores in the previous year. The Increase is mainly due to increase in volume of operations. The Net Profit reported 4.26% against 3.47% of Prvious Year (after excluding exceptional item).
- j. **Total Comprehensive Income:** The Company has reported a total Comprehensive Income of ₹ 564.65 crores as against ₹ 487.30 crores in the previous year.
- k. **Dividend:** The Board of Directors have recommended a dividend of ₹ 2.20/- per share (110%) for the year under review and the dividend works out to ₹ 138.13 crores as against ₹ 125.57 crores in the previous year.
- l. **Return on Equity:** The Company has reported return on equity at 9.39% for the year under review as against 8.78% reported in the year 2021-22. The increase is primarily on account of increase in volume of operations.

Equity & Liabilities:

- a. **Net worth:** The Company's net worth increased from ₹ 5803.17 crores to ₹ 6321.90 crores. The increase of ₹ 518.73 crores is primarily on account of internal generation of profits and partly on account of proceeds from Issue of Shares (pursuant to conversion of share warrants).
- b. **Borrowings (Long-Term & Short-Term):** During the year under review the borrowings decreased by ₹ 204.51 crores from ₹ 1184.08 crores to ₹ 979.57 crores.

Assets:

- a. **Property, Plant & Equipment (PPE):** The Company's PPE (gross block plus Capital WIP) increased by ₹ 238.70 crores (net) in 2022-23 from ₹ 2266.97 crores to ₹ 2505.67 crores. The increase in PPE is mainly for new metro projects and other building projects.
- b. **Investments:** The investments decreased by ₹ 19.97 crores, from ₹ 894.49 crores to ₹ 874.52 crores during the year 2022-23. The decrease is primarily on account of receipts from one of the subsidiary Companies.
- c. **Inventories:** The Company's inventories stands at ₹1077.84 crores as against of ₹ 787.78 crores of previous year.
- d. **Trade Receivables (Current & Non-Current):** The Company's trade receivables increased by ₹ 452.92 crores in 2022-23 from ₹ 2492.22 crores to ₹ 2945.14 crores.
- e. **Loans (Current & Non-Current):** Loans comprises of loans given to group companies and other corporates. Loans given to group companies & other corporates decreased from ₹ 407.81 crores to ₹ 371.66 crores during the year under review. Reduction is mainly on account of loan repayment by subsidiary Companies.

Cash Flow

During the year the Company reported Net cash inflows from operating activities of ₹ 873.13 crores as against ₹ 1295.98 crores, Net cash used in investing activities ₹ 132.38 crores as against ₹ 131.06 crores and Net cash used in financing activities ₹ 748.73 crores as against ₹ 1099.19 crores in the previous year.

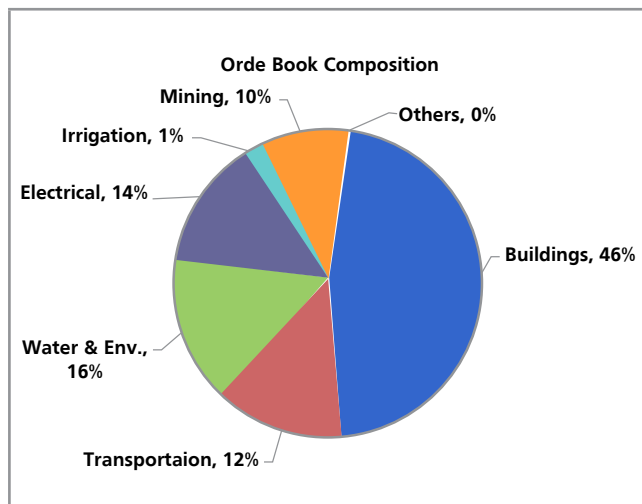


Key Financial Ratios

SI No	Ratio	FY 2022-23	FY 2021-22	% of Change	Reasons for change in the ratio by more than 25%
i)	Current Ratio	1.34	1.36	-2%	-
ii)	Debt-Equity Ratio	0.15	0.20	24%	-
iii)	Interest Coverage Ratio	5.44	4.84	12%	-
iv)	Inventory Turnover Ratio	14.31	15.11	-5%	-
v)	Trade Receivables Turnover Ratio	4.91	3.85	27%	The increase is mainly on account of good collections from the client in F.Y 2022-23.
vi)	Operating Profit Margin (%)	10.06%	10.03%	0%	-
vi)	Net profit ratio	4.26%	4.94%	-14%	-
viii)	Return on Net Worth	9.39%	8.78%	7%	-

III. Order Inflow and Order Book

During the year the Company received order inflow of ₹ 25895 crores as against ₹ 12158 crores received in previous year 2021-22. The group order book stands at ₹ 50244 crores as at the March 31, 2023 registering a growth of 28% over the previous year.



INTERNAL CONTROL SYSTEM:

The Company has adequate system of Internal Controls to help Management review the effectiveness of the Financial and Operating Controls and assurance about adherence to Company’s laid down Systems and Procedures. As per the provisions of the Companies Act, 2013, Internal Controls and documentation are in place for all activities. Both Internal Auditors and Statutory Auditors have verified the Internal Financial Controls (IFC) at entity level and operations level and satisfied about control design and operating effectiveness. The evaluation included

documentation review, inquiry, inspection, testing and other procedures. The controls are reviewed at regular intervals to ensure that transactions are properly authorized, correctly reported and assets are safeguarded. The Audit Committee periodically reviews the findings and recommendations of the Auditors and takes corrective action as deemed necessary. The Company is undergoing a digital transformation to further strengthen the internal control mechanism to commensurate with the Company’s growth.

RISKS AND CONCERNS:

The Company has an integrated and structured Enterprise Risk Management process to manage risks with ultimate objective of maximizing stakeholders’ value.

The risk management system at the Company has the following key features:

- Risk Management Committee review
- Appropriate policies, procedures and limits
- Comprehensive and timely identification, measurement, mitigation, controlling, monitoring and reporting of risks
- Appropriate Management Information Systems (MIS) at the business level
- Comprehensive internal controls as required for business operations and governing laws and regulations

Some of the key risks that the Company faces along with their mitigation strategies adopted are listed below:

Political Risks: The Company has operations in multiple locations in multiple states and is consequently subject to various geo-political risks. Appropriate mitigation strategies are in place to address the same.

Competition Risks: There has been an increase in the number of operators in the niche segment that the Company functions in. However, the Company's competitive advantage is derived from experienced workforce, strong track record, technical expertise, financial strength, brand equity and regular engagement with Clients and representatives.

Operational Risks: To suit the project requirements, due care is exercised in the selection of sub-contractors, vendors, key technical and non-technical employees, insurance coverages, financial tie-ups, timely obtaining of Right of Way, designs and drawings etc. Identification of associated risks and initiation of mitigation measures are helping the Company to address the operational risks.

Market Risks: Securing orders is always a big challenge for Construction Companies and the same depends upon availability of orders in various States and various Departments. In order to mitigate the market risks and to ensure continuous order booking, the Company is operating multi-divisions such as Buildings & Housing, Transportation, Water, Railways, Electrical, Irrigation and Mining. The Company strategically participates in bids using its multi-divisional experiences.

Working Capital Risks: Project delays, cost overruns and consequent delays in receipt of payments from the Clients lead to an increase in working capital requirement. There is a process of close monitoring and follow-up with the Clients for the timely approvals and payments for better working capital management.

Contract & Claims: In the competitive environment, to address the foreseeable litigations and claims, the Company maintains a robust documentation and follow up mechanism with Clients, subcontractors and vendors to address the related claims, disputes etc. To mitigate the possible risks due to the differences and disputes with the Clients, sub-contractors and vendors, the Company has an exclusive Contracts & Claims Department.

Cyber security Risks: With increasing use of IT in business areas and as systems get interconnected, cyber security becomes an important challenge for the organization in order to protect its information and systems so as to maintain confidentiality, data integrity and to prevent loss of data. The Company has implemented a cyber-security framework to identify, detect and prevent such risks. The Company has been focusing on systematic communication of possible cyber risks and the remedial measures to be followed through awareness programs for all the employees concerned.

Human Resources

At NCC, the biggest asset is our employees. We have always aspired to be an organisation and a workplace committed to helping its people gain varied experiences, accomplish challenging

assignments, learn continuously and build their careers while delivering for stakeholders. Our philosophy of building leaders from within continues to guide our actions towards identifying, developing, and nurturing talent. With greater emphasis on futuristic thinking, digital mindset and commitment to nation building, we have made significant shifts towards developing our people for the future. The Company provides an environment that helps individuals to showcase their talents and rewards performance and results. This challenging workplace has helped NCC attract, develop, and retain talent, and we have done this successfully for over four decades.

The total human capital base of the company as of 31st March 2023 stood at 20611 (employees and workers both permanent and non-permanent) consisting a mix of people from diverse backgrounds, educational qualifications and a wealth of experience from across the Industry.

Learning & Development

The L&D interventions at NCC are geared towards providing employees a platform for continuous learning opportunities, motivate people to seize learning opportunities, and focus on helping people identify and develop new and needed skills. L&D offers a variety of programs on personal effectiveness, digital capability, functional, technical, Environmental, Health, Safety and a wide range of Supervisory and leadership development programs. Our comprehensive learning model combining face-to-face, on-the-job-training, workshops, case studies, classroom sessions and online learning modules where employees are provided opportunities for self-learning through a digital interface, which hosts a variety of content. During the Financial Year 2022-23, a total of 135 training programs were organised at Various project sites, HO and external venues.

Employee Engagement:

We believe that our employees are partners in our progress. The structure of our working lives encourages innovation, knowledge sharing and collaboration for long-term success. Our core values: Openness and Trust; Integrity and Reliability; Teamwork and Collaboration; Commitment; Creativity are our guiding principle and defines our identity.

Our employees are encouraged to share ideas, work together, and understand that it is the collective strength of a team that makes us successful.

The well-being of the employees at all project locations is a central concern. NCC Limited has always focused on various employee engagement initiatives for the benefit of employees and their families.



REPORT ON CORPORATE GOVERNANCE

In compliance with Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') the Company sets forth the report on the Corporate Governance on the matters as mentioned in the said schedule and practices followed by the Company.

1. Company's philosophy on the Code of Governance

The Company aims at maintaining, transparency, accountability, and equity in all facets of its operations on a continuous basis and in all interactions with the Stakeholders, including the Shareholders, Employees, Government, Lenders, and other constituents while fulfilling the role of a responsible corporate representative committed to good corporate practices. The Company is committed to maintain the high standards of Corporate Governance on a continuous basis by laying emphasis on Ethical Corporate Citizenship and establishment of transparent Corporate Cultures which aim at true Corporate Governance. The Corporate Governance process and systems have been gradually strengthened over the years.

The Company believes that all its operations and actions must result in enhancing the overall shareholder value in terms of maximization of shareholder's benefits, among others, over a sustained period of time. NCC Limited is committed to conduct its business in ethical manner there by attaining highest level of all its stakeholders' confidence and satisfaction.

2. Board of Directors

As on March 31, 2023, the Company's Board of Directors comprised of a judicious mix of Ten Directors consisting of Five Executive Directors, One Non-Executive Director and Four Independent Directors one among them is a Woman Director as stipulated under the Companies Act, 2013 and the Listing Regulations. The following table explains the composition of the Company's Board, category, number of Board Meetings held during the year, attendance of each Director at the Board Meeting and at the last Annual General Meeting, other Directorships, Memberships and Chairmanships of Committees held by each of the Director during the Financial Year. The Company is compliant with all the Listing Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder relating to appointment of Directors.

Composition of the Board of Directors as on March 31, 2023

Name of the Director	Category	Number of Board Meetings attended	Attendance at the last AGM held on August 22, 2022	Number of other Director Ship(s) as on 31-03- 2023 (#)	Number of committee positions held in other public companies (##)	Directorships in other Listed Companies & Category of Directorship
					Membership(s) / Chairman	
Sri Hemant M Nerurkar (Chairman)	Non-Executive and Independent	6	Yes	10	7 (including 3 as Chairman)	1. Igarashi Motors India Ltd – Non-Executive & Non Independent Director 2. Adani Enterprises Ltd – Non-Executive & Independent Director 3. Crompton Greaves Consumer Electricals Ltd - Non-Executive & Independent Director-Chairperson 4. Raghav Productivity Enhancers Limited 5. *DFM Foods Limited – Non-Executive & Independent Director –Chairperson *delisted w.e.f. 05-04-2023.

Name of the Director	Category	Number of Board Meetings attended	Attendance at the last AGM held on August 22, 2022	Number of other Director Ship(s) as on 31-03- 2023 (#)	Number of committee positions held in other public companies (##)	Directorships in other Listed Companies & Category of Directorship
					Membership(s) / Chairman	
Dr. A S Durga Prasad	Non-Executive and Independent	6	Yes	4	2	Nil
Smt Renu Challu	Non-Executive and Independent	6	No	2	3 (including 2 as Chairperson)	1. Schaeffler India Ltd - Non-Executive & Independent Director 2. Ceinsys Tech Ltd - Non-Executive & Independent Director
Sri O P Jageitya	Non-Executive and Independent	6	Yes	1	Nil	Nil
Sri Utpal Sheth	Non-Executive and non-Independent	6	No	15	2	1. Aptech Ltd - Non-Executive & Non - Independent Director 2. Star Health Allied Insurance Company Ltd-Nominee Director 3. Kabra Extrusion Technik Ltd-Independent Director 4. Metro Brands Limited
Sri A A V Ranga Raju (Managing Director)	Promoter and Executive	6	Yes	1	Nil	Nil
Sri A G K Raju (Executive Director)	Promoter and Executive	6	Yes	1	1	Nil
Sri A S N Raju (Wholetime Director)	Promoter and Executive	6	Yes	Nil	Nil	Nil
Sri J V Ranga Raju (Wholetime Director)	Promoter and Executive	5	Yes	Nil	Nil	Nil
Sri A V N Raju (Wholetime Director)	Promoter and Executive	5	Yes	1	Nil	Nil

(#) The Directorships held by the Directors as mentioned above, do not include directorships in foreign companies and Companies under Section 8 of the Companies Act, 2013

(##) Represents Membership / Chairmanship in Audit Committee and Stakeholders Relationship Committee of other public limited companies.



Notes:

The Company convened minimum of one Board Meeting in each quarter as required under the Companies Act, 2013 and Listing Regulations as amended, and the Company ensured maximum gap between two Board Meetings has not exceeded One Hundred and Twenty Days.

The Board confirms that, based on the disclosures received from all the independent directors and also in its opinion, the independent directors fulfil the conditions specified in the Companies Act, 2013, the Listing Regulations and are independent of the management.

Shares held by Non-Executive / Independent Directors as on March 31, 2023.

Name of the Director	No. of Shares held	% on paid-up Capital of the Company
Dr. A S Durga Prasad	300	Negligible

Board Meetings held during the FY2022-23:

During the Financial Year - 2022-23, the Board met six times, and dates of the Board meetings and attendance at the meetings are as follows:

Sl. No.	Date of Meeting	Board Strength	No. of Directors Present
1	April 28, 2022	10	10
2	May 11, 2022	10	10
3	August 9, 2022	10	10
4	September 27, 2022	10	10
5	November 8, 2022	10	08
6	February 8, 2023	10	10

Familiarization Programme

The Company conducts Familiarization Programme for the Board Members and particularly for Independent Directors to enable them to be familiarized with the company, its management, and its operations to gain a clear understanding of their roles, rights and responsibilities for enabling their contribution to the Company. Presentations are made at Board meetings on updates on regulatory, business environment, risk management, Company policies and other relevant issues, Quarterly Operations Report which includes information on business performance, operations, market share, financial parameters, working capital management, material litigations, compliances, fund-flows, subsidiary data. Details of the familiarization programmes are hosted on <https://www.ncclimited.com/independent-directors.html>

Inter-se relationship between Directors:

The Promoter Directors namely Sri A A V Ranga Raju, Sri A S N Raju, Sri A G K Raju, and Sri A V N Raju, are related to each other in terms of the definition of "Relative" under Section 2(77) of the Companies Act, 2013 and Rules framed there under. The aforementioned Promoter Directors are not related to the other Board members, except as stated there is no inter-se relationship existing between the Directors of the Company.

Information supplied to the Board

As a policy measure, all the major decisions which involve new investments and capital expenditure, in addition to the matters which statutorily require Board approval, including the information under Regulation 17(7) Part A of Schedule II of the Listing Regulations are put up for consideration of the Board or the Committee(s) of the Board.

Code of Conduct

The Board of Directors of the Company laid a Code of Conduct for Directors and senior management personnel. The Code of Conduct is posted on the Company's website <https://www.ncclimited.com/policies&codes.html>. All Directors and designated personnel in the senior management affirmed compliance with the Code for the year under review. The declaration to this effect, signed by Sri A A V Ranga Raju, Managing Director, is annexed to this report.

Core Skills / Expertise / Competencies available with the Board.

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills/ expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board.

Leadership, Operational experience, Business Strategy, Management and Governance, Accounts & Finance, Project Planning and Management and relevant industry experience.

Matrix of Board Expertise:

Name of the Director	Skills / Expertise / Competencies
Sri Hemant M Nerurkar	Leadership, Operational experience, Business Strategy, Management and Governance.
Dr. A S Durga Prasad	Business Strategy, Operational experience, Management and Governance, Accounting & Finance.
Smt. Renu Challu	Business Strategy, Operational experience, Management and Governance, Finance
Sri O P Jagetiya	Leadership, Operational experience, Management and Governance.
Sri Utpal Sheth	Business Strategy, Operational experience, Management and Governance, Accounting & Finance.
Sri A A V Ranga Raju	Leadership, Operational experience, Business Strategy, Management & Governance, Project Planning and Management and relevant industry experience.
Sri A G K Raju	Leadership, Operational experience, Business Strategy, Finance and relevant industry experience.
Sri A S N Raju	Leadership, Operational experience Business Strategy, Project Planning and Management and relevant industry experience.
Sri J V Ranga Raju	Leadership, Operational experience, Business Strategy, Project Planning and Management and relevant industry experience.
Sri A V N Raju	Leadership, Operational experience, Business Strategy, Project Planning and Management and relevant industry experience.

Board Committees

The details regarding various Committees of the Board of the Company as on 31st March 2023 is given below:

3. Audit Committee of the Board

The Audit Committee presently comprises of five Directors. The members of the Committee are financially literate and bring in expertise in the fields of Accounting & Finance, Strategy, Banking, Engineering and Management. Dr. A S Durga Prasad, Independent Director, a Fellow Member of the Institute of the Cost Accountants of India is the Chairman of the Committee.

The Audit Committee met six times during the Financial Year i.e. on April 28, 2022, May 11, 2022, August 8, 2022, November 7, 2022, February 7, 2023 and March 24, 2023. The Company is in compliance with the requirements of Listing Regulations and the Companies Act, 2013 in terms of time gap between any two Audit Committee Meetings.

The composition of the Audit Committee as on March 31, 2023, and details of attendance for the Meetings of the Audit Committees are as under.

Name of the Director	Designation	No. of meetings held	No. of meetings attended
Dr. A S Durga Prasad	Chairman	6	6
Sri. Hemant M Nerurkar	Member	6	6
Smt. Renu Challu	Member	6	6
Sri O P Jagetiya	Member	6	6
Sri A G K Raju	Member	6	6



Terms of reference of the Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of the Statutory and the Internal Auditors of the company;
3. Approval of payment to Statutory Auditors for any other services rendered by them.
4. 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 opinions if any in the draft Audit Report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
6. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. To look into the reasons for substantial defaults if any in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. 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.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Company Secretary is the Secretary to the Audit Committee.

4. Nomination and Remuneration Committee

The Committee comprises of four Non-Executive Directors, of which three are Independent Directors. The Committee met three times i.e., on May 11, 2022, November 07, 2022, and February 07, 2023. Details of composition of the Committee and meetings held / attended are given hereunder:

Name of the Director	Designation	No. of meetings held	No. of meetings attended
Smt Renu Challu	Chairperson	3	3
Sri Hemant M Nerurkar	Member	3	3
Dr. A S Durga Prasad	Member	3	3
Sri Utpal Sheth	Member	3	3

Terms of reference

- The Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors and various Committees of the Board.
- Devising policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

5. Stakeholders Relationship Committee:

The Committee primarily focuses on Shareholder grievances, inter-alia, redressal of Investor complaints, attending Investor requests, and overseeing and review all matters connected with servicing of investors. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall quality improvement of investor services. The Chairperson of the Committee is Smt. Renu Challu, Independent Director and the Company Secretary is the Secretary of the Committee. Sri M V Srinivasa Murthy, Company Secretary and Sr.EVP (Legal) is the Compliance Officer of the Company.

The Committee met twice during the Financial Year i.e. on May 11, 2022, and February 07, 2023.

Composition and attendance of Members at the Stakeholders Relationship Committee Meetings held during the year are as follows.

Name of the Director	Designation	No. of meetings held	No. of meetings attended
Smt Renu Challu	Chairperson	2	2
Dr. A S Durga Prasad	Member	2	2
Sri O P Jagetiya	Member	2	2
Sri A G K Raju	Member	2	2

During the Financial Year 2022-23, the Company has received 2 (two) complaints/ requests from the shareholders/investors. All the requests were promptly attended to and there were no un-resolved shareholder requests pending as on March 31, 2023. The Company has processed and approved all valid requests received for transfer and dematerialization of Shares and there were no pending requests as on March 31, 2023. The Company has designated a separate email id ho.secr@nccLtd.in for investor grievances.



5A. Risk Management Committee

The Board has constituted the Enterprise Risk Management Committee in line with the provisions of Regulation 21 of the Listing Regulations. The Committee met seven times during the year on August 02, 2022, November 07, 2022, November 21, 2022, December 20, 2022, February 04, 2023, February 15, 2023, and March 09, 2023.

The role of the committee is:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Composition and attendance of Members at the Enterprise Risk Management Committee Meetings held during the year are as follows.

Name of the Director	Designation	No. of meetings held	No. of meetings attended
Dr. A S Durga Prasad	Chairperson	7	7
Sri O P Jagetiya	Member	7	7
Sri A A V Ranga Raju	Member	7	7
Sri K Krishna Rao-EVP (F&A)	Member	7	7

6. Details of remuneration/ sitting fee paid to the Directors for the year

The details of remuneration covering salary and other benefits paid/payable for the year ended March 31, 2023, to the Managing Director, Executive Director and the Whole Time Directors of the Company are as follows-

(Amount in ₹)

Name & Designation	Salary	Other benefits	Bonus / Exgratia	Pension	Commission	Total
Sri. A A V Ranga Raju Managing Director	1,63,20,000	22,19,033	14,40,000	NIL	7,29,20,000	9,28,99,033
Sri. A G K Raju Executive Director	81,60,000	21,91,843	7,20,000	NIL	3,64,60,000	4,75,31,843
Sri. A S N Raju Wholetime Director	81,60,000	24,33,349	7,20,000	NIL	3,64,60,000	4,77,73,349
Sri. J V Ranga Raju Wholetime Director	1,89,72,000	13,08,000	16,74,000	NIL	-	2,19,54,000
Sri. A V N Raju Wholetime Director	81,60,000	16,18,780	7,20,000	NIL	3,64,60,000	4,69,58,780

Besides the above remuneration, the Managing Director, Executive Director and the Whole Time Directors are also eligible for gratuity and encashment of leave at the end of their respective tenures as per the rules of the Company.

The details of sitting Fee and commission paid / payable to the Non-Executive Directors (including Independent Directors) for the Financial Year 2022-23 is detailed below:

(Amount in ₹)

SI	Name of the Director	Sitting Fees	Commission	Total
1	Sri. Hemant M Nerurkar	7,00,000	20,00,000	27,00,000
2	Dr. A S Durga Prasad	9,25,000	20,00,000	29,25,000
3	Smt. Renu Challu	6,00,000	15,00,000	21,00,000
4	Sri O P Jagetiya	7,75,000	15,00,000	22,75,000
5	Sri. Utpal Sheth	4,25,000	-	4,25,000

Remuneration being paid to Directors is in compliance with the Remuneration Policy approved by the Board of Directors and the approval accorded by the Members of the Company.

Board Level Performance Evaluation

Pursuant to provisions of the Companies Act, 2013 and the Listing Regulations, annual performance evaluation of the Directors including Chairperson, Board and its Committees viz., the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee has been carried out. The Performance evaluation of Independent Directors was carried out by the entire Board of Directors without participation of the directors who are subject to the evaluation. The Nomination and Remuneration Committee reviews the said Performance Evaluation on annual basis.

Separate Meeting of Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 read with the rules made there under and Secretarial Standard-I issued by the Institute of Company Secretaries of India and the Listing Regulations, a meeting of the Independent Directors of the Company for the Financial Year 2022-23 was held on February 7, 2023.

7. General Body Meetings

The following are the details of previous three Annual General Meetings and the Special resolutions passed thereat;

Year	Location	AGM Date & Time	Special Resolutions passed
2020	Held through Video Conferencing	Friday 25, September 2020 at 3.00 p.m.	1) Re-appointment of Dr. A S Durga Prasad (DIN.00911306) as an Independent Director.
2021	Held through Video Conferencing	Friday 27, August 2021 at 3.00 p.m.	1) Re-appointment of Sr A V N Raju (DIN-00018965) as a Wholetime Director of the Company and Remuneration payable to him.
2022	Held through Video Conferencing	Monday 22, August 2022 at 3.00 p.m.	1) Re-appointment of Sr A A V Ranga Raju (DIN 00019161) as the Managing Director of the Company and Remuneration payable to him. 2) Re-appointment of Sri A G K Raju (DIN 00019100) as the Executive Director of the Company and Remuneration payable to him. 3) Re-appointment of Sri J V Ranga Raju(DIN 00020547) as a Wholetime Director of the Company and Remuneration payable to him.

Postal Ballot

During the year no resolution was passed through Postal Ballot, under the provisions of the Companies Act, 2013. Currently, there is no proposal to pass any resolution through Postal Ballot.



8. Means of Communication

The Company was having 287451 shareholders as on March 31, 2023. The main channel of communication with the shareholders is through the annual report which inter alia includes the statement of Chairman Emeritus, the Board's Report, Business Responsibility and Sustainability Reporting, Report on Corporate Governance, Management Discussion and Analysis Report, the Standalone and Consolidated Financial Statements along with the Auditor's Report thereon, the Secretarial Audit Report and Shareholders Information etc. The Company's Annual Report is also available in downloadable form on the Company's website and can be accessed at <https://www.ncclimited.com/annual-report.html>.

The Annual General Meeting (AGM) is the principal forum for interaction with the Shareholders, where the Board answers queries raised by the Shareholders. The Board acknowledges its responsibility towards its Shareholders and encourages open and active dialogue with all its Members and Stakeholders.

Regular communication with shareholders ensures that the Company's strategy is being clearly understood. Details relating to quarterly performance and financial results are disseminated to the shareholders through press releases and are also uploaded on the Company's website.

Quarterly results

The Quarterly Results of the Company are published in newspapers such as Business Line / Eenadu / Andhra Jyothi along with the official press releases and are also hosted on the Company's website.

News releases, and presentations, among others:

Official news releases and official media releases are sent to Stock Exchanges and are uploaded on the Company's website (www.ncclimited.com).

Presentations to institutional Investors / Analysts:

Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly, half-yearly as well as annual financial results. These presentations and schedule of analyst or institutional investors meet are also hosted on the Company's website and can be accessed at <https://ncclimited.com/analyst-column.html> as well as sent to the Stock Exchanges. No unpublished price-sensitive information is discussed in meetings/presentations with institutional investors and financial analysts.

Website:

The Company's website (www.ncclimited.com) contains a separate section i.e. Investor Relations where shareholder's information is available.

Reminder Letters to Investors

- Reminder Letter dated 15th June 2022 addressed to the Shareholders who have not encashed their Dividend for a continuous period of Seven Years intimating them that their shares are liable to be transferred to the Demat Account of IEPF Authority.
- As per SEBI Circular dated 3rd November 2021, the Company sent a reminder to the physical shareholders on 8th March 2023 requesting them to update their KYC details.
- As per SEBI Circular dated 16th March 2023, the Company sent one more reminder to the physical shareholders on 18th May 2023 requesting them to update their KYC details.

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filing like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are also filed electronically on NEAPS.

BSE corporate Compliance & Listing Centre ("Listing Centre"):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are also filed electronically on the Listing Centre.

SEBI Complaints 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 Reports (ATR) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

9. General shareholders' information

(a) Day, date, and time of the 33rd Annual General Meeting

33rd Annual General Meeting of the Members of the Company is scheduled to be held on Friday, 8th September 2023 at 3.00 p.m. through Video Conferencing (VC) or through other Audio-Visual Means (OAVM) as permitted by the Ministry of Corporate Affairs vide its Circulars dated 5th May 2020 and 28th December 2022.

(b) Financial Calendar (tentative) for the Financial Year 2023-24.

Quarter ending	Financial Results Release date	Trading window closure
June 30, 2023	August 10, 2023	July 01, 2023, to August 12, 2023
September 30, 2023	November 9, 2023	October 01, 2023, to November 11, 2023
December 31, 2023	February 8, 2024	January 01, 2024, to February 10, 2024
March 31, 2024	May 15, 2024	April 01, 2024, to May 17, 2024

(c) Record Date: 25th August 2023 for payment of dividend.

(d) Dividend payment date: (subject to the approval of shareholders at the AGM) before 30th September 2023.

(e) The Company's Equity Shares are listed on BSE Limited and the National Stock Exchange of India Limited.

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001	National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051
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The listing fee for the financial year 2023-24 has been paid to BSE Limited and National Stock Exchange of India Ltd in the month of April 2023.

(f) Stock codes Equity shares

BSE Code: 500294, NSE Symbol: NCC

(g) Market price data

The monthly High and Low stock quotations during the year under review and performance in comparison to SENSEX (BSE) and NIFTY (NSE) are given below-

Month	BSE		Sensex		NSE		Nifty	
	High price (₹.)	Low price (₹.)	High	Low	High price (₹.)	Low price (₹.)	High	Low
April 2022	72.90	61.00	60845.10	56009.07	72.90	61.00	18114.65	16824.70
May 2022	68.00	58.80	57184.21	52632.48	68.00	58.75	17132.85	15735.75
June 2022	65.80	51.00	56432.65	50921.22	65.90	52.20	16793.85	15183.40
July 2022	67.00	53.15	57619.27	52094.25	60.30	53.10	17172.80	15511.05
August 2022	70.75	59.05	60411.20	57367.47	70.75	58.90	17992.20	17154.80
September 2022	75.70	66.20	60676.12	56147.23	75.70	66.30	18096.15	16747.70
October 2022	75.30	68.55	60786.70	56683.40	75.35	68.70	18022.80	16855.55
November 2022	84.60	71.10	63303.01	60425.47	84.60	71.10	18816.05	17959.20
December 2022	96.90	76.30	63583.07	59754.10	96.90	76.35	18887.60	17774.25
January 2023	96.65	83.70	61343.96	58699.20	96.70	83.60	18251.95	17405.55
February 2023	97.95	87.35	61682.25	58795.97	98.00	87.40	18134.75	17255.20
March 2023	108.40	89.10	60498.48	57084.91	108.50	89.20	17799.95	16828.35



(h) Registrar and Transfer Agents:

M/s. KFin Technologies Limited.
Selenium Building, Tower B,
Plot No.31 & 32, Financial District, Nanakramguda, Serilingampally,
Hyderabad -500 032
Phone: 1800 309 4001
Email: einward.ris@kfintech.com Website: www.ris.kfintech.com

(i) Share Transfer System

SEBI vide its Circular dated June 8, 2018, effective from April 01, 2019, mandated that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019, can do so only after the shares are dematerialized. However, this does not prohibit the investor from holding the shares in physical form and investor has the option of holding shares in physical form even after April 01, 2019. KFin Technologies Limited is the common Registrar and Transfer Agents for dealing with all the activities connected with both physical and demat segments pertaining to the Securities of the Company.

(j) Distribution of shareholding as on March 31, 2023.

Number of shares held	Number of shareholders*	%	Total Shares of ₹ 2/-each	Details of shareholding	%
1 - 5000	278387	96.85	59485241	118970482	9.47
5001 - 10000	4703	1.64	17291021	34582042	2.75
10001 - 20000	2302	0.80	16898220	33796440	2.69
20001 - 30000	687	0.24	8545143	17090286	1.36
30001 - 40000	331	0.11	5968759	11937518	0.95
40001 - 50,000	198	0.07	4551019	9102038	0.73
50001 - 100000	359	0.12	12652212	25304424	2.02
100001 and above	484	0.17	502454973	1004909946	80.03
Total	287451	100.00	627846588	1255693176	100.00

*After clubbing the common PAN

(k) Shareholding Pattern as on March 31, 2023

Category	No. of Shares of ₹ 2/- each	%
Promoters & Promoters Group	138126680	22.00
Domestic Institutional Investors/Banks	3168	0.00
Bodies Corporate	38474106	6.13
Foreign Portfolio Investors	125306951	19.96
NRIs	8372277	1.33
Mutual Funds	60100521	9.57
Indian Public	256923300	40.93
IEPF	514131	0.08
Unclaimed Suspense Account	25454	0.00
Total	627846588	100.00

(l) Dematerialization.

Over 99.88% of the outstanding shares were dematerialized up to March 31, 2023. The Company's shares are liquid and actively traded.

Category	No. of Shareholders*	Number of Shares	%
NSDL	107500	433817779	69.10
CDSL	185392	193242332	30.78
Physical	743	786477	0.12
Total	293635	627846588	100.00

* Without clubbing common PANs

(m) International Securities Identification Number (ISIN): INE868B01028

(n) Address for Correspondence Physical / Electronic mode

<p>M/s.KFin Technologies Limited (Unit: NCC Limited) Selenium Building, Tower B, Plot No.31 & 32, Financial District, Nanakramguda, Hyderabad - 500 032 Email: einward.ris@kfintech.com website: www.ris.kfintech.com Toll Free No.1800-309-4001</p>	<p>Shareholders General Correspondence Company Secretary & Compliance Officer NCC Limited 9th Floor, NCC House, Madhapur, Hyderabad - 500 081 Phone: 040-23268888 / 23268942 E-Mail: ho.secr@ncltd.in www.ncllimited.com</p>
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(o) Credit Ratings:

Credit rating agency "India Ratings & Research" reviewed the rating assigned to the various credit facilities of the Company during the financial year ended 31st March 2023. Vide their letter dated January 19, 2023, the agency affirmed the Company's Long-Term Issuer Rating at 'IND A+/Stable'. The Outlook is Positive. The instrument-wise rating actions are as follows:

Instrument Type	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating	-	IND A+/Stable	Affirmed
Fund-based working capital limits	INR 22.00	IND A+/Stable/IND A1	Affirmed
Non-fund-based limits	INR 130.00 (increased from INR 110.00)	IND A+/Stable/IND A1	Affirmed

(p) ECS Facility;

The Company is providing facility of "Electronic Clearing Service" (ECS) for payment of dividend to shareholders. Shareholders who have not furnished such details earlier are once again requested to provide details of their bank account for availing ECS facility. Further, the ECS facility is available to the beneficial owners of shares held in electronic form as well as in physical form. Those desirous of availing the ECS facility may provide their mandate to the Company in writing, in the form that can be obtained from the Company or the Company's Registrar and Transfer Agents M/s. KFin Technologies Limited.

(q) Unclaimed dividend

Pursuant to the provisions of Sections 124 & 125 of the Companies Act, 2013 the Company is required to transfer the amount of dividend remaining unclaimed consecutively for a period of seven years from the date of transfer to the unclaimed dividend account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer to the Investor Education and Protection Fund (IEPF). In compliance with above-said provisions of the Companies Act, 2013, the Company transferred the unclaimed dividend amounting to ₹ 4,15,593/- (Rupees Four Lakhs Fifteen Thousand Five Hundred Ninety-Three only) (Final Dividend) pertaining to the year 2014-2015 to the Investor Education and Protection Fund.



(r) **Due dates for transfer of dividend unclaimed to IEPF are as follows:**

Financial year	Type of dividend	Date of declaration	Amount of unclaimed dividend outstanding as on March 31, 2023	Last date for claiming Unpaid Dividends by investors	Due date for transfer to IEPF
2015-16	Final	24-08-2016	5,93,052.00	30-09-2023	30-10-2023
2016-17	Final	24-08-2017	4,15,854.40	30-09-2024	30-10-2024
2017-18	Final	10-08-2018	9,55,049.00	16-09-2025	16-10-2025
2018-19	Final	06-09-2019	11,20,171.50	12-10-2026	11-11-2026
2019-20	Final	25-09-2020	3,17,690.80	30-10-2027	29-11-2027
2020-21	Final	27-08-2021	9,54,735.80	02-10-2028	01-11-2028
2021-22	Final	22-08-2022	18,79,948.00	27-09-2029	27-10-2029

(s) **Dividend Distribution policy**

In compliance with Regulation 43A of the Listing Regulations the Company has formulated its Dividend Distribution Policy, the details of which are available on the Company's website at: <https://nclimited.com/policies&codes.html>.

10. Other Disclosures

- (a) During 2022-23 certain transactions were entered into with related parties. The details thereof are given in note number 35 of the Standalone Financial Statements.
- (b) There were no occasions of non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority, on any matter related to Capital markets, during the last three years.
- (c) The Company has formulated and adopted formal Whistle Blower Policy/Vigil Mechanism and the same is hosted on the Company's Website and no concerned person has been denied access to the Audit Committee.
- (d) The Company has complied with all the mandatory requirements of Schedule V of the SEBI (Listing and Disclosure Requirements) Regulations, 2015.
- (e) Policy on Material Subsidiaries is hosted on our website
The following is the web link: <http://nclimited.com/images/PDF/Policies/Policy> on Material Subsidiary(ies).
- (f) Policy on Related party transactions is hosted in our website www.nclimited.com, the following is the web link;
<https://nclimited.com/policies%20&%20codes/Policy%20on%20Related%20Party%20Transactions.pdf>.
- (g) Details of utilization of funds raised through preferential allotment or QIP as specified under Regulation 32 (7A): During the Financial Year 2022-23 the Company has allotted 18000000 Equity Shares after conversion of 18000000 Warrants (issued during the F.Y.2020-21 after receipt of 25% of issue Price of ₹ 59/- Per Warrant), upon receipt of 75% of Issue Price aggregating to ₹ 79.65 Crores. The amount raised through Preferential Issue has been utilized as per the Objects specified in the Explanatory Statement in the Postal Ballot notice dated 31-12-2020.

During the year, there was no treatment of any transaction different from that as prescribed in the Accounting Standards as required under Section 133 of the Companies Act, 2013.

A report on risk management forms a part of the Management Discussion and Analysis in this report.

The information on appointment/re-appointment of Directors and their brief profiles forms part of the Notice of the ensuing Annual General Meeting for the information of shareholders.

Secretarial Compliance Report

Pursuant to Regulation 24A of the Listing the Company has submitted to the Stock Exchanges the Secretarial Compliance Report for the Financial Year 2022-23 furnished by M/s. BS & Company, Company Secretaries LLP, a firm of Practicing Company Secretaries. The Company shall be filing the Secretarial Compliance Report for the Financial Year 2022-23 within the prescribed time.

Certificate from Practicing Company Secretary

Certificate as required under Part C of Schedule V of the Listing Regulations furnished by M/s. BS & Company, Company Secretaries LLP, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at its meeting held on 26th May 2023.

Recommendations of Committees of the Board

There were no instances during the financial year 2022-23, wherein the Board had not accepted recommendations made by any Committee of the Board

Code of Conduct to Regulate, Monitor, and Report Trading by Designated Persons:

The Company has adopted a Code of Conduct to Regulate, Monitor, and Report Trading by Designated Persons (Insider Trading Code) under the SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations). The Code of Conduct, inter alia, covers the following:

- (a) Regulate, Monitor and Report Trading by Designated Persons.
- (b) Policy for determination of 'legitimate purposes' as a part of 'Code of Fair Disclosure and Conduct.
- (c) Policy for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI)
- (d) Whistle Blower Policy to enable reporting in case of leak of UPSI.

The Audit Committee reviews cases of non-compliance, if any, and makes necessary recommendations w.r.t. action taken against such defaulters. The said non-compliance promptly intimated to SEBI.

The Code of Conduct, Code of Fair Disclosure and Whistle Blower Policy duly approved by the Board of Directors of the Company have been uploaded on the website of the Company.

11. The Company has complied with all the requirements of the Corporate Governance Report as set out in paras (2) to (10) above.
12. The Company has complied with the non-mandatory requirements/Discretionary Requirements as stipulated in Regulation 27 (1) read with Part E of the Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as indicated below;
 - (a) The Company's financial statements are with unmodified audit opinion.
 - (b) The Company has appointed separate persons to the post of Chairman and Managing Director.
 - (c) The Internal auditors of the Company report directly to the Audit Committee of the Board.
13. The Company has complied with all the mandatory clauses of Corporate Governance requirements specified in regulations 17 to 27 and of regulation 46 of the Listing Regulations as applicable.



14. Disclosures with respect to unclaimed suspense account:

The Company has followed the due procedure as provided in the Regulation 39 (4) read with Schedule V & VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in dealing with the unclaimed shares in Public Issue/Rights issues. The movement of un-claimed shares in the "NCC Ltd – Unclaimed Suspense Account" during the year as follows: -

Particulars	No of shareholders	No. of Equity Shares
Aggregate Number of Shareholders and outstanding shares lying in the Unclaimed Suspense Account as on April 1, 2022	29	25984
Unclaimed shares Credited to the Account during the year	-	-
Number of shareholders approached the Company for the transfer of shares from Unclaimed Suspense Account during the year	-	-
No. of Shares transferred to IEPF Account	2	530
Aggregate Number of Shareholders and outstanding Shares lying in the Unclaimed Suspense Account as on March 31, 2023	27	25454
The voting rights of the above said unclaimed shares lying in Demat Account shall remain frozen till the rightful owner of such shares claims the shares.		

15. Transfer of Shares Unpaid/Unclaimed Amounts to Investor Education and Protection Fund (IEPF)

In accordance with the provisions of the Companies Act, 2013, the Company has transferred 36358 (Thirty-Six Thousand Three Hundred Fifty-Eight only) Equity Shares of ₹ 2/- each during the Financial Year 2022-23 to the credit of IEPF Authority. As on 31st March 2023, the Company has cumulatively transferred 514131 (Five Lakhs Fourteen Thousand One Hundred Thirty-One only) so far for all Financial Years. Equity Shares to the credit of IEPF Authority. The Company is initiating necessary action for the transfer of shares in respect of which dividend has not been claimed by the members consecutively since 2015-16.

Pursuant to Rule 6(13) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has credited an amount of ₹ 7, 90, 964 (Rupees Seven Lakhs Ninety Thousand Nine Hundred Sixty-Four only) to the Investor Education and Protection Fund (IEPF) during the Financial Year 2022-23 towards Dividend paid on the Unclaimed Shares transferred to IEPF Authority.

The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company as on date of last Annual General Meeting (i.e., August 22, 2022) and details of shares transferred to IEPF. The aforesaid details are put on the Company's website and can be accessed at: <https://ncclimited.com/unpaid-dividends.html#>

The Company has also uploaded these details on the website of the IEPF Authority (www.iepf.gov.in).

16. M/S.S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E30004) have been appointed as Statutory Auditors of the Company. The particulars of payments to Statutory Auditors S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004 or any other firm in their group on consolidated basis is given below.

Description of Service	Amount in (₹ in Crore)
Services as Statutory Auditors (Audit fee)	1.95
Certification fee	0.11
Total	2.06

17. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil



DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2023.

For NCC Limited

A A V Ranga Raju
Managing Director
DIN No.00019161

Place: Hyderabad
Date: May 26, 2023

CORPORATE GOVERNANCE CERTIFICATE

**Under Regulation 34(3) read with Schedule V (E) of the Securities Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,
The Members of
NCC Limited
NCC House, Madhapur,
Hyderabad-500081,
Telangana, India

We have examined the compliance of the conditions of Corporate Governance by NCC LIMITED ("Company") for the year ended 31st March, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT'S RESPONSIBILITY

The Compliance with the requirements of conditions of Corporate Governance is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance with the requirements in the Corporate Governance and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

OUR RESPONSIBILITY

Pursuant to the requirement under SEBI (LODR) Regulations, 2015, it is our responsibility to express limited assurance that the Company has complied with the requirements of the conditions of Corporate Governance. Further, this Certificate is also required to be annexed with the Board's Report of the Company which forms part of the Annual Report as required under Para-E of Schedule V of the SEBI (LODR) Regulations, 2015.

OPINION

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by 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) and (t) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year ended March 31st, 2023. There was one day delay in the submission of the disclosure to the stock exchanges pursuant to Regulation 23(9) of SEBI (LODR) regulations 2015.

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 BS & Company, Company Secretaries LLP

K.V.S. Subramanyam
Designated Partner
FCS No.: 5400
C P No.: 4815
PR. No: 705/2020
UDIN: F005400E000381699

Date: May 26, 2023
Place: Hyderabad



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
NCC Limited
NCC House, Madhapur,
Hyderabad-500081,
Telangana, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **NCC Limited** having CIN L72200TG1990PLC011146 and having registered office at NCC House, Madhapur, Hyderabad-500081, Telangana, India (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 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) as considered necessary and explanations furnished to us by the Company & its 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, 2023 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.

S. No.	Name of Directors	DIN	Date of Appointment in the Company
1	Mr. Hemant Madhusudan Nerurkar	00265887	25.09.2014
2	Mrs. Renu Challu	00157204	25.09.2014
3	Mr. Durga Prasad Subramanyam Anapindi	00911306	24.05.2016
4	Mr. Om Prakash Jagetiya	00546495	30.12.2020
5	Mr. Utpal Hemendra Sheth	00081012	11.10.2013
6	Mr. AAV Ranga Raju	00019161	22.03.1990
7	Mr. Alluri Gopala Krishnam Raju	00019100	22.03.1990
8	Mr. Alluri Srimannarayana Raju	00017416	22.03.1990
9	Mr. AVN Raju	00018965	01.06.1999
10	Mr. Jampana Venkata Ranga Raju	00020547	23.03.1990

*The above mentioned directors are as on 31st March, 2023

Ensuring the eligibility of Directors, for 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 BS & Company, Company Secretaries LLP

K.V.S. Subramanyam

Designated Partner

FCS No.: 5400

C P No.: 4815

UDIN: F005400E000381578

Date: May 26, 2023

Place: Hyderabad

Business Responsibility and Sustainability Reporting (BRSR)

SECTION A: GENERAL DISCLOSURES

1. Corporate Identity Number (CIN) of the Listed Entity	L72200TG1990PLC011146
2. Name of the Listed Entity	NCC Limited
3. Year of incorporation	1990
4. Registered office address	NCC House, Madhapur, Hyderabad – 500081
5. Corporate address	NCC House, Madhapur, Hyderabad – 500081
6. E-mail	ho.secr@nccltd.in
7. Telephone	914023268888
8. Website	www.ncclimited.com
9. Financial year for which reporting is being done	FY2022-2023
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11. Paid-up Capital	INR 125.57 Crores
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Sisir Kumar Mishra, Ph No.: +91-9121359696 E-mail: sisir.mishra@ncclimited.in
13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY23)
1	Construction & Civil Engineering	Construction of Industrial and commercial buildings, housing project, roads, bridges and flyovers, water supply and environment projects, mining, power transmission lines, irrigation and hydrothermal power projects, real estate development, etc.	100

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Construction of buildings	41001, 41002, 41003	44%
2	Construction and maintenance of Roads	42101	16%
3	Construction and maintenance of water main and line connection	42204	25%
4	Construction and maintenance of Electrical works	42202	8%



16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of operational sites	Number of offices	Total
National	225	10	235
International	Nil	2	2

17. Markets served by the entity:

- a. Number of locations

Locations	Number
National (No. of States)	27
International (No. of Countries)	2

- b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

- c. A brief on types of customers

The Company's business is construction of infrastructure projects. Major clients include Central Government, State Government, local municipal bodies and other Government bodies, Public Sector Undertakings, Private Sector, etc.

18. Details as at the end of Financial Year:

- a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	5515	5417	98.22%	98	1.78%
2	Other than Permanent (E)	5975	5943	99.46%	32	0.54%
3	Total employees (D + E)	11490	11360	98.87%	130	1.13%
WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	9121	8862	97.16%	259	2.84%
6	Total workers (F + G)	9121	8862	97.16%	259	2.84%

- b. Differently abled Employees and worker

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled employees						
1	Permanent (D)	4	4	100%	0	-
2	Other than Permanent (E)	0	0	-	0	-
3	Total employees (D + E)	4	4	100%	0	-
Differently abled workers						
4	Permanent (F)	0	0	-	0	-
5	Other than Permanent (G)	0	0	-	0	-
6	Total workers (F + G)	0	0	-	0	-

19. Participation/Inclusion/Representation of women_

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10%
Key Management Personnel	2	0	0%

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.61%	7.69%	18.44%	14.7%	5.7%	14.6%	15.7%	6.6%	15.6%
Permanent Workers	Not Applicable								

21. Details of Holding, Subsidiary & Associate Companies (including joint ventures)

S. No	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	NCC Urban Infrastructure Limited	Subsidiary	80	No
2	NCC Infrastructure Holdings Limited	Subsidiary	62.84	No
3	Pachhvara Coal Mining Private Limited	Subsidiary	51	No
4	Talaipalli Coal Mining Private Limited	Subsidiary	51	No
5	Nagarjuna Construction Company International L.L.C.	Subsidiary	100	No
6	NCC Infrastructure Holdings Mauritius Pte Limited	Subsidiary	100	No
7	Nagarjuna Contracting Co. L.L.C.	Subsidiary	100	No
Subsidiaries of NCC Urban Infrastructure Limited				
8	Dhatri Developers & Projects Private Limited	Subsidiary	100	No
9	Sushanti Avenues Private Limited	Subsidiary	100	No
10	Sushrutha Real Estate Private Limited	Subsidiary	100	No
11	PRG Estates LLP	Subsidiary	100	No
12	Threlekya Real Estates LLP	Subsidiary	100	No
13	Varma Infrastructure LLP	Subsidiary	100	No
14	Nandyala Real Estates LLP	Subsidiary	100	No
15	Kedarnath Real Estates LLP	Subsidiary	100	No
16	AKHS Homes LLP	Subsidiary	100	No
17	JIC Homes Private Limited	Subsidiary	100	No
18	Sushanti Housing Private Limited	Subsidiary	100	No
19	CSVS Property Developers Private Limited	Subsidiary	100	No



S. No	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
20	Vera Avenues Private Limited	Subsidiary	100	No
21	Sri Raga Nivas Property Developers LLP	Subsidiary	100	No
22	VSN Property Developers LLP	Subsidiary	100	No
23	M A Property Developers Private Limited	Subsidiary	100	No
24	Mallelavanam Property Developers Private Limited	Subsidiary	100	No
25	NCC Urban Homes Private Limited	Subsidiary	100	No
26	NCC Urban Ventures Private Limited	Subsidiary	100	No
Subsidiaries of NCC Infrastructure Holdings Limited				
27	OB Infrastructure Limited	Subsidiary	64.02	No
28	NCC Infra Limited	Subsidiary	100	No
29	Samashti Gas Energy Limited	Subsidiary	100	No
30	Savitra Agri Industrial Park Private Limited	Subsidiary	100	No
Subsidiaries of NCC Infrastructure Holdings Mauritius Pte. Limited				
31	Al Mubarakia Contracting Co. L.L.C.	Subsidiary	100	No
Subsidiaries of Nagarjuna Construction Company International L.L.C.				
32	NCCA International Kuwait General Contracts Company L.L.C.	Subsidiary	100	No
Associates of NCC Limited				
33	Brindavan Infrastructure Company Limited	Associate	33.33	No
34	Paschal Form Work (India) Private Limited	Associate	23.35	No
35	Nagarjuna Facilities Management Services L.L.C.	Associate	49	No
Associates of NCC Infrastructure Holdings Limited				
36	Pondicherry Tindivanam Tollway Private Limited	Associate	47.8	No
37	Ekana Sportz City Private Limited	Associate	26	No
Associates of NCC Infrastructure Holdings Mauritius Pte. Limited				
38	Himalayan Green Energy Private Limited	Associate	50	No
39	Apollonius Coal and Energy Pte. Ltd.	Associate	44.29	No
Associates of NCC Urban Infrastructure Limited				
40	Varapradha Real Estates Private Limited	Associate	40	No

22. Details of CSR Activities

- (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes
- (ii) Turnover (in ₹.) – ₹ 13,504 Crores as on 31.03.2023
- (iii) Net worth (in ₹.) – ₹ 6,322 Crores

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	N/A				-	-	-
Shareholders	Yes	2	0	As per the report we submit with SEs on Quarterly basis.	12	0	As per the report we submit with SEs on Quarterly basis.
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	0	0	-	0	0	-
Value Chain Partners	Yes	0	0	-	0	0	-



24. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate Governance	Risk	Corporate governance can pose several risks including legal and financial risks, reputational damage, decreased stakeholder trust, and decreased shareholder value	Establishing a well-defined leadership structure, roles, and responsibilities for seamless functioning towards sustainability	Negative
2	Customer Experience & Satisfaction	Opportunity	Increased customer loyalty, positive word-of-mouth recommendations, and a competitive advantage. It can also help to reduce project delays, minimize rework, and improve project outcomes, ultimately leading to increased profitability.	-	Positive
3	Employee & Workforce Engagement, Wellbeing	Opportunity	Improving employee and workforce engagement and wellbeing can lead to increased productivity, decreased absenteeism, and improved safety on job sites. These factors can ultimately result in cost savings, improved project outcomes, and a more positive industry reputation.	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Social engagement & Impact	Risk/ Opportunity	<p>Risk: The business must be rooted in community and be aligned with the community's larger interests. Risks such as worker safety, and community disruption can have significant social and economic consequences, making it crucial to identify and mitigate them to protect people</p> <p>Opportunity: Due to its potential, it creates jobs, build infrastructure, and contribute to economic growth.</p>	<p>Prioritize effective communication and collaboration with stakeholders, including local communities, government agencies, and NGOs. Additionally, conducting thorough environmental and social impact assessments before and during construction can help identify potential risks and enable proactive measures to minimize negative effects.</p>	Negative/Positive
5	Environment management	Risk	<p>Climate change-related extreme weather occurrences put the company's operations, as well as the health and safety of its employees, at danger.</p> <p>Water scarcity has the potential to harm operations and cause economic disruption.</p> <p>Inadvertent non-compliance with current and forthcoming waste legislation may incur financial penalties and harm one's reputation.</p>	<p>Implementing building design and materials that are more resilient to extreme weather events, regularly assessing and updating emergency response plans, and providing employee training on safety procedures during extreme weather.</p> <p>Using recycled water for non-potable purposes, reducing water usage during construction activities, and incorporating sustainable design features that minimize water demand</p> <p>Implementing effective waste management practices, utilizing eco-friendly building materials, and ensuring compliance with local environmental regulations</p>	Negative



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available https://nclimited.com/policies&codes.html									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.	NCC Limited is certified with the management system ISO 45001:2018, ISO 9001:2015, ISO 14001:2015 to ensure compliance with health and safety, quality, and environmental management systems. Furthermore, the Company strictly follow the regulations and guidelines set forth by the India Labor courts and other applicable laws								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>NCC strives to achieve enhanced customer satisfaction by delivering quality products through timely completion in safe working environments. We dedicate ourselves to continual improvement in all fields of our business.</p> <p>Our quality standards are guided by the Quality Objectives stated below:</p> <ul style="list-style-type: none"> • “To consistently deliver quality products by adhering to set specifications, contractual, regulatory, and statutory requirements. • To achieve enhanced customer satisfaction through cost-effective and timely completion.” 								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	All the company’s projects are adhering to highest quality, ensuring workplace safety & minimum environmental impact.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

We at NCC are driven by the vision that encapsulates the values set by our Founder and Chairman. We aspire to be a world-class construction and infrastructure enterprise committed to quality, safety, customer satisfaction, environment, continuous learning, and enhancement of value for all our stakeholders. Our vision is guided by our core values of openness and trust, integrity and reliability, teamwork and collaboration, commitment, and creativity. These values are reflected in the manner we conduct our business. As a socially conscious organization we strongly focus on societal development and social consciousness in the communities that we operate in. We acknowledge that we have a larger responsibility in our relationships with our stakeholders both within & beyond the sphere of business.

As a responsible corporate citizen, we always strive to implement global sustainability standards and processes at our facilities. Our commitment to sustainability and ESG principles is enshrined in our ESG policy which covers aspects such as ethics, integrity & transparency, sustainable and safe operations, well-being of employees, workers and value chain partners, stakeholder engagement, promotion of human rights, protection and restoration of environment, inclusive growth and equitable development for our communities and responsible engagement with all our stakeholders.

In our sustained efforts to improve our sustainability performance & drive a positive change in society at large, we are instituting measures and procedures that positively impact our ESG principles elucidated in our policy. We have also started integrating our data collection & sustainability indicator tracking across our operational sites to come up with well-established goals and targets that would catalyse our sustainability journey. We are gradually adopting procedures that promote resource efficiency, safeguard the environment, promoter health & safety of our workforce, contribute to social upliftment, provide opportunities in the remotest of regions in India. These measures and procedures will become more aggressive in the future as our sustainability governance structures become more mature.

We also believe in delivering high social impact through our businesses and in the communities around. Right from our inception, our commitment and service to the society is of paramount importance for us. NCC Foundation which is the CSR arm of NCC Limited delivers high impact CSR projects for community upliftment & reducing the rural-urban divide. Our community interventions are focussed on education in rural areas, skill development & job opportunities for rural youth, access to primary healthcare, rural infrastructure development & community support and building a greener tomorrow.

As we embark on this journey of enhancing our ESG capabilities, I would like to assure you that our commitment to ESG principles remains resolute. We will continue to assess and refine our practices to ensure that they meet the highest standards of sustainability and corporate responsibility and create long term stakeholder value.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies

ESG Committee

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

ESG Committee

Sri O P Jagetiya - Chairman
Sri Hemant Nerurkar, Member
Dr A S Durga Prasad, Member
Sri A A V Ranga Raju, Member



10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All the policies of the company are approved by the board and reviewed periodically on a need basis by respective committees																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	NCC Limited is compliant to all applicable regulations																	
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	<p>The entity has certifications for ISO 14001, ISO 45001 & ISO 9001 and undergoes periodical assessment both internally & externally to evaluate effectiveness of management system and policies.</p> <p>Assessment is being carried out by accredited certification body at our facilities.</p>																	

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated

Questions	
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	
It is planned to be done in the next financial year (Yes/No)	
Any other reason (please specify)	

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year.

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	2	<ul style="list-style-type: none"> Long-term strategic plan & cost management ESG <p>Training Impact:</p> <ul style="list-style-type: none"> Enhanced organization's financial stability and success Significance of ESG and provided a clear roadmap for integrating ESG into the Company's strategy. 	100%
Key Management Personnel	3	<ul style="list-style-type: none"> Team / Development / Stages of Team Development/ Team communication / Motivation overcoming challenges Long-term strategic plan & cost management ESG <p>Training Impact:</p> <p>Cohesive, and successful organization that is better equipped to overcome challenges and achieve its goals.</p>	100%
Employees other than BODs and KMPs	140	<ul style="list-style-type: none"> Technical Competency Enhancement Functional Competency Enhancement Personal Development Health & Safety Awareness <p>Training Impact: Improved motivation and competency among employees.</p>	21.53%
Workers	2370	<p>Health & Safety Awareness (EHS) Training</p> <p>Training Impact: Increased awareness among workers</p>	82%



2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format
(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website)

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment					
Punishment			Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

NCC Limited has implemented an anti-corruption and anti-bribery policy to prevent, deter, and identify fraudulent and corrupt business practices. The Company is dedicated to conducting its business with utmost honesty, integrity, and ethical standards and is committed to enforcing these standards across all its global operations by refraining from any involvement in bribery or corruption. This policy applies to all employees, including directors and other stakeholders associated with the Company, and is included in the onboarding process for all new hires.

Web-link to the policy: <https://ncclimited.com/policies&codes.html>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors		
KMPs		
Employees	Nil	Nil
Workers		

6. Details of complaints with regard to conflict of interest.

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil. To embrace a sustainable future, the Company is committed to conducting comprehensive awareness and training programs for our value chain partners on the fundamental Principles. NCC Limited work to create a resilient and responsible value chain that benefits our stakeholders and the wider community by educating them and establishing a culture of shared values.	-	-

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has a Code of Conduct that applies to its Board of Directors and senior management team. The Code includes measures to prevent and manage conflicts of interest and mandates that the individuals covered under it should act with honesty, ethics, and integrity. It requires them to disclose and avoid any potential or actual conflicts of interest. These conflict-of-interest areas include employment (outside), directorships (outside), business interests, related parties, payments, or gifts from others & corporate opportunities.

<https://ncclimited.com/policies%20&%20codes/Code%20of%20Conduct%20new.pdf>



PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	-	-	The E&S projects implemented are focused on energy efficiency and water minimization
Capex	<1%	<1%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

- b. If yes, what percentage of inputs were sourced sustainably.

The Company’s work orders for sourcing purposes contain specific clauses that all suppliers adhere to stipulated requirements ensuring compliance to applicable labour laws, minimum wages, other relevant statutory compliances. The clauses also contain specific requirements on maintaining desirable performance on EHS.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not Applicable

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No).

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) is not applicable as the company’s primary activity is construction and related services, and it does not produce any consumer products.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
NCC limited did not conduct life cycle assessment for the projects					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
NCC limited did not conduct life cycle assessment for the projects		

3. Percentage of recycled or reused input material to total material (by value) used in production (For manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
	Nil	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
	Not Applicable	

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

- 1.a. Details of measures for the well-being of employees.

Category	Total (A)	% of employees covered by								Day Care facilities	
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits			
		No. (B)	% (B/ A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/ A)	No. (F)	% (F/ A)
Permanent employees											
Male	5417	5417	100%	5417	100%	-	-	0	-	5417	100%
Female	98	98	100%	98	100%	98	100%	-	-	98	100%
Total	5515	5515	100%	5515	100%	98	100%	0	-	5515	100%
Other than Permanent employees											
Male	5943	0	-	5943	100%	-	-	0	-	5943	100%
Female	32	0	-	32	100%	0	-	-	-	32	100%
Total	5975	0	-	5975	100%	0	-	0	-	5975	100%



b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent workers											
Male	8862	0	-	8862	100	N/A	N/A	0	-	8862	100%
Female	259	0	-	259	100	0	-	N/A	N/A	259	100%
Total	9121	0	-	9121	100	0	-	0	0	9121	100%

2. Details of retirement benefits.

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers Covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers Covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	-	Y	100%	-	Y
ESI	100%	-	Y	100%	-	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company ensures that all its premises and offices are accessible to employees and workers with disabilities. Further, NCC is deploying amenities for the differently abled employees at plant and other work locations to improve accessibility.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The company currently does not have a documented "Equal Opportunity Policy", but it provides equal opportunity to all. NCC is planning to formulate an "Equal Opportunity Policy" at the group level which will be in accordance with Rights of Persons with Disabilities Act, 2016 & other core values of the company.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable	Not Applicable	Not Applicable	
Female	100%	100%		
Total	100%	100%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	Yes, on site HR/admin personnel are responsible for addressing grievances of contractual workers which is done through on-site real-time feedback & resolution.
Permanent Employees	Yes, complaints can be raised through e-mail or phone number i.e. HR help desk. These grievances are then resolved by the HR team readily if they require minimal intervention & are escalated to HR head if a swift resolution is not possible
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity.

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	5515	0	-	5109	0	-
Male	5417	0	-	5026	0	-
Female	98	0	-	83	0	-
Total Permanent Workers	N/A					
Male						
Female						



8. Details of training given to employees and workers:

Category	FY 2021-22 (Previous Financial Year)					FY 2022-23 (Current Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	10650	8307	78%	134	1.25%	11360	8555	75%	273	2.40%
Female	131	102	78%	4	3.05%	130	90	69%	51	39.23%
Total	10781	8409	78%	138	1.28%	11490	8645	75%	324	2.82%
Workers										
Male	7572	6209	82%	-	-	8862	7267	82%	-	-
Female	308	252	82%	-	-	259	212	82%	-	-
Total	7880	6461	82%	-	-	9121	7479	82%	-	-

9. Details of performance and career development reviews of employees and worker.

Category	FY 2021-22 (Previous Financial Year)			FY 2022-23 (Current Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	5026	5026	100%	5417	5417	100%
Female	83	83	100%	98	98	100%
Total	5109	5109	100%	5515	5515	100%
Permanent Workers						
Male	N/A					
Female						
Total						

10. Health and safety management system

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system.

Yes, NCC Limited is certified to ISO 45001:2018 Occupational Health and Safety (OHS) Management System standard and it covers all construction project sites and operations. Management systems have been put in place in compliance with ISO 45001:2018 which is consistent with NCC's vision, philosophy, and QEHS policy. The QEHS Management System outlines the necessary conditions for the organization's methodical administration and execution.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity.

NCC Limited implemented a systematic risk management method to recognize and manage all risks in offices and building project sites. The essential factor in reducing the risk of QEHS in business is the Company's risk management strategy, which is implemented through five processes (identification, assessment, mitigation, monitoring, and reporting). Prior to beginning any work activity, risk assessments and safe work procedure statements are produced and approved with input from all relevant stakeholders, such as construction engineers, design and planning engineers, and QEHS team members.

Documentation, approval, and dissemination to all pertinent parties participating in the activity are all requirements for all identified risks and risk mitigation measures.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.
Yes, the company has procedures in place for employees to report hazards at work and safeguard themselves against such risks.
- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services.
Yes, every project site of the Company is connected to the closest hospital, where employees and workers can easily access services for non-occupational medical and health needs after informing the project site administration department.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.33	0.03
	Workers	2.02	1.38
Total recordable work-related injuries	Employees	9	0
	Workers	27	19
No. of fatalities	Employees	0	1
	Workers	12	12
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

A project specific EHS plan is created at the start of every new project as part of the QEHS management system, and it establishes the general guidelines for QEHS Management. This EHS plan identifies the risky operations that fall under the purview of the work as well as the risk associated with those operations. It even specifies the required integrated preventive measures (Controls) to mitigate the same.

The Management provides strong demonstrable visible leadership and commitment towards QEHS through personal examples and actions. This is the first principle of the leadership commitment of NCC L.I.F.E. (Live Injury Free Each Day). To promote and foster a constructive attitude towards EHS across NCC Projects and operations, management has taken part in EHS meetings and carried out site inspections and QEHS audits communicated.

This is further supported by the fact that there is a systematic risk management approach in place to locate and manage every risk in projects and units that calls for conformance certification. As a result, a procedure has been set up for performing internal QEHS audits. This procedure requires that internal audits be organized for all ongoing projects, and the Head Office Audit Team must at least once every six months verify it. Based on their status, relevance, and risk profile, specific projects were chosen for frequent audits. In addition to any external audits performed by certified auditors, this was done.



13. Number of complaints on the following made by employees and workers.

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health and Safety	0	0	-	0	0	-

14. Disclose % of your plants & offices that were assessed (by the entity/ statutory authorities/ third parties) in the current F.Y for health & safety practices & working conditions

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

The Company’s Safety Council reviews all accidents and incidents at every project and develops procedures based on risk analysis of information obtained from the relevant project sites. The measurement of occurrences and risky behavior, as well as predictive analysis, all make use of this data. This makes it possible to identify the main risk areas, which in turn directs the projects to actively manage and concentrate resources to avoid any mishaps or catastrophes. This analysis is disseminated among the team members in support of NCC Mission Zero’s accident objective.

In view of this collective approach, efforts have been made in understanding the Company’s high- risk profile holistically as well as in general. QEHS risk management culture has been inculcated across the Company. Various steps have been taken including:

- Implementation of QEHS surveillance rating
- Developed QEHS training modules on high-risk activities.
- Developed standardized template of QEHS Lessons Learnt and these alerts are shared in the centralized knowledge sharing platform which can be accessed by all employees.
- Enrolled Subject Matter Experts (SMEs) into the QEHS management community of central knowledge sharing module.
- Implementation of senior management audits based on standard checklist developed by the QEHS Council.

The initiatives have succeeded in capturing the high-risk hazardous activities that are prevalent throughout many NCC Business verticals. This helps in the creation of an action plan to improve stakeholders’ capacity to manage such activities with a better level of awareness and appropriate training from qualified external agencies as well as subject matter experts. Every member of organization works hard to connect their behaviors and corporate choices with QEHS excellence in their specific roles.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the company extends its workers and employees life insurance coverage for fatal work-related accidents.

- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The company has established “Standard Terms and Conditions” for contracts executed with its value chain partners, which include provisions related to payment of taxes and duties, compliance with laws, compliance with statutory obligations, indemnification, audit provisions, and other relevant matters. These terms and conditions are binding on the value chain partners, requiring them to make payments for statutory dues such as PF, gratuity, insurance, taxes, and other obligations. The company conducts regular reviews of these contractual obligations to ensure that its value chain partners comply with their statutory obligations and make necessary payments

- Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	Injuries – 9 Fatalities – 0	Injuries - 0 Fatalities – 1	-	-
Workers	Injuries - 27 Fatalities - 12	Injuries - 19 Fatalities - 12	-	-

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

- Disclose % of value chain partners (by the value of business done with them) that were assessed in the current F.Y for health & safety practices & working conditions.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	100%
Working conditions	

Note: NCC Limited assessed critical value chain partners

- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

All observations and non-conformances are properly documented and reported for closeout in accordance with the internal QEHS audit method and assessment carried out. Closeouts are completed and recorded along with their specifics. These details can be acquired from the relevant project locations and operations.

The Company, based on all EHS analysis data gathered, has developed several procedures aligned to Sub-contractor procurement and management. The Health, Safety & Environment Management system has been reviewed and aligned to be a part of and fully incorporated into the contract between sub-contractor and the Company. Its purpose is to set forth the areas of EHS concerns and requirements routinely. This subcontractor system is intended to supplement any contractual requirements, including EHS Management System manual, guidelines, Standard Operating Procedures, any requirements of client, as well as sub-contractor’s own EHS programmes.



The Company evaluated all the suppliers and contractors on their safety infrastructure processes and strengths before awarding a contract. The continued monitoring and measuring of suppliers and contractors ensure a comprehensive safe environment. This is further enhanced with regular refresher training sessions and capacity-building programs. In addition, periodic site visits by the senior management and site audits improve the EHS performance.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

- Describe the processes for identifying key stakeholder groups of the entity.

The stakeholder identification process at NCC Limited is built around the following procedures marked in order of execution as mentioned below:

- Purpose of stakeholder analysis
- Identifying potential stakeholders who may affect or may be affected by the business
- Stakeholder categorization (internal or external)
- Stakeholder prioritization based on impact on the business
- Information gathering on stakeholder expectations
- Developing a stakeholder engagement plan

In order to make sure that the business is serving its stakeholders’ needs and accomplishing its objectives, it is important to continually monitor and engage key stakeholders in the process of identifying them.

- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Circulars, E-mails, Meetings, Corporate Social Initiatives, Welfare Initiatives, In House Magazines, Help Desk etc.	As and when required	Employee development and benefits, expectations, volunteering, career advancement, etc.
Clients/ Customers	No	E-mails, Official Letters, Customer satisfaction	As and when required	Project delivery, timeline, challenges that are faced during execution, Customer satisfaction and feedback
Suppliers/Sub-contractors	No	E-mails, Meetings, Official Letters	As and when required	Need and expectation, schedule, supply chain issues, need for awareness and other training, their regulatory compliance, EHS performance etc.,
Local communities	Yes	Direct Engagement as well as the execution of a company’s CSR project	As and when required	To seek their feedback and expectation of the CSR programs

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Media	No	Press Releases, Quarterly Results, Annual Reports, AGM (shareholder’s interaction), Access information and media interactions	As and when required	Performance reporting, good practices, show cases, awards and showcases, awards and successes, initiatives, etc.
Government	No	Press Releases, Quarterly Results, Annual Reports, Stock Exchange filings, issue specific meetings, representations	As and when required	Reporting requirement, Statutory compliance, authority’s assistance, and solving issues.
Shareholders	No	E-mail, Press Releases, Quarterly Results, Annual Reports, AGM (Shareholder’s interaction), Quarterly investor presentation, stock exchange filings and corporate website	As and when required	To understand their requirements and expectations, which are crucial to the business
Investors/ Banks & Financial Institutions	No	E-mails, Meetings	As and when required	To evaluate business performance

Leadership Indicators

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
Feedback/grievances received from various stakeholders are communicated to the Board based on relevance by respective functional leaders
- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.
The company conducted internal stakeholder consultations to identify material issues that impact its business & day-to-day operations.
- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.
NCC Limited continuously engaged with vulnerable/ marginalized stakeholder groups as per the stakeholder engagement plan. The Company’s outreach initiatives cater to the underprivileged/marginalized/vulnerable communities residing in underdeveloped areas with a single objective of improving their lives and livelihood through CSR initiatives spearheaded by the CSR team:
 - Skill development – the Company has executed projects such as setting up of Central Instrumentation Laboratory at University College for Women at Koti, Hyderabad that promotes skill development amongst women who still form a vulnerable section of the society & bring them into the workforce.



- b) Education- the Company has deployed several projects for better & state of the art education for our children & adults. These projects include support to “Ekal Vidyalayas” (benefiting tribal students), enabling digital classrooms for schools in Kothapeta, upgradation of computer lab at Arts and Science College for Women, Andhra Mahila Sabha, AAS Vidyalaya Education Café (an online platform for educating dropouts) and many more.
- c) Healthcare- Access to primary healthcare & pre/postnatal care is basic human right. The Company has taken several measures to benefit communities that are unable to access these basic facilities. Our initiatives include operational expenses for milk banks, support for Aaryajanani Program, eye treatment & surgeries for EWS at LV Prasad Institute & support to setting up charitable diagnostics center & poly clinic at CR Foundation.
- d) Rural development- the Company has executed several measures for rural development & empowering our rural communities by developing infrastructure such as roads, drainage lines, water tanks, housing for marginalized & EWS etc.
- e) Community building- the Company has supported the peaceful co-existence of communities by enabling them with proper community spaces & gathering infrastructure. Prominent among these is the community center at Azinagar, R R Dist, Telangana.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

- 1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format.

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	5515	5515	100%	5109	5109	100%
Other than permanent	5975	5975	100%	5267	5267	100%
Total employees	11490	11490	100%	10376	10376	100%
Workers						
Permanent	Not Applicable					
Other than permanent	9121	9121	100%	7880	7880	100%
Total workers	9121	9121	100%	7880	7880	100%

2. Details of minimum wages paid to employees and workers, in the following format.

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	5515	-	-	5515	100%	5109	-	-	5109	100%
Male	5417	-	-	5417	100%	5026	-	-	5026	100%
Female	98	-	-	98	100%	83	-	-	83	100%
Other than Permanent	5975	5975	100%	-	-	5267	5267	100%	-	-
Male	5943	5943	100%	-	-	5234	5234	100%	-	-
Female	32	32	100%	-	-	33	33	100%	-	-
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent	9121	9121	100%	-	-	7880	7880	100%	-	-
Male	8862	8862	100%	-	-	7572	7572	100%	-	-
Female	259	259	100%	-	-	308	308	100%	-	-

3. Details of remuneration/salary/wages, in the following format.

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) – Executive Director	5	4,75,31,843	-	-
Key Managerial Personnel	2	80,73,263	-	-
Employees other than BoD and KMP	5414	5,31,000	94	6,00,570
Workers	Not Applicable, as there are no permanent workers on the company's payroll			

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No).

The Company is dedicated to upholding and safeguarding human rights. It has a set of guidelines in place such as the Code of Conduct, as well as HR policies and processes that specifically address these concerns. Human rights are a top priority for the organization, and we have a zero-tolerance towards any violations related to human rights. The Company does not have a single focal point for addressing human rights issues, but the HR head of the respective IC is responsible for addressing all human rights related issues & impacts.



5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company considers human rights to be a fundamental and essential value. It endeavours to uphold fair and ethical business and employment practices by supporting, safeguarding, and advocating for human rights. The Company adhere to zero tolerance towards all forms of slavery, forced labour, child labour, human trafficking, and any kind of physical, sexual, psychological, or verbal abuse.

All grievances that are received by the entity are addressed as and when received by the respective Project Managers / Business unit heads through Admin in Coordination with HR department. All the grievances received are duly investigated and appropriate actions are taken to resolve the issue /complaint. Whenever required, disciplinary actions are initiated as deemed fit and assistance from regulatory authority is sought.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending Resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

NCC believes that every employee is a trustee of its stakeholders and must adhere to the Company’s Code of Conduct and conduct himself or herself at all times in a professional and ethical manner.

The company has a “Whistle-blower Policy” which encourages stakeholders to bring to the Company’s attention, instances of unethical behaviour, discrimination, harassment, actual or suspected incidents of fraud or violation of the NCC Code of Conduct, that could adversely impact the Company’s operations, business performance and / or reputation. The Company investigates such reported incidents in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld.

The policy also mentions about non-retaliation against complainants stating “No employee who reports a violation shall suffer any harassment, retaliation, or adverse employment condition because of such reporting. Any employee who retaliates against a person reporting a violation will be subject to disciplinary proceedings, which may extend to termination of employment.”

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No).

Yes

9. Percentage of your plants & offices that were assessed (by entity or statutory authorities or third parties) for sexual harassment, discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages, or other human rights related issues.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant risks reported in the assessment.

Leadership Indicators

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
Not Applicable
- Details of the scope and coverage of any Human rights due diligence conducted.
The Company currently has not conducted any human rights due diligence through a third-party. However, the Company has a Code of Conduct and HR policies that adequately address human rights aspects. Various awareness programs are conducted regularly to sensitize employees and value chain partners to the Code of Conduct and human rights issues and to help understand and adhere to the Company’s policies and practices regarding human rights.
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016
Yes, the premises / offices are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016. This shows the NCC’s dedication to fostering inclusive and welcoming environments for everyone.
- Percentage of value chain partners that were assessed (by entity or statutory authorities or third parties) for sexual harassment, discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages or other human rights related issues, along with the corrective action taken to address significant risks & concerns arising from assessments.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100%
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

Note: NCC Limited assessed critical value chain partners



5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No corrective actions pertaining to Question 4 was necessitated by the Company during the year under review.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (GJ) and energy intensity, in the following format.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	337715	561710
Total fuel consumption (B)	2373070	2513960
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	2710785	3075670
(Total energy consumption (Giga Joules) / turnover in crore rupees)	204	306

Note: For F.Y 23, data is reported for 191 sites & for F.Y 22, data is reported for 206 sites

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Under the Performance, Achieve and Trade (PAT) Scheme of the Government of India, NCC Limited does not have any sites or facilities that have been designated as designated consumers (DCs).

3. Provide details of the following disclosures related to water, in the following format.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
4(i) Surface water	49811777	49607156
(ii) Groundwater	2053807	184407
(iii) Third party water (Municipal water supplies)	40107033	73286075
(iv) Seawater / desalinated water		
(v) Others (Packaged Drinking water)		
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	91972617	123077638
Total volume of water consumption (in kiloliters)	91972617	123077638
Water intensity per crore of turnover (Water consumed / turnover in crores)	6936	12261

Note: For F.Y 23, data is reported for 101 sites & for F.Y 22, data is reported for 98 sites

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
Not applicable. The current operational sites are under the Control of the company's customers.
5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	-	Not available	Not available
SOx	-		
Particulate matter (PM)	-		
Persistent organic pollutants (POP)	-		
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	165901	175747
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	75985	126384
Total Scope 1 and Scope 2 emissions per Crore of turnover	MTCO ₂ e/Cr	18.2	30.1

Note: For F.Y 23 data is reported for 191 sites & for F.Y 22 data is reported for 206 sites

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The company replaced CFL fixture with LED light fixtures through which it has estimated a saving potential of 40% in Lighting Load, it has also installed Auto Sliding glass doors at offices to reduce cooling demand. These initiatives have helped the company reduce greenhouse gas emissions.



8. Provide details related to waste management by the entity, in the following format.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste (A)	Not available	Not available
E-waste (B)		
Bio-medical waste (C)		
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste (G) Please specify		
Other Non-hazardous waste generated (H) Please specify (Break-up by composition i.e. by materials relevant to the sector)		
Total (A+B + C + D + E + F + G + H)		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	Not available	Not available
(ii) Re-used*		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	Not available	Not available
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Not Applicable

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
EIA, if applicable, is in the scope of the company's customers					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

Leadership Indicators

1. Provide break-up of the total energy consumed (GJ) from renewable and non-renewable sources, in the following format.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	337715	561710
Total fuel consumption (E)	2373070	2513960
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	2710785	3075670

Note: For F.Y 23, data is reported for 191 sites & for F.Y 22, data is reported for 206 sites

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No



2. Provide the following details related to water discharged.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilo liters)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – Tertiary treatment	-	-
Total water discharged (in kilo liters)		

Note: All the water withdrawn is getting consumed at the sites & therefore there is not effluent production or discharge

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilo liters).

For each facility / plant located in areas of water stress, provide the following information

- (i) Name of the area: None
- (ii) Nature of operations
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (<i>Water consumed / turnover</i>)	-	-
Water intensity (<i>optional</i>) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-



4. Please provide details of total Scope 3 emissions and its intensity, in the following format.

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per Crore of turnover			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format.

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Nil			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has robust framework for managing risks in our organization. All our business verticals have individual Risk Management Councils headed by the "Board of Directors" and comprising of several functional heads ranging from procurement, HR, administration, finance & accounts, operations & others. This council is responsible for evaluating & mitigating various risks arising out of different projects under different verticals. These risks are typically segregated under payment risks, work front risks, execution risks, technology risks, resource problems & other risks. A mitigation plan is provided by the company against all these identified risks. This entire process ensures that the business runs smoothly & any disruptions are predicted and mitigated beforehand.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Nil

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100% critical value chain partners are assessed

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with and industry chambers/ associations.

The Company is a member of 11 trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Construction Federation of India	National
2	Builders Association of India	National
3	Construction Industry Development Council (CIDC)	National
4	Confederation of Indian Industry	National
5	Water Supply Contractors Association	State
6	National Highway Builders Federation	National
7	National Safety Council of India	National
8	Federation of Telangana Chamber of Commerce and Industry	State
9	BRICS Chamber of Commerce & Industry	National
10	Employees Federation of South India	National
11	National Human Resources Development	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

There have been no instances where regulatory authorities have issued adverse orders regarding anti-competitive conduct.

Leadership Indicators

1. Details of public policy positions advocated by the entity.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
None					
The Company actively participates in various issues related to business and society by representing itself at both state and national levels. Through these forums, the Company can engage in discussions and collaborate with others on important matters.					



PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the F.Y (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The company’s CSR team is involved regularly in dialogues with its beneficiaries & local communities. The team takes on ground feedback from community members. This feedback mostly comprises of new demands & improvements to the CSR projects handled by the entity. The CSR team of the company assesses these demands & suggestions and implements them on priority. No specific grievances from the community have been raised for the reporting period.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	21%	17%
Sourced directly from within the district and neighboring districts	32%	41%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

S.No.	State	Aspirational District	Amount Spent in INR
1	Andhra Pradesh	Vishakhapatnam	6.60 Lakhs

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)
No
- (b) From which marginalized /vulnerable groups do you procure?
Not Applicable
- (c) What percentage of total procurement (by value) does it constitute?
Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Nil				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects.

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	3rd year Operational expenses of Dhaatri's Milk Bank at Niloufer Hospital, Hyderabad	10000	100
2	3rd year support funds for implementing Aaryajanani Program	600	100
3	Setting up of Central Instrumentation Laboratory at University College for Women at Koti, Hyderabad	500	-
4	Eye treatment and surgery for economically weaker section at no cost - LV Prasad Eye Institute	1000	50
5	Ekal Vidyalaya - Single Teacher informal school for tribals - 30 schools each in AP & TS ₹. 22000 per School	3600	100
6	Dedicated and customised delivery vehicles (3 in No.) for transportation of cooked food	36000	100
7	Students' requirements (Shoes, Belt, Socks etc) and digital classroom for ZPHS and MPPS Schools at Kothapeta, Hyderabad	1150	100
8	Upgradation of Computer Lab at Arts and Science College for Women, Andhra Mahila Sabha, Hyderabad	500	-
9	Unground Drainage and other rural development projects	1800	100
10	Education for children of deceased employees	25	100
11	Maintenance expenses of the buildings and the infrastructure created at Antervedipalem, E G Dist, A.P.	444	100
12	Construction of Rural Housing and other Rural Development Projects	120	100



S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
13	AAS Vidyalaya Education Café - Online education for the dropouts, partially schooled & unschooled students in Secondary grades	200	100
14	Laying of CC Road in Allur Village, Chevella Mandal, R R Dist, Telangana	450	100
15	Part funding for setting up of Charitable Diagnostics Centre and Poly Clinic at Chandra Rajeswara Rao Foundation for Social Progress (CR Foundation), in Kondapur, Hyderabad	300	100
16	Community Centre at Aziz Nagar Village, R R Dist, Telangana	3000	100
17	Financial assistance (partial) for Enterprise PACS Tele-Radiology Solution to Tata Memorial Cancer Hospital (TMCH) for streamlining the radiology investigations, reporting and data storage	500	100

PRRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The company’s business model is based on delivering projects for its clients/customers. It does not have any end consumers as stakeholders. The company conducts regular meetings with its customers/clients to understand their expectations & communicates progress on the project to them during these meetings. It also responds to feedback & requirements that the customers/clients raise at these meetings.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about.

Parameter	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable. As we don’t have specific consumer product or product range
Safe and responsible usage	
Recycling and/or safe disposal	

- Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy			Nil			
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the company has an overall IT Security Policy within which it specifies controls that covers data privacy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information relating to all the business provided by the Company are available on the Company’s website.

NCC (ncclimited.com)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not Applicable

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief?

Not Applicable

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company operates more in B2B model. The company conducts regular meetings with its customers/clients to get feedback & requirements from them, if any.

5. Provide the following information relating to data breaches

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

None. We do not hold any personally identifiable information of Customers. Our customers are B2B customers generally government entities



STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of

NCC Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of NCC Limited ("the Company"), which includes 5 branches and 30 joint operations comprising the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of branch auditors and other auditors on separate financial statements and on the other financial information of the branches and joint operations referred to in Other Matter paragraph below, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.



Key audit matters	How our audit addressed the key audit matter
Trade Receivable and Contract Assets (as described in Note 6, 10, 15 and 15.1 of the standalone Ind AS financial statements)	
<p>Total trade receivables and total contract assets amounting to ₹ 2,945.14 crores and ₹ 5,355.32 crores respectively, represents approximately 53.21% of the total assets of the Company as at March 31, 2023.</p> <p>In assessing the recoverability of the aforesaid balances and determination of allowance for expected credit loss, management's judgement involves consideration of aging status, historical payment records, evaluation of litigations, the likelihood of collection based on the terms of the contract and the credit information of its customers.</p> <p>Management estimation is required in the measurement of work completed as at year end for recognition of unbilled revenue.</p> <p>We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> • We understood and tested on a sample basis the design and operating effectiveness of management controls over the recognition and the recoverability of the trade receivables and contract assets. • We performed test of details and tested relevant contracts, documents and subsequent settlements for material trade receivable balances and amounts included in contract assets that are due on performance of future obligations. • We tested the aging of trade receivables at the year end. • We performed test of details and tested relevant contracts and documents with specific focus on measurement of work completed as at the year end for material unbilled revenue balances included in contract asset. • We performed additional procedures, in respect of material over-due trade receivables and long outstanding contract assets, i.e. tested historical payment records, correspondence with customers and legal advice obtained by the management on litigations from legal experts. • We evaluated the competence, capabilities and objectivity of the aforesaid legal experts • We performed additional procedures in respect of balances disclosed in note 46, which include review of communications to/ from customers, physical inspection of work done in respect of unbilled revenue, verification of last bills certified, etc. • We assessed the allowance for expected credit loss made by management.
Carrying value of Investment made in subsidiary (as described in Note 4.3 of the standalone Ind AS financial statements)	
<p>The Company's carrying value of investment in NCC Infrastructure Holdings Limited ('NCCIHL'), a subsidiary, as at March 31, 2023 is ₹ 388.53 crores which is higher by ₹ 185.66 crores as compared to the Company's share of net worth in NCCIHL as per its audited financial statements, (refer note 4.3)</p> <p>Management's assessment of the recoverable amount of the investment in the above subsidiary has been identified as a key audit matter due to the significance of the carrying value of the investment and that it requires the management to make significant estimate of future cash flows including from the claims filed/ won at arbitration by NCCIHL which are sub-judice and not accounted for, by taking into consideration the Management's internal assessment and legal advice on the tenability of these claims.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> • We obtained and read management's assessment of the recoverable amount of the investment. • We traced the net worth of NCCIHL to the audited financial statements of NCCIHL as at and for the year ended March 31, 2023, audited by another firm of chartered accountants. • We obtained a summary of the claims filed by NCCIHL but not accounted for. We read and assessed the legal advice obtained by the Company from expert in respect of the tenability of the above claims. • We obtained and read the arbitration orders received in favor of NCCIHL. • We evaluated the competence, capabilities and objectivity of the aforesaid expert. • We assessed the allowance for impairment made by management.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, 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 management either intends to liquidate the

Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 standalone Ind AS 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 control 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 Company has adequate internal financial controls with reference to financial statements 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- For the branches and joint operations included in the standalone Ind AS 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 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 Ind AS financial statements for the financial year ended March 31, 2023 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 Matter

We did not audit the financial statements and other financial information of 4 branches and 11 joint operations included in the accompanying standalone Ind AS financial statements of the Company whose financial statements and other financial information reflect total assets of ₹ 256.24 crores as at March 31, 2023 and the total revenues of ₹ 247.51 crores and net cash inflows of ₹ 7.99 crores for the year ended on that date. These financial statements/information of these branches and joint operations have been audited by the branch auditors and other auditors respectively, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and

disclosures included in respect of branches and joint operations, is based solely on the report of such branch auditors and other auditors respectively.

Of these, 1 branch is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective country and which has been audited by branch auditors under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statement of such branch located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such branch located outside India is based on the report of branch auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the standalone Ind AS financial statements and our report on Other Legal and Regulatory requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
 - (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;
 - (d) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us;

- (e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (f) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 Ind AS financial statements – Refer Note 34(i) and 41 to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv.a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The dividend declared or paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
 - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Navneet Rai Kabra

Partner

Membership Number: 102328

UDIN: 23102328BGSBNB9829

Place of Signature: Hyderabad

Date: May 26, 2023



Annexure 1, referred to in paragraph 1 of our report of even date

Re: NCC Limited ('The Company')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) A major portion of property, plant and equipment have been physically verified by the management in accordance with the programme of verification, which, in our opinion, provides for physical verification of all property, plant and equipment at reasonable interval having regard to the size of the Company and nature of its assets and no material discrepancies were identified on such verification.

(i)(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3.4 to the financial statements are held in the name of the Company except two immovable properties as indicated in the below mentioned cases:

Description of the item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Period held – Indicate range, where Appropriate*	Reason for not being held in name of company
Land	15.00 Crores	NCC Urban Infrastructure Limited	Subsidiary of the company	31.12.2020	Refer Note 3.4 of the financial statements
Land	5.13 Crores	Vaidehi Avenues Limited	No	01.04.2020	Refer Note 3.4 of the financial statements

*the above dates are date of purchase of the property by the Company.

- (i)(d) The company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year.
- (i)(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii)(a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion and according to the information and explanations given to us, the coverage and procedure

of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification.

(ii)(b) As disclosed in note 21.3 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii)(a) During the year, the Company has provided loans to other entities, the details of which are tabulated below:

(Amounts in INR Crores)

Particulars	Loans
Aggregate amount granted / provided during the year	
- Subsidiaries	-
- Others	25
Balance outstanding as at the balance sheet date in respect of above cases	
- Subsidiaries	26.47
- Others	336.83

(iii)(b) During the year, the investments made, guarantees provided, securities given and the terms and conditions of all loans granted are not prejudicial to the company's interest.

(iii)(c) The Company has granted loans during the year to companies, where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular except in case of repayment of principal and interest (refer clause iii(e) below for principal and interest amount of loans renewed) and payment of interest dues by NCC Infrastructure Holdings Mauritius Pte. Ltd. where the Company has waived off the interest receivable.

(iii)(d) There are no amounts of loans and advance in the nature of loans granted which are overdue for more than ninety days.

(iii)(e) The Company had granted loans to company which had fallen due during the year. The Company had renewed such loan during the year to such party to settle the dues which had fallen due for the existing loans.

The aggregate amount of such loans renewed and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of Party	Aggregate amount of loans granted during the year	Aggregate overdue amount settled by renewal	Percentage of the aggregate to the total loans during the year
NCC Vizag Urban Infrastructure Private Limited (Subsidiary of the Company till March 30, 2022)	10	10*	100%

*Excluding interest accrued on the loan of ₹ 10 cr

(iii)(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have been applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



(vii)(b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, custom duty, excise duty, Goods and Service tax, value added tax and cess on account of any dispute, are as follows:

(₹ in crores)

Statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Disputed Amount	Paid under protest
Central Sales Tax Act (CST) and Sales Tax (VAT) of various States	CST	Appellate Authority, Bhopal	2011-15	0.72	0.49
	CST	Deputy Commissioner of Commercial Taxes, Ranchi, Jharkhand	2014-15	0.31	-
	CST	Sales Tax Tribunal, Mumbai.	2010-11	8.63	0.46
	VAT	Additional Commissioner, AP	2012-13	12.47	8.21
	VAT	Additional Commissioner, Grade-2 (Appeals), Commercial Tax, Range-5 Lucknow	2006-07	1.55	0.16
	VAT	Addl. Commissioner (CT), West Bengal	2010-11	20.32	-
	VAT	Commissioner of Sales Tax, New Delhi	2009-11 & 2012-14	9.79	1.53
	VAT	Appellate Deputy Commissioner, Kerala	2008-09	0.31	0.05
	VAT	Additional Commissioner, West Bengal	2014-15	2.77	2.93
	VAT	Commissioner of Sales Tax, Kerala	2012-14	2.13	-
	VAT	Joint Commissioner, (Appeals), SGST, Kerala	2016-17	1.04	1.04
	VAT	Deputy Commissioner of Commercial Taxes, Ranchi, Jharkhand	2014-15	0.32	0.15
	VAT	Hon'ble High Court of Andhra Pradesh	2005-06 and 2014-15 to 2017-18	7.76	0.50
	VAT	Hon'ble High Court of Orissa	2007-12	9.72	3.09
	VAT	Hon'ble High Court of Tamil Nadu	2006-07	0.44	-
	VAT	Sales Tax Appellate Tribunal, Andhra Pradesh	2005-09 and 2012-13	11.99	11.99
	VAT	Sales Tax Tribunal, Mumbai.	2010-13	2.93	0.16
	VAT	Sr.Joint Commissioner (Appeals), West Bengal	2008-10 & 2012-13	31.93	0.94
	VAT	Appellate Deputy Commissioner, Hyderabad	2007-10 & 2013-14 to 2015-17	37.08	37.08
	VAT	Sales Tax Appellate JC, Andhra Pradesh	2010-12	14.76	14.76
	VAT	Joint Commissioner, Lucknow	2013-17	44.32	29.48
	Entry Tax	Hon'ble High Court of Andhra Pradesh	2012-13	0.99	0.50
	Entry Tax	Hon'ble High Court of Orissa	2007-2012	0.74	-
VAT	Joint Commissioner, West Bengal		8.70	6.78	
Sales Tax	Hon'ble High Court of Andhra Pradesh	1994-95	0.44	0.27	
VAT	Joint Commissioner, Lucknow (Appeals)	2017-18	2.95	2.29	
Sales Tax	Sales Tax Appellate Tribunal, Andhra Pradesh	2000-01	0.69	0.10	
Central Excise Act 1944	Excise Duty	CESTAT, Bangalore	2007-08	0.46	0.10
Finance Act 1994	Service Tax	CESTAT, Bangalore	2005-12	73.06	0.80
	Service Tax	CESTAT, Hyderabad	2010-15	7.87	0.48
	Service Tax	Hon'ble High Court of Andhra Pradesh	2007-09	13.02	-

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix)(b) The company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.
- (ix)(c) Term loans were applied for the purpose for which the loans were obtained.
- (ix)(d) On an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (ix)(e) On an overall examination of the balance sheet of the company/ examination of the cash flow statement of the Company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (ix)(f) The Company has raised loans on the pledge of securities held in its subsidiaries as per details below. Further, the Company has not defaulted in repayment of such loans raised.

(₹ in crores)

Nature of loan taken	Name of lender	Amount of loan as at March 31, 2023	Name of the subsidiary, joint venture, associate	Relation	Details of security pledged	Remarks
Cash Credit and Working Capital Demand Loans	Consortium of 13 banks	₹ 720.39 crores	NCC Infrastructure Holdings Limited & NCC Urban Infrastructure Limited	Subsidiary	Refer Note 4.3 of the financial statements	None

- (x)(a) The Company has not raised any money way of initial public offer or further public offer (including debt instruments) and hence, reporting under clause 3(x)(a) is not applicable to the Company.
- (x)(b) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of Private Placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xi)(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii)(a) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (xii)(b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (xii)(c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business
- (xiv)(b) The Internal Audit reports of the Company issued till date, for the period under audit have been considered by us.



- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi)(d) The Group has one Core Investment Company as part of the Group.
- (xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the provisions of clause 3 (xviii) of the order are not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 47 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 39(d) to the financial statements.
- (xx)(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 39(d) to the financial statements.

For S.R.BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

Per **Navneet Rai Kabra**

Partner

Membership No.102328

UDIN: 23102328BGSBNB9829

Place: Hyderabad

Date: May 26, 2023

Annexure 2 to the Independent Auditor's Report of even date on the Standalone IND AS Financial Statements of NCC Limited

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 with reference to these standalone Ind AS financial statements of NCC Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 with reference to these standalone Ind AS financial statements 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, as specified under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls

with reference to these standalone Ind AS financial statements, 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 with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to these standalone Ind AS financial statements, 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 with reference to these standalone Ind AS financial statements to future periods



are subject to the risk that the internal financial control with reference to these standalone Ind AS financial statements 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, adequate internal financial controls with reference to these standalone Ind AS financial statements and such internal financial controls with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**

Partner

Membership Number: 102328

UDIN: 23102328BGSBNB9829

Place of Signature: Hyderabad

Date: May 26, 2023

BALANCE SHEET AS AT MARCH 31, 2023

(₹ in crores)

	NOTE	AS AT MARCH 31, 2023		AS AT MARCH 31, 2022	
ASSETS					
Non Current Assets					
Property, Plant and Equipment	3	1,163.35		1,063.71	
Capital Work in Progress	3	14.74		7.02	
Investment Property	3.1	114.13		159.85	
Investment Property under Construction	3.1	107.65		103.47	
Other Intangible Assets	3.2	0.74		0.72	
Intangible Assets under Development	3.2.1	6.91		-	
Financial Assets					
Investments in Associates	4.1	7.08		7.08	
Other Investments	4.1	866.34		886.34	
Loans	5	176.48		197.49	
Trade Receivables	6	157.05		107.96	
Other Financial Assets	7	88.89		140.20	
Deferred Tax Assets (Net)	8	47.53		54.14	
Non Current Tax Assets (Net)	14	281.36		149.63	
Other Non Current Assets	15	346.56		233.10	
Total Non - Current Assets			3,378.81		3,110.71
Current Assets					
Inventories	9	1,077.84		787.78	
Financial Assets					
Other Investments	4.2	1.10		1.07	
Trade Receivables	10	2,788.09		2,384.27	
Cash and Cash Equivalents	11.1	227.41		235.39	
Bank balances other than above	11.2	418.22		323.15	
Loans	12	195.18		210.32	
Other Financial Assets	13	306.08		285.59	
Current Tax Assets (Net)	14.1	10.04		74.22	
Other Current Assets	15.1	7,196.90		6,414.11	
Total Current Assets			12,220.86		10,715.90
Total Assets			15,599.67		13,826.61



BALANCE SHEET AS AT MARCH 31, 2023 (contd.)

(₹ in crores)

	NOTE	AS AT MARCH 31, 2023		AS AT MARCH 31, 2022	
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	16	125.57		121.97	
Other Equity	17	6,196.33		5,681.20	
Total Equity			6,321.90		5,803.17
Liabilities					
Non Current Liabilities					
Financial Liabilities					
Borrowings	18	83.08		82.03	
Trade Payables	19	22.19		19.91	
Provisions	20	56.20		52.52	
Total Non Current Liabilities			161.47		154.46
Current Liabilities					
Financial Liabilities					
Borrowings	21	896.49		1,102.05	
Trade Payables	22				
Total outstanding dues of micro and small enterprises		47.28		34.03	
Total outstanding dues of creditors other than micro and small enterprises		4,753.27		4,226.63	
Other Financial Liabilities	23	106.87		87.90	
Provisions	24	72.78		64.33	
Other Current Liabilities	25	3,239.61		2,354.04	
Total Current Liabilities			9,116.30		7,868.98
Total Equity and Liabilities			15,599.67		13,826.61

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per NAVNEET RAI KABRA
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(₹ in crores)

	NOTE	YEAR ENDED MARCH 31, 2023	YEAR ENDED MARCH 31, 2022
INCOME			
Revenue from Operations	26	13,351.32	9,930.03
Other Income	27	152.25	108.21
Total Income		13,503.57	10,038.24
EXPENSES			
Cost of Materials Consumed	28	4,750.99	3,393.62
Construction Expenses	29	1,330.96	1,177.82
Sub-Contractors Work Bills		5,099.66	3,700.78
Employee Benefits Expense	30	520.42	429.13
Finance Costs	31	510.00	459.60
Depreciation and amortisation expenses (Refer note 3, 3.1 and 3.2)		199.81	182.34
Other Expenses	32	306.77	232.57
Total Expenses		12,718.61	9,575.86
Profit Before Exceptional Items and Tax		784.96	462.38
Exceptional Items (Net)	40	-	145.64
Profit Before Tax		784.96	608.02
Tax Expense	33		
Current Tax (including earlier year taxation)		207.74	130.21
Deferred Tax		8.01	(12.31)
		215.75	117.90
Profit for the year		569.21	490.12
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) of the defined benefit plans		(5.55)	(2.74)
Income tax effect on the above		1.40	0.69
Items that may be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		(0.41)	(0.77)
Other comprehensive income / (loss) for the year (net of taxes)		(4.56)	(2.82)
Total comprehensive income for the year		564.65	487.30
Earnings per share of face value of ₹ 2 each.			
Basic - ₹	37	9.13	8.04
Diluted - ₹	37	9.13	7.98

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per **NAVNEET RAI KABRA**
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity share capital

	Number of shares	Amount (₹ in crores)
Balance as at April 01, 2021	609,846,588	121.97
Add: Issue of Share Capital	-	-
Balance as at March 31, 2022	609,846,588	121.97
Add: Issue of Share Capital	18,000,000	3.60
Balance as at March 31, 2023	627,846,588	125.57

B. Other equity

(₹ in crores)

	Reserves and Surplus					Items of Other Comprehensive Income / (Loss)		Total
	Capital Reserve	Securities Premium	Money received against share warrants (Refer note 16.5)	General Reserve	Retained Earnings	Other items of other comprehensive income	Exchange differences on translating financial statement of a foreign operations	
As at April 01, 2021	6.99	2,639.62	26.55	1,122.00	1,478.42	(27.13)	(3.76)	5,242.69
Profit for the year	-	-	-	-	490.12	-	-	490.12
Other comprehensive income / (loss) for the year, net of tax	-	-	-	-	-	(2.05)	(0.77)	(2.82)
Total comprehensive income for the year	-	-	-	-	490.12	(2.05)	(0.77)	487.30
Dividend	-	-	-	-	(48.79)	-	-	(48.79)
Transfer to General Reserve	-	-	-	250.00	-	-	-	250.00
Transfer from Retained Earnings	-	-	-	-	(250.00)	-	-	(250.00)
Balance at April 01, 2022	6.99	2,639.62	26.55	1,372.00	1,669.75	(29.18)	(4.53)	5,681.20
Profit for the year	-	-	-	-	569.21	-	-	569.21
Other comprehensive income / (loss) for the year, net of tax	-	-	-	-	-	(4.15)	(0.41)	(4.56)
Total comprehensive income for the year	-	-	-	-	569.21	(4.15)	(0.41)	564.65
Conversion of Warrants into Equity Shares	-	-	(26.55)	-	-	-	-	(26.55)
Premium on Issue of Equity Shares upon conversion of Warrants	-	102.60	-	-	-	-	-	102.60
Dividend	-	-	-	-	(125.57)	-	-	(125.57)
Transfer to General Reserve	-	-	-	350.00	-	-	-	350.00
Transfer from Retained Earnings	-	-	-	-	(350.00)	-	-	(350.00)
Balance at March 31, 2023	6.99	2,742.22	-	1,722.00	1,763.39	(33.33)	(4.94)	6,196.33

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per **NAVNEET RAI KABRA**
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flows from operating activities		
Profit before tax	784.96	608.02
Adjustments for:		
Depreciation and amortisation expenses	199.81	182.34
Profit on sale of Property, Plant and Equipment and Investment Property	(47.33)	(2.32)
Finance costs	510.00	459.60
Interest income	(75.90)	(60.42)
Dividend income	(12.24)	(11.68)
Trade Receivables / Advances written off	0.42	2.00
Provision for doubtful trade receivables / advances / others	5.00	13.00
Expected credit loss for Unbilled revenue	29.45	30.01
Exceptional items (net)	-	(145.64)
Rental income from investment properties	(10.30)	(1.62)
	598.91	465.27
Operating profit before working capital changes	1,383.87	1,073.29
Changes in working capital:		
Adjustments for (Increase) / Decrease in operating assets:		
In Inventories	(290.06)	(260.98)
In Trade receivables	(465.65)	154.27
In Other financial assets	4.89	(7.28)
In Other Assets	(926.12)	(767.60)
Adjustments for Increase / (Decrease) in operating liabilities:		
In Trade payables	542.17	566.41
In other current liabilities	892.74	699.23
In Provisions	6.58	11.89
	(235.45)	395.94
Cash generated from / (used) in operations	1,148.42	1,469.23
Income tax refund received / (paid) net	(275.29)	(173.25)
Net cash flows from operating activities (A)	873.13	1,295.98



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023 (contd.)

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
B. Cash flows from investing activities		
Capital expenditure for property, plant and equipment, Investment property, Intangible Assets including Capital Work in Progress	(342.03)	(215.33)
Proceeds from disposal of Property, Plant and Equipment and Investment Property	124.13	47.58
Movement in Margin money deposits / other deposits	(43.82)	(122.59)
Proceeds from sale of a subsidiary	-	47.50
Sale / (Purchase) of non current and current investments - Associates / Others	(0.03)	16.14
Loans given to subsidiaries, associates and other body corporates	(26.72)	(146.51)
Loans realised from subsidiaries, associates and other body corporates	84.50	167.02
Interest received	49.05	61.83
Dividend received from a subsidiary	12.24	11.68
Rental income from investment properties	10.30	1.62
Net cash flows (used) in investing activities (B)	(132.38)	(131.06)
C. Cash flows from financing activities		
Proceeds from Issue of Shares (pursuant to conversion of share warrants)	79.65	-
Proceeds from long term borrowings	184.14	104.53
Repayment of long term borrowings	(101.31)	(289.19)
Short term borrowings borrowed / repaid (net)	(287.34)	(420.18)
Finance costs paid	(498.30)	(445.56)
Dividend paid	(125.57)	(48.79)
Net cash flows (used) in financing activities (C)	(748.73)	(1,099.19)
Net Increase in Cash and cash equivalents (A+B+C)	(7.98)	65.73
Cash and cash equivalents at the beginning of the year	235.39	169.66
Cash and cash equivalents at the end of the year	227.41	235.39
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents	227.41	235.39
Cash and cash equivalents at the end of the year	227.41	235.39

Note: Figures in brackets represents cash outflows.

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per **NAVNEET RAI KABRA**
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023

Notes forming part of the financial statements

1 General Information:

NCC Limited, (“NCCL”, / “the Company”) was established as a Partnership firm in 1978, which was subsequently converted into a Limited Company in 1990. The shares of the Company were listed on the stock exchanges in India during 1992 pursuant to the Initial Public Offer of equity shares. The registered office of the Company is located at NCC House, Madhapur, Hyderabad - 500 081, Telangana, India. The Company is engaged in the infrastructure sector, primarily in the construction of industrial and commercial buildings, housing project, roads, bridges and flyovers, water supply and environment projects, mining, power transmission lines, irrigation and hydrothermal power projects, etc.

2 Significant accounting policies:

2.1 Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

2.2 Basis of preparation and presentation:

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (‘Act’), including presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to the standalone financial statements (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account

when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as a net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Interest in Joint Operations:

A joint operation is a joint arrangement where by the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a company undertakes its activities under joint operations, the company as a joint operator recognises in relation to its interest in a joint operation:

1. Its assets, including its share of any assets held jointly,
2. Its liabilities, including its share of any liabilities incurred jointly,
3. Its revenue, including its share of any revenue arising jointly.
4. Its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.



Notes forming part of the financial statements

2.4 Revenue Recognition:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

A single performance obligation is identified in the construction projects that the Company engages in, owing to the high degree of integration and customisation of the various goods and services to provide a combined output which is transferred to the customer over time and not at a specific point in time, since the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

With respect to the method for recognising revenue over time (i.e. the method for measuring progress towards complete satisfaction of a performance obligation), the Company has established certain criteria that are applied consistently for similar performance obligations. In this regard, the method chosen by the Company to measure the value of goods or services for which control is transferred to the customer over time is the output method based on surveys of performance completed to date (or measured unit of work), according to which revenue is recognised corresponding to the units of work performed and on the basis of the price allocated thereto. In cases where the work performed till the reporting date has not reached the milestone specified in the contract, the Company recognises revenue only to the extent that it is highly probable that the customer will acknowledge the same. This method is applied as the progress of the work performed can be measured during its performance on the basis of the contract. Under this method, on a regular basis, the work completed under each contract is measured and the corresponding output is recognised as revenue.

Contract modifications are accounted for when additions, deletions or changes are approved either to the scope or price or both. Goods/services added that are not distinct are accounted for on a cumulative catch up basis. Goods / services those that are distinct are accounted for prospectively as a separate contract, if the additional goods/services are priced at the standalone selling price else as a termination of the existing contract and creation of a new contract. In cases where the additional work has been approved but the corresponding change in price has not been determined, the recognition of revenue is made

for an amount with respect to which it is highly probable that a significant reversal will not occur.

If the consideration promised in a contract includes a variable amount, this amount is recognised only to the extent that it is highly probable that a significant reversal in the amount recognised will not occur.

Contract costs

Costs related to work performed in projects are recognised on an accrual basis. Costs incurred in connection with the work performed are recognised as an expense.

Cost to fulfill the contract

The Company recognises an asset from the cost incurred to fulfill the contract such as set up and mobilisation costs and amortises it over the contract period on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Provision for future losses

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Contract balances

i) Contract assets

A contract asset is recognised for amount of work done but pending billing/acknowledgement by customer or amounts billed but payment is due on completion of future performance obligation, since it is conditionally receivable. The provision for Expected Credit Loss on contract assets is made on the same basis as financial assets as stated in note no. 2.19.

ii) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received advance payments from the customer. If a

Notes forming part of the financial statements

customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the consideration received.

2.5 Other income:

- a) **Dividend Income** : Dividend income from Investments is recognised when the shareholder's right to receive payment has been established.
- b) **Interest income** : Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- c) **Rental income** : Rental income from operating leases is generally recognised over the term of the relevant lease.

2.6 Foreign exchange translation and foreign currency transactions:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to crores).

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

The exchange difference on restatement of long term receivables / payables from / to foreign operations that are considered as net investments in such operation are recognised in the statement of profit and loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate.

Foreign branches functional currency is other than reporting currency of its parent and foreign branch financial statements are translated into reporting currency of its parent using the following procedures.

Assets and Liabilities (both monetary and non-monetary) are translated at the closing rate at the year end. Income and expenses are translated at the monthly average rate at the end of the respective month. All resulting exchange differences are recognised in other comprehensive income till the disposal of the net investment.

2.7 Borrowing Costs:

Borrowing costs include interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are included in the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.8 Employee Benefits:

2.8.1 Retirement benefit costs and termination benefits:

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Superannuation

The Company's contribution to superannuation fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Provident Fund

Contribution to Provident fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognised as expense.



Notes forming part of the financial statements

Defined Benefit Plans

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

2.8.2 Compensated Absences:

The employees are entitled to accumulate leave subject to certain limits, for future encashment, as per the policy of the Company.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the Statement of Profit and Loss.

In respect of employees of overseas branch, end of service benefit is accrued in accordance with the terms of employment. Employees entitlements to annual leave and gratuity are recognised on actual basis and charged to the Statement of Profit and Loss.

2.9 Taxation:

Income tax expense represents sum of the tax currently payable and deferred tax

2.9.1 Current tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period in the countries where the Company operates and generates taxable income.

2.9.2 Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases

used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

2.9.3 Current and deferred tax for the year:

Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes forming part of the financial statements

2.10 Property, plant and equipment:

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition/construction of qualifying PPE, that takes a substantial period of time to get ready for its intended use, upto the date the asset is ready for its intended use. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment and Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised. PPE retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

2.11 Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on Property, Plant and equipment and investment property have been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of construction accessories (6 years), some of the mining equipments such as Excavators upto 3.1 cum capacity (7 years), Tippers (6 years), Dozers & Motor Graders (8 years) working in Mining projects, in whose case the life of the assets and the residual value has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, etc.

Depreciation on Property, Plant and equipment in joint venture operations provided on Straight Line Method/ Written Down Value Method based on useful life prescribed in Schedule II of the Companies Act, 2013.

Intangible Assets are amortised, on straight line method based on the useful life as assessed by the Management. The amortisation period and the amortisation method for an intangible asset is reviewed every year.

2.12 Investment property: Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in Statement of Profit and Loss in the period in which the property is derecognised.

2.13 Intangible Assets:

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.14 Inventories:

Raw Materials:

Raw Materials, construction materials and stores & spares are valued at weighted average cost or net realisable value, whichever is lower. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.



Notes forming part of the financial statements

Properties Under Development:

Properties under development are valued at cost or net realisable value, whichever is lower. Cost comprises all direct development expenditure, administrative expenses and borrowing costs.

2.15 Investments in Subsidiaries, Associates and Joint ventures: On initial recognition, these investments are recognised at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

2.16 Provisions, Contingent Liabilities and Contingent Assets :

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are disclosed in the financial statements when flow of economic benefits is probable.

2.17 Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.18 Financial assets:

Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to –
 - a) receive Cash / another Financial Asset from another Entity, or
 - b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

2.19 Subsequent measurement of the financial assets:

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.

Notes forming part of the financial statements

2.20 Financial liabilities:

Financial liability is Contractual Obligation to

- a) Deliver Cash or another Financial Asset to another Entity, or
- b) Exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavourable to the Entity.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

2.21 Subsequent measurement of the financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

2.22 Derecognition of financial instruments:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.23 Fair value of financial instruments:

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not be realized.

2.24 Impairment of Assets:

Intangible assets and property, plant and equipment: Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In

such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

2.25 Fair value measurement:

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.26 Leases :

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except short-term leases and low value leases.



Notes forming part of the financial statements

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

The Company applies the short-term lease recognition exemption to its short-term leases of premises and construction equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date or the adoption of Ind AS 116 and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.27 Earnings Per Share :

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.28 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.29 Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

- (i) **Revenue recognition:** The Company uses the stage of completion method using survey method and /or on completion of physical proportion of the contract work to measure progress towards completion in respect of construction contracts. This method is followed when reasonably dependable estimates of costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognised revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.
- (ii) **Key sources of estimation uncertainty:** The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes forming part of the financial statements

Items requiring significant estimate	Assumption and estimation uncertainty
Review of property, plant and equipment	The Company reviews the estimated useful lives, depreciation method and residual value of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life, depreciation method and residual value considered for the assets.
Fair value measurements and valuation processes	<p>Some of the Company's assets and liabilities are measured at fair value for the financial reporting purposes. The valuation committee which is headed by the Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements.</p> <p>In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party / internal qualified valuers to perform the valuation. Finance team works closely with the qualified external / internal valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the Board of Directors about the causes of fluctuations in the fair value of the assets and liabilities.</p>
Provision for doubtful receivables and contract assets	In assessing the recoverability of the trade receivables and contracts assets, management's judgement involves consideration of aging status, evaluation of litigations and the likelihood of collection based on the terms of the contract.

Items requiring significant estimate	Assumption and estimation uncertainty
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value / Fair value of Inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.
Provision for employee benefits	The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Provision for taxes	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid / recovered for uncertain tax positions. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.
Provision for onerous contracts	The Company reviews contracts periodically to assess provisions to be made for onerous contract by estimating future costs and quantities.
Indirect tax litigations	The Company is subjected to VAT assessments in various states where projects were executed. Basing on applicable VAT rules of various states the Company estimated the VAT liability and provided in the book of accounts. The VAT assessments in different states are at different stages and on some of the assessment orders, the Company made appeals and they are at various tribunals and courts.



Notes forming part of the financial statements

2.30 Exceptional Items:

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

2.31 Operating cycle:

The Company adopts operating cycle based on the project period (including Defect Liability Period) and accordingly all project related assets and liabilities are classified into current and non current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

2.32 Recent accounting pronouncements:

Standards issued but not yet effective and not early adopted by the Company

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On March 31, 2023, the MCA, issued certain amendments to Ind AS. The amendments relate to the following standards:

- Ind AS 101, First-time Adoption of Indian Accounting Standards
- Ind AS 1, Presentation of Financial Statements
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12, Income Taxes

These amendments are effective from April 01, 2023. The Company believes that the aforementioned amendments will not materially impact the financial statements of the Company.

Notes forming part of the financial statements

Note 3

Property, Plant & Equipment and Capital Work-in-Progress:

(₹ in crores)

	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Construction Vehicles	Office Vehicles	Office Equipment	Lease Hold Improvements	Construction Accessories	Total
Cost:										
Balance as at April 01, 2021	5.13	68.34	885.65	13.62	223.76	92.07	55.33	16.08	791.65	2,151.63
Additions	7.25	8.31	83.37	1.13	23.96	17.30	7.91	-	76.59	225.82
Disposals / Adjustments	-	(3.25)	67.89	1.00	19.74	4.56	1.47	-	26.09	117.50
As at March 31, 2022	12.38	79.90	901.13	13.75	227.98	104.81	61.77	16.08	842.15	2,259.95
Additions	-	8.53	130.04	2.11	12.22	19.32	9.13	-	136.18	317.53
Disposals / Adjustments	-	0.74	23.63	0.80	22.02	4.75	4.75	-	29.86	86.55
As at March 31, 2023	12.38	87.69	1,007.54	15.06	218.18	119.38	66.15	16.08	948.47	2,490.93
Depreciation:										
Balance as at April 01, 2021	-	20.76	416.87	7.37	90.16	45.97	43.95	14.86	467.97	1,107.91
Depreciation	-	5.80	59.11	1.01	22.62	9.02	4.50	0.57	79.15	181.78
Disposals / Adjustments	-	(0.03)	46.20	0.93	18.53	3.54	1.38	-	22.90	93.45
As at March 31, 2022	-	26.59	429.78	7.45	94.25	51.45	47.07	15.43	524.22	1,196.24
Depreciation	-	5.64	63.27	1.05	26.11	10.80	5.70	0.12	86.75	199.44
Disposals / Adjustments	-	0.71	18.98	0.67	13.22	4.18	4.49	-	25.85	68.10
As at March 31, 2023	-	31.52	474.07	7.83	107.14	58.07	48.28	15.55	585.12	1,327.58
Net Block										
As at March 31, 2022	12.38	53.31	471.35	6.30	133.73	53.36	14.70	0.65	317.93	1,063.71
As at March 31, 2023	12.38	56.17	533.47	7.23	111.04	61.31	17.87	0.53	363.35	1,163.35

Capital work in progress ₹ 14.74 crores (31.03.2022: ₹ 7.02 crores).

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Opening	7.02	21.53
Additions during the year	11.14	4.67
Capitilisation	3.42	19.18
Closing	14.74	7.02

Note: Refer note 18 and 21 for details of assets pledged.



Notes forming part of the financial statements

Note 3.1

Investment property & Investment property under construction:

(₹ in crores)

	Land	Buildings*	Total
Cost:			
Balance as at April 01, 2021	76.09	106.48	182.57
Additions	-	3.20	3.20
Disposals / Adjustments	2.74	18.78	21.52
As at March 31, 2022	73.35	90.90	164.25
Additions	7.99	4.97	12.96
Disposals / Adjustments	0.37	57.96	58.33
As at March 31, 2023	80.97	37.91	118.88
Depreciation:			
Balance as at April 01, 2021	-	4.18	4.18
Depreciation	-	0.55	0.55
Disposals / Adjustments	-	0.33	0.33
As at March 31, 2022	-	4.40	4.40
Depreciation	-	0.35	0.35
Disposals / Adjustments	-	-	-
As at March 31, 2023	-	4.75	4.75
Net Block			
As at March 31, 2022	73.35	86.50	159.85
As at March 31, 2023	80.97	33.16	114.13

*Cost includes given under operating lease ₹ 22.23 crores (31.03.2022: ₹ 22.23 crores).

Investment property under construction ₹ 107.65 crores (31.03.2022: ₹ 103.47 crores).

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Opening	103.47	68.10
Additions during the year	4.18	35.37
Capitilisation	-	-
Closing	107.65	103.47

Note: Refer note 18 and 21 for details of assets pledged and note 27 for the details of Rental income.

Notes forming part of the financial statements

Fair value of the investment property and investment property under construction:

Details of the investment property and information about the fair value hierarchy as at March 31, 2023 and March 31, 2022 are as follows:

(₹ in crores)

	Fair value hierarchy	Fair value as at March 31, 2023	Fair value as at March 31, 2022
Land	Level 3	164.96	170.67
Buildings	Level 3	97.62	176.56
Investment property under construction	Level 3	127.85	127.85
Total		390.43	475.08

The internal technical team of the Company has valued for some of the properties at ₹ 200.16 crores (31.03.2022: ₹ 315.62 crores) and the balance properties have been valued by independent valuer at ₹ 190.27 crores (31.03.2022: ₹ 159.46 crores). The valuation is based on Government rates, market research, market trend and comparable values as considered appropriate.

3.2 Other Intangible Assets

(₹ in crores)

	Computer Software	Total
Cost:		
Balance as at April 01, 2021	13.16	13.16
Additions	0.02	0.02
Disposals / Adjustments	-	-
As at March 31, 2022	13.18	13.18
Additions	0.04	0.04
Disposals / Adjustments	0.12	0.12
As at March 31, 2023	13.10	13.10
Amortisation:		
Balance as at April 01, 2021	12.45	12.45
Amortisation	0.01	0.01
Disposals / Adjustments	-	-
As at March 31, 2022	12.46	12.46
Amortisation	0.02	0.02
Disposals / Adjustments	0.12	0.12
As at March 31, 2023	12.36	12.36
Net Block		
As at March 31, 2022	0.72	0.72
As at March 31, 2023	0.74	0.74

3.2.1 Intangible Assets - under development ₹ 6.91 crores (31.03.2022: ₹ Nil)

(₹ in crores)

	As at March 31, 2023
Opening	-
Additions during the year	6.91
Capitilisation	-
Closing	6.91



Notes forming part of the financial statements

3.3.1 Capital work in progress (CWIP) Ageing Schedule as at 31.03.2023

(₹ in crores)

	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Projects in progress - PPE commissioning	14.74	11.34	3.40	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
Total	14.74	11.34	3.40	-	-

Capital work in progress (CWIP) Ageing Schedule as at 31.03.2022

(₹ in crores)

	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Projects in progress - PPE commissioning	7.02	6.24	0.29	0.40	0.09
(ii) Projects temporarily suspended	-	-	-	-	-
Total	7.02	6.24	0.29	0.40	0.09

3.3.2 Investment property under construction Ageing Schedule as at 31.03.2023

(₹ in crores)

	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Projects in progress	107.65	4.18	35.38	-	68.09
(ii) Projects temporarily suspended	-	-	-	-	-
Total	107.65	4.18	35.38	-	68.09

Investment property under construction Ageing Schedule as at 31.03.2022

(₹ in crores)

	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Projects in progress	103.47	35.38	-	-	68.09
(ii) Projects temporarily suspended	-	-	-	-	-
Total	103.47	35.38	-	-	68.09

3.4 The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company except the below properties.

(₹ in crores)

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in crores)	Title deeds held in the name of	Whether title deed holder is a promoter	Property held since which date	Reason for not being held in the name of the company
Investment property	Land	15.00	NCC Urban Infrastructure Limited	Subsidiary of the Company	31.12.2020	Company intends to sell this property.
Property, Plant & Equipment	Land	5.13	Vaidehi Avenues Limited	No	01.04.2020	Acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) order dated August 26, 2021 and the Company is currently in the process of getting this land mutated.

3.5 The Company uses both internal technical team and independent valuers for fair valuation of the investment properties.

3.6 No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
		Number of Shares	Amount	Number of Shares	Amount
4	Investments				
4.1	Non Current Investments				
A	In Associates				
	Unquoted instruments at cost				
(i)	Investment in equity shares				
	In Shares of ₹ 10 each, fully paid up				
	Paschal Form Work (India) Private Limited	6,549,892	6.91	6,549,892	6.91
	Less: Provision for Impairment in value of Investments		3.46		3.46
			3.45		3.45
	Brindavan Infrastructure Company Limited	8,643,036	3.46	8,643,036	3.46
	Pondicherry Tindivanam Tollway Private Limited (valued at ₹ 1,000)	100	-	100	-
	In Shares of one USD each fully paid up				
	Apollonius Coal and Energy Pte Limited	1,498,757	8.00	1,498,757	8.00
	Less: Provision for Impairment in value of Investments		8.00		8.00
			-		-
	In Shares of 'AED' 1000 each fully paid up				
	Nagarjuna Facilities Management Services, LLC, Dubai	147	0.17	147	0.17
	Total aggregate investments in Associates		7.08		7.08
B	In Subsidiaries				
	Unquoted instruments at cost				
(i)	Investment in equity shares				
	In Shares of ₹ 10 each, fully paid up				
	NCC Infrastructure Holdings Limited (NCCIHL) (Refer note 4.3)	445,874,458	457.91	445,874,458	457.91
	Less: Provision for Impairment in value of Investments		69.38		69.38
			388.53		388.53
	NCC Urban Infrastructure Limited (Refer note 4.4)	200,000,000	240.00	200,000,000	240.00
	OB Infrastructure Limited (Valued at ₹ 6,000)	600	-	600	-
	Savitra Agri Industrial Park Private Limited	50,000	0.05	50,000	0.05
	Pachhwara Coal Mining Private Limited	102,000	0.10	102,000	0.10
	Talaipalli Coal Mining Private Limited	45,900	0.05	45,900	0.05
	In Shares of Omani Rials one each, fully paid up				
	Nagarjuna Construction Company International LLC, Oman	12,818,000	193.37	12,818,000	193.37
	Less: Provision for Impairment in value of Investments		154.74		113.52
			38.63		79.85



Notes forming part of the financial statements

(₹ in crores)

	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
In Shares of US \$ 10 each, fully paid up				
NCC Infrastructure Holdings Mauritius Pte. Ltd. (Refer note 4.6)	4,747,180	197.12	2,687,508	61.88
Less: Provision for Impairment in value of Investments		-		21.22
		197.12		40.66
In Shares of 'AED' 1000 each, fully paid up				
Nagarjuna Contracting Company Limited, LLC, Dubai	300	0.34	300	0.34
(ii) Investment in debentures				
0% Compulsory Convertible Debentures				
NCC Infrastructure Holdings Mauritius Pte. Ltd. (US \$ 1 each) (Refer note 4.6)		-	20,596,720	135.24
Total aggregate investments in Subsidiaries		864.82		884.82
C In Other entities				
Investments - fair value through profit and loss account				
SNP Developers and Projects LLP (Valued at ₹ 35,500)		-		-
SNP Property Developers LLP		0.01		0.01
NAC Quippo Equipment Services Limited	1,499,900	1.50	1,499,900	1.50
In Shares of ₹ 25 each, fully paid up				
Akola Urban Co-operative Bank Limited	4,040	0.01	4,040	0.01
Total aggregate investments in Other entities		1.52		1.52
Total aggregate investments in Subsidiaries and Other entities		866.34		886.34
4.2 Current Investments				
Investment at Fair Value through Profit and Loss Account				
In Mutual Funds (Quoted)				
Trust MF Banking & PSU Debt Fund	10,093	1.10	10,093	1.07
Grand Total		874.52		894.49
Aggregate market value of current Quoted Investments		1.10		1.07
Aggregate amount of Unquoted Investments		1,109.00		1,109.00
Aggregate amount of impairment in value of investments		235.58		215.58

4.3 Of these 444,600,000 (31.03.2022: 444,600,000) equity shares have been pledged with SBICAP Trustee Company Limited (Security trustee) on behalf of consortium of working capital lenders.

The carrying value of investment in 'NCCIHL' as at March 31, 2023 is higher by ₹ 185.66 crores (31.03.2022: ₹ 176.28 crores) as compared to the Company's share of net worth in NCCIHL. Based on the internal assessment and legal advice, Management is of the view that the carrying value is recoverable, considering the future cash flows which include claims filed by NCCIHL.

4.4 Of these 100,000,000 (31.03.2022: 100,000,000) equity shares have been pledged with SBICAP Trustee Company Limited (Security trustee) on behalf of consortium of working capital lenders.

4.5 The Company has not traded or invested in Crypto currency or Virtual Currency in the current year (31.03.2022: ₹ Nil).

4.6 During the year, Compulsory Convertible Debentures (CCD) have been converted into equity shares.

Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
5	Loans				
	Unsecured				
	Loans to Related Parties				
	Subsidiaries (Refer note 12.1)				
	Considered Good	26.48		47.49	
	Significant increase in credit risk	-		10.00	
		26.48		57.49	
	Less : Allowance for significant increase in credit risk	-		10.00	
			26.48		47.49
	Secured				
	Loans to Other Body Corporates		150.00		150.00
	Total		176.48		197.49
6	Trade Receivables				
	Unsecured (Refer note 10.1 to 10.3 & 10.5)				
	Considered Good	161.99		109.90	
	Considered Doubtful	10.00		10.00	
		171.99		119.90	
	Less : Allowance for doubtful trade receivables	14.94		11.94	
	Total		157.05		107.96
7	Other Financial Assets				
	Unsecured, Considered good				
	Deposits with Customers and Others	0.21		0.25	
	Margin Money Deposits (Refer note 11.4)	88.34		139.49	
	In Deposit Accounts with remaining maturity more than 12 months	0.34		0.46	
	Total		88.89		140.20
8	Deferred Tax Assets (Net) (Refer note 42)		47.53		54.14
9	Inventories				
	Raw Materials	1,045.41		771.49	
	Raw Material in Transit	17.03		0.87	
	Property Development Cost	15.40		15.42	
	Total		1,077.84		787.78



Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
10	Trade Receivables				
	Unsecured (Refer note 10.1 to 10.4 & 10.6)				
	Considered Good	2,804.61		2,398.79	
	Considered Doubtful	15.26		23.26	
		2,819.87		2,422.05	
	Less : Allowance for doubtful trade receivables	31.78		37.78	
	Total		2,788.09		2,384.27

10.1 Trade receivables are generally realisable from customers within a period of 30 days from the date of submission of bill / invoice.

10.2 In determining the allowance for trade receivables the company has used practical expedients based on financial condition of the customer, ageing of the customer receivables and overdues, availability of collaterals and historical experience of collections from customers. The concentration of risk with respect to trade receivables is reasonably low as most of the customers are Government organisations though there may be normal delays in collections.

10.3 Movement in the allowance for doubtful trade receivables:

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
	Balance at beginning of the year	49.72	45.14
	Add: Allowance for doubtful trade receivables	5.00	13.00
	Less: Allowance written off during the year	(8.00)	(8.42)
	Balance at the end of the year	46.72	49.72

10.4 Trade receivables includes ₹ 29.22 crores (31.03.2022: ₹ 29.22 crores) from associates.

10.5 Ageing of Non-current Trade receivables as on 31.03.2023:

(₹ in crores)

Particulars	Outstanding from the due date of payment						Total
	Not yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured							
Undisputed Trade receivables							
Considered Good	0.07	2.51	0.10	3.43	10.19	73.70	90.00
Considered Doubtful							-
Disputed Trade receivables							
Considered Good		8.84		0.64	0.30	62.21	71.99
Considered Doubtful						10.00	10.00
Total	0.07	11.35	0.10	4.07	10.49	145.91	171.99
Less : Allowance for doubtful trade receivables							14.94
Total							157.05

Notes forming part of the financial statements

Ageing of Non-current Trade receivables as on 31.03.2022:

(₹ in crores)

Particulars	Outstanding from the due date of payment						Total
	Not yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured							
Undisputed Trade receivables							
Considered Good	-	-	0.81	1.78	30.90	4.96	38.45
Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade receivables							
Considered Good	-	-	0.36	0.50	46.42	24.17	71.45
Considered Doubtful	-	-	-	-	5.00	5.00	10.00
Total	-	-	1.17	2.28	82.32	34.13	119.90
Less : Allowance for doubtful trade receivables							11.94
Total							107.96

10.6 Ageing of Current Trade receivables as on 31.03.2023:

(₹ in crores)

Particulars	Outstanding from the due date of payment						Total
	Not yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured							
Undisputed Trade receivables							
Considered Good	1,209.45	907.04	276.57	183.06	51.74	149.46	2,777.32
Considered Doubtful						10.26	10.26
Disputed Trade receivables							
Considered Good				1.18		26.11	27.29
Considered Doubtful						5.00	5.00
Total	1,209.45	907.04	276.57	184.24	51.74	190.83	2,819.87
Less : Allowance for doubtful trade receivables							31.78
Total							2,788.09

Ageing of Current Trade receivables as on 31.03.2022:

(₹ in crores)

Particulars	Outstanding from the due date of payment						Total
	Not yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured							
Undisputed Trade receivables							
Considered Good	1,040.26	631.08	165.13	187.63	199.15	92.37	2,315.62
Considered Doubtful	-	-	-	-	5.26	13.00	18.26
Disputed Trade receivables							
Considered Good	-	1.18	-	-	8.58	73.41	83.17
Considered Doubtful	-	-	-	-	1.00	4.00	5.00
Total	1,040.26	632.26	165.13	187.63	213.99	182.78	2,422.05
Less : Allowance for doubtful trade receivables							37.78
Total							2,384.27



Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
11	Cash and Bank Balances				
11.1	Cash and Cash Equivalents				
	Cash on hand (Refer note 11.3)	0.84		1.00	
	Balances with Banks				
	In Current Accounts	226.39		211.26	
	In Deposit Accounts with original maturity less than 3 months	0.18		23.13	
			227.41		235.39
11.2	Other Bank Balances				
	In Deposit Accounts				
	Margin Money Deposits (Refer note 11.4)	385.36		307.07	
	In Deposit Accounts with remaining maturity less than 12 months	31.01		13.40	
			416.37		320.47
	Earmarked balances with Banks				
	Unpaid dividend accounts (Refer note 11.5)	0.62		0.52	
	Un-spent CSR account	1.23		2.16	
			418.22		323.15
	Total		645.63		558.54

11.3 Cash on hand includes ₹ 0.11 Crores (31.03.2022: ₹ 0.24 crores) held in foreign currency.

11.4 Margin Money Deposits represents the deposits lodged with Banks against Guarantees issued by them.

11.5 Represents Cash and Cash equivalents deposited in unpaid dividend account and are not available for use by the Company other than specific purpose.

11.6 Changes in liabilities arising from financing activities:

(₹ in crores)

	Balance As at April 01, 2022	Cash Flows	As at March 31, 2023
Current borrowings	1,007.73	(287.34)	720.39
Non-current borrowings (including current maturity)	176.35	82.83	259.18
	1,184.08	(204.51)	979.57

(₹ in crores)

	Balance As at April 01, 2021	Cash Flows	As at March 31, 2022
Current borrowings	1,427.91	(420.18)	1,007.73
Non-current borrowings (including current maturity)	361.01	(184.66)	176.35
	1,788.92	(604.84)	1,184.08

Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
12	Loans				
	Secured, considered good				
	Loans to Other Body Corporate		169.46		154.23
	Unsecured, considered good				
	Loans to Related Parties (Refer note 12.1)				
	Subsidiaries		-		23.55
	Loans to Other Body Corporate		17.36		25.81
	Loans and Advances to Employees		8.36		6.73
	Total		195.18		210.32

12.1 Particulars of Loans and Advances in the nature of loans as required by Regulation 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022	Maximum outstanding during the year (2022-23)	Maximum outstanding during the year (2021-22)
	Subsidiaries:				
	NCC Urban Infrastructure Limited	-	22.31	22.31	149.49
	NCC Vizag Urban Infrastructure Limited (Refer note 40)	-	-	-	307.74
	NCC Infrastructure Holdings Mauritius Pte Limited	26.48	57.49	57.49	57.49
	Nagarjuna Construction Company International LLC, Oman	-	1.24	1.24	5.18



Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
13	Other Financial Assets				
	Secured, considered good				
	Receivables		152.20		152.20
	Unsecured, considered good				
	Receivables		113.86		120.22
	Interest Accrued on Deposits and others		40.02		13.17
	Total		306.08		285.59
14	Non Current Tax Assets (Net)				
	Advance Taxes and Tax Deducted at Source (Net of Provisions for tax)		281.36		149.63
14.1	Current Tax Assets (Net)				
	Advance Taxes and Tax Deducted at Source (Net of Provisions for tax)		10.04		74.22
15	Other Non - Current Assets				
	Sales Tax / Value Added Tax credit receivable		95.16		113.70
	Contract Asset				
	Due on performance of future obligations				
	Retention Money				
	Considered Good	152.13		70.65	
	Considered Doubtful	-		-	
		152.13		70.65	
	Less : Allowance for doubtful retention money	-		-	
			152.13		70.65
	Unbilled revenue (Refer note 15.4)				
	Considered Good	99.27		48.75	
	Considered Doubtful	8.00		4.00	
		107.27		52.75	
	Less : Expected credit loss for unbilled revenue	8.00		4.00	
			99.27		48.75
			346.56		233.10

Notes forming part of the financial statements

(₹ in crores)

	As at March 31, 2023		As at March 31, 2022	
15.1 Other Current Assets				
Advances to Suppliers, Sub-contractors and Others (Refer note 15.2)				
Considered Good	1,378.23		1,222.91	
Considered Doubtful	5.29		10.29	
	1,383.52		1,233.20	
Less : Allowance for doubtful advances	5.29		10.29	
		1,378.23		1,222.91
Contract Asset				
Due on performance of future obligations				
Retention Money (Refer note 15.3)		1,777.95		1,936.12
Others		200.65		345.10
Project Facilities		101.50		39.97
Unbilled revenue (Refer note 15.4)				
Considered Good	3,125.32		2,227.63	
Considered Doubtful	103.61		138.16	
	3,228.93		2,365.79	
Less : Expected credit loss for unbilled revenue	103.61		138.16	
		3,125.32		2,227.63
Prepaid Expenses		77.86		45.19
Balances with Government Authorities				
Sales Tax / Value Added Tax credit receivable		72.49		90.77
Goods and Service Tax credit receivable		462.90		506.42
Total		7,196.90		6,414.11

15.2 Accounts Receivables, Advances to Suppliers, Sub-contractor and Others, includes advances to related parties of ₹ 10.18 crores (31.03.2022: ₹ 6.35 crores).

15.3 Retention money includes receivable from associate of ₹ 21.03 crores (31.03.2022: ₹ 21.03 crores).

15.4 Movement in the Expected credit loss for unbilled revenue:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	142.16	112.15
Add: Expected credit loss for unbilled revenue during the year	29.45	30.01
Less: Utilisation during the current year	60.00	-
Balance at the end of the year	111.61	142.16



Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
		Number of shares	Amount	Number of shares	Amount
16	Share Capital				
	Authorised :				
	Equity Shares of ₹ 2 each	807,500,000	161.50	807,500,000	161.50
	Issued :				
	Equity Shares of ₹ 2 each (Refer note 16.1)	627,846,588	125.57	609,846,588	121.97
	Subscribed and Paid up :				
	Equity Shares of ₹ 2 each	627,846,588	125.57	609,846,588	121.97
	Total		125.57		121.97

16.1 Reconciliation of the number of equity shares and amount outstanding at beginning and at end of the year

(₹ in crores)

	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at beginning of the year	609,846,588	121.97	609,846,588	121.97
Add: Issue of Share Capital	18,000,000	3.60	-	-
Balance at end of the year	627,846,588	125.57	609,846,588	121.97

16.2 Details of shares held by each shareholder holding more than 5% shares:

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% holding	Number of shares	% holding
Smt. Rekha Jhunjunwala	70,580,932	11.24	66,733,266	10.94
A V S R Holdings Private Limited	66,636,225	10.61	63,556,225	10.42

16.3 Unclaimed equity shares of 25,454 (31.03.2022: 25,984) are held in "NCC Limited - Unclaimed suspense account" in trust.

16.4 Rights of the share holders

The equity shares of the company having par value of ₹ 2 per share, rank pari passu in all respects including voting rights and entitlement to dividend. Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of Companies Act 2013, the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

16.5 The Company had issued and allotted 18,000,000 Convertible Warrants on February 12, 2021 at a price of ₹ 59.00 per Warrant on preferential basis to the specified Promoters / Promoter Group of the Company, as per the provision the SEBI (ICDR) Regulations on receipt of 25% of total consideration amounting to ₹ 26.55 crores. As per the terms of the issue, the Convertible Warrants were converted into equivalent number of equity shares of ₹ 2.00 each on payment of the balance 75% of the consideration amounting to ₹ 79.65 Crores during the year. The allotted equity shares are listed and traded on both BSE Limited and National Stock Exchange of India Ltd.

Notes forming part of the financial statements

16.6 Shares held by promoter group at the end of the year:

S. No	Promoter Name	As at 31.03.2021		Change during the FY 2021-22		As at 31.03.2022		Change during the FY 2022-23		As at 31.03.2023	
		No. of shares	% of holding	No. of shares	% of change	No. of shares	% of holding	No. of shares	% of change	No. of shares	% of holding
1	Sri. A.A.V. Ranga Raju	11,983,196	1.96%	(10,000,000)	(83.45%)	1,983,196	0.33%	-	0.00%	1,983,196	0.32%
2	Sri. A.S.N. Raju	4,992,985	0.82%			4,992,985	0.82%	(900,000)	(18.03%)	4,092,985	0.65%
3	Sri. A.G.K. Raju	4,481,569	0.73%			4,481,569	0.73%	(900,000)	(20.08%)	3,581,569	0.57%
4	Sri. J.V. Ranga Raju	2,465,916	0.40%			2,465,916	0.40%	-	0.00%	2,465,916	0.39%
5	AVSR Holdings Private Limited	62,766,225	10.29%	790,000	1.26%	63,556,225	10.42%	3,080,000	4.85%	66,636,225	10.61%
6	Sirisha Projects Private Limited	18,610,669	3.05%			18,610,669	3.05%	2,400,000	12.90%	21,010,669	3.35%
7	Sri. A. Srinivas Ramaraju	174,000	0.03%			174,000	0.03%	1,526,000	877.01%	1,700,000	0.27%
8	Sri. N.R. Alluri	1,221,578	0.20%			1,221,578	0.20%	(900,000)	(73.68%)	321,578	0.05%
9	Sri. U. Sunil	55,000	0.01%			55,000	0.01%	7,000,000	12727.27%	7,055,000	1.12%
10	Smt. A. Bharathi	124,059	0.02%			124,059	0.02%	1,700,000	1370.32%	1,824,059	0.29%
11	Sri. A.V.N. Raju	5,730,740	0.94%	(790,000)	(13.79%)	4,940,740	0.81%	(900,000)	(18.22%)	4,040,740	0.64%
12	Smt. A. Shyama	563,902	0.09%			563,902	0.09%	-	0.00%	563,902	0.09%
13	Smt. A. Subhadra Jyotirmayi	308,091	0.05%			308,091	0.05%	-	0.00%	308,091	0.05%
14	Smt. A. V. Satyanarayanamma	7,288	0.00%			7,288	0.00%	-	0.00%	7,288	0.00%
15	Smt. A. Arundhati	1,143,022	0.19%			1,143,022	0.19%	2,500,000	218.72%	3,643,022	0.58%
16	Smt. J. Sridevi	287,859	0.05%			287,859	0.05%	425,000	147.64%	712,859	0.11%
17	Smt. BH. Kaushalya	178,590	0.03%			178,590	0.03%	-	0.00%	178,590	0.03%
18	Sri. J. Krishna Chaitanya Varma	306,121	0.05%			306,121	0.05%	850,000	277.67%	1,156,121	0.18%
19	Smt. A. Sridevi	113,884	0.02%			113,884	0.02%	-	0.00%	113,884	0.02%
20	Smt. M. Swetha	1,225,530	0.20%			1,225,530	0.20%	-	0.00%	1,225,530	0.20%
21	Smt. A. Neelavathi Devi	73,281	0.01%			73,281	0.01%	(73,281)	(100.00%)		0.00%
22	Sri. A. Sri Harsha Varma	41,780	0.01%			41,780	0.01%	1,700,000	4068.93%	1,741,780	0.28%
23	Sri. A. Vishnu Varma	15,100	0.00%			15,100	0.00%	1,700,000	11258.28%	1,715,100	0.27%
24	Smt. A. Sravani	416,950	0.07%	4,000	0.96%	420,950	0.07%	-	0.00%	420,950	0.07%
25	Smt. J. Sowjanya	559,166	0.09%			559,166	0.09%	425,000	76.01%	984,166	0.16%
26	Smt. A. Suguna	-	0.00%	7,000,000	100.00%	7,000,000	1.15%	(1,800,000)	(25.71%)	5,200,000	0.83%
27	Smt. U. Ramya	-	0.00%	3,000,000	100.00%	3,000,000	0.49%	247,281	8.24%	3,247,281	0.52%
28	Narasimha Developers Private Limited	2,196,179	0.36%			2,196,179	0.36%	-	0.00%	2,196,179	0.35%
	Total	120,042,680	19.68%	4,000		120,046,680	19.68%	18,080,000		138,126,680	22.00%



Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
17	Other Equity				
17.1	Capital Reserve		6.99		6.99
17.2	Securities Premium				
	Opening balance	2,639.62		2,639.62	
	Add : Premium on Issue of Share Capital	102.60		-	
	Closing balance		2,742.22		2,639.62
17.3	Money received against share warrants (Refer note 16.5)		-		26.55
17.4	General Reserve				
	Opening balance	1,372.00		1,122.00	
	Add : Transfer from Retained Earnings	350.00		250.00	
	Closing balance		1,722.00		1,372.00
17.5	Retained Earnings (Refer note 17.5.a)				
	Opening balance	1,669.75		1,478.42	
	Add : Profit for the year	569.21		490.12	
		2,238.96		1,968.54	
	Less : Appropriations				
	Dividend distributed to equity shareholders (2022-23: ₹ 2.00 per share (2021-22: ₹ 0.80 per share))	125.57		48.79	
	Transfer to General Reserve	350.00		250.00	
		475.57		298.79	
	Closing balance		1,763.39		1,669.75
17.6	Other Components of Equity				
	Remeasurement gains / (losses) of the defined benefit plans (Net of tax)		(33.33)		(29.18)
	Exchange differences in translating the financial statements of foreign operations (Net of tax)		(4.94)		(4.53)
	Total		6,196.33		5,681.20

17.5.a For the year ended March 31, 2023, the Board of Directors have proposed a dividend of ₹ 2.20 per share. The dividend payable on approval of the shareholders is ₹ 138.13 crores.

17.7 Nature of Reserves

17.7.a Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

17.7.b Capital Reserve

Capital Reserve represents reserve balances which are not available for distribution as dividend to the Company.

Notes forming part of the financial statements

17.7.c General reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013 the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

17.7.d Retained Earnings

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
		Non Current	Current*	Non Current	Current*
18	Borrowings (Refer note 21.2 to 21.5)				
	Term Loans				
	Secured - at amortised cost				
	From Banks (Refer note 18.1)	68.16	51.67	48.11	49.13
	From Other Parties (Refer note 18.2)	10.23	66.55	29.93	41.22
	Unsecured - at amortised cost				
	From Related Parties (Refer note 18.3)	-	52.80	-	-
	Vehicle Loans				
	Secured - at amortised cost				
	From Banks (Refer note 18.4)	1.55	2.07	1.98	2.35
	From Others (Refer note 18.4)	3.14	3.01	2.01	1.62
	Total	83.08	176.10	82.03	94.32

* Current maturities are included in Note 21 - Borrowings.

18.1 Term Loans from Banks:

- (i) Axis Bank Limited / Kotak Mahindra Bank / IndusInd Bank Limited / YES Bank Ltd
 - Secured by hypothecation of specific assets purchased out of the loan
- (ii) Bank of Baharain & Kuwait
 - Exclusive charge on the entire equipment and machinery purchased out of the loan facility with a cover of minimum 1.15 times to be maintained throughout the tenor of the loan.
- (iii) Karnataka Bank Ltd
 - Exclusive Hypothecation charge on the machineries/equipments/vehicles purchased out of the loan facility



Notes forming part of the financial statements

The details of rate of interest and repayment terms of the loans are as under.

S. No.	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in crores)		Interest Range % per annum	Balance number of Installments as at		Frequency of Installments	Commencing From-To
		31.03.2023	31.03.2022	31.03.2023	31.03.2022		31.03.2023	31.03.2022		
(i)	Axis Bank Limited	-	1	-	0.05	8.26 to 9.60	-	1	Monthly	October 10, 2017 to April 20, 2022
(ii)	Kotak Mahindra Bank Limited	17	17	6.52	10.29	7.57 to 8.10	18 to 19	30 to 31	Monthly	December 20, 2018 to October 10, 2024
(iii)	IndusInd Bank Limited	13	66	7.60	25.66	8.96 to 9.06	21 to 25	8 to 36	Monthly	February 01, 2019 to April 15, 2025
(iv)	Bank of Bahrain and Kuwait	3	1	33.14	44.97	7.05 to 9.15	2 to 12	6 to 12	Quarterly	November 30, 2020 to Jun 30, 2027
(v)	Karnataka Bank Ltd	23	2	66.82	6.89	8.01 to 9.57	21 to 30	21 to 30	Monthly	June 30, 2022 to Mar 07, 2026
(vi)	Yes Bank Ltd	22	34	5.75	9.38	8.05 to 8.80	20 to 21	1 to 33	Monthly	May 08, 2019 to Dec 15, 2024

18.2 i) Term Loans from Others Parties:

Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Construction equipment.

The details of rate of interest and repayment terms of term loans are as under.

S. No.	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in crores)		Interest Range % per annum	Balance number of Installments as at		Frequency of Installments	Commencing From-To
		31.03.2023	31.03.2022	31.03.2023	31.03.2022		31.03.2023	31.03.2022		
(i)	Tata Capital Financial Services Limited*	17	5	62.23	45.49	7.60 to 11.50	2 to 14	3 to 21	Monthly / Quarterly	August 21, 2019 to May 21, 2024
(ii)	Volvo Financial Services (India) Private Limited	27	27	14.55	25.66	7.10 to 8.04	9 to 20	21 to 32	Monthly	February 07, 2021 to November 15, 2024

*Term Loan from Tata Capital Financial Services Limited, for March 31, 2023 ₹ 62.23 crores, March 31, 2022 ₹ 45.49 crores is secured by:

- Personal Guarantee of the promoters i.e., Sri. A.A.V. Ranga Raju
- First and Exclusive Charge on the assets being procured / financed and Collateral Charge on two properties.

Notes forming part of the financial statements

18.3 Unsecured term loan from related parties:

(₹ in crores)

S. No.	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in crores)		Interest Range % per annum	Balance number of Installments as at		Frequency of Installments	Commencing From-To
		31.03.2023	31.03.2022	31.03.2023	31.03.2022		31.03.2023	31.03.2022		
(i)	OB Infrastructure Company Ltd	2	-	52.80	-	8%	2	-	One time	November 17, 2023 to December 5, 2023

18.4 Vehicle Loans:

Vehicle loans are secured by hypothecation of the vehicles financed through the loan arrangements. Such loans are repayable in equal monthly installments over a period of 3 to 5 years and carry interest rate ranging between 7.15% to 9.91% per annum.

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
19	Trade Payables (Refer note 22.2)		
	Retention money	22.19	19.91
	Total	22.19	19.91
20	Provisions		
	Provision for Employee Benefits		
	Gratuity (Refer note 20.1)	56.20	52.52
	Total	56.20	52.52

20.1 In accordance with the Payment of Gratuity Act, 1972 the company provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India (LIC) and balance is provided on the basis of valuation of the liability by an independent actuary as at the year end. The management understands that LIC overall portfolio of assets is well diversified and as such, the long term return on the policy is expected to be higher than the rate of return on Central Government bonds.

A Defined benefit plans

- (i) Liability for gratuity as on March 31, 2023 is ₹ 81.26 crores (31.03.2022: ₹ 69.88 crores) of which ₹ 2.80 crores (31.03.2022: ₹ 3.13 crores) is funded with the Life Insurance Corporation of India. The balance of ₹ 78.46 crores (31.03.2022: ₹ 66.75 crores) is included in Provision for Gratuity.
- (ii) Details of the Company's post-retirement gratuity plans for its employees including whole-time directors are given below, which is certified by the actuary.

Amount to be recognised in Balance Sheet:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Present Value of Funded Obligations	81.26	69.88
Fair Value of Plan Assets	(2.80)	(3.13)
Net Liability	78.46	66.75



Notes forming part of the financial statements

(iii) Expenses to be recognized in Statement of Profit and Loss under Employee Benefit Expenses: (₹ in crores)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Current Service Cost	6.74	6.09
Past Service Cost	-	-
Interest on Defined Benefit Obligation	4.92	4.09
Expected Return on Plan assets	(0.22)	(0.18)
Total included in "Employee Benefits Expense"	11.44	10.00

(iv) Expenses to be recognized in Statement of Profit and Loss under Other Comprehensive Income: (₹ in crores)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Return on Plan Assets	0.17	0.03
Net Actuarial Losses / (Gains) Recognised in Year	5.38	2.71
Total included in "Other Comprehensive Income"	5.55	2.74

(v) Reconciliation of benefit obligation and plan assets for the year: (₹ in crores)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	69.88	61.53
Current Service Cost	6.74	6.09
Past Service Cost	-	-
Increase / (Decrease) due to effect of any business combination / divesture / transfer	-	0.07
Interest Cost	4.92	4.09
Actuarial Losses / (Gain)	5.38	2.71
Benefits Paid	(5.66)	(4.61)
Closing Defined Benefit Obligation	81.26	69.88
Opening Fair Value of Plan assets	3.13	2.31
Expected Return on Plan Assets	0.05	0.22
Contributions	5.27	5.21
Benefits Paid	(5.65)	(4.61)
Closing Fair Value of Plan Assets	2.80	3.13
Expected Employer's Contribution Next Year	6.00	15.00

Notes forming part of the financial statements

(vi) Asset information:

	As at March 31, 2023	As at March 31, 2022
Category of Assets		
Insurer Managed Funds –Life Insurance Corporation of India	100%	100%
Amount - ₹ in crores	2.80	3.13

(vii) Experience Adjustments:

(₹ in crores)

	2022-23	2021-22	2020-21	2019-20	2018-19
Defined Benefit Obligations (DBO)	81.26	69.88	61.53	48.16	32.88
Plan Assets	2.80	3.13	2.31	4.05	6.36
Surplus / (Deficit)	(78.46)	(66.75)	(59.22)	(44.11)	(26.52)
Experience Adjustments on Plan Liabilities	-	-	-	-	-
Experience Adjustments on Plan Assets	0.05	0.22	0.21	0.25	0.25

(viii) Sensitivity Analysis:

	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
Assumptions		
Discount rate	7.51%	7.33%
Estimated rate of return on plan assets	7.51%	7.35%
Expected rate of salary increase	7.00%	6.00%
Attrition rate	24.00%	14.60%
Sensitivity analysis – DBO at the end of the year		
Discount rate + 100 basis points	(2.91%)	(4.10%)
Discount rate - 100 basis points	3.12%	4.50%
Salary increase rate +1%	3.10%	4.40%
Salary increase rate -1%	(2.98%)	(4.10%)
Attrition rate +1%	0.03%	0.20%
Attrition rate -1%	(0.03%)	(0.30%)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(ix) The following pay-outs are expected in future years:

(₹ in crores)

Particulars	March 31, 2023
March 31, 2024	22.43
March 31, 2025	16.20
March 31, 2026	13.00
March 31, 2027	11.13
March 31, 2028	9.41

20.2 The Liability for Cost of Compensated absences is ₹ 50.52 crores (31.03.2022: ₹ 50.09 crores) has been actuarially determined and provided for in the books.



Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
21	Borrowings		
	Loans repayable on demand		
	Secured Loans - Banks		
	Working Capital Demand Loan (Refer note 21.1)	719.96	1,004.96
	Cash Credit (Refer note 21.1)	0.43	2.77
	Current maturities of Long Term Borrowings (Refer note 18.1)	176.10	94.32
	Total	896.49	1,102.05

21.1 Working Capital Demand Loans and Cash Credit facilities availed from consortium of banks are secured by:

- a) Hypothecation against first charge on stocks, book debts and other current assets of the Company, (excluding specific projects) both present and future, ranking parri passu amongst consortium banks.
- b) Collateral Security pari passu first charge (Hypothecation / Pledge) amongst the members of consortium on unencumbered movable fixed assets of the Company at WDV (specific assets) and Shares of NCC Infrastructure Holdings Limited (Refer note 4.3) and NCC Urban Infrastructure Limited (Refer note 4.4).
- c) Equitable mortgage of sixteen properties (Land & Buildings).
- d) Personal Guarantee of Sri. A A V Ranga Raju, Sri A G K Raju & Sri A S N Raju.

These facilities carry an interest rate of 8.00% to 11.50% per annum.

21.2 The Company used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

21.3 The Company has borrowings from banks on the basis of security of current assets, and the quarterly returns and statements of current assets filed by the Company with banks are in agreement with the books of accounts.

21.4 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

21.5 The company is not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
22	Trade Payables (Refer note 22.3)		
	Micro and small enterprises	47.28	34.03
	Other than micro and small enterprises		
	Acceptances	935.56	686.83
	Other than Acceptances (includes retention money payable)	3,817.71	3,539.80
		4,753.27	4,226.63
	Total	4,800.55	4,260.66

Notes forming part of the financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
22.1	Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the company and the required disclosures are given below:				
a)	Principal amount remaining unpaid		47.28		34.03
b)	Interest due thereon		0.04		0.10
c)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.		-		-
d)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.		-		-
e)	Interest accrued and remaining unpaid at the end of accounting year		-		-
f)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.		-		-

22.2 Ageing of Non-current Trade payables as on 31.03.2023:

(₹ in crores)

Particulars	Outstanding from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	22.19	-	-	-	-	22.19
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	22.19	-	-	-	-	22.19

Ageing of Non-current Trade payables as on 31.03.2022:

(₹ in crores)

Particulars	Outstanding from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	19.66	0.25	-	-	-	19.91
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	19.66	0.25	-	-	-	19.91



Notes forming part of the financial statements

22.3 Ageing of Current Trade payables as on 31.03.2023:

(₹ in crores)

Particulars	Outstanding from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	47.28	-	-	-	47.28
(ii) Others	2,516.02	1,709.55	0.28	6.56	45.46	4,277.87
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	13.88	-	-	-	7.44	21.32
	2,529.90	1,756.83	0.28	6.56	52.90	4,346.47
Accrued expenses	-	-	-	-	-	454.08
Total						4,800.55

Ageing of Current Trade payables as on 31.03.2022:

(₹ in crores)

Particulars	Outstanding from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	34.03	-	-	-	34.03
(ii) Others	2,256.78	1,217.86	6.56	9.46	54.46	3,545.12
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	13.32	-	-	-	7.89	21.21
	2,270.10	1,251.89	6.56	9.46	62.35	3,600.36
Accrued expenses	-	-	-	-	-	660.30
Total						4,260.66

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
23	Other Financial Liabilities		
	Interest Accrued but not due on borrowings and others	99.04	87.28
	Unpaid Dividend Accounts (Refer note 11.5)	0.62	0.52
	Book over draft	7.17	-
	Other Payables		
	Interest Accrued on Trade Payables (Refer note 22.1)	0.04	0.10
	Total	106.87	87.90
24	Provisions		
	Provision for Employee Benefits		
	Compensated absences (Refer note 20.2)	50.52	50.10
	Gratuity (Refer note 20.1)	22.26	14.23
	Total	72.78	64.33
25	Other Current Liabilities		
	TDS / Service Tax / Other payable	45.07	28.67
	Contract Liabilities		
	Mobilisation Advance from Customers	2,755.24	2,055.41
	Advances from Customers	334.61	184.27
	Advances from others	104.69	85.69
	Total	3,239.61	2,354.04

Notes forming part of the financial statements

(₹ in crores)

	Year Ended March 31, 2023		Year Ended March 31, 2022	
26 Revenue from Operations				
Income from Contracts and Services		13,190.77		9,860.00
Other Operating Income		160.55		70.03
Total		13,351.32		9,930.03
27 Other Income				
Interest Income				
On Deposits and Others		25.13		16.14
On Loans and Advances		39.57		31.21
On Income Tax refund		0.97		8.32
On Others		10.23		4.75
Dividend Income		12.24		11.68
Net Gain / (Loss) on foreign currency transactions		0.14		3.53
Other Non-Operating Income				
Rental Income from operating lease on investment property		10.30		3.69
Profit on Sale of Property, Plant and Equipment / Investment Property (Net)		47.33		2.32
Miscellaneous Income		6.34		26.57
Total		152.25		108.21
28 Cost of Materials Consumed		4,750.99		3,393.62
29 Construction Expenses				
Transport Charges		61.19		45.91
Operation and Maintenance				
Machinery	334.84		383.26	
Others	31.37		17.80	
		366.21		401.06
Hire Charges for Machinery and others	205.42		164.00	
Power and Fuel	33.24		40.13	
Technical Consultation	106.85		53.74	
Royalties, Seigniorage and Cess	46.59		40.52	
Other Expenses	482.01		402.45	
Expected credit loss for unbilled revenue	29.45		30.01	
		903.56		730.85
Total		1,330.96		1,177.82



Notes forming part of the financial statements

(₹ in crores)

		Year Ended March 31, 2023		Year Ended March 31, 2022	
30	Employee Benefits Expense				
	Salaries and Other Benefits		466.20		388.95
	Contribution to Provident Fund and Other Funds (Refer note 20.1 and 30.1)		43.72		28.65
	Staff Welfare Expenses		10.50		11.53
	Total		520.42		429.13

30.1 Defined contribution plans

The Company made Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 21.00 crores (31.03.2022: ₹ 18.84 crores) for Provident Fund contributions and ₹ 11.28 crores (31.03.2022: ₹ Nil) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(₹ in crores)

		Year Ended March 31, 2023		Year Ended March 31, 2022	
31	Finance Costs				
	Interest Expense on				
	Borrowings				
	Term Loans		19.60		15.80
	Working Capital Demand Loans and Cash Credit		153.53		159.20
	Mobilisation Advance		109.70		117.78
	Letter of Credit and Others		51.99		27.30
			334.82		320.08
	Other Borrowing Costs				
	Commission on - Bank Guarantees		126.79		107.32
	- Letter of Credit		34.54		22.02
			161.33		129.34
	Bank and Other Financial Charges		13.85		10.18
	Total		510.00		459.60

Notes forming part of the financial statements

(₹ in crores)

		Year Ended March 31, 2023		Year Ended March 31, 2022	
32	Other Expenses				
	Rent		64.77		59.54
	Travelling and Conveyance		31.59		21.51
	Office Maintenance		34.95		27.66
	Electricity Charges		10.31		8.10
	Rates and Taxes		7.76		5.94
	Consultation Charges		14.97		13.16
	Postage, Telegrams and Telephones		3.25		2.92
	Insurance		13.23		9.56
	Printing and Stationery		6.19		5.12
	Legal and Professional Charges		27.57		17.06
	Auditors' Remuneration (Refer note 32.1)		2.06		1.88
	Directors' Sitting Fees		0.34		0.35
	Trade Receivables / Advances written off		0.42		2.00
	Provision for Doubtful Trade Receivables / Advances / Others		5.00		13.00
	Tender Schedule Expenses		1.70		1.38
	Donations		41.36		3.55
	CSR Expenditure (Refer note 39)		7.80		10.67
	Software Acquisition Expenses		7.84		4.90
	Repairs & Maintenance		8.97		7.34
	Digitization Expenses		4.35		6.79
	Miscellaneous Expenses		12.34		10.14
	Total		306.77		232.57
32.1	Auditors' Remuneration				
	Statutory Audit fee		1.95		1.70
	Certification fee		0.11		0.18
	Total		2.06		1.88
33	Tax Expense				
	Current Tax (including earlier year taxes)		207.74		130.21
	Deferred Tax		8.01		(12.31)
	Total		215.75		117.90



Notes forming part of the financial statements

33.1 Reconciliation of tax expense to the accounting profit is as follows:

(₹ in crores)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Accounting profit before tax	784.96	608.02
Tax expense at statutory tax rate at 25.168%	197.56	153.03
Adjustments:		
Effect of income that is exempt from taxation	(3.08)	-
Adjustments recognised in the current year in relation to the current tax of prior years	15.15	(2.79)
Effect of expenses that are not deductible in determining taxable profit	15.12	13.64
Effect of capital gains set off with unused capital losses	(7.99)	(47.51)
Others including effect of differential tax rates in joint operations	(1.01)	1.53
	18.19	(35.13)
Tax expense reported in the Statement of Profit and Loss	215.75	117.90

33.2 Income tax credit / (expense) recognized in Other Comprehensive Income:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Tax effect on actuarial gains/losses on defined benefit obligations	1.40	0.69

33.3 The Company does not have any transaction which is not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

33.4 In the month of November 2022, the Income Tax Department carried out a survey under section 133A of the Income Tax Act requiring the Company to provide details of transactions, if any, with certain vendors. The Company has provided required documentary evidences related to such transactions to the department. Based on internal assessment and review, management does not expect any material impact arising thereof in this regard.

Notes forming part of the financial statements

34 Contingent Liabilities and Commitments (to the extent not provided for)

(i) Contingent Liability

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
(a) Matters under litigation		
Claims against the company not acknowledged as debt*		
- Disputed sales tax / entry tax liability for which the Company preferred appeal	235.79	290.53
- Disputed central excise duty relating to clearance of goods of LED division in favour of Developers of SEZ, for which the Company has filed an appeal to CESTAT, Bangalore	0.46	0.46
- Disputed Service tax liability for which the Company preferred appeal	93.94	96.31
- Others	31.52	37.43
* interest, if any, not ascertainable after the date of order.		
(b) Guarantees		
Corporate Guarantees / Comfort Letter given to Banks for financial assistance extended to Subsidiaries.	-	31.97

The Company has filed claims and has also filed counter claims in several legal disputes related to construction contracts and same are pending before legal authorities. The Management does not expect any material adverse effect on its financial position.

(ii) Commitments

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	1.74	108.59
(b) Future Export commitments on account of import of machinery and equipments at concessional rate of duty under EPCG scheme	-	1.76



Notes forming part of the financial statements

35. Related Party Transactions

i) Following is the list of related parties and relationships:

S.No	Particulars	S.No	Particulars
	List of entities over which control exist	33	Samashti Gas Energy Limited
A)	Subsidiaries	34	NCC Infra Limited
1	NCC Infrastructure Holdings Limited	35	NCC Urban Homes Private Limited
2	NCC Urban Infrastructure Limited	36	NCC Urban Ventures Private Limited
3	NCC Vizag Urban Infrastructure Limited ⁵⁵	37	NCC Urban Meadows Private Limited ⁵
4	NCC Infrastructure Holdings Mauritius Pte Limited	38	NCC Urban Villas Private Limited ⁵
5	Nagarjuna Construction Company International L.L.C.	39	Nagarjuna Suites Private Limited ^{^^}
6	Nagarjuna Contracting Co. L.L.C.	40	OB Infrastructure Limited
7	NCC International Convention Centre Limited [#]	41	Savitra Agri Industrial Park Private Limited
8	Pachhwara Coal Mining Private Limited	B)	Associates
9	Talaipalli Coal Mining Private Limited	42	Paschal Form Work (India) Private Limited
	Step-Down Subsidiaries	43	Nagarjuna Facilities Management Services L.L.C.
10	Dhatri Developers & Projects Private Limited	44	Apollonius Coal and Energy Pte. Ltd.
11	Sushanti Avenues Private Limited	45	Ekana Sportz City Private Limited
12	Sushrutha Real Estate Private Limited	46	Brindavan Infrastructure Company Limited
13	PRG Estates LLP	47	Pondicherry Tindivanam Tollway Private Limited
14	Thrilekya Real Estates LLP	C)	Key Management Personnel
15	Varma Infrastructure LLP	48	Sri. A.A.V. Ranga Raju
16	Nandyala Real Estates LLP	49	Sri. A.S.N. Raju
17	Kedarnath Real Estates LLP	50	Sri. A.G.K. Raju
18	AKHS Homes LLP	51	Sri. A.V.N. Raju
19	JIC Homes Private Limited	52	Sri. J.V. Ranga Raju
20	Sushanti Housing Private Limited	53	Sri. Utpal Hemendra Sheth
21	CSVS Property Developers Private Limited	54	Smt. Renu Challu
22	Vera Avenues Private Limited	55	Sri. Hemant Madhusudan Nerurkar
23	Sri Raga Nivas Property Developers LLP	56	Dr. Durga Prasad Subramanyam Anapindi
24	VSN Property Developers LLP	57	Sri. Om Prakash Jagetiya
25	M A Property Developers Private Limited	58	Sri. K. Krishna Rao
26	Vara Infrastructure Private Limited ⁵	59	Sri. M.V. Srinivasa Murthy
27	Sri Raga Nivas Ventures Private Limited [^]	D)	Relatives of Key Management Personnel
28	Mallelavanam Property Developers Private Limited	60	Dr. A.V.S. Raju
29	Sradha Real Estates Private Limited ⁵	61	Smt. A. Satyanarayanamma
30	Siripada Homes Private Limited ⁵	62	Sri. N.R. Alluri
31	Al Mubarakia Contracting Co. L.L.C.	63	Sri. A. Srinivasa Rama Raju
32	NCCA International Kuwait General Contracts Company L.L.C.	64	Smt. BH. Kaushalya

Notes forming part of the financial statements

S.No	Particulars	S.No	Particulars
65	Smt. J. Sridevi	79	Smt. A. Sravani
66	Smt. J. Sowjanya	80	Smt. U Ramya
67	Smt. A. Arundhati	E)	Enterprises owned or significantly influenced by key management personnel or their relatives
68	Smt. M. Swetha	81	NCC Blue Water Products Limited
69	Sri. J. Krishna Chaitanya Varma	82	Shyamala Agro Farms LLP ##
70	Smt. A. Subhadra Jyotirmayi	83	Ranga Agri Impex LLP
71	Smt. A. Shyama	84	NCC Foundation
72	Smt. A. Suguna	85	Sirisha Projects Private Limited
73	Sri. A. Sri Harsha Varma	86	Narasimha Developers Private Limited
74	Sri. S.R.K. Surya Srikrishna Raju	87	Arnesh Ventures Private Limited
75	Sri. A. Vishnu Varma	88	AVSR Holdings Private Limited
76	Smt. A. Nikitha	89	Sridevi Properties
77	Sri. U. Sunil	90	Matrix Security and Surveillance Private Limited
78	Sri. P. Manoj Raj	91	Jampana Constructions Private Limited

Struck off from the register of companies w.e.f June 22, 2021.

\$ Struck off from the register of companies w.e.f April 09, 2021.

^ Struck off from the register of companies w.e.f December 02, 2021.

\$\$ Ceased to be Subsidiary with effect from March 31, 2022.

^^ Struck off from the register of companies w.e.f January 31,2022.

Converted into LLP with effect from June 28,2021.



Notes forming part of the financial statements

(ii) Related Party transactions during the year are as follows:

(₹ in crores)

S. No	Particulars	Subsidiaries (including Step-down Subsidiaries)		Associates		Key Management personnel and relatives		Enterprises owned and significantly influenced by key management personnel or their relatives	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	CCDs converted to Equity Shares	135.24	-	-	-	-	-	-	-
2	Advances written-off	-	0.99	-	-	-	-	-	-
3	Loans granted	-	105.77	-	-	-	-	-	-
4	Loan repayment received	64.56	131.12	-	-	-	-	-	-
5	Term Loan taken	52.80	-	-	-	-	-	-	-
6	Advances granted	-	0.99	-	-	-	-	-	4.91
7	Advances Repayment received /Adjusted	2.13	13.63	-	-	-	-	-	-
8	Advances repaid / adjusted	-	-	-	-	-	-	0.01	0.09
9	Interest received/adjusted	-	14.87	-	-	-	-	-	-
10	Remittance to Trade Payables	0.13	-	-	0.86	-	-	0.05	3.88
11	Other Operating Income	35.58	17.30	-	-	-	-	-	-
12	Material Purchase and Services	-	-	0.50	0.51	-	-	-	-
13	Interest Income	0.75	29.79	-	-	-	-	-	-
14	Reimbursement of expenses	0.37	1.11	-	-	0.02	0.02	0.12	0.24
15	Sub-Contractors work bills	-	-	-	-	-	-	0.26	12.83
16	Remuneration (Including commission)*								
	Short-term employee benefits	-	-	-	-	31.54	22.67	-	-
	Post employee benefits	-	-	-	-	0.83	0.69	-	-
17	Directors sitting fee and commission	-	-	-	-	0.34	0.85	-	-
18	Other income	0.04	0.19	-	-	-	-	-	-
19	Commission income on Corporate Guarantees	-	8.74	-	-	-	-	-	-
20	Dividend income	12.24	11.68	-	-	-	-	-	-
21	Interest expense	3.20	-	-	-	-	-	-	-
22	Rent expenses	-	-	-	-	0.70	0.70	12.18	10.27
23	Contribution towards Corporate Social Responsibility	-	-	-	-	-	-	3.16	5.41
24	Dividend paid	-	-	-	-	9.26	2.89	17.95	6.69
25	Reduction in Corporate Guarantees	31.97	157.04	-	-	-	-	-	-
26	Corporate Guarantees / Comfort Letter given	-	31.48	-	-	-	-	-	-

* As the future liabilities for gratuity and leave encashment is provided on actuarial basis for the Company as a whole, the amount pertaining to the Directors is not ascertainable, therefore not included above.

Notes forming part of the financial statements

(iii) Related Party balances outstanding are as follows:

(₹ in crores)

S. No	Particulars	Subsidiaries (including Step-down Subsidiaries)		Associates		Key Management personnel and relatives		Enterprises owned and significantly influenced by key management personnel or their relatives	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
1	Debit Balances outstanding								
	NCC Urban Infrastructure Limited	0.34	22.59	-	-	-	-	-	-
	NCC Infrastructure Holdings Mauritius Pte. Limited	26.48	57.49	-	-	-	-	-	-
	Nagarjuna Construction Company International L.L.C	-	3.01	-	-	-	-	-	-
	Talaipalli Coal Mining Private Limited	0.14	0.14	-	-	-	-	-	-
	Pachhware Coal Mining Private Limited	5.53	-	-	-	-	-	-	-
	Paschal Form Work (India) Private Limited	-	-	0.02	-	-	-	-	-
	Ekana Sportz City Private Limited	-	-	50.25	50.25	-	-	-	-
	Sridevi Properties	-	-	-	-	-	-	0.19	0.19
	Jampana Construction Private Limited	-	-	-	-	-	-	3.57	3.57
	Sri J V Ranga Raju	-	-	-	-	0.08	0.08	-	-
	Smt J Sowjanya	-	-	-	-	0.10	0.10	-	-
	Smt J.Sridevi	-	-	-	-	0.08	0.08	-	-
	Sri J.Krishna Chaitanya Varma	-	-	-	-	0.13	0.13	-	-
2	Credit Balances outstanding								
	NCC Urban Infrastructure Limited	0.32	0.45	-	-	-	-	-	-
	OB Infrastructure Limited	55.68	-	-	-	-	-	-	-
	Nagarjuna Facilities Management Services L.L.C	-	-	0.25	0.25	-	-	-	-
	Shyamala Agro Farms LLP	-	-	-	-	-	-	-	0.03
	Jampana Construction Private Limited	-	-	-	-	-	-	0.98	0.75
	Sridevi Properties	-	-	-	-	-	-	0.26	0.12



Notes forming part of the financial statements

(iii) Related Party balances outstanding are as follows:

(₹ in crores)

S. No	Particulars	Subsidiaries (including Step-down Subsidiaries)		Associates		Key Management personnel and relatives		Enterprises owned and significantly influenced by key management personnel or their relatives	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	Matrix Security and Surveillance Pvt. Ltd	-	-	-	-	-	-	0.01	0.02
	Sri. A.A.V. Ranga Raju*	-	-	-	-	4.24	2.68	-	-
	Sri. A.S.N. Raju*	-	-	-	-	2.27	1.42	-	-
	Sri. A.G.K. Raju*	-	-	-	-	2.27	1.42	-	-
	Sri. A.V.N. Raju	-	-	-	-	2.27	1.42	-	-
	Sri. J.V. Ranga Raju	-	-	-	-	0.59	0.34	-	-
	Sri. Hemant Madhusudan Nerurkar	-	-	-	-	-	0.14	-	-
	Smt. Renu Challu	-	-	-	-	-	0.09	-	-
	Dr. Durga Prasad Subramanyam Anapindi	-	-	-	-	-	0.14	-	-
	Sri. Om Prakash Jagetiya	-	-	-	-	-	0.09	-	-
	Sri, K. Krishna Rao	-	-	-	-	0.05	0.05	-	-
	Sri. M.V. Srinivasa Murthy	-	-	-	-	0.06	0.05	-	-
	Sri. S.R.K.Surya Srikrishna Raju	-	-	-	-	0.05	0.05	-	-
	Sri. A. Vishnu Varma	-	-	-	-	0.10	0.07	-	-
	Smt A. Nikhita	-	-	-	-	0.02	0.05	-	-
	Sri. P. Manoj Raj	-	-	-	-	0.05	0.03	-	-
	Sri. Sri Harsha Varma	-	-	-	-	0.07	0.04	-	-
	Sri. U Sunil	-	-	-	-	0.05	0.07	-	-
	Sri. J Krishna Chaitanya Varma	-	-	-	-	0.34	0.19	-	-
	Smt J.Sowjanya	-	-	-	-	0.11	0.05	-	-
	Smt J. Sridevi	-	-	-	-	0.06	0.03	-	-
	Smt. BH. Kaushalya	-	-	-	-	0.02	0.02	-	-
3	Corporate Guarantees / Comfort Letter given								
	Nagarjuna Construction Company International L.L.C	-	0.49	-	-	-	-	-	-
	NCC Urban Infrastructure Limited	-	31.48	-	-	-	-	-	-

* Refer note 18 and 21 for details of personal guarantee given by Directors.

Notes forming part of the financial statements

(iv) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

(₹ in Crores)

Particulars	2022 - 23	2021 - 22
CCDs converted to Equity Shares		
- NCC Infrastructure Holdings Mauritius Pte. Limited	135.24	-
Advances written off		
- Nagarjuna Construction Company International L.L.C	-	0.99
Loans granted		
- NCC Vizag Urban Infrastructure Limited	-	100.58
Loan repayment received		
- NCC Urban Infrastructure Limited	22.31	127.18
- NCC Infrastructure Holdings Mauritius Pte. Limited	41.01	-
Term Loan taken		
- OB Infrastructure Limited	52.80	-
Advances granted		
- Jampana Construction Private Limited	-	4.91
- Nagarjuna Construction Company International L.L.C	-	0.95
Advances Repayment received / Adjusted		
- Nagarjuna Construction Company International L.L.C	2.13	13.63
Advances repaid / adjusted		
- NCC Blue Water Products Limited	0.01	0.09
Interest received /Adjusted		
- NCC Urban Infrastructure Limited	-	13.21
- NCC Vizag Urban Infrastructure Limited	-	1.66
Remittance to Trade Payables		
- NCC Urban Infrastructure Limited	0.13	-
- Jampana Construction Private Limited	0.05	3.86
- Paschal Form Work (India) Private Limited	-	0.86
Other Operating Income		
- Pachhwara Coal Mining Private Limited	35.58	17.30
Material Purchases and Services		
- Paschal Form Work (India) Private Limited	0.50	0.51
Interest Income		
- NCC Urban Infrastructure Limited	0.75	13.21
- NCC Vizag Urban Infrastructure Limited	-	16.58
Reimbursement of Expenses		
- Nagarjuna Construction Company International LLC	0.37	1.09
- Sridevi Properties	0.11	-



Notes forming part of the financial statements

(₹ in crores)

Particulars	2022 - 23	2021 - 22
Sub-Contractors work bills		
- Jampana Construction Private Limited	0.26	12.83
Remuneration (Including Commission)		
- Sri A.A.V. Ranga Raju	9.29	6.41
- Sri A.S.N. Raju	4.78	3.28
- Sri A.G.K. Raju	4.75	3.27
- Sri A.V.N. Raju	4.70	3.22
Directors sitting fee and commission		
- Sri. Hemant Madhusudan Nerurkar	0.07	0.23
- Smt. Renu Challu	0.06	0.17
- Dr. Durga Prasad Subramanyam Anapindi	0.09	0.24
- Sri. Om Prakash Jagetiya	0.08	0.17
- Sri. Utpal Hemendra Sheth ^{\$}	0.04	-
Other income		
- NCC Urban Infrastructure Limited	0.04	0.04
- NCC Vizag Urban Infrastructure Limited	-	0.15
Commission income on Corporate Guarantees		
- Nagarjuna Construction Company International LLC	-	8.74
Dividend income		
- Pachhvara Coal Mining Private Limited	12.24	11.68
Interest expense		
- OB Infrastructure Limited	3.20	-
Rent expenses		
- Sirisha Projects Private Limited	11.34	9.47
Contribution towards Corporate Social Responsibility		
- NCC Foundation	3.16	5.41
Dividend paid		
- AVSR Holdings Private Limited	13.31	5.02
- Sirisha Projects Private Limited	4.20	1.49
Reduction in Corporate Guarantees		
- Nagarjuna Construction Company International LLC	-	101.63
- NCC Urban Infrastructure Limited	31.48	55.41
Corporate Guarantees / Comfort Letter given		
- NCC Urban Infrastructure Limited	-	31.48

^{\$} Transactions occurred during the previous year with the party do not exceed 10% of the total transaction value. Hence, amount not disclosed.

Notes forming part of the financial statements

36 Segment Reporting:

In accordance with Ind AS 108 “Operating Segments”, segment information has been given in the consolidated financial statements of NCC Limited and therefore no separate disclosure on segment information is given in these financial statements.

37 Earnings per share:

	Year Ended March 31, 2023	Year Ended March 31, 2022
Net Profit after tax available for equity shareholders (₹ in crores)	569.21	490.12
Weighted Average number of equity shares for Basic EPS (Nos)	623,389,054	609,846,588
Weighted Average number of equity shares for Diluted EPS (Nos)	623,726,137	614,097,235
Face value per share (₹)	2.00	2.00
Basic EPS (₹)	9.13	8.04
Diluted EPS (₹)	9.13	7.98

38 Financial instruments:

38.1 Capital management

The Company’s capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain / enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

	As at March 31, 2023	As at March 31, 2022
Equity	6,321.90	5,803.17
Short-term borrowings and current portion of long-term borrowings	896.49	1,102.05
Long-term borrowings	83.08	82.03
Cash and cash equivalents	(227.41)	(235.39)
Net debt	752.16	948.69
Total capital (equity + net debt)	7,074.06	6,751.86
Gearing ratio	0.12	0.16

(₹ in crores)



Notes forming part of the financial statements

38.2 Categories of financial instruments

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Mandatorily measured:		
Equity investments in other entities	1.52	1.52
Investments in Mutual funds	1.10	1.07
Measured at amortised cost		
Cash and bank balances	645.63	558.54
Other financial assets at amortised cost	3,711.77	3,325.82
Measured at cost		
Investments in equity instruments in subsidiaries and associates		
a) Equity shares	871.90	756.66
b) Debentures	-	135.24
	5,231.92	4,778.85
Financial liabilities		
Measured at amortised cost	5,909.18	5,552.55

38.3 Financial risk management objectives

The Company's business activities exposed to a variety of financial risk viz., market risk, credit risk and liquidity risk. The Company's focus is to estimate a vulnerability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance.

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is primarily on account of the following:

- **Interest rate risk**

Out of total borrowings, large portion represents short term borrowings (WC DL) and the interest rate primarily basing on the Company's credit rating and also the changes in the financial market. Company continuously monitoring over all factors influence rating and also factors which influential the determination of the interest rates by the banks to minimize the interest rate risks.

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate borrowings. Out of the total borrowings of ₹ 979.57 crores (31.03.2022: ₹ 1,184.08 crores) as of 31.03.2023, the floating rate borrowings are ₹ 878.07 crores (31.03.2022: ₹ 1,052.71 crores). For every 50 base points change in the interest rate when no change in other variables, it will affect the profit before tax by ₹ 4.39 crores for the year ended March 31, 2023 (31.03.2022: ₹ 5.26 crores).

- **Foreign currency risk**

The Company has several balances in foreign currency and consequently the Company is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years, which has affected the results of the Company, and may fluctuate substantially in the future. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

We summarize below the financial instruments which have the foreign currency risks as at March 31, 2023 and March 31, 2022.

Notes forming part of the financial statements

- (a) The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD (crores)	4.31	4.23	5.59	5.89
INR (₹ in crores)	354.60	320.60	459.14	446.56
OMR (crores)	-	-	-	0.01
INR (₹ in crores)	-	-	-	1.24
EURO (crores)	-	0.08	-	-
INR (₹ in crores)	-	6.92	-	-
GBP (crores)	-	0.10	-	-
INR (₹ in crores)	-	10.20	-	-

The Company doesn't have any forex derivative instrument, hence all the above balances are unhedged.

- (b) Foreign currency sensitivity analysis:

The Company is not substantially exposed for business activities in foreign currency except in the form of investments and loans into its foreign subsidiaries and associates. Hence, the impact of any significant fluctuation in the exchange rates is not expected to have a material impact of the operating profits of the Company.

(₹ in crores)

Currency USD impact on:	As at March 31, 2023	As at March 31, 2022
Impact of ₹ 1 strengthening against US Dollar on profit or (loss) for the year	(1.27)	(1.66)
Impact of ₹ 1 weakening against US Dollar on profit or (loss) for the year	1.27	1.66
Impact of ₹ 1 strengthening against US Dollar on Equity as at the end of the reporting period	(1.27)	(1.66)
Impact of ₹ 1 weakening against US Dollar on Equity as at the end of the reporting period	1.27	1.66

ii) Credit risk management

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the Company.

Credit risk on trade receivables and contract assets is limited as the customers of the Company mainly consists of the Government promoted entities having a strong credit worthiness. For doubtful receivables the company uses a provision matrix to compute the expected credit loss allowances for trade receivables and contract assets. In assessing the recoverability of the trade receivables and contracts assets, management's judgement involves consideration of aging status, evaluation of litigations and the likelihood of collection based on the terms of the contract. Refer note 6, 10, 15 and 15.1 for provision made against trade receivable and contract assets.

Credit risk on account of investments, loans (including interest) and other receivables from group companies / related parties has been adequately provided in the books. The cash and bank balances (excluding cash on hand) are held with banks and financial institutions having good credit rating.



Notes forming part of the financial statements

iii) Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuous planning and monitoring of actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2023:

(₹ in crores)

	Carrying amount	Payable			Total contracted cash flows
		Within 1 year	1-3 year	Beyond 3 years	
Accounts payable and acceptances	4,822.74	4,569.07	206.40	47.27	4,822.74
Borrowings and interest accrued	1,078.61	995.53	81.06	2.02	1,078.61
Other financial liabilities	7.83	7.83	-	-	7.83
Total	5,909.18	5,572.43	287.46	49.29	5,909.18

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2022:

(₹ in crores)

	Carrying amount	Payable			Total contracted cash flows
		Within 1 year	1-3 year	Beyond 3 years	
Accounts payable and acceptances	4,280.57	4,062.13	176.37	42.07	4,280.57
Borrowings and interest accrued	1,271.36	1,189.33	80.00	2.03	1,271.36
Other financial liabilities	0.62	0.62	-	-	0.62
Total	5,552.55	5,252.08	256.37	44.10	5,552.55

38.4 Fair value measurements:

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

(₹ in crores)

Financial Assets / Financial Liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2023	As at March 31, 2022		
Investments in Mutual funds at FVTPL	1.10	1.07	Level 1	Refer note 2
Investments in unquoted equity instruments at FVTPL	1.52	1.52	Level 2	Refer note 3

* Positive value denotes financial asset (net) and negative value denotes financial liability (net).

Notes:

- (1) There were no transfers between Level 1 and 2 in the period.
- (2) The Level 1 financial instruments are measured using quotes in active market.
- (3) The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
Unquoted Equity Instruments	Net worth method	Government notified value of the lands is taken as fair market value in the absence of reliable comparable data.

Notes forming part of the financial statements

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

(₹ in crores)

	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost:				
- Trade receivables	2,945.14	2,945.14	2,492.23	2,492.23
- Cash and cash equivalents	227.41	227.41	235.39	235.39
- Bank balances other than cash and cash equivalents	418.22	418.22	323.15	323.15
- Loans	371.66	371.66	407.81	407.81
- Other financial assets	394.97	394.97	425.79	425.79
Financial liabilities				
Financial liabilities at amortised cost:				
- Borrowings	979.57	979.57	1,184.08	1,184.08
- Trade payables	4,822.74	4,822.74	4,280.57	4,280.57
- Other financial liabilities	106.87	106.87	87.90	87.90

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models.

39 Corporate Social Responsibility:

(₹ in crores)

	March 31, 2023	March 31, 2022
a) Gross amount required to be spent by the Company during the year	7.80	10.67
b) Amount approved by the Board to be spent during the year	7.80	10.68

c) Amount spent during the year ended:

(₹ in crores)

Particulars	March 31, 2023			March 31, 2022		
	In cash	Yet to be paid	Total	In cash	Yet to be paid	Total
i) Construction/acquisition of any asset	-	-	-	-	-	-
ii) On purposes other than (i) above	7.80	-	7.80	8.54	-	8.54
Total	7.80	-	7.80	8.54	-	8.54

d) Details related to spent / unspent obligations:

(₹ in crores)

Particulars	March 31, 2023	March 31, 2022
i) Spent for CSR activities during the year	2.90	1.00
ii) Contribution	4.90	7.54
iii) Unspent amount in relation to:		
- On going project	-	2.14
- Other than ongoing project	-	-
Total	7.80	10.68

* Unspent amount of Nil (31.03.2022: ₹ 2.14 crores is deposited in the separate bank account on April 30, 2022).



Notes forming part of the financial statements

e) Others:

Particulars	March 31, 2023	March 31, 2022
i) Reason for shortfall	NA	Identification of the Govt schools and colleges for implementation of the project in the State of Uttar Pradesh was delayed because of the state election.
ii) Nature of CSR activities	Rural Development, Education, Health care and Skill development.	Rural Development, Education, Health care and Skill development.
iii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard Contribution to NCC Foundation in relation to CSR expenditure	3.16	5.41

- 40** The exceptional items for the year ended March 31, 2023 is ₹ Nil (March 31, 2022 is ₹ 145.64), pertains to Profit on sale of stake in the Subsidiary Company, NCC Vizag Urban Infrastructure Limited, additional area allotted to NCC Limited on approval of revised plan as per the contractual terms in relation to Investment property under construction and provision made for impairment of investment.
- 41** Consequent to the encashment of Bank Guarantees (BGs) of ₹ 343.10 crores in the year 2017-18 by one of the customer (Sembcorp Energy India Limited), NCCL invoked the arbitration clause and submitted a claim of ₹ 1,571.41 crores towards refund of retention money, refund of BGs amount, payment of pending bills, additional works done and cost incurred on prolongation of the project by the customer. Against which, the customer has filed a counter claim of ₹ 1,071.46 crores towards liquidated damages, turbine replacement, balance works, etc. As per the management assessment and legal advise, no provision is required for the subject matter and arbitration proceedings are expected to be completed within a year.

42 Deferred tax assets (Net):

Significant components of deferred tax (liabilities) / assets for the year ended March 31, 2023:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Deferred tax (liabilities) / assets in relation to:		
Property, plant and equipment	(2.13)	(5.37)
Provision for doubtful trade receivables, contract assets, advances and others	38.18	50.41
Provision for employee benefits	33.70	31.32
Deferment in recognition of income	(22.22)	(22.22)
Total	47.53	54.14

Notes forming part of the financial statements

42.1 Unrecognised deductible temporary differences, unused tax losses and unused tax credits:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- Long-term capital loss	-	64.43

43 Amounts included in contract liabilities at the beginning of the year recognised as revenue in the current year of ₹ 859.94 crores (31.03.2022: ₹ 533.29 crores).

Change in the contract assets and contract liabilities as at March 31, 2023 from March 31, 2022 is on account of increase in operations of the Company.

44 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

There is no difference in the contract price negotiated and the revenue recognised in the statement of profit and loss for the current year. There is no significant revenue recognised in the current year from performance obligations satisfied in previous periods.

45 Performance obligation:

The transaction price allocated to the remaining performance obligations (excluding non-moving orders) is ₹ 45,847 crores (31.03.2022: ₹ 36,303 crores), which will be recognised as revenue over the respective project durations. Generally the project duration of contracts with customers is ranging 1 to 3 years.

46 The trade receivables and contract assets included an amount of ₹ 122.33 crores (31.03.2022: ₹ 189.52 crores) (net of mobilisation advance) relating to Amaravati Capital City projects in Andhra Pradesh. Execution of the work / payment in these projects has been slow since May, 2019. Management based on internal assessments and discussions with agencies is confident of recovering these balances.

47 Additional Regulatory Information:

S. No	Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% of change	Reasons for change in the ratio by more than 25%
i)	Current Ratio	Current Assets	Current Liabilities	1.34	1.36	-2%	-
ii)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.15	0.20	24%	-
iii)	Debt Service Coverage Ratio	Net Profit + Depreciation + Interest expense	Debt Service = Interest payments + Principal Repayments	3.43	1.83	88%	The increase mainly on account of improvement in profits and reduction in average borrowings.
iv)	Return on Equity Ratio	Net Profit	Average Shareholder's Equity	9.39%	8.78%	7%	-



Notes forming part of the financial statements

S. No	Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% of change	Reasons for change in the ratio by more than 25%
v)	Inventory Turnover Ratio	Revenue from Operations	Average Inventory	14.31	15.11	-5%	-
vi)	Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	4.91	3.85	27%	The increase mainly on account of good collections from the client in F.Y 2022-23.
vii)	Trade payables Turnover Ratio	Expenses for Trade payables	Average Trade Payables	4.15	3.88	7%	-
viii)	Net capital Turnover Ratio	Revenue from Operations	Working Capital	4.30	3.49	23%	-
ix)	Net profit Ratio	Net Profit	Revenue from Operations	4.26%	4.94%	-14%	-
x)	Return on Capital employed	PBT after Exceptional Items + Interest expense	Net Worth + Total Debt (Avg)	13.41%	11.21%	20%	-

48 No charges are pending for registration with Registrar of Companies (ROC) beyond the statutory period except for certain cases where the company is yet to receive No Objection Certificate (NOC) from the lenders.

49 No transactions made with the Struck off Companies in the current year (31.03.2022: ₹ Nil).

50 Previous period's figures have been regrouped wherever necessary to conform to current period's presentation.

51 Approval of financial statements:

The financial statements were approved for issue by the Board of Directors on May 26, 2023.

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per NAVNEET RAI KABRA
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023

CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Members of

NCC Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of NCC Limited (hereinafter referred to as "the Holding Company"), which includes 5 branches and 30 joint operations and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including statement of other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates, branches and joint operations, referred to in the Other Matter paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities

under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group and its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we and other auditors, referred to in Other Matter paragraph below, have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Trade receivables and Contract assets of the Holding company (as described in Note 6,9,11 and 16 of the consolidated Ind AS financial statements)	
<p>Total trade receivables and total contract assets of the Holding Company amounting to ₹ 2,945.14 crores and ₹ 5,355.32 crores respectively, represents approximately 50.18% of the total assets of the Group as at March 31, 2023.</p> <p>In assessing the recoverability of the aforesaid balances and determination of allowance for expected credit loss, management's judgement involves consideration of aging status, historical payment records, evaluation of litigations, the likelihood of collection based on the terms of the contract and the credit information of its customers.</p> <p>Management estimation is required in the measurement of work completed as at year end for recognition of unbilled revenue.</p> <p>We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.</p>	<p>Our audit procedures in respect of the Holding company amongst others included the following:</p> <ul style="list-style-type: none"> • We understood and tested on sample basis the design and operating effectiveness of management controls over the recognition and the recoverability of the trade receivables and contract assets. • We performed test of details, and tested relevant contracts, documents and subsequent settlements for material trade receivable balances and amounts included in contract assets that are due on performance of future obligations. • We tested the aging of trade receivables at the year end. • We performed test of details and tested relevant contracts and documents with specific focus on measurement of work completed at the year end for material unbilled revenue balances included in contract asset. • We performed additional procedures, in respect of material over-due trade receivables and long outstanding contract assets, i.e. tested historical payment records, correspondence with customers and legal advice obtained by the management on litigations from legal experts. • We evaluated the competence, capabilities and objectivity of the aforesaid legal experts • We performed additional procedures in respect of balances disclosed in note 56, which include review of communications to/from customers, physical inspection of work done in respect of unbilled revenue, verification of last bills certified etc. • We assessed the allowance for expected credit loss made by management.
Litigation on sale of investment (as described in Note 43 of the consolidated Ind AS financial statements)	
<p>The statutory auditors of NCC Infrastructure Holdings Limited ('NCCIHL'), a subsidiary of the Holding Company have reported litigation on sale of investment as a key audit matter as follows:</p> <p>NCCIHL has ongoing litigation with respect to sale of its investment in a subsidiary. For details of the litigation refer note 43 of the accompanying consolidated Ind AS financial statements.</p> <p>Management's assessment of the outcome of the aforesaid litigation has been identified as a key audit matter due to the materiality of the potential obligation as it requires significant judgment in assessing the outcome of the litigation and provision to be made towards aforesaid litigation.</p>	<p>The procedures performed by the auditors of NCCIHL, as reported by them, included the following:</p> <ul style="list-style-type: none"> • Reviewed the relevant documents regarding the litigation in particular the arbitration award, the claims and counter claims raised by the parties as well as the opinion from the in-house legal and claims team to assess the adequacy of the provision made. • Understood and tested the design and operating effectiveness of management control over assessment of the outcome of the litigation. • Discussed and understood various steps being taken by management to resolve the dispute.



Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and its associates 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the group and its 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.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the group and its associates.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 control 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 Holding Company has adequate internal financial controls with reference to financial statements 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 ability of the Group and its 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 Ind AS 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 Group and its associates and joint ventures/joint operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS 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 Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2023 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 Matter

- (a) We did not audit the financial statements and other financial information, in respect of 32 subsidiaries, 11 joint operations and 4 branches, whose financial statements include total assets of ₹ 2,448.58 crores as at March 31, 2023, and total revenues of ₹ 2,485.64 crores and net cash inflows of ₹ 31.83 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 10.47 crores for the year ended March 31, 2023, as considered in the consolidated Ind AS financial statements, in respect of 4 associates, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, branches, joint operations and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of such other auditors.

Of the above 2 subsidiaries and 1 branch are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and branch located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made



by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and branch located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ Nil for the year ended March 31, 2023, as considered in the consolidated Ind AS financial statements, in respect of 4 associates, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS 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 and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint operations, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
 - (d) The reports on the accounts of the branch offices of the Holding company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - (e) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate companies, none of the directors of the Group's companies and its associates, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and associate companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

- (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries and associates incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint operations, as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated Ind AS financial statements – Refer Note 37(i) and 51 to the consolidated Ind AS financial statements;
 - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates, incorporated in India during the year ended March 31, 2023.
 - iv.a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v. The dividend declared or paid by the Holding Company, its subsidiaries incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.



- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries, associate joint operation companies incorporated in India, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Navneet Rai Kabra

Partner

Membership Number: 102328

UDIN: 23102328BGSBNC5909

Place of Signature: Hyderabad

Date: May 26, 2023

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: NCC Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and to the best of our knowledge and belief, we state that:

3(xxi) There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports issued by us for the Holding Company and by the respective auditors in the CARO reports of the subsidiary and associate companies included in the consolidated financial statements. The report of the following associates included in the consolidated financial statements has not been issued by its auditor till the date of our auditor's report.

S.No.	Name of the associate	CIN
1.	Himalayan Green Energy Pvt.Ltd.	U4010DL2005PTC137235
2.	Ekana Sportz City Pvt.Ltd.	U45202UP2014PTC063932
3.	Pondicherry Tindivanam Tollway Private Limited	U45400TG2007PTC053321

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**

Partner

Membership Number: 102328

UDIN: 23102328BGSBNC5909

Place of Signature: Hyderabad

Date: May 26, 2023



Annexure 2 to the Independent Auditor's Report of even date on the Consolidated IND AS Financial Statements of NCC Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of NCC Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its 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 companies included in the Group and its 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 Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these consolidated Ind AS financial statements 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these consolidated Ind AS financial statements 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 with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these consolidated Ind AS financial statements, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Consolidated Ind AS Financial Statements

A company's internal financial control with reference to these consolidated Ind AS financial statements 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 with reference to these consolidated Ind AS financial statements 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 With Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to these consolidated Ind AS financial statements, 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 with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to these consolidated Ind AS financial statements 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 Group and its associates, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to these consolidated Ind AS financial statements and such internal financial controls with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to these consolidated Ind AS financial statements of the Holding Company, in so far as it relates to these 23 subsidiaries and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associates.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navneet Rai Kabra**

Partner

Membership Number: 102328

UDIN: 23102328BGSBNC5909

Place of Signature: Hyderabad

Date: May 26, 2023



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(₹ in crores)

	NOTE	AS AT MARCH 31, 2023		AS AT MARCH 31, 2022	
ASSETS					
Non Current Assets					
Property, Plant and Equipment	3	1,237.86		1,138.11	
Capital Work in Progress	3	15.07		7.35	
Investment Property	3.1	155.99		199.62	
Investment Property under Construction	3.1	107.65		103.47	
Goodwill		0.63		0.63	
Other Intangible Assets	3.2	0.74		0.72	
Intangible Assets under Development	3.3	6.91		-	
Financial Assets					
Investments in Associates	4.1	126.56		115.85	
Other Investments	4.1	211.25		211.25	
Loans	5	150.00		150.00	
Trade Receivables	6	157.05		107.96	
Other Financial Assets	7	200.41		285.58	
Deferred Tax Assets (Net)	8	61.35		64.26	
Non Current Tax Assets (Net)	15	290.53		151.66	
Other Non Current Assets	9	582.40		468.94	
Total Non - Current Assets			3,304.40		3,005.40
Current Assets					
Inventories	10	1,374.03		1,153.34	
Financial Assets					
Other Investments	4.2	14.23		18.72	
Trade Receivables	11	3,175.51		2,545.16	
Cash and Cash Equivalents	12.1	282.39		266.54	
Bank balances other than above	12.2	426.88		333.99	
Loans	13	224.89		217.06	
Other Financial Assets	14	367.81		342.34	
Current Tax Assets (Net)	15.1	11.07		74.68	
Other Current Assets	16	7,368.91		6,500.76	
Total Current Assets			13,245.72		11,452.59
Total Assets			16,550.12		14,457.99

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023 (contd.)

(₹ in crores)

	NOTE	AS AT MARCH 31, 2023		AS AT MARCH 31, 2022	
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	17	125.57		121.97	
Other Equity	18	6,041.26		5,480.77	
Equity Attributable to Shareholders of the Company			6,166.83		5,602.74
Non-Controlling Interests			318.63		293.41
Total Equity			6,485.46		5,896.15
Liabilities					
Non Current Liabilities					
Financial Liabilities					
Borrowings	19	89.09		120.18	
Trade Payables	20	22.90		25.64	
Provisions	21	61.84		57.88	
Total Non Current Liabilities			173.83		203.70
Current Liabilities					
Financial Liabilities					
Borrowings	22	884.73		1,182.25	
Trade Payables	23				
Total outstanding dues of micro and small enterprises		47.28		34.25	
Total outstanding dues of creditors other than micro and small enterprises		5,258.74		4,363.55	
Other Financial Liabilities	24	120.50		99.35	
Provisions	25	94.17		79.21	
Current Tax Liabilities (Net)	26	7.25		2.17	
Other Current Liabilities	27	3,478.16		2,597.36	
Total Current Liabilities			9,890.83		8,358.14
Total Equity and Liabilities			16,550.12		14,457.99

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

In terms of our report attached

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per **NAVNEET RAI KABRA**
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

(₹ in crores)

	NOTE	YEAR ENDED MARCH 31, 2023		YEAR ENDED MARCH 31, 2022	
INCOME					
Revenue from Operations	28	15,553.41		11,137.96	
Other Income	29	147.59		70.72	
Total Income			15,701.00		11,208.68
EXPENSES					
Cost of Materials Consumed	30	4,855.11		3,484.62	
Construction Expenses	31	1,430.36		1,245.42	
Changes in Inventories of Work in Progress	32	69.35		105.49	
Sub-Contractors Work Bills		6,862.12		4,568.97	
Employee Benefits Expense	33	545.69		452.66	
Finance Costs	34	515.22		478.07	
Depreciation and Amortization Expenses (Refer note 3, 3.1 and 3.2)		202.61		186.74	
Other Expenses	35	331.79		257.00	
Total Expenses			14,812.25		10,778.97
Profit Before Share of Profit / (Loss) of Associate Companies, and Tax			888.75		429.71
Share of Profit / (Loss) of Associate Companies			10.47		1.40
Profit Before Exceptional Items and Tax			899.22		431.11
Exceptional Items (Net)	50		(14.37)		203.57
Profit Before Tax			884.85		634.68
Tax Expense	36				
Current Tax (including earlier year taxation)			234.25		146.58
Deferred Tax			4.39		(5.93)
			238.64		140.65
Profit for the year			646.21		494.03
Attributable to					
Shareholders of the Company			609.20		482.41
Non-Controlling Interests			37.01		11.62
Other comprehensive income / (loss)					
Items that will not be reclassified to profit or (loss)					
Remeasurement gains / (losses) of the defined benefit plans			(5.78)		(2.84)
Income tax effect on the above			1.46		0.72
Items that may be reclassified to profit or (loss)					
Exchange differences in translating the financial statements of foreign operations			2.89		(0.42)
Other comprehensive income / (loss) for the year (net of taxes)			(1.43)		(2.54)
Total comprehensive income for the year			644.78		491.49
Attributable to					
Shareholders of the Company			607.80		479.89
Non-Controlling Interests			36.98		11.60
Earnings per equity share of face value of ₹ 2 each.					
Basic - ₹	48		9.77		7.91
Diluted - ₹	48		9.77		7.86

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

In terms of our report attached

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per **NAVNEET RAI KABRA**
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity share capital

	Number of shares	Amount (₹ in crores)
Balance as at April 01, 2021	609,846,588	121.97
Add: Issue of Share Capital	-	-
Balance as at March 31, 2022	609,846,588	121.97
Add: Issue of Share Capital	18,000,000	3.60
Balance as at March 31, 2023	627,846,588	125.57

B. Other Equity

(₹ in crores)

	Reserves and Surplus							Items of Other Comprehensive Income / (Loss)			Equity attributable to the shareholders of the Company	Non-controlling interests	Total
	Capital Reserve	Securities Premium	Legal / Statutory Reserve	Reserve Under Section 45 IC - RBI Act	Money received against share warrants (Refer note 17.5)	General Reserve	Retained Earnings	Other items of other comprehensive income	Exchange Differences on translating the financial statements of a foreign operations				
As at April 01, 2021	7.78	2,639.62	25.14	0.24	26.55	1,135.18	1,200.44	(27.50)	41.88	5,049.33	298.11	5,347.44	
Profit for the year	-	-	-	-	-	-	482.41	-	-	482.41	11.62	494.03	
Other Comprehensive Income / (Loss) for the year (net of taxes)	-	-	-	-	-	-	-	(2.10)	(0.42)	(2.52)	(0.02)	(2.54)	
Total Comprehensive Income for the year	-	-	-	-	-	-	482.41	(2.10)	(0.42)	479.89	11.60	491.49	
Dividend	-	-	-	-	-	-	(48.79)	-	-	(48.79)	-	(48.79)	



	(₹ in crores)											
	Reserves and Surplus							Items of Other Comprehensive Income / (Loss)		Equity attributable to the shareholders of the Company	Non-controlling interests	Total
	Capital Reserve	Securities Premium	Legal / Statutory Reserve	Reserve Under Section 45 IC - RBI Act	Money received against share warrants (Refer note 17.5)	General Reserve	Retained Earnings	Other items of other comprehensive income	Exchange Differences on translating the financial statements of a foreign operations			
Adjustment on account of Consolidation / Foreign currency fluctuation	0.67	-	0.84	-	-	(0.50)	(0.67)	-	-	0.34	(16.30)	(15.96)
Transfer to General Reserve	-	-	-	-	-	250.00	-	-	-	250.00	-	250.00
Transfer from Retained Earnings	-	-	-	-	-	-	(250.00)	-	-	(250.00)	-	(250.00)
Balance at April 01, 2022	8.45	2,639.62	25.98	0.24	26.55	1,384.68	1,383.39	(29.60)	41.46	5,480.77	293.41	5,774.18
Profit for the year	-	-	-	-	-	-	609.20	-	-	609.20	37.01	646.21
Other Comprehensive Income / (Loss) for the year (net of taxes)	-	-	-	-	-	-	-	(4.29)	2.89	(1.40)	(0.03)	(1.43)
Total Comprehensive Income for the year	-	-	-	-	-	-	609.20	(4.29)	2.89	607.80	36.98	644.78
Premium on Issue of Share Capital	-	102.60	-	-	-	-	-	-	-	102.60	-	102.60
Proceeds received against share warrants	-	-	-	-	(26.55)	-	-	-	-	(26.55)	-	(26.55)
Dividend	-	-	-	-	-	-	(125.57)	-	-	(125.57)	-	(125.57)

B. Other Equity (Contd.) (₹ in crores)

	Reserves and Surplus							Items of Other Comprehensive Income / (Loss)		Equity attributable to the shareholders of the Company	Non-controlling interests	Total
	Capital Reserve	Securities Premium	Legal / Statutory Reserve	Reserve Under Section 45 IC - RBI Act	Money received against share warrants (Refer note 17.5)	General Reserve	Retained Earnings	Other items of other comprehensive income	Exchange Differences on translating the financial statements of a foreign operations			
Adjustment on account of Consolidation / Foreign currency fluctuation	-	-	2.21	-	-	-	-	-	-	2.21	(11.76)	(9.55)
Transfer to General Reserve	-	-	-	-	-	350.00	-	-	-	350.00	-	350.00
Transfer from Retained Earnings	-	-	-	-	-	-	(350.00)	-	-	(350.00)	-	(350.00)
Balance at March 31, 2023	8.45	2,742.22	28.19	0.24	-	1,734.68	1,517.02	(33.89)	44.35	6,041.26	318.63	6,359.89

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

In terms of our report attached

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No. 101049W/E300004

CHARTERED ACCOUNTANTS

per NAVNEET RAI KABRA

Partner

Membership No. 102328

K. KRISHNA RAO

E.V.P (F&A) / CFO

A.A.V. RANGA RAJU

Managing Director / CEO

(DIN No: 00019161)

M.V. SRINIVASA MURTHY

Company Secy. & Sr. E.V.P (Legal)

A.G.K. RAJU

Executive Director

(DIN No: 00019100)

For and on behalf of the Board

Hyderabad, May 26, 2023



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flows from operating activities		
Profit before tax	884.85	634.68
Adjustments for:		
Depreciation and amortisation expenses	202.61	186.74
Share of loss from associate companies	(10.47)	(1.40)
(Profit)/loss on sale of Property, Plant and Equipment and Investment Property	(47.33)	3.97
Finance costs	515.22	478.07
Interest income	(80.10)	(38.64)
Profit on sale of current & Non-Current investments (net)	(0.17)	(2.06)
Gain on remeasuring investment at FVTPL (net)	(0.48)	(1.72)
Trade Receivables / Advances written off	3.53	1.01
Provision for doubtful trade receivables / advances / others	5.00	13.66
Expected credit loss for Unbilled revenue	29.45	30.01
Exceptional items (net)	14.37	(203.57)
Rental income from investment properties	(13.56)	(3.71)
	618.07	462.36
Operating profit before working capital changes	1,502.92	1,097.04
Changes in working capital:		
Adjustments for (Increase) / Decrease in operating assets:		
In Inventories	(220.69)	(263.53)
In Trade receivables	(692.19)	212.65
In other financial assets	28.46	34.36
In other current assets	(1,011.46)	(699.94)
Adjustments for Increase / (Decrease) in operating liabilities:		
In Trade payables	905.48	568.34
In Other financial liabilities	12.23	(13.19)
In Other current liabilities	866.43	704.77
In Provisions	13.14	(39.08)
	(98.60)	504.38
Cash generated from operations	1,404.32	1,601.42
Income tax refund received / (paid) net	(304.21)	(185.87)
Net cash flows from operating activities (A)	1,100.11	1,415.55

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023 (contd.)

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
B. Cash flows from investing activities		
Capital expenditure for property, plant and equipment, Investment property, Intangible Assets including Capital Work in Progress	(346.95)	(218.78)
Proceeds from disposal of Property, Plant and Equipment, Investment Property	124.03	51.62
Movement in Margin Money Deposits / Other Deposits	(41.52)	(89.44)
Sale / (Purchase) of Non current / current investments	5.14	91.44
Loans realised / (given) - Associates and others	(6.48)	(4.70)
Proceeds from sale of a subsidiary	-	47.50
Interest received	55.59	53.00
Rental income from investment property	13.56	3.71
Foreign Exchange translation adjustment (arising on consolidation)	5.07	(0.39)
Net cash flows (used) in investing activities (B)	(191.56)	(66.04)
C. Cash flow from financing activities		
Proceeds from Issue of Shares (pursuant to conversion of warrants)	79.65	-
Redemption of debentures	-	(61.00)
Proceeds from long term borrowings	131.62	115.65
Repayment of long term borrowings	(139.06)	(313.02)
Short term borrowings borrowed / repaid (net)	(321.18)	(487.64)
Finance costs paid	(506.40)	(464.86)
Payment made to Non-Controlling Interests	(11.76)	(14.95)
Dividend paid	(125.57)	(48.79)
Net cash flows (used) in financing activities (C)	(892.70)	(1,274.61)
Net Increase in Cash and cash equivalents (A+B+C)	15.85	74.90
Cash and cash equivalents at the beginning of the year	266.54	191.64
Cash and cash equivalents at the end of the year	282.39	266.54
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents	282.39	266.54
Cash and cash equivalents at the end of the year	282.39	266.54

Note: Figures in brackets represents cash outflows.

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per NAVNEET RAI KABRA
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023



Notes forming part of the consolidated financial statements

1 Corporate information:

NCC Limited, ("NCCL"/"the Company") was established as a Partnership firm in 1978, which was subsequently converted into a limited Company in 1990. The shares of the Company, was listed on the stock exchanges in India, in 1992 pursuant to Public offer of equity shares. The registered office of the Company is located at NCC House, Madhapur, Hyderabad - 500 081, Telangana, India. The Company, its subsidiaries, and Associates collectively referred to as the "Group" is engaged in the infrastructure sector and undertaking turn-key EPC contracts as well as BOT projects on Public-Private Partnership basis. The Group's range of verticals comprises of Buildings & Housing, Roads, Railways, Mining, Water & Environment, Irrigation, Power, Electrical, Metals, Oil & Gas and International business.

2 Significant accounting policies:

2.1 Statement of Compliance:

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

2.2 Basis of preparation and presentation:

These consolidated financial statements are prepared in accordance with Ind AS under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act'), including presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to the consolidated financial statements (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account

when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as a net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of consolidation:

These consolidated financial statements incorporate the financial statements of the Company and entities controlled by the parent Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of profit and loss from the date the Company gains control until the date when the Company ceased to control the subsidiary.

Profit and loss and each component of other comprehensive income are attributed to the shareholders of the Company and to the non-controlling interests. Total comprehensive

Notes forming part of the consolidated financial statements

income of subsidiaries is attributed to the shareholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.4 Principles of Consolidation:

The consolidated financial statements have been prepared on the following basis:

- a) NCCL consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note 39. Subsidiaries are consolidated from the date control commences until the date control ceases. Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses on intra-group transactions as per Indian Accounting Standard 110.
- b) Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.
- c) A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Investments in Joint Venture are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's

share of the profit or loss of the investee after the acquisition date. The Group's investment in joint venture includes goodwill identified on acquisition.

- d) The financial statements of the Subsidiaries, Joint ventures and the Associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. March 31, 2023.
- e) The excess of cost to the Group, of its investment in the subsidiaries over the Group's share of equity is recognised in the consolidated financial statements as Goodwill and tested for impairment annually.
- f) Non-controlling interests in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet under the Total Equity group.
- g) Non-controlling interests in the net assets of consolidated subsidiaries consists of:
 - i) The amount of equity attributable to Non-controlling holders at the date on which investment in a subsidiary is made; and
 - ii) The Non-controlling holders share of movements in the equity since the date the parent subsidiary relationship came into existence.
- h) The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the Company's separate financial statements.

The Subsidiaries and Associate Companies are considered for consolidated financial statements are given in Note 39.

2.5 Changes in the Group's ownership interests in existing subsidiaries:

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.



Notes forming part of the consolidated financial statements

When the Group loses control of a subsidiary, a gain or loss is recognised in Statement of Profit and Loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to the statement of profit and loss or transferred to another category of equity as specified / permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.6 Goodwill:

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described at note 2.4.

2.7 Revenue Recognition :

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Project division

A single performance obligation is identified in the construction projects that the Group engages in, owing to the high degree of integration and customisation of the various goods and services to provide a combined output which is transferred to the customer over time and not at a specific point in time, since the entity's performance creates or enhances as asset that the customer controls as the asset is created or enhanced.

With respect to the method for recognising revenue over time (i.e. the method for measuring progress towards complete satisfaction of a performance obligation), the Group has established certain criteria that are applied consistently for similar performance obligations. In this regard, the method chosen by the Group to measure the value of goods or services for which control is transferred

to the customer over time is the output method based on surveys of performance completed to date (or measured unit of work), according to which revenue is recognised corresponding to the units of work performed and on the basis of the price allocated thereto. In cases where the work performed till the reporting date has not reached the milestone specified in the contract, the Group recognises revenue only to the extent that it is highly probable that the customer will acknowledge the same. This method is applied as the progress of the work performed can be measured during its performance on the basis of the contract. Under this method, on a regular basis, the work completed under each contract is measured and the corresponding output is recognised as revenue.

Contract modifications are accounted for when additions, deletions or changes are approved either to the scope or price or both. Goods / Services added that are not distinct are accounted for on a cumulative catch up basis. Goods / Services those that are distinct are accounted for prospectively as a separate contract, if the additional goods / services are priced at the standalone selling price else as a termination of the existing contract and creation of a new contract. In cases where the additional work has been approved but the corresponding change in price has not been determined, the recognition of revenue is made for an amount with respect to which it is highly probable that a significant reversal will not occur.

If the consideration promised in a contract includes a variable amount, this amount is recognised only to the extent that it is highly probable that a significant reversal in the amount recognised will not occur.

Real Estate

The Group has assessed and determined that the performance obligation for all its revenue streams are performed at a point in time.

Contract costs

Costs related to work performed in projects are recognised on an accrual basis. Costs incurred in connection with the work performed are recognised as an expense.

Cost to fulfill the contract

The Group recognises asset from the cost incurred to fulfill the contract such as set up and mobilisation costs and amortises it over the contract period on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Notes forming part of the consolidated financial statements

Provision for future losses

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Contract balances

i) Contract assets

A contract asset is recognised for amount of work done but pending billing / acknowledgement by customer or amounts billed but payment is due on completion of future performance obligation, since it is conditionally receivable. The provision for Expected Credit Loss on contract assets is made on the same basis as financial assets as stated in note no. 2.21.

ii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received advance payments from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the consideration received.

2.8 Other Income:

- a) **Dividend Income:** Dividend income from Investments is recognised when the shareholder's right to receive payment has been established.
- b) **Interest income:** Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

- c) **Rental income:** Rental income from operating leases is generally recognised over the term of the relevant lease.

2.9 Foreign exchange translation and foreign currency transactions:

These financial statements are presented in Indian rupees (rounded off to crores).

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations including foreign branches are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).



Notes forming part of the consolidated financial statements

On the disposal of a foreign operation (i.e. disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to Statement of Profit and Loss.

2.10 Borrowing Costs:

Borrowing costs include interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are included in the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.11 Employee Benefits:

2.11.1 Retirement benefit costs and termination benefits:

Payment to defined contribution retirement benefit plans are recognised as an expenses when employees have rendered service entitling them to the contributions.

Superannuation

The Group's contribution to Superannuation fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Provident Fund

Contribution to Provident fund made to Regional Provident Fund Commissioner are recognised as expense.

Defined Benefit Plans

For defined post benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

In respect of employees of overseas subsidiaries and branches, contribution to defined benefit contribution retirement plans, is determined in accordance with the respective state laws.

2.11.2 Compensated Absences:

The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the Statement of Profit and Loss.

In respect of employees of overseas subsidiaries and branches, end of service benefit is accrued in accordance with the terms of employment. Employees entitlements to annual leave is recognised on actual basis and charged to the Statement of Profit and Loss.

2.12 Taxes on Income:

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.12.1 Current Tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the

Notes forming part of the consolidated financial statements

Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period in the countries where the Group operates and generates taxable income.

2.12.2 Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognises MAT credit as an asset, it is created by way of credit to the Statement of Profit and Loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to

the extent that it is no longer probable that it will pay normal tax during the specified period.

2.12.3 Current and deferred tax for the year:

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.13 Property, plant and equipment:

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition / construction of qualifying PPE, that takes a substantial period of time to get ready for its intended use, up to the date the asset is ready for its intended use. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment and Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised.

PPE retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in Statement of profit and loss.



Notes forming part of the consolidated financial statements

2.14 Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on Property, Plant and equipment and investment property have been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of construction accessories (6 years), some of the mining equipments such as Excavators upto 3.1 cum capacity (7 years), Tippers (6 years), Dozers & Motor Graders (8 years) working in Mining projects, in whose case the life of the assets and the residual value has been assessed based on technical assessment, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, maintenance, etc.

Depreciation on Property, Plant and equipment in joint venture operations provided on Straight Line Method / Written Down Value Method based on useful life prescribed in Schedule II of the Companies Act, 2013.

Intangible Assets are amortised on straight line method based on the useful life as assessed by the Management. The amortisation method, the residual value and amortisation period for intangible assets shall be reviewed at least at each financial year-end.

2.15 Investment property: Investment properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in the Statement of Profit and Loss in the period in which the property is derecognised.

2.16 Intangible Assets:

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The estimated useful life and amortization method reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.17 Inventories:

Raw Materials:

Raw Materials, construction materials and stores & spares are valued at weighted average cost or net realisable value, whichever is lower. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

Properties Under Development:

Properties under development are valued at cost or net realisable value, whichever is lower. Cost comprises all direct development expenditure, administrative expenses and borrowing costs.

Real Estate projects:

Completed properties held for sale are stated at the actual cost or net realizable value, whichever is lower. Construction Work-in-progress is valued at cost. Cost is sale value less profit margin.

2.18 Provisions, Contingent Liabilities and Contingent Assets :

The Group recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are disclosed in the financial statements when flow of economic benefit is probable.

Notes forming part of the consolidated financial statements

2.19 Financial instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

2.20 Financial assets:

Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to –
 - a) receive Cash / another Financial Asset from another Entity, or
 - b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

2.21 Subsequent measurement of the financial assets:

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual

terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the Group has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

(iii) Financial assets at fair value through Profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through Profit or loss.

- (iv) The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Statement of Profit and Loss.

2.22 Financial liabilities:

Financial liability is Contractual Obligation to

- a) deliver Cash or another Financial Asset to another Entity, or
- b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavourable to the Entity.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

2.23 Subsequent measurement of the financial liabilities:

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year



Notes forming part of the consolidated financial statements

from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

2.24 Derecognition of financial instruments:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.25 Fair value of financial instruments:

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not actually be realised.

2.26 Receivable under Service concession arrangement:

These arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Group bears the demand risk. The financial asset model is used when the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component.

If the Group performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method. Any asset carried under

concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

2.27 Impairment of Assets:

Intangible assets and property, plant and equipment: Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.28 Fair value measurement:

The Group measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use

Notes forming part of the consolidated financial statements

when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.29 Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except short-term leases and low value leases.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

The Group applies the short-term lease recognition exemption to its short-term leases of premises and construction equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date or the adoption of Ind AS 116 and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.30 Earnings Per Share :

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity

shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.31 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.32 Critical judgments in applying accounting policies:

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- (i) **Revenue recognition:** The Group uses the stage of completion method using survey method and /or on completion of physical proportion of the contract work to measure progress towards completion in respect of construction contracts. This method is followed when reasonably dependable estimates of costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognised revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.



Notes forming part of the consolidated financial statements

- (ii) **Key sources of estimation uncertainty:** The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Items requiring significant estimate	Assumption and estimation uncertainty
Review of property, plant and equipment	The Group reviews the estimated useful lives, depreciation method and residual value of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life, depreciation method and residual value considered for the assets.
Fair value measurements and valuation processes	<p>Some of The Group's assets and liabilities are measured at fair value for the financial reporting purposes. The valuation committee which is headed by the Chief Financial Officer determines the appropriate valuation techniques and inputs for fair value measurements.</p> <p>In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party / internal qualified valuers to perform the valuation. Finance team works closely with the qualified external / internal valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the Board of Directors about the cause of fluctuations in the fair value of the assets and liabilities.</p>
Provision for doubtful receivables and contract assets	In assessing the recoverability of the trade receivables and contracts assets, management's judgement involves consideration of aging status, evaluation of litigations and the likelihood of collection based on the terms of the contract.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value / Fair value of Inventories, the Group makes an estimate of future selling prices and costs necessary to make the sale.
Provision for employee benefits	The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Provision for taxes	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid / recovered for uncertain tax positions. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.
Provision for onerous contracts	The Company reviews contracts periodically to assess provisions to be made for onerous contract by estimating future costs and quantities.
Indirect tax litigations	The Group is subjected to VAT assessments in various states where projects were executed. Basing on applicable VAT rules of various states the Group estimated the VAT liability and provided in the book of accounts. The VAT assessments in different states are at different stages and on some of the assessment orders, the Group made appeals and they are at various tribunals and courts.

Notes forming part of the consolidated financial statements

2.33 Exceptional Items:

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

2.34 Operating cycle:

The Group adopts operating cycle based on the project period (including Defect Liability Period) and accordingly all project related assets and liabilities are classified into current and non current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

2.35 Recent accounting pronouncements:

Standards issued but not yet effective and not early adopted by the Group

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On

March 31, 2023, the MCA, issued certain amendments to Ind AS. The amendments relate to the following standards:

- Ind AS 101, First-time Adoption of Indian Accounting Standards
- Ind AS 1, Presentation of Financial Statements
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12, Income Taxes

These amendments are effective from April 01, 2023. The Company believes that the aforementioned amendments will not materially impact the financial statements of the Company.



Notes forming part of the consolidated financial statements

Note 3

Property, Plant, Equipment and Capital Work-in-Progress:

(₹ in crores)

	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Construction Vehicles	Office Vehicles	Office Equipment	Lease Hold Improvements	Construction Accessories	Total
Cost:										
Balance as at April 01, 2021	67.74	68.36	956.58	15.43	226.74	95.72	67.55	17.13	812.01	2,327.26
Additions	7.25	8.31	85.83	1.18	24.04	17.47	8.00	-	76.77	228.85
Disposals / Adjustments	-	(3.25)	115.11	1.32	22.29	6.39	10.35	-	34.07	186.28
Effect of Foreign Currency Exchange Differences	-	-	1.67	0.02	0.05	0.07	0.26	-	0.22	2.29
As at March 31, 2022	74.99	79.92	928.97	15.31	228.54	106.87	65.46	17.13	854.93	2,372.12
Additions	-	8.54	131.52	2.20	12.22	19.34	9.37	-	137.48	320.67
Disposals / Adjustments	-	0.74	28.69	0.76	22.26	5.30	4.66	-	30.26	92.67
Effect of Foreign Currency Exchange Differences	-	-	0.47	0.01	-	0.02	0.01	-	0.01	0.52
As at March 31, 2023	74.99	87.72	1,032.27	16.76	218.50	120.93	70.18	17.13	962.16	2,600.64
Depreciation:										
Balance as at April 01, 2021	-	20.74	470.19	8.99	92.24	49.74	55.46	15.75	484.94	1,198.05
Depreciation	-	5.80	61.95	1.05	22.84	9.24	4.57	0.58	79.97	186.00
Disposals / Adjustments	-	(0.03)	85.06	1.24	20.44	5.26	9.81	-	30.13	151.91
Effect of Foreign Currency Exchange Differences	-	-	1.31	0.02	0.04	0.06	0.25	-	0.19	1.87
As at March 31, 2022	-	26.57	448.39	8.82	94.68	53.78	50.47	16.33	534.97	1,234.01
Depreciation	-	5.64	64.69	1.08	26.15	11.01	5.80	0.13	87.52	202.02
Disposals / Adjustments	-	0.71	24.02	0.68	13.36	4.71	4.49	-	26.33	74.30
Effect of Foreign Currency Exchange Differences	-	-	0.73	0.04	0.01	0.04	0.08	-	0.15	1.05
As at March 31, 2023	-	31.50	489.79	9.26	107.48	60.12	51.86	16.46	596.31	1,362.78
Net Block										
As at March 31, 2022	74.99	53.35	480.58	6.49	133.86	53.09	14.99	0.80	319.96	1,138.11
As at March 31, 2023	74.99	56.22	542.48	7.50	111.02	60.81	18.32	0.67	365.85	1,237.86

Capital work in progress ₹ 15.07 crores (31.03.2022: ₹ 7.35 crores).

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Opening	7.35	21.86
Additions during the year	11.14	4.67
Capitilisation	3.42	19.18
Closing	15.07	7.35

Notes forming part of the consolidated financial statements

Note 3.1

Investment property & Investment property under construction:

(₹ in crores)

	Land - Freehold	Buildings*	Total
Cost:			
Balance as at April 01, 2021	110.99	112.20	223.19
Additions	-	3.20	3.20
Disposals / Adjustments	2.74	18.78	21.52
As at March 31, 2022	108.25	96.62	204.87
Additions	7.99	7.28	15.27
Disposals / Adjustments	0.37	57.96	58.33
As at March 31, 2023	115.87	45.94	161.81
Depreciation:			
Balance as at April 01, 2021	-	4.85	4.85
Depreciation	-	0.73	0.73
Disposals / Adjustments	-	0.33	0.33
As at March 31, 2022	-	5.25	5.25
Depreciation	-	0.57	0.57
Disposals / Adjustments	-	-	-
As at March 31, 2023	-	5.82	5.82
Net Block			
As at March 31, 2022	108.25	91.37	199.62
As at March 31, 2023	115.87	40.12	155.99

*Cost includes given under operating lease ₹ 30.25 crores (31.03.2022: ₹ 27.95 crores).

Investment property under construction ₹ 107.65 crores (31.03.2022: ₹ 103.47 crores).

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Opening	103.47	68.10
Additions during the year	4.18	35.37
Capitilisation	-	-
Closing	107.65	103.47

Note: Refer note 19 and 22 for details of assets pledged and Note 29 for the details of Rental income.

Fair value of the investment property and investment property under construction

Details of the investment property and information about the fair value hierarchy as at March 31, 2023 and March 31, 2022 are as follows:

(₹ in crores)

	Fair value hierarchy	Fair value as at March 31, 2023	Fair value as at March 31, 2022
Land	Level 3	208.18	213.89
Buildings	Level 3	105.64	182.27
Investment property under construction	Level 3	127.85	127.85
Total		441.67	524.01

The internal technical team of the Company has valued for some of the properties at ₹ 251.40 crores (31.03.2022: ₹ 364.55 crores) and the balance properties have been valued by independent valuer at ₹ 190.27 crores (31.03.2022: ₹ 159.46 crores). The valuation is based on Government rates, market research, market trend and comparable values as considered appropriate.



Notes forming part of the consolidated financial statements

3.2 Other Intangible Assets

(₹ in crores)

	Intangible Assets	Total
Cost:		
Balance as at April 01, 2021	13.16	13.16
Additions	0.02	0.02
Disposals / Adjustments	-	-
As at March 31, 2022	13.18	13.18
Additions	0.04	0.04
Disposals / Adjustments	0.12	0.12
As at March 31, 2023	13.10	13.10
Amortisation:		
Balance as at April 01, 2021	12.45	12.45
Amortisation	0.01	0.01
Disposals / Adjustments	-	-
As at March 31, 2022	12.46	12.46
Amortisation	0.02	0.02
Disposals / Adjustments	0.12	0.12
As at March 31, 2023	12.36	12.36
Net Block		
As at March 31, 2022	0.72	0.72
As at March 31, 2023	0.74	0.74

3.3 Intangible Assets - under development ₹ 6.91 crores (31.03.2022: ₹ Nil)

(₹ in crores)

	As at March 31, 2023
Opening	-
Additions during the year	6.91
Capitilisation	-
Closing	6.91

3.4 The Group uses both internal technical team and independent valuers for fair valuation of the investment properties.

3.5 No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Notes forming part of the consolidated financial statements

(₹ in crores)

	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
4 Investments				
4.1 Non Current Investments				
a In Associates (Equity method)				
Unquoted Instruments at Cost				
i) Investment in equity instruments				
In Shares of ₹ 10 each, fully paid up				
Paschal Form Work (India) Private Limited	6,549,892	-	6,549,892	-
Himalayan Green Energy Private Limited	1,000,000	-	1,000,000	-
Ekana Sportz City Private Limited (Refer note 19.1)	2,268,000	23.19	2,268,000	23.19
Brindavan Infrastructure Company Limited	8,643,036	12.44	8,643,036	12.44
Pondicherry Tindivanam Tollway Private Limited (Refer note 4.3)	3,388,040	-	3,388,040	-
Varapradha Real Estates Private Limited	13,344,973	90.69	13,344,973	80.22
In Shares of one USD each fully paid up				
Apollonius Coal and Energy Pte Limited	3,808,757	16.10	3,778,757	15.86
Less: Provision for Impairment in value of Investments		15.86		15.86
		0.24		-
In Shares of 1000 Dirham each fully paid up				
Nagarjuna Facilities Management Services, L.L.C., Dubai	147	-	147	-
Total aggregate investments in Associates		126.56		115.85
b In Subsidiaries (Refer note 39.1)				
Unquoted Instruments at Cost				
Investment in equity instruments				
In Equity Shares of "LKR" 10 each, fully paid up				
NCC Urban Lanka Private Limited (Value in ₹ 7)	2	-	2	-
c In Other entities				
Investment at Fair Value through Profit and Loss				
SNP Developers and Projects LLP (Valued at ₹ 35,500)		-		-
SNP Property Developers LLP		0.01		0.01
NAC Quippo Equipment Services Limited	1,499,900	1.50	1,499,900	1.50
In Shares of ₹ 25 each, fully paid up				
Akola Urban Co-operative Bank Limited	4,040	0.01	4,040	0.01



Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
		Number of Shares	Amount	Number of Shares	Amount
d	Investment in debentures (Fair value through Profit and Loss)				
	0% Compulsory Convertible Debentures				
	Gayatri Energy Ventures Private Limited (each ₹ 1,483)	1,619,928	209.73	1,619,928	209.73
	Total aggregate investments in Other entities		211.25		211.25
	Total		337.81		327.10
4.2	Current Investments				
	Investment at Fair Value through Profit and Loss Account				
	In Mutual Funds (Quoted)				
	L&T Mutual Fund - Debt Funds	1,869,129	13.13	10,221,912	17.65
	Trust MF Banking & PSU Debt Fund	10,093	1.10	10,093	1.07
	Total		14.23		18.72
	Grand Total		352.04		345.82
	Aggregate market value of current Quoted Investments		14.23		18.72
	Aggregate amount of Unquoted Investments		353.67		342.96
	Aggregate amount of impairment in value of investments		15.86		15.86

4.3 Of these 1,853,656 shares (31.03.2022: 1,853,656 shares) are pledged with Axis Bank Limited & WITCO as security for term loans availed by Pondicherry Tindivanam Tollway Private Limited.

Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
5	Loans				
	Unsecured, Considered good				
	Other Body Corporates		150.00		150.00
	Loans and Advances to Related Parties				
	Associate				
	Considered Good	-		-	
	Significant increase in credit risk	13.91		13.91	
		13.91		13.91	
	Less : Allowance for significant increase in credit risk	13.91		13.91	
			-		-
	Other Loans and Advances				
	Considered Good	-		-	
	Significant increase in credit risk	26.67		26.67	
		26.67		26.67	
	Less : Allowance for significant increase in credit risk	26.67		26.67	
			-		-
	Total		150.00		150.00
6	Trade Receivables				
	Unsecured (Refer note 11.1 to 11.3 & 11.5)				
	Considered Good	161.99		109.90	
	Considered Doubtful	10.00		10.00	
		171.99		119.90	
	Less : Allowance for doubtful trade receivables	14.94		11.94	
	Total		157.05		107.96
7	Other Financial Assets				
	Unsecured, Considered good				
	Other Receivables		-		0.50
	Margin Money Deposits (Refer note 12.4)		88.34		139.49
	In Deposit Accounts with remaining maturity more than 12 months		0.34		0.46
	Deposits with Customers and Others		6.93		0.83
	Deposits - Joint Development (Refer note 7.1)		61.69		58.04
	Receivable under service concession arrangement		43.11		86.26
	Total		200.41		285.58

7.1 Deposits-Joint Development represents deposits with respective land owners against registered Joint Development Agreements (JDAs)/Memorandum of Understanding(MOU). The lands under respective JDA's /MOU are in the possession of NCC Urban. NCC Urban is assessing the market scenario and accordingly initiate execution of the project/s at an appropriate time. Deposits - Joint development are interest free, refundable deposits.



Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
8	Deferred Tax Assets (Net) (Refer note 52)				
	Deferred Tax	48.04		55.15	
	MAT - Minimum Alternate Tax	13.31		9.11	
			61.35		64.26
9	Other Non - Current Assets				
	Advance for Purchase of Land (Refer note 9.1)		2.24		2.24
	GST / Sales Tax / Value Added Tax credit receivable		95.16		113.70
	Contract Asset				
	Due on performance of future obligations				
	Retention Money				
	Considered Good	152.13		70.65	
	Considered Doubtful	-		-	
		152.13		70.65	
	Less : Allowance for doubtful retention money	-		-	
			152.13		70.65
	Unbilled revenue (Refer note 16.3)				
	Considered Good	99.27		48.75	
	Considered Doubtful	8.00		4.00	
		107.27		52.75	
	Less : Expected credit loss for unbilled revenue	8.00		4.00	
			99.27		48.75
	Advances to Suppliers, Sub-contractors, Capital Advances and Others (Refer note 9.2)		233.60		233.60
			582.40		468.94

9.1 Advances for Purchase of Land includes ₹ 2.24 crores (31.03.2022: ₹ 2.24 crores) paid towards two properties during the years from 2005-2006 to 2008-2009, by NCC Urban Infrastructure Limited (NCC Urban) in respect of which agreements were expired. NCC Urban is confident of negotiating with the respective vendors for extension of the agreements and / or registration as per mutually agreed terms or for recovery of advances.

9.2 Advances to Suppliers, Sub-contractors and others, includes advance to enterprises owned are significantly influenced by key management personnel or their relatives ₹ 233.60 crores (31.03.2022: ₹ 233.60 crores).

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
10	Inventories				
	Raw Materials	1,069.16		795.26	
	Raw Material in Transit	17.03		0.87	
	Work-in-progress	199.05		268.40	
	Property Development Cost	88.79		88.81	
	Total		1,374.03		1,153.34

Notes forming part of the consolidated financial statements

(₹ in crores)

	As at March 31, 2023		As at March 31, 2022	
11 Trade Receivables				
Unsecured (Refer note 11.1 to 11.4 & 11.6)				
Considered Good	3,192.03		2,559.68	
Considered Doubtful	15.26		23.26	
	3,207.29		2,582.94	
Less : Allowance for doubtful trade receivables	31.78		37.78	
Total		3,175.51		2,545.16

11.1 Trade receivables are generally realisable from customers within a period of 30 days from the date of submission of bill / invoice.

11.2 In determining the allowance for trade receivables, the Group has used practical expedients based on financial condition of the customer, ageing of the customer receivables and overdues, availability of collaterals and historical experience of collections from customers. The concentration of risk with respect to trade receivables is reasonably low as most of the customers are Government organisations though there may be normal delays in collections.

11.3 Movement in the allowance for doubtful trade receivables:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	49.72	45.14
Add: Allowance for doubtful trade receivables	5.00	13.66
Less: Allowance written off during the year	(8.00)	(9.08)
Balance at the end of the year	46.72	49.72

11.4 Trade receivables includes ₹ 29.22 crores (31.03.2022: ₹ 29.22 crores) from associates.

11.5 Ageing of Non-current Trade receivables as on 31.03.2023:

(₹ in crores)

Particulars	Outstanding from the due date of payment						Total
	Not yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured							
Undisputed Trade receivables							
Considered Good	0.07	2.51	0.10	3.43	10.19	73.70	90.00
Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade receivables							
Considered Good	-	8.84	-	0.64	0.30	62.21	71.99
Considered Doubtful	-	-	-	-	-	10.00	10.00
Total	0.07	11.35	0.10	4.07	10.49	145.91	171.99
Less : Allowance for doubtful trade receivables							14.94
Total							157.05



Notes forming part of the consolidated financial statements

Ageing of Non-current Trade receivables as on 31.03.2022:

Particulars	Outstanding from the due date of payment						Total
	Not yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured							
Undisputed Trade receivables							
Considered Good	-	-	0.81	1.78	30.90	4.96	38.45
Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade receivables							
Considered Good	-	-	0.36	0.50	46.42	24.17	71.45
Considered Doubtful	-	-	-	-	5.00	5.00	10.00
Total	-	-	1.17	2.28	82.32	34.13	119.90
Less : Allowance for doubtful trade receivables							11.94
Total							107.96

11.6 Ageing of Current Trade receivables as on 31.03.2023:

Particulars	Outstanding from the due date of payment						Total
	Not yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured							
Undisputed Trade receivables							
Considered Good	1,209.45	1,264.66	289.08	187.02	65.07	149.46	3,164.74
Considered Doubtful	-	-	-	-	-	10.26	10.26
Disputed Trade receivables							
Considered Good	-	-	-	1.18	-	26.11	27.29
Considered Doubtful	-	-	-	-	-	5.00	5.00
Total	1,209.45	1,264.66	289.08	188.20	65.07	190.83	3,207.29
Less : Allowance for doubtful trade receivables							31.78
Total							3,175.51

Ageing of Current Trade receivables as on 31.03.2022:

Particulars	Outstanding from the due date of payment						Total
	Not yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured							
Undisputed Trade receivables							
Considered Good	1,040.26	747.98	179.34	217.41	199.15	92.37	2,476.51
Considered Doubtful	-	-	-	-	5.26	13.00	18.26
Disputed Trade receivables							
Considered Good	-	1.18	-	-	8.58	73.41	83.17
Considered Doubtful	-	-	-	-	1.00	4.00	5.00
Total	1,040.26	749.16	179.34	217.41	213.99	182.78	2,582.94
Less : Allowance for doubtful trade receivables							37.78
Total							2,545.16

Notes forming part of the consolidated financial statements

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
12 Cash and Bank Balances		
12.1 Cash and Cash Equivalents		
Cash on hand (Refer note 12.3)	0.93	1.16
Balances with Banks :		
In Current Accounts	281.28	242.25
In Deposit Accounts with original maturity less than 3 months	0.18	23.13
Total	282.39	266.54
12.2 Other Bank Balances		
In Deposit Accounts		
Margin Money Deposits (Refer note 12.4, 12.6 & 12.7)	388.95	307.16
In Deposit Accounts with remaining maturity less than 12 months	32.80	15.01
	421.75	322.17
Earmarked balances with Banks		
Unpaid dividend accounts (Refer note 12.5)	0.62	0.52
Long Term Deposits	0.21	6.07
Escrow accounts (Refer note 37 (i) (a))	3.07	3.07
Un-spent CSR account	1.23	2.16
	5.13	11.82
Total	426.88	333.99

12.3 Cash on hand includes ₹ 0.13 crores (31.03.2022: ₹ 0.24 crores) held in foreign currency.

12.4 Margin Money Deposits have been lodged with Banks against Guarantees issued by them.

12.5 Represents Cash and Cash equivalents deposited in unpaid dividend account and are not available for use by the Group other than specific purpose.

12.6 Includes deposits for Debt Service Reserve ₹ Nil (31.03.2022: ₹ 0.69 crores), pursuant to the conditions of term loan agreement with Standard Chartered Bank.

12.7 Includes deposits for Debt Service Reserve ₹ 0.36 crores equal to three months interest as per the facility terms with ICICI Bank.

12.8 Changes in liabilities arising from financing activities

(₹ in crores)

	Balance As at April 01, 2022	Cash Flows	As at March 31, 2023
Current borrowings	1,078.19	(321.17)	757.02
Non-current borrowings (including current maturity)	224.24	(7.44)	216.80
	1,302.43	(328.61)	973.82

(₹ in crores)

	Balance As at April 01, 2021	Cash Flows	As at March 31, 2022
Current borrowings	1,579.43	(501.24)	1,078.19
Non-current borrowings (including current maturity)	482.61	(258.37)	224.24
	2,062.04	(759.61)	1,302.43
Add: Borrowing movement in Subsidiary sold during the year (Refer note 45)	-	13.60	-
Movement as per Cash flow statement		(746.01)	



Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
13	Loans				
	Secured, considered good				
	Loans to Other Body Corporates		199.16		184.23
	Unsecured considered good				
	Security Deposits		-		0.23
	Loans to Other Body Corporate		17.36		25.81
	Loans and Advances to Employees		8.37		6.79
	Total		224.89		217.06
14	Other Financial Assets				
	Secured, considered good				
	Receivables		154.64		154.36
	Unsecured, considered good				
	Receivables		113.86		120.22
	Interest Accrued on Deposits and Others		41.78		17.27
	Unbilled Annuity Receivable		46.13		39.09
	Other Receivables		11.40		11.40
	Total		367.81		342.34
15	Non Current Tax Assets (Net)				
	Advance Taxes and Tax Deducted at Source (Net of Provisions for tax)		290.53		151.66
15.1	Current Tax Assets (Net)				
	Advance Taxes and Tax Deducted at Source (Net of Provisions for tax)		11.07		74.68

Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
16	Other Current Assets		
	Advances to Suppliers, Sub-contractors and Others (Refer note 16.1)		
	Considered Good	1,417.36	1,248.75
	Considered Doubtful	5.29	10.29
		1,422.65	1,259.04
	Less : Allowance for doubtful advances	5.29	10.29
		1,417.36	1,248.75
	Contract Asset		
	Due on performance of future obligations		
	Retention Money (Refer note 16.2)	1,873.09	1,980.09
	Others	200.76	345.21
	Project Facilities	101.50	39.97
	Unbilled revenue (Refer note 16.3)		
	Considered Good	3,132.05	2,230.13
	Considered Doubtful	103.61	138.16
		3,235.66	2,368.29
	Less : Expected credit loss for unbilled revenue	103.61	138.16
		3,132.05	2,230.13
	Prepaid Expenses	78.26	45.62
	Balances with Government Authorities		
	Sales Tax / Value Added Tax credit receivable	76.65	91.49
	Goods and Service Tax credit receivable	489.24	519.50
	Total	7,368.91	6,500.76

16.1 Advances to Suppliers, Sub-Contractors and Others, includes advances to related parties of ₹ 4.16 crores (31.03.2022: ₹ 4.14 crores).

16.2 Retention money receivable from associates for ₹ 21.03 crores (31.03.2022: ₹ 21.03 crores).

16.3 Movement in the Expected credit loss for unbilled revenue:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	142.16	112.15
Add: Expected credit loss for unbilled revenue during the year	29.45	30.01
Less: Utilisation during the current year	60.00	-
Balance at the end of the year	111.61	142.16



Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
		Number of shares	Amount	Number of shares	Amount
17	Share Capital				
	Authorised :				
	Equity Shares of ₹ 2 each	807,500,000	161.50	807,500,000	161.50
	Issued :				
	Equity Shares of ₹ 2 each (Refer note 17.1)	627,846,588	125.57	609,846,588	121.97
	Subscribed and Paid up :				
	Equity Shares of ₹ 2 each	627,846,588	125.57	609,846,588	121.97
	Total		125.57		121.97

17.1 Reconciliation of the number of equity shares and amount outstanding at beginning and at end of the year:

(₹ in crores)

	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at beginning of the year	609,846,588	121.97	609,846,588	121.97
Add: Issue of Share Capital	18,000,000	3.60	-	-
Balance at end of the year	627,846,588	125.57	609,846,588	121.97

17.2 Details of shares held by each shareholder holding more than 5% shares:

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% holding	Number of shares	% holding
Smt. Rekha Jhunjhunwala	70,580,932	11.24	66,733,266	10.94
A V S R Holdings Private Limited	66,636,225	10.61	63,556,225	10.42

17.3 Unclaimed equity shares of 25,454 (31.03.2022: 25,984) are held in "NCC Limited - Unclaimed suspense account" in trust.

17.4 Rights of the shareholders

The equity shares of the company having par value of ₹ 2 per share, rank pari passu in all respects including voting rights and entitlement to dividend. Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of Companies Act 2013, the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

17.5 The Company had issued and allotted 18,000,000 Convertible Warrants on February 12, 2021 at a price of ₹ 59.00 per Warrant on preferential basis to the specified Promoters / Promoter Group of the Company, as per the provision of the SEBI ICDR Regulations. The Company has received the part payment (25% of total consideration) of ₹ 26.55 crores. As per the said regulations the Warrants would be converted into equivalent number of equity shares of ₹ 2.00 each (at a premium of ₹ 57.00 per share) on payment of the balance amount prior to expiry of 18 months from the date of issue of convertible warrants.

Notes forming part of the consolidated financial statements

17.6 Shares held by promoter group at the end of the year:

S. No	Promoter Name	As at 31.03.2021		Change during the FY 2021-22		As at 31.03.2022		Change during the FY 2022-23		As at 31.03.2023	
		No. of shares	% of holding	No. of shares	% of change	No. of shares	% of holding	No. of shares	% of change	No. of shares	% of holding
1	Sri. A.A.V. Ranga Raju	11,983,196	1.96%	(10,000,000)	(83.45%)	1,983,196	0.33%	-	0.00%	1,983,196	0.32%
2	Sri. A.S.N. Raju	4,992,985	0.82%			4,992,985	0.82%	(900,000)	(18.03%)	4,092,985	0.65%
3	Sri. A.G.K. Raju	4,481,569	0.73%			4,481,569	0.73%	(900,000)	(20.08%)	3,581,569	0.57%
4	Sri. J.V. Ranga Raju	2,465,916	0.40%			2,465,916	0.40%	-	0.00%	2,465,916	0.39%
5	AVSR Holdings Private Limited	62,766,225	10.29%	790,000	1.26%	63,556,225	10.42%	3,080,000	4.85%	66,636,225	10.61%
6	Sirisha Projects Private Limited	18,610,669	3.05%			18,610,669	3.05%	2,400,000	12.90%	21,010,669	3.35%
7	Sri. A. Srinivas Ramaraju	174,000	0.03%			174,000	0.03%	1,526,000	877.01%	1,700,000	0.27%
8	Sri. N.R. Alluri	1,221,578	0.20%			1,221,578	0.20%	(900,000)	(73.68%)	321,578	0.05%
9	Sri. U. Sunil	55,000	0.01%			55,000	0.01%	7,000,000	12727.27%	7,055,000	1.12%
10	Smt. A. Bharathi	124,059	0.02%			124,059	0.02%	1,700,000	1370.32%	1,824,059	0.29%
11	Sri. A.V.N. Raju	5,730,740	0.94%	(790,000)	(13.79%)	4,940,740	0.81%	(900,000)	(18.22%)	4,040,740	0.64%
12	Smt. A. Shyama	563,902	0.09%			563,902	0.09%	-	0.00%	563,902	0.09%
13	Smt. A. Subhadra Jyotirmayi	308,091	0.05%			308,091	0.05%	-	0.00%	308,091	0.05%
14	Smt. A. V. Satyanarayanamma	7,288	0.00%			7,288	0.00%	-	0.00%	7,288	0.00%
15	Smt. A. Arundhati	1,143,022	0.19%			1,143,022	0.19%	2,500,000	218.72%	3,643,022	0.58%
16	Smt. J. Sridevi	287,859	0.05%			287,859	0.05%	425,000	147.64%	712,859	0.11%
17	Smt. BH. Kaushalya	178,590	0.03%			178,590	0.03%	-	0.00%	178,590	0.03%
18	Sri. J. Krishna Chaitanya Varma	306,121	0.05%			306,121	0.05%	850,000	277.67%	1,156,121	0.18%
19	Smt. A. Sridevi	113,884	0.02%			113,884	0.02%	-	0.00%	113,884	0.02%
20	Smt. M. Swetha	1,225,530	0.20%			1,225,530	0.20%	-	0.00%	1,225,530	0.20%
21	Smt. A. Neelavathi Devi	73,281	0.01%			73,281	0.01%	(73,281)	(100.00%)		0.00%
22	Sri. A. Sri Harsha Varma	41,780	0.01%			41,780	0.01%	1,700,000	4068.93%	1,741,780	0.28%
23	Sri. A. Vishnu Varma	15,100	0.00%			15,100	0.00%	1,700,000	11258.28%	1,715,100	0.27%
24	Smt. A. Sravani	416,950	0.07%	4,000	0.96%	420,950	0.07%	-	0.00%	420,950	0.07%
25	Smt. J. Sowjanya	559,166	0.09%			559,166	0.09%	425,000	76.01%	984,166	0.16%
26	Smt. A. Suguna	-	0.00%	7,000,000	100.00%	7,000,000	1.15%	(1,800,000)	(25.71%)	5,200,000	0.83%
27	Smt. U. Ramya	-	0.00%	3,000,000	100.00%	3,000,000	0.49%	247,281	8.24%	3,247,281	0.52%
28	Narasimha Developers Private Limited	2,196,179	0.36%			2,196,179	0.36%	-	0.00%	2,196,179	0.35%
	Total	120,042,680	19.68%	4,000		120,046,680	19.68%	18,080,000		138,126,680	22.00%



Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
18	Other Equity				
18.1	Capital Reserve				
	Opening balance	8.45		7.78	
	Add / (Less) : Arising on account of Consolidation	-		0.67	
	Closing balance		8.45		8.45
18.2	Securities Premium				
	Opening balance	2,639.62		2,639.62	
	Add : Premium on Issue of Share Capital	102.60		-	
	Closing balance		2,742.22		2,639.62
18.3	Legal / Statutory Reserve (Refer note 42)				
	Opening balance	25.98		25.14	
	Add / (Less) : On account of Foreign Currency Fluctuation	2.21		0.84	
	Closing balance		28.19		25.98
18.4	Reserve Fund under Section 45 - IC of RBI Act, 1934		0.24		0.24
18.5	Money received against share warrants (Refer note 17.5)		-		26.55
18.6	General Reserve				
	Opening balance	1,384.68		1,135.18	
	Add : Transfer from Retained Earnings	350.00		250.00	
	Less : Arising on account of Consolidation	-		(0.50)	
	Closing balance		1,734.68		1,384.68

Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
18.7	Retained Earnings (Refer note 18.8.a)				
	Opening balance	1,383.39		1,200.44	
	Add : Profit for the year	609.20		482.41	
		1,992.59		1,682.85	
	Less : Appropriations				
	Dividend distributed to equity shareholders (2022-23: ₹ 2.00 per share (2021-22: ₹ 0.80 per share))	125.57		48.79	
	Transfer to General Reserve	350.00		250.00	
	Transfer to Capital Reserve	-		0.67	
		475.57		299.46	
	Closing balance		1,517.02		1,383.39
18.8	Other Components of Equity				
	Remeasurement gains / (losses) of the defined benefit plans (Net of tax)		(33.90)		(29.61)
	Share of Other comprehensive income in Associates		0.01		0.01
	Exchange differences in translating the financial statements of foreign operations (Net of tax) / Adjustment on account of Foreign currency fluctuation		44.35		41.46
	Total		6,041.26		5,480.77

18.8.a For the year ended March 31, 2023, the Board of Directors have proposed a dividend of ₹ 2.20 per share. The dividend payable on approval of the shareholders is ₹ 138.13 crores.

18.9 Nature of Reserves

18.9.a Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

18.9.b Capital Reserve

Capital Reserve represents reserve balances which are not available for distribution as dividend to the company

18.9.c General reserve

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act, 2013 the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

18.9.d Retained Earnings

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
		Non Current	Current*	Non Current	Current*
19	Borrowings (Refer to note 22.4 to 22.7)				
	Debentures				
	Secured - at amortised cost				
	0.01 % Optionally Convertible Debentures (Refer note 19.1)	5.00	-	5.00	-
	Term Loans :				
	Secured - at amortised cost				
	From Banks and Financial Institutions (Refer note 19.2)	68.16	56.08	79.59	58.87
	From Other Parties (Refer note 19.3)	10.23	66.55	29.93	41.22
	Vehicle Loans				
	Secured - at amortised cost				
	From Banks (Refer note 19.4)	2.56	2.07	3.65	2.35
	From Others (Refer note 19.4)	3.14	3.01	2.01	1.62
	Total	89.09	127.71	120.18	104.06

* Current maturities are included in Note 22 - Borrowings.

19.1 Optionally Convertible Debentures by NCC Infra Limited

NCC Infra Limited issued optionally convertible debentures in to Equity at the option of the issuer at a future date after a term of 3 years, however not exceeding 5 years and pledged the shares of Ekana Sportz of ₹ 5.00 crores as security.

19.2 Term Loans from Banks and Financial Institutions

- (i) Axis Bank Limited / Kotak Mahindra Bank / IndusInd Bank Limited / YES Bank Ltd
 - Secured by hypothecation of specific assets purchased out of the loan.
- (ii) Bank of Baharain & Kuwait
 - Exclusive charge on the entire equipment and machinery purchased out of the loan facility with a cover of minimum 1.15 times to be maintained throughout the tenor of the loan.
- (iii) Karnataka Bank Ltd
 - Exclusive Hypothecation charge on the machineries/equipments/vehicles purchased out of the loan facility

Notes forming part of the consolidated financial statements

The details of rate of interest and repayment terms of the loans are as under.

S. No	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in crores)		Interest Range % per annum	Balance number of Installments as at		Fre-quency of Installments	Commencing From- To
		31.03.2023	31.03.2022	31.03.2023	31.03.2022		31.03.2023	31.03.2022		
(i)	Axis Bank Limited	-	1	-	0.05	8.26 to 9.60	-	1	Monthly	October 10, 2017 to April 20, 2022
(ii)	Kotak Mahindra Bank Limited	17	17	6.52	10.29	7.57 to 8.10	18 to 19	30 to 31	Monthly	December 20, 2018 to October 10, 2024
(iii)	IndusInd Bank Limited	13	66	7.60	25.66	8.96 to 9.06	21 to 25	8 to 36	Monthly	February 01, 2019 to April 15, 2025
(iv)	Bank of Bahrain and Kuwait	3	1	33.14	44.97	7.05 to 9.15	2 to 12	6 to 12	Quarterly	November 30, 2020 to Jun 30, 2027
(v)	Karnataka Bank Limited	23	2	66.82	6.89	8.01 to 9.57	21 to 30	21 to 30	Monthly	June 30, 2022 to Mar 07, 2026
(vi)	Yes Bank Limited	22	34	5.75	9.38	8.05 to 8.80	20 to 21	1 to 33	Monthly	May 08, 2019 to Dec 15, 2024

- (iv) Loan of NCC Urban infrastructure Limited (NCC Urban) of ₹ Nil (March 31, 2022: ₹ 31.48 crores)
- The Company has entered into another Facility agreement with Standard Chartered Bank for a term loan aggregating to ₹ 0.95 crores with inner Over Draft limit of ₹ 26.00 crores.
 - The Loan has a tenor of 46 months with moratorium of 27 months followed by equated quarterly repayments commencing from 24th April 2023.
 - First and Exclusive charge on Developer's share of land and constructed property of the Project NCC Urban Mayfair situated at Puttenahalli Village, Yelhanka, Bengaluru North Taluk, Karnataka.
 - Exclusive charge on cash flows (receivables) generated from developer's share of the Project
 - Letter of Comfort from NCC Limited
 - ISRA in the form of lien-marked Fixed Deposit of an amount equivalent to 1 month interest of the total facility.
 - The Facility was closed during the Financial Year.
- (v) Loan of NCC Urban infrastructure Limited (NCC Urban) of ₹ 4.41 crores (March 31, 2022: ₹ 9.74 crores)
- The Company has entered into a Facility agreement with ICICI Bank for a term loan aggregating to ₹ 15.00 crores with inner Over Draft limit of ₹ 2.00 crores towards general corporate purposes.
 - The rate of interest 9.50%, repayable with 12 monthly installments from November 15, 2022.
 - DSR equal to 3 months interest to be maintained.



Notes forming part of the consolidated financial statements

19.3 i) Term Loans from Others Parties:

Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Construction equipment.

The details of rate of interest and repayment terms of term loans are as under.

S. No.	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in crores)		Interest Range % per annum	Balance number of Installments as at		Frequency of Installments	Commencing From-To
		31.03.2023	31.03.2022	31.03.2023	31.03.2022		31.03.2023	31.03.2022		
(i)	Tata Capital Financial Services Limited*	17	5	62.23	45.49	7.60 to 11.50	2 to 14	3 to 21	Monthly/Quarterly	August 21, 2019 to May 21, 2024
(ii)	Volvo Financial Services (India) Private Limited	27	27	14.55	25.66	7.10 to 8.04	9 to 20	21 to 32	Monthly	February 07, 2021 to November 15, 2024

*Term Loan from Tata Capital Financial Services Limited, for March 31, 2023 ₹ 62.23 crores (March 31, 2022 ₹ 45.49 crores) is secured by:

- Personal Guarantee of the promoters i.e., Sri. A.A.V. Ranga Raju
- First and Exclusive Charge on the assets being procured / financed and Collateral Charge on two properties.

19.4 Vehicle Loans

Vehicle loans are secured by hypothecation of the vehicles financed through the loan arrangements. Such loans are repayable in equal monthly installments over a period of 3 to 5 years and carry interest rate ranging between 7.15% to 9.91% per annum.

Construction Equipment Loan ICICI Bank - Loans availed for purchase of Construction Equipments are secured by hypothecation of Construction Equipment acquired out of the said loans. These loans carry an interest rate of 7.30% and repayable in 34 structured monthly installments.

Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
20	Trade Payables (Refer note 23.1)				
	Retention Money		22.90		25.64
21	Provisions				
	Provision for Employee Benefits				
	Compensated absences		1.65		1.53
	Gratuity (Refer note 21.1)		60.19		56.35
	Total		61.84		57.88

21.1 In accordance with the Payment of Gratuity Act, 1972 the Group provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India (LIC) and balance is provided on the basis of valuation of the liability by an independent actuary as at the year end. The management understands that LIC overall portfolio of assets is well diversified and as such, the long term return on the policy is expected to be higher than the rate of return on Central Government bonds.

A Defined benefit plans

- (i) Liability for gratuity as on March 31, 2023 is ₹ 85.40 crores (31.03.2022: ₹ 73.93 crores) of which ₹ 2.88 crores (31.03.2022: ₹ 3.21 crores) is funded with the Life Insurance Corporation of India. The balance of ₹ 82.52 crores (31.03.2022: ₹ 70.72 crores) is included in Provision for Gratuity.
- (ii) Details of the Group's post-retirement gratuity plans for its employees including whole-time directors are given below, which is certified by the actuary.

Amount to be recognised in Balance Sheet:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Present Value of Funded Obligations	85.40	73.93
Fair Value of Plan Assets	(2.88)	(3.21)
Net Liability	82.52	70.72

- (iii) Expenses to be recognized in Statement of Profit and Loss under Employee Benefit Expenses: (₹ in crores)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Current Service Cost	7.03	6.29
Interest on Defined Benefit Obligation	5.09	4.34
Expected Return on Plan assets	(0.22)	(0.25)
Total included in "Employee Benefits Expense"	11.90	10.38



Notes forming part of the consolidated financial statements

(iv) Expenses to be recognized in Statement of Profit and Loss under Other Comprehensive Income: (₹ in crores)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Return on Plan Assets	0.22	0.08
Net Actuarial Losses / (Gains) Recognised in Year	5.56	2.76
Total included in "Other Comprehensive Income"	5.78	2.84

(v) Reconciliation of benefit obligation and plan assets for the year: (₹ in crores)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	73.93	65.22
Current Service Cost	7.03	6.29
Interest Cost	5.09	4.34
Actuarial Losses / (Gain)	5.44	2.76
Benefits Paid	(6.09)	(4.68)
Closing Defined Benefit Obligation	85.40	73.93
Opening Fair Value of Plan assets	3.21	2.36
Expected Return on Plan Assets	-	0.17
Contributions	5.76	5.36
Benefits Paid	(6.09)	(4.68)
Closing Fair Value of Plan Assets	2.88	3.21
Expected Employer's Contribution Next Year	6.00	15.00

(vi) Asset information: (₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Category of Assets		
Insurer Managed Funds – Life Insurance Corporation of India	100%	100%
Amount - ₹ in crores	2.88	3.21

(vii) Experience Adjustments: (₹ in crores)

	2022 - 23	2021 - 22	2020 - 21	2019 - 20	2018 - 19
Defined Benefit Obligations (DBO)	85.40	73.93	65.22	59.72	46.18
Plan Assets	2.88	3.21	2.36	4.10	6.49
Surplus/(Deficit)	(82.52)	(70.72)	(62.86)	(55.62)	(39.69)

Notes forming part of the consolidated financial statements

(viii) Sensitivity Analysis:

(₹ in crores)

	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
Assumptions		
Discount rate	7.51%	7.33%
Estimated rate of return on plan assets	7.51%	7.35%
Expected rate of salary increase	7.00%	6.00%
Attrition rate	24.00%	14.60%
Sensitivity analysis – DBO at the end of the year		
Discount rate + 100 basis points	(2.91%)	(4.10%)
Discount rate - 100 basis points	3.12%	4.50%
Salary increase rate +1%	3.10%	4.40%
Salary increase rate -1%	(2.98%)	(4.10%)
Attrition rate +1%	0.03%	0.20%
Attrition rate -1%	(0.03%)	(0.30%)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(ix) The following pay-outs are expected in future years:

(₹ in crores)

Particulars	March 31, 2023
March 31, 2024	22.43
March 31, 2025	16.20
March 31, 2026	13.00
March 31, 2027	11.13
March 31, 2028	9.41



Notes forming part of the consolidated financial statements

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
22 Borrowings		
Loans repayable on demand		
Secured Loans - Banks		
Working Capital Demand Loan (Refer note 22.1)	719.96	1,004.96
Cash Credits and Overdrafts (Refer note 22.1)	0.45	2.77
Current maturities of Long Term Borrowings (Refer note 19)	127.71	104.06
From Others (Refer note 22.2)	-	15.64
Unsecured Loans		
From Others (Refer note 22.3)	36.61	54.82
Total	884.73	1,182.25

22.1 Working Capital Demand Loans of ₹ 719.96 crores (March 31, 2022: ₹ 1,004.96 crores) and Cash Credit facilities of ₹ 0.45 crores (March 31, 2022: ₹ 2.77 crores) availed from consortium of banks are secured by:

- a) Hypothecation against first charge on stocks, book debts and other current assets of the Company, (excluding specific projects) both present and future, ranking parri passu amongst consortium banks.
- b) Collateral Security pari passu first charge (Hypothecation / Pledge) amongst the members of consortium on unencumbered movable fixed assets of the Company at WDV (specific assets) and equity Shares 444,600,000 (31.03.2022: 444,600,000) of NCC Infrastructure Holdings Limited and equity shares 100,000,000 (31.03.2022: 100,000,000) of NCC Urban Infrastructure Limited. These equity shares have been pledged with SBICAP Trustee Company Limited (Security trustee) on behalf of consortium of working capital lenders.
- c) Equitable mortgage of sixteen properties (Land & Buildings).
- d) Personal Guarantee of Sri. A A V Ranga Raju, Sri A G K Raju & Sri A S N Raju.

These facilities carry an interest rate of 8.00% to 11.50% per annum.

22.2 Loans of ₹ Nil (March 31, 2022: ₹ 15.64 crores) of NCC Urban Infrastructure Limited.

NCC Urban Infrastructure Limited during the Financial year 2020-21, entered into a Loan Agreement with Aditya Birla Finance Limited for availing term loan aggregating to ₹ 30.00 crores. Term Loan carry an interest rate of 11.50% by securing NCC Limited Shares held by the promoter group. Total outstanding was repaid during the prior period and the Company had requested for renewal for the term loan for ₹ 15.90 crores against which ₹ 15.64 crores were disbursed with an interest rate of 9.50% by securing NCC Limited Shares held by the promoter group. The validity of the said Facility is till October 31, 2022. The said Facility is repaid during the financial year.

22.3 Unsecured - term loans from Others:

Includes loans of NCC Urban Infrastructure Limited taken from Other Corporates and Directors having a maturity of less than one year and outstanding balance of ₹ 36.61 crores (31.03.2022: ₹ 54.82 crores) and carry interest rate of 11.00% per annum.

22.4 The Group used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

22.5 The Group has borrowings from banks on the basis of security of current assets, and the quarterly returns and statements of current assets filed by the Company with banks are in agreement with the books of accounts.

22.6 The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

22.7 The Group is not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.

Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
23	Trade Payables (Refer note 23.2)				
	Micro and small enterprises		47.28		34.25
	Other than micro and small enterprises				
	Acceptances	935.56		686.83	
	Other than Acceptances (includes retention money payable)	4,323.18		3,676.72	
			5,258.74		4,363.55
	Total		5,306.02		4,397.80

23.1 Ageing of Non-current Trade payables as on 31.03.2023:

(₹ in crores)

Particulars	Outstanding from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	22.19	0.71	-	-	-	22.90
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	22.19	0.71	-	-	-	22.90

Ageing of Non-current Trade payables as on 31.03.2022:

(₹ in crores)

Particulars	Outstanding from the due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	19.66	5.98	-	-	-	25.64
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	19.66	5.98	-	-	-	25.64



Notes forming part of the consolidated financial statements

23.2 Ageing of Current Trade payables as on 31.03.2023:

(₹ in crores)

Particulars	Outstanding from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	47.28	-	-	-	47.28
(ii) Others	2,516.03	2190.88	18.86	11.90	45.67	4,783.34
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	13.88	-	-	-	7.44	21.32
	2,529.91	2,238.16	18.86	11.90	53.11	4,851.94
Accrued expenses						454.08
Total						5,306.02

Ageing of Current Trade payables as on 31.03.2022:

(₹ in crores)

Particulars	Outstanding from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	34.25	-	-	-	34.25
(ii) Others	2,256.78	1,343.99	11.79	12.91	56.57	3,682.04
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	13.32	-	-	-	7.89	21.21
	2,270.10	1,378.24	11.79	12.91	64.46	3,737.50
Accrued expenses						660.30
Total						4,397.80

(₹ in crores)

		As at March 31, 2023	As at March 31, 2022
24	Other Financial Liabilities		
	Interest Accrued but not due on borrowings and others	96.19	87.31
	Unpaid Dividend Accounts (Refer note 12.5)	0.62	0.52
	Book over draft	7.17	-
	Other Payables		
	Interest Accrued on Trade Payables	0.04	0.10
	Other Liabilities	16.48	11.42
	Total	120.50	99.35

Notes forming part of the consolidated financial statements

(₹ in crores)

		As at March 31, 2023		As at March 31, 2022	
25	Provisions				
	Provision for Employee Benefits				
	Compensated absences		50.84		50.43
	Gratuity (Refer note 21.1)		22.33		14.37
	Provision for contractual obligations (Refer note 25.1)		21.00		14.41
	Total		94.17		79.21

25.1 In respect of subsidiary OB Infrastructure Limited provision has been made for contractual obligations based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	14.41	66.01
Additions (including Unwinding Interest)	21.00	23.80
Incurred during the year	14.41	75.40
Balance at the end of the year	21.00	14.41

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
26	Current Tax Liabilities (Net)	
	Provision for Tax (Net of Advance Tax)	2.17
27	Other Current Liabilities	
	TDS / Service Tax / Other payable	31.98
	Goods and Service Tax payable	4.84
	Contract Liabilities	
	Mobilisation Advance from Customers	2,056.85
	Advances from Customers	281.74
	Advances from others	97.28
	Other Liabilities	124.67
	Total	2,597.36



Notes forming part of the consolidated financial statements

(₹ in crores)

	Year Ended March 31, 2023	Year Ended March 31, 2022
28 Revenue from Operations		
Income from Contracts and Services	15,123.88	10,786.80
Income from Real Estate Projects	266.22	280.45
Other Operating Income	163.31	70.71
Total	15,553.41	11,137.96
29 Other Income		
Interest Income		
On Deposits and Others	27.27	19.72
On Loans and Advances	41.63	5.82
On Income Tax refund	0.97	8.35
On Others	10.23	4.75
Profit on Sale of Investment (Net)	0.17	2.06
Gain on remeasuring investment at FVTPL (Net)	0.48	1.72
Net Gain / (loss) on foreign currency transactions	0.05	3.49
Other Non-Operating Income		
Rental Income from operating lease on investment property	13.56	5.78
Profit on Sale of Property, Plant and Equipment / Investment Property (Net)	47.33	-
Miscellaneous Income	5.90	19.03
Total	147.59	70.72
30 Cost of Materials Consumed	4,855.11	3,484.62
31 Construction Expenses		
Transport Charges	61.84	46.38
Operation and Maintenance		
Machinery	336.03	383.39
Others	32.19	18.39
	368.22	401.78
Hire Charges for Machinery and others	209.06	165.37
Power and Fuel	36.24	41.90
Technical Consultation	143.45	72.37
Royalties, Seigniorage and Cess	46.84	46.80
Property Development Cost	21.28	7.80
Other Expenses	513.98	433.01
Expected credit loss for unbilled revenue	29.45	30.01
	1,000.30	797.26
Total	1,430.36	1,245.42
32 Changes in Inventories of Work in Progress		
Opening Balance	268.40	373.89
Closing Balance	199.05	268.40
Total	69.35	105.49

Notes forming part of the consolidated financial statements

(₹ in crores)

		Year Ended March 31, 2023	Year Ended March 31, 2022
33	Employee Benefits Expense		
	Salaries and Other Benefits	489.16	410.76
	Contribution to Provident Fund and Other Funds	45.70	30.14
	Staff Welfare Expenses	10.83	11.76
	Total	545.69	452.66
33.1	Refer note 21.1 for expenses recognised for gratuity of employees.		
34	Finance Costs		
	Interest Expense on		
	Borrowings		
	Debentures	-	1.43
	Term Loans	17.49	21.58
	Working Capital Demand Loans and Cash Credit	153.75	159.30
	Mobilisation Advance	109.70	117.78
	Letter of Credit and Others	58.06	36.15
		339.00	336.24
	Other Borrowing Costs		
	Commission on - Bank Guarantees	127.53	107.83
	- Letter of Credit	34.54	22.02
		162.07	129.85
	Bank and Other Financial Charges	14.15	11.98
	Total	515.22	478.07
35	Other Expenses		
	Rent	65.99	60.61
	Travelling and Conveyance	33.33	22.29
	Office Maintenance	36.05	28.39
	Electricity Charges	10.79	8.75
	Rates and Taxes	9.51	7.22
	Consultation Charges	15.58	13.94
	Postage, Telegrams and Telephones	3.43	3.10
	Insurance	13.87	10.25
	Printing and Stationery	6.35	5.29
	Legal and Professional Charges	33.37	24.11
	Auditors' Remuneration	2.06	1.88
	Directors' Sitting Fees	0.41	0.41



Notes forming part of the consolidated financial statements

(₹ in crores)

		Year Ended March 31, 2023	Year Ended March 31, 2022
	Trade Receivables / Advances Written off	3.53	1.01
	Loss on Sale of Property, Plant and Equipment / Investment Property (Net)	-	3.97
	Provision for Doubtful Trade Receivables / Advances / Others	5.00	13.66
	Tender Schedule Expenses	1.70	1.38
	Donations	41.36	3.55
	CSR Expenditure (Refer note 49)	8.65	11.03
	Software Acquisition Expenses	7.84	4.90
	Repairs & Maintenance	8.97	7.34
	Digitization Expenses	4.35	6.79
	Miscellaneous Expenses	19.65	17.13
	Total	331.79	257.00
36	Tax Expense		
	Current Tax (including earlier year taxes)	234.25	146.58
	Deferred Tax	4.39	(5.93)
	Total	238.64	140.65

36.1 Reconciliation of tax expense to the accounting profit is as follows:

(₹ in crores)

		Year ended March 31, 2023	Year ended March 31, 2022
	Accounting profit before tax	884.85	634.68
	Tax expense at statutory tax rate at 25.168%	222.70	159.74
	Adjustments:		
	Effect of income that is exempt from taxation	(5.88)	-
	Adjustments recognised in the current year in relation to the current tax of prior years	14.61	(2.88)
	Effect of expenses that are not deductible in determining taxable profit	16.50	14.35
	Effect of capital gains set off with unused capital losses	(7.99)	(47.51)
	Adjustments recognised in the current year in relation to the MAT credit / reversal of DTA of prior years	(10.34)	0.93
	Losses and tax offsets not considered for deferred tax asset	10.05	13.49
	Others including effect of differential tax rates in joint operations and Subsidiaries	(1.01)	2.53
		15.94	(19.09)
	Tax expense reported in the Statement of Profit and Loss	238.64	140.65

Notes forming part of the consolidated financial statements

36.2 Income tax credit / (expense) recognized in Other Comprehensive Income:

(₹ in crores)

	Year ended March 31, 2023	Year ended March 31, 2022
Tax effect on actuarial gains/losses on defined benefit obligations	1.46	0.72

36.3 The Company does not have any transaction which is not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

36.4 In the month of November 2022, the Income Tax Department carried out a survey under section 133A of the Income Tax Act requiring the Company to provide details of transactions, if any, with certain vendors. The Company has provided required documentary evidences related to such transactions to the department. Based on internal assessment and review, management does not expect any material impact arising thereof in this regard.

37 Contingent Liabilities and Commitments (to the extent not provided for)

(i) Contingent Liability

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
(a) Matters under litigation		
Claims against the company not acknowledged as debt*		
- Disputed sales tax / entry tax liability for which the Group & associates preferred appeal	235.79	290.53
- Disputed central excise duty relating to clearance of goods of LED division in favour of Developers of SEZ, for which the Company has filed an appeal to CESTAT, Bangalore	0.46	0.46
- Disputed service tax liability for which the Group preferred appeal	93.94	96.31
- Others	34.59	40.50
(Includes claim by National Highway Authority of India (NHAI) towards certain operating non-compliances by a subsidiary. NHAI has written to the subsidiary's Escrow Agent M/s. IDBI Bank Limited to hold ₹ 3.07 crores (31.03.2022: ₹ 3.07 crores) in Escrow account pending recovery. The subsidiary has represented to NHAI for releasing the amount kept on hold and is confident of a favourable decision by the NHAI).		
* Interest, if any, not ascertainable after date of order.		
(b) Share of group in contingent liabilities of Associates.	0.02	0.02
The Group has filed claims and has also filed counter claims in several legal disputes related to construction contracts and same are pending before legal authorities. The Management does not expect any material adverse effect on its financial position.		

(ii) Commitments

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	1.74	108.59
(b) Future Export commitments on account of import of machinery and equipments at concessional rate of duty under EPCG scheme.	-	1.76



Notes forming part of the consolidated financial statements

38. Related Party Transactions

i) Following is the list of related parties and relationships:

S.No	Particulars	S.No	Particulars
A)	Associates (Refer note 39)	23	Smt. A. Subhadra Jyotirmayi
B)	Key Management Personnel	24	Smt. A. Shyama
1	Sri. A.A.V. Ranga Raju	25	Smt. A. Suguna
2	Sri. A.S.N. Raju	26	Sri. A. Sri Harsha Varma
3	Sri. A.G.K. Raju	27	Sri. S.R.K. Surya Srikrishna Raju
4	Sri. A.V.N. Raju	28	Sri. A. Vishnu Varma
5	Sri. J.V. Ranga Raju	29	Smt. A. Nikitha
6	Sri. Utpal Hemendra Sheth	30	Sri. U. Sunil
7	Smt. Renu Challu	31	Sri. P.Manoj Raj
8	Sri. Hemant Madhusudan Nerurkar	32	Smt. A. Sravani
9	Dr. Durga Prasad Subramanyam Anapindi	33	Smt. U Ramya
10	Sri. Om Prakash Jagetiya	D)	Enterprises owned or significantly influenced by key management personnel or their relatives
11	Sri. K. Krishna Rao	34	NCC Blue Water Products Limited
12	Sri. M.V. Srinivasa Murthy	35	Shyamala Agro Farms LLP ##
C)	Relatives of Key Management Personnel	36	Ranga Agri Impex LLP
13	Dr. A.V.S. Raju	37	NCC Foundation
14	Smt. A. Satyanarayanamma	38	Sirisha Projects Private Limited
15	Sri. N.R. Alluri	39	Narasimha Developers Private Limited
16	Sri. A. Srinivasa Rama Raju	40	Arnesh Ventures Private Limited
17	Smt. BH. Kaushalya	41	AVSR Holdings Private Limited
18	Smt. J. Sridevi	42	Sridevi Properties
19	Smt. J. Sowjanya	43	Matrix Security and Surveillance Private Limited
20	Smt. A. Arundhati	44	Jampana Constructions Private Limited
21	Smt. M. Swetha	45	NCC Urban Infrastructure Company Limited, Dubai
22	Sri. J. Krishna Chaitanya Varma		

Converted into LLP with effect from June 28,2021.

Notes forming part of the consolidated financial statements

(ii) Related Party transactions during the year are as follows:

(₹ in crores)

S. No	Particulars	Associates		Key Management personnel and relatives		Enterprises owned and significantly influenced by key management personnel or their relatives	
		2022 - 23	2021 - 22	2022 - 23	2021 - 22	2022 - 23	2021 - 22
1	Loan repaid	18.21	-	-	14.50	-	-
2	Advances granted	-	-	-	-	-	4.91
3	Advances repaid / adjusted	-	-	-	-	0.01	0.09
4	Remittance to Trade Payables	-	0.86	-	-	0.05	3.88
5	Material Purchase & Services	0.50	0.51	-	-	-	-
6	Interest Expense	4.83	5.91	-	-	-	-
7	Reimbursement of Expenses	-	-	0.02	0.02	0.12	0.24
8	Sub-Contractors work bills	-	-	-	-	0.26	12.83
9	Contribution towards Corporate Social Responsibility	-	-	-	-	3.16	5.41
10	Remuneration (Including commission)*						
	Short-term employee benefits	-	-	33.34	23.83	-	-
	Post employee benefits	-	-	0.83	0.69	-	-
11	Directors sitting fee and commission	-	-	0.34	0.85	-	-
12	Rent expenses	-	-	0.70	0.70	12.51	10.65
13	Dividend paid	-	-	9.26	2.89	17.95	6.69

* As the future liabilities for gratuity and leave encashment is provided on actuarial basis for the Group as a whole, the amount pertaining to the Directors is not ascertainable, therefore not included above.



Notes forming part of the consolidated financial statements

(iii) Related Party balances outstanding are as follows:

(₹ in crores)

S. No	Particulars	Associates		Key Management personnel and relatives		Enterprises owned and significantly influenced by key management personnel or their relatives	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
1	Debit Balances outstanding						
	Paschal Form Work (India) Private Limited	0.02	-	-	-	-	-
	Ekana Sportz City Private Limited	50.25	50.25	-	-	-	-
	NCC Urban Infrastructure Company Limited, Dubai	-	-	-	-	233.60	233.60
	Sridevi Properties	-	-	-	-	0.19	0.19
	Jampana Constructions Private Limited	-	-	-	-	3.57	3.57
	Sri. J.V. Ranga Raju	-	-	0.08	0.08	-	-
	Smt. J. Sowjanya	-	-	0.10	0.10	-	-
	Smt. J. Sridevi	-	-	0.08	0.08	-	-
	Sri. J. Krishna Chaitanya Varma	-	-	0.13	0.13	-	-
2	Credit Balances outstanding						
	Nagarjuna Facilities Management Services L.L.C.	0.25	0.25	-	-	-	-
	Varaprada Real Estates Private Ltd	36.36	54.57	-	-	-	-
	Shyamala Agro Farms LLP	-	-	-	-	-	0.03
	Jampana Constructions Private Limited	-	-	-	-	0.98	0.75
	Sridevi Properties	-	-	-	-	0.26	0.12
	Matrix Security and Surveillance Private Limited	-	-	-	-	0.01	0.02
	Sri. A.A.V. Ranga Raju *	-	-	4.24	2.68	-	-
	Sri. A.S.N. Raju	-	-	2.27	1.42	-	-
	Sri. A.G.K. Raju *	-	-	2.27	1.42	-	-
	Sri. A.V.N. Raju	-	-	2.27	1.42	-	-
	Sri. J.V. Ranga Raju	-	-	0.59	0.34	-	-
	Sri. Alluri Narayana Raju	-	-	-	14.50	-	-
	Sri. Hemant Madhusudan Nerurkar	-	-	-	0.14	-	-
	Smt. Renu Challu	-	-	-	0.09	-	-
	Dr. Durga Prasad Subramanyam Anapindi	-	-	-	0.14	-	-

Notes forming part of the consolidated financial statements

(iii) Related Party balances outstanding are as follows:

(₹ in crores)

S. No	Particulars	Associates		Key Management personnel and relatives		Enterprises owned and significantly influenced by key management personnel or their relatives	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	Sri. Om Prakash Jagetiya	-	-	-	0.09	-	-
	Sri. K. Krishna Rao	-	-	0.05	0.05	-	-
	Sri. M.V. Srinivasa Murthy	-	-	0.06	0.05	-	-
	Sri. S.R.K. Surya Srikrishna Raju	-	-	0.05	0.05	-	-
	Sri. A. Vishnu Varma	-	-	0.10	0.07	-	-
	Smt. A. Nikhita	-	-	0.02	0.05	-	-
	Sri. A. Sri Harsha Varma	-	-	0.07	0.04	-	-
	Sri. U. Sunil	-	-	0.05	0.07	-	-
	Sri. J. Krishna Chaitanya Varma	-	-	0.34	0.19	-	-
	Smt. J. Sowjanya	-	-	0.11	0.05	-	-
	Smt. J. Sridevi	-	-	0.06	0.03	-	-
	Smt. BH. Kaushalya	-	-	0.02	0.02	-	-
	Sri. P. Manoj Raj	-	-	0.05	0.03	-	-

* Refer note 19 and 22 for details of personal guarantee given by the Directors.



Notes forming part of the consolidated financial statements

(iv) Disclosure in respect of significant transactions (which are more than 10% of the total transactions of the same type) with related parties during the year.

(₹ in crores)

Particulars	2022 - 23	2021 - 22
Loan Repaid		
- Sri. N.R. Alluri	-	14.50
Advances Granted		
- Jampana Constructions Private Limited	-	4.91
Advances repaid / adjusted		
- NCC Blue Water Products Limited	-	0.09
Remittance to Trade Payables		
- Jampana Constructions Private Limited	0.05	3.86
- Paschal Form Work (India) Private Limited	-	0.86
Material Purchases & Services		
- Paschal Form Work (India) Private Limited	0.50	0.51
Interest Expense		
- Varaprada Real estates Private Limited	4.83	5.91
Reimbursement of Expenses		
- Jampana Constructions Private Limited	-	0.10
- Sridevi Properties	0.11	0.10
- NCC Blue Water Products Limited	0.01	0.04
Sub Contract Work Bills		
- Jampana Constructions Private Limited	0.26	12.83
Contribution towards Corporate Social Responsibility		
- NCC Foundation	3.16	5.41
Remuneration (Including Commission)		
- Sri. A.A.V. Ranga Raju	9.29	6.41
- Sri. A.S.N. Raju	4.78	3.28
- Sri. A.G.K. Raju	4.75	3.27
- Sri. A.V.N. Raju	4.70	3.22
Directors Sitting Fees		
- Sri. Hemanth Madhusudan Nerurkar	0.07	0.23
- Smt. Renu Challu	0.06	0.17
- Dr. Durga Prasad Subramanyam Anapindi	0.09	0.24
- Sri Om Prakash Jagetiya	0.08	0.17
- Sri Utpal Hemendra Sheth [§]	0.04	-
Rent Expenses		
- Sirisha Projects Private Limited	11.34	9.85
Dividend Paid		
- AVSR Holdings Private Limited	13.31	5.02
- Sirisha Projects Private Limited	4.20	1.49

§ Transactions occurred during the previous year with the party do not exceed 10% of the total transaction value. Hence, amount not disclosed.

Notes forming part of the consolidated financial statements

39 The Subsidiaries and Associate Companies considered for consolidated financial statements are:

Name of Subsidiaries / Associates	Place of incorporation and operation	Proportion of Ownership Interest and voting power held by the Group	
		As at March 31, 2023	As at March 31, 2022
NCC Urban Infrastructure Limited	India	80%	80%
NCC Infrastructure Holdings Limited	India	62.84%	62.84%
NCC Vizag Urban Infrastructure Limited (Refer note 39.2)	India	-	-
NCC International Convention Centre Limited ⁵	India	-	-
Pachhvara Coal Mining Private Limited	India	51%	51%
Talaipalli Coal Mining Private Limited	India	51%	51%
Nagarjuna Construction Company International L.L.C.	Sultanate of Oman	100%	100%
NCC Infrastructure Holdings Mauritius Pte Limited	Mauritius	100%	100%
Nagarjuna Contracting Co. L.L.C.	Dubai	100%	100%
Subsidiaries of NCC Urban Infrastructure Limited			
Dhatri Developers & Projects Private Limited	India	100%	100%
Sushanti Avenues Private Limited	India	100%	100%
Sushrutha Real Estate Private Limited	India	100%	100%
PRG Estates LLP	India	100%	100%
Thrilekya Real Estates LLP	India	100%	100%
Varma Infrastructure LLP	India	100%	100%
Nandyala Real Estates LLP	India	100%	100%
Kedarnath Real Estates LLP	India	100%	100%
AKHS Homes LLP	India	100%	100%
JIC Homes Private Limited	India	100%	100%
Sushanti Housing Private Limited	India	100%	100%
CSVS Property Developers Private Limited	India	100%	100%
Vera Avenues Private Limited	India	100%	100%
Sri Raga Nivas Property Developers LLP	India	100%	100%
VSN Property Developers LLP	India	100%	100%
M A Property Developers Private Limited	India	100%	100%
Vara Infrastructure Private Limited [®]	India	-	-
Sri Raga Nivas Ventures Private Limited [^]	India	-	-
Mallelavanam Property Developers Private Limited	India	100%	100%
Sradha Real Estates Private Limited [®]	India	-	-
Siripada Homes Private Limited [®]	India	-	-
Nagarjuna Suites Private Limited ^{^^}	India	-	-
NCC Urban Homes Private Limited	India	100%	100%
NCC Urban Ventures Private Limited	India	100%	100%
NCC Urban Meadows Private Limited [®]	India	-	-
NCC Urban Villas Private Limited [®]	India	-	-



Notes forming part of the consolidated financial statements

Name of Subsidiaries /Associates	Place of incorporation and operation	Proportion of Ownership Interest and voting power held by the Group	
		As at March 31, 2023	As at March 31, 2022
Subsidiaries of NCC Infrastructure Holdings Limited			
OB Infrastructure Limited	India	64.02%	64.02%
NCC Infra Limited	India	100%	100%
Samashti Gas Energy Limited	India	100%	100%
Savitra Agri Industrial Park Private Limited	India	100%##	100%##
Subsidiaries of NCC Infrastructure Holdings Mauritius Pte. Limited			
Al Mubarakia Contracting Co. L.L.C.	Dubai	100%	100%
Subsidiary of Nagarjuna Construction Company International L.L.C.			
NCCA International Kuwait General Contracts Company L.L.C.	Kuwait	100%	100%
Associates of the NCC Limited			
Brindavan Infrastructure Company Limited	India	33.33%	33.33%
Paschal Form Work (India) Private Limited	India	23.35%	23.35%
Nagarjuna Facilities Management Services L.L.C.	Dubai	49.00%	49.00%
Associates of the NCC Infrastructure Holdings Limited			
Pondicherry Tindivanam Tollway Private Limited	India	47.80%	47.80%
Ekana Sportz City Private Limited	India	26.00%	26.00%
Associates of the NCC Infrastructure Holdings Mauritius Pte. Limited			
Himalayan Green Energy Private Limited	India	50.00%	50.00%
Apollonius Coal and Energy Pte. Ltd.	Singapore	44.29%##	44.22%##
Associate of the NCC Urban Infrastructure Limited			
Varapradha Real Estates Private Limited	India	40.00%	40.00%

\$ Struck off from the register of companies w.e.f June 22, 2021.

@ Struck off from the register of companies w.e.f April 09,2021.

^ Struck off from the register of companies w.e.f December 02,2021.

^^ Struck off from the register of companies w.e.f January 31,2022.

Including holding by NCC Limited.

Percentage of ownership interest in step subsidiaries and associates reported above represents ownership interest of immediate holding company and not the effective interest of the Group.

39.1 List of entities not considered for consolidation

(a) In respect of a step subsidiary company, NCC Urban Lanka (Private) Limited, there are no transactions since incorporation, hence not considered for consolidation.

39.2 Change in the Group's ownership interest

Ceased to be Subsidiary with effect from March 31, 2022.

Notes forming part of the consolidated financial statements

39.3 Disclosure of subsidiary having material non-controlling interests:

(i) Summarised statement of Profit and Loss for the year ended March 31, 2023:

(₹ in crores)

Particulars	NCC Infrastructure Holdings Limited	OB Infrastructure Limited	Pachhwara Coal Mining Private Limited	NCC Urban Infrastructure Limited
Revenue	0.48	89.64	1,779.61	361.53
Profit / (loss) for the year	(14.93)	9.94	52.51	44.04
Total comprehensive income	(14.93)	9.94	52.51	44.04
Non-controlling interest %	37.16%	59.77%	49.00%	20.00%
Profit / (loss) allocated to non-controlling interests	(5.55)	5.94	25.73	8.81

Summarised statement of Profit and Loss for the year ended March 31, 2022:

(₹ in crores)

Particulars	NCC Infrastructure Holdings Limited	OB Infrastructure Limited	Pachhwara Coal Mining Private Limited	NCC Urban Infrastructure Limited
Revenue	0.48	89.64	864.86	343.42
Profit / (loss) for the year	(17.01)	12.63	25.30	18.02
Total comprehensive income	(17.01)	12.63	25.30	18.02
Non-controlling interest %	37.16%	59.77%	49.00%	20.00%
Profit / (loss) allocated to non-controlling interests	(6.32)	7.55	12.40	3.60

(ii) Summarised Balance Sheet for the year ended March 31, 2023:

(₹ in crores)

Particulars	NCC Infrastructure Holdings Limited	OB Infrastructure Limited	Pachhwara Coal Mining Private Limited	NCC Urban Infrastructure Limited
Current assets (a)	15.79	157.64	455.27	397.70
Current liabilities (b)	134.57	29.59	424.22	218.54
Net current Assets (c) = (a) - (b)	(118.78)	128.05	31.05	179.16
Non-current assets (d)	441.60	52.52	9.17	209.38
Non-current liabilities (e)	-	0.75	-	6.00
Net non-current Assets (f) = (d) - (e)	441.60	51.77	9.17	203.38
Net assets (g)=(c)+(f)	322.82	179.82	40.22	382.54
Non-controlling interest %	37.16%	59.77%	49.00%	20.00%
Accumulated non-controlling interests	119.96	107.48	19.71	76.51



Notes forming part of the consolidated financial statements

Summarised Balance Sheet for the year ended March 31, 2022:

(₹ in crores)

Particulars	NCC Infrastructure Holdings Limited	OB Infrastructure Limited	Pachhwara Coal Mining Private Limited	NCC Urban Infrastructure Limited
Current assets (a)	16.40	101.48	61.06	459.86
Current liabilities (b)	120.29	17.24	51.38	275.77
Net current Assets (c) = (a) - (b)	(103.89)	84.24	9.68	184.09
Non-current assets (d)	441.64	91.45	2.03	191.99
Non-current liabilities (e)	-	5.80	-	37.42
Net non-current Assets (f) = (d) - (e)	441.64	85.65	2.03	154.57
Net assets (g)=(c)+(f)	337.75	169.89	11.71	338.66
Non-controlling interest %	37.16%	59.77%	49.00%	20.00%
Accumulated non-controlling interests	125.51	101.54	5.74	67.73

(iii) Summarised Cash Flow for the year ended March 31, 2023:

(₹ in crores)

Particulars	NCC Infrastructure Holdings Limited	OB Infrastructure Limited	Pachhwara Coal Mining Private Limited	NCC Urban Infrastructure Limited
Cash flows from operating activities	(1.05)	41.51	55.34	104.52
Cash flows from investing activities	(0.03)	(38.31)	-	(7.42)
Cash flows from financing activities	(0.00)	(0.00)	(24.00)	(101.53)
Net increase/(decrease) in cash and cash equivalents	(1.08)	3.20	31.34	(4.43)

Summarised Cash Flow for the year ended March 31, 2022:

(₹ in crores)

Particulars	NCC Infrastructure Holdings Limited	OB Infrastructure Limited	Pachhwara Coal Mining Private Limited	NCC Urban Infrastructure Limited
Cash flows from operating activities	(1.01)	(5.17)	22.33	204.32
Cash flows from investing activities	5.12	74.45	-	(2.97)
Cash flows from financing activities	(0.03)	(71.48)	(22.90)	(198.51)
Net increase/(decrease) in cash and cash equivalents	4.08	(2.20)	(0.57)	2.84

39.4 Financial information in respect of individually immaterial associates:

(₹ in crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Aggregate carrying amount of investments in individually immaterial associates as at	126.56	115.85
Aggregate group share of		
Profit for the year	10.47	1.40

Notes forming part of the consolidated financial statements

40 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the Entities in the Group	All the numbers belong to the year March 31, 2023							
	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 (₹ crores)	As % of Consolidated profit or loss	Amount (₹ crores)	As % of Consolidated other comprehensive income	Amount (₹ crores)	As % of Consolidated total comprehensive income	Amount (₹ crores)
NCC Limited	102.49%	6,321.90	93.43%	569.21	325.71%	(4.56)	92.89%	564.65
Subsidiaries								
Indian								
NCC Urban Infrastructure Limited	6.20%	382.54	7.23%	44.04	11.43%	(0.16)	7.22%	43.88
NCC Infrastructure Holdings Limited	5.23%	322.82	(2.45%)	(14.93)	0.00%	-	(2.46%)	(14.93)
Samashti Gas Energy Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
NCC Infra Limited	0.29%	17.70	0.00%	-	0.00%	-	0.00%	-
OB Infrastructure Limited	2.92%	179.82	1.63%	9.94	0.00%	-	1.64%	9.94
Pachhvara Coal Mining Private Limited	0.65%	40.22	8.62%	52.51	0.00%	-	8.64%	52.51
Talaipalli Coal Mining Private Limited	0.00%	(0.24)	0.00%	-	0.00%	-	0.00%	-
Savitra Agri Industrial Park Private Limited	1.02%	62.95	0.00%	-	0.00%	-	0.00%	-
CSVS Property Developers Private Limited	0.03%	1.83	0.00%	-	0.00%	-	0.00%	-
Dhatri Developers & Projects Private Limited	0.12%	7.55	0.00%	-	0.00%	-	0.00%	-
JIC Homes Private Limited	0.03%	1.84	0.00%	-	0.00%	-	0.00%	-
M A Property Developers Private Limited	0.03%	1.76	0.00%	-	0.00%	-	0.00%	-
Mallelavanam Property Developers Private Limited	0.02%	1.00	0.00%	-	0.00%	-	0.00%	-
Sushanti Housing Private Limited	0.03%	1.76	0.00%	-	0.00%	-	0.00%	-
Sushrutha Real Estate Private Limited	0.04%	2.30	0.00%	-	0.00%	-	0.00%	-
Sushanti Avenues Private Limited	0.09%	5.39	0.00%	-	0.00%	-	0.00%	-
Vera Avenues Private Limited	0.02%	1.42	0.00%	-	0.00%	-	0.00%	-
NCC Urban Ventures Private Limited	0.00%	0.02	0.00%	-	0.00%	-	0.00%	-
NCC Urban Homes Private Limited	0.00%	0.02	0.00%	-	0.00%	-	0.00%	-



Notes forming part of the consolidated financial statements

Name of the Entities in the Group	All the numbers belong to the year March 31, 2023							
	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 (₹ crores)	As % of Consolidated profit or loss	Amount (₹ crores)	As % of Consolidated other comprehensive income	Amount (₹ crores)	As % of Consolidated total comprehensive income	Amount (₹ crores)
Foreign				-				
Nagarjuna Construction Company International L.L.C.	(0.04%)	(2.77)	(1.53%)	(9.30)	1650.00%	(23.10)	(5.33%)	(32.40)
NCC Infrastructure Holdings Mauritius Pte Limited	0.39%	23.89	(0.02%)	(0.12)	3326.43%	(46.57)	(7.68%)	(46.69)
Al Mubarakia Contracting Co. L.L.C.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Nagarjuna Contracting Co. L.L.C.	0.00%	-	0.00%	-	5.71%	(0.08)	(0.01%)	(0.08)
NCCA International Kuwait General Contracts Company L.L.C.	0.06%	3.42	0.00%	-	15.71%	(0.22)	(0.04%)	(0.22)
Partnership Firm								
AKHS Homes LLP	0.05%	3.11	0.00%	-	0.00%	-	0.00%	-
Kedarnath Real Estates LLP	0.02%	1.40	0.00%	-	0.00%	-	0.00%	-
Sri Raga Nivas Property Developers LLP	0.05%	3.35	0.00%	-	0.00%	-	0.00%	-
VSN Property Developers LLP	0.05%	3.35	0.00%	0.01	0.00%	-	0.00%	0.01
Nandyala Real Estates LLP	0.05%	2.79	0.00%	0.01	0.00%	-	0.00%	0.01
PRG Estates LLP	0.02%	1.45	0.00%	-	0.00%	-	0.00%	-
Thrilekya Real Estates LLP	0.03%	1.55	0.00%	-	0.00%	-	0.00%	-
Varma Infrastructure LLP	0.03%	1.71	0.00%	-	0.00%	-	0.00%	-
Non Controlling Interest	(5.17%)	(318.63)	(6.07%)	(37.01)	(2.14%)	0.03	(6.08%)	(36.98)
Associates								
(Investment as per equity method)								
Indian								
Himalayan Green Energy Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Paschal Form Work (India) Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Ekana Sportz city Private Limited	0.38%	23.19	0.00%	-	0.00%	-	0.00%	-
Brindavan Infrastructure Company Limited	0.20%	12.44	0.00%	-	0.00%	-	0.00%	-
Pondicherry Tindivanam Tollway Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Varapradha Real Estates Private Limited	1.47%	90.69	1.72%	10.47	0.00%	-	1.72%	10.47

Notes forming part of the consolidated financial statements

Name of the Entities in the Group	All the numbers belong to the year March 31, 2023							
	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 (₹ crores)	As % of Consolidated profit or loss	Amount (₹ crores)	As % of Consolidated other comprehensive income	Amount (₹ crores)	As % of Consolidated total comprehensive income	Amount (₹ crores)
Foreign								
Nagarjuna Facilities Management Services L.L.C.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Apollonius Coal and Energy Pte. Ltd.	0.00%	0.24	0.00%	-	0.00%	-	0.00%	-
Total before CFS adjustments & eliminations		7,203.78		624.83		(74.66)		550.17
CFS adjustments & eliminations	(16.78%)	(1,036.95)	(2.55%)	(15.63)	(5232.86%)	73.26	9.49%	57.63
Total	100%	6,166.83	100%	609.20	100%	(1.40)	100%	607.80

Name of the Entities in the Group	All the numbers belong to the year March 31, 2022							
	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 (₹ crores)	As % of Consolidated profit or loss	Amount (₹ crores)	As % of Consolidated other comprehensive income	Amount (₹ crores)	As % of Consolidated total comprehensive income	Amount (₹ crores)
NCC Limited	103.58%	5,803.17	101.60%	490.12	111.90%	(2.82)	101.54%	487.30
Subsidiaries								
Indian								
NCC Urban Infrastructure Limited	6.04%	338.66	3.74%	18.02	2.78%	(0.07)	3.74%	17.95
NCC Infrastructure Holdings Limited	6.03%	337.75	(10.47%)	(17.01)	0.00%	-	(10.53%)	(50.52)
Samashti Gas Energy Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
NCC Infra Limited	0.32%	17.70	0.00%	-	0.00%	-	0.00%	-
NCC Vizag Urban Infrastructure Limited	0.00%	-	(0.01%)	(0.05)	0.00%	-	(0.01%)	(0.05)
OB Infrastructure Limited	3.03%	169.89	2.68%	12.63	0.00%	-	2.70%	12.94
NCC International Convention Centre Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Pachhwara Coal Mining Private Limited	0.21%	11.71	5.24%	25.30	0.00%	-	5.27%	25.30



Notes forming part of the consolidated financial statements

Name of the Entities in the Group	All the numbers belong to the year March 31, 2022							
	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 (₹ crores)	As % of Consolidated profit or loss	Amount (₹ crores)	As % of Consolidated other comprehensive income	Amount (₹ crores)	As % of Consolidated total comprehensive income	Amount (₹ crores)
Talaipalli Coal Mining Private Limited	0.00%	(0.25)	0.00%	-	0.00%	-	0.00%	-
Savitra Agri Industrial Park Private Limited	1.12%	62.95	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
CSVS Property Developers Private Limited	0.03%	1.83	0.00%	-	0.00%	-	0.00%	-
Dhatri Developers & Projects Private Limited	0.11%	6.39	0.00%	-	0.00%	-	0.00%	-
JIC Homes Private Limited	0.03%	1.82	0.00%	-	0.00%	-	0.00%	-
M A Property Developers Private Limited	0.03%	1.74	0.00%	-	0.00%	-	0.00%	-
Mallelavanam Property Developers Private Limited	0.02%	0.98	0.00%	-	0.00%	-	0.00%	-
Sushanti Housing Private Limited	0.03%	1.74	0.00%	-	0.00%	-	0.00%	-
Sradha Real Estates Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sushrutha Real Estate Private Limited	0.04%	2.28	0.00%	-	0.00%	-	0.00%	-
Sri Raga Nivas Ventures Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sushanti Avenues Private Limited	0.08%	4.66	0.00%	-	0.00%	-	0.00%	-
Vera Avenues Private Limited	0.02%	1.40	0.00%	-	0.00%	-	0.00%	-
Vara Infrastructure Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Siripada Homes Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Nagarjuna Suites Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
NCC Urban Ventures Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
NCC Urban Homes Private Limited	0.00%	0.01	0.00%	-	0.00%	-	0.00%	-
NCC Urban Meadows Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
NCC Urban Villas Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-

Notes forming part of the consolidated financial statements

Name of the Entities in the Group	All the numbers belong to the year March 31, 2022							
	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 (₹ crores)	As % of Consolidated profit or loss	Amount (₹ crores)	As % of Consolidated other comprehensive income	Amount (₹ crores)	As % of Consolidated total comprehensive income	Amount (₹ crores)
Foreign				-				
Nagarjuna Construction Company International L.L.C.	0.11%	6.23	(14.85%)	(71.66)	374.60%	(9.44)	(16.90%)	(81.10)
NCC Infrastructure Holdings Mauritius Pte Limited	0.72%	40.28	(1.65%)	(7.97)	729.76%	(18.39)	(5.49%)	(26.36)
Al Mubarakia Contracting Co. L.L.C.	0.00%	-	0.00%	-	2.78%	(0.07)	(0.01%)	(0.07)
Nagarjuna Contracting Co. L.L.C.	0.00%	-	0.00%	-	0.79%	(0.02)	0.00%	(0.02)
NCCA International Kuwait General Contracts Company L.L.C.	0.06%	3.19	0.00%	-	4.37%	(0.11)	(0.02%)	(0.11)
Partnership Firm								
AKHS Homes LLP	0.00%	0.03	0.00%	-	0.00%	-	0.00%	-
Kedarnath Real Estates LLP	0.03%	1.43	0.00%	-	0.00%	-	0.00%	-
Sri Raga Nivas Property Developers LLP	0.00%	0.03	0.00%	-	0.00%	-	0.00%	-
VSN Property Developers LLP	0.00%	0.03	0.00%	-	0.00%	-	0.00%	-
Nandyala Real Estates LLP	0.05%	2.84	0.00%	-	0.00%	-	0.00%	-
PRG Estates LLP	0.02%	1.34	0.00%	-	0.00%	-	0.00%	-
Thrilekya Real Estates LLP	0.03%	1.60	0.00%	-	0.00%	-	0.00%	-
Varma Infrastructure LLP	0.03%	1.41	0.00%	-	0.00%	-	0.00%	-
Non Controlling Interest	(5.24%)	(293.41)	(2.41%)	(11.62)	(0.79%)	0.02	(2.42%)	(11.60)
Associates								
(Investment as per equity method)								
Indian								
Himalayan Green Energy Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Paschal Form Work (India) Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Ekana Sportz city Private Limited	0.41%	23.19	(0.03%)	(0.13)	0.00%	-	(0.03%)	(0.13)
Brindavan Infrastructure Company Limited	0.22%	12.44	0.00%	(0.02)	0.00%	-	0.00%	(0.02)



Notes forming part of the consolidated financial statements

Name of the Entities in the Group	All the numbers belong to the year March 31, 2022							
	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 (₹ crores)	As % of Consolidated profit or loss	Amount (₹ crores)	As % of Consolidated other comprehensive income	Amount (₹ crores)	As % of Consolidated total comprehensive income	Amount (₹ crores)
Pondicherry Tindivanam Tollway Private Limited	0.00%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Varapradha Real Estates Private Limited	1.43%	80.22	0.32%	1.55	0.00%	-	0.32%	1.55
Foreign								
Nagarjuna Facilities Management Services L.L.C.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Apollonius Coal and Energy Pte. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total before CFS adjustments & eliminations		6,645.29		439.14		(30.90)		375.04
CFS adjustments & eliminations	(18.61%)	(1,042.55)	15.85%	43.27	(1126.19%)	28.38	21.85%	104.85
Total	100.00%	5,602.74	100.00%	482.41	100.00%	(2.52)	100.00%	479.89

Notes forming part of the consolidated financial statements

41 Financial instruments

41.1 Capital management

The Group's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, non-controlling interest, securities premium and all other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Group:

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Equity	6,485.46	5,896.15
Short-term borrowings and current portion of long-term borrowings	884.73	1,182.25
Long-term borrowings	89.09	120.18
Cash and cash equivalents	(282.39)	(266.54)
Net debt	691.43	1,035.89
Total capital (equity + net debt)	7,176.89	6,932.04
Gearing ratio	0.11	0.18

41.2 Categories of financial instruments

(₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Mandatorily measured:		
Equity investments in other entities	211.25	211.25
Investments in Mutual funds	14.23	18.72
Measured at amortised cost		
Cash and bank balances	709.27	600.53
Other financial assets at amortised cost	4,275.67	3,648.10
Measured at cost		
Investments in equity instruments in associates		
Equity shares	126.56	115.85
	5,336.98	4,594.45
Financial liabilities		
Measured at amortised cost	6,423.24	5,825.22



Notes forming part of the consolidated financial statements

41.3 Financial risk management objectives

The Group's business activities exposed to a variety of financial risk viz., market risk, credit risk and liquidity risk. The Group's focus is to estimate a vulnerability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance.

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's exposure to market risk is primarily on account of the following:

- **Interest rate risk**

Out of total borrowings, large portion represents short term borrowings (WC DL) and the interest rate primarily basing on the Group's credit rating and also the changes in the financial market. Group continuously monitoring over all factors influence rating and also factors which influential the determination of the interest rates by the banks to minimize the interest rate risks.

The Group's exposure to changes in interest rates relates primarily to the Group's outstanding floating rate borrowings. Out of the total borrowings of ₹ 973.82 crores (31.03.2022: ₹ 1,302.43 crores) as of 31.03.2023, the floating rate borrowings are ₹ 878.07 crores (31.03.2022: ₹ 1,109.58 crores). For every 50 base points change in the interest rate when no change in other variables, it will affect the profit before tax by ₹ 4.39 crores for the year ended March 31, 2023 (31.03.2022: ₹ 5.55 crores).

- **Foreign currency risk**

The Group has several balances in foreign currency and consequently the group is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years, which has affected the results of the Group, and may fluctuate substantially in the future. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

We summarise below the financial instruments which have the foreign currency risks as at March 31, 2023 and March 31, 2022.

(a) The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD (crores)	4.31	4.23	5.26	5.26
INR (₹ in crores)	354.60	320.60	432.66	399.07
EURO (crores)	-	0.08	-	-
INR (₹ in crores)	-	6.92	-	-
GBP (crores)	-	0.10	-	-
INR (₹ in crores)	-	10.20	-	-

The Group doesn't have any forex derivative instrument, hence all the above balances are unhedged.

Notes forming part of the consolidated financial statements

(b) Foreign currency sensitivity analysis

The Group is not substantially exposed for business activities in foreign currency. Hence, the impact of any significant fluctuation in the exchange rates is not expected to have a material impact of the operating profits of the Group.

(₹ in crores)

Currency USD impact on:	As at March 31, 2023	As at March 31, 2022
Impact of ₹1 strengthening against US Dollar on profit or (loss) for the year	(0.95)	(1.03)
Impact of ₹1 weakening against US Dollar on profit or (loss) for the year	0.95	1.03
Impact of ₹1 strengthening against US Dollar on Equity as at the end of the reporting period	(0.95)	(1.03)
Impact of ₹1 weakening against US Dollar on Equity as at the end of the reporting period	0.95	1.03

ii) Credit risk management

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the Group.

Credit risk on trade receivables and contract assets is limited as the customers of the Group mainly consists of the Government promoted entities having a strong credit worthiness. For doubtful receivables the company uses a provision matrix to compute the expected credit loss allowances for trade receivables and contract assets. In assessing the recoverability of the trade receivables and contracts assets, management's judgement involves consideration of aging status, evaluation of litigations and the likelihood of collection based on the terms of the contract. Refer note 6, 9, 11.3 and 16.3 for provision made against trade receivable and contract assets.

Credit risk on account of investments, loans (including interest) and other receivables from related parties has been adequately provided in the books. The cash and bank balances (excluding cash on hand) are held with banks and financial institutions having good credit rating.

iii) Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuous planning and monitoring of actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2023:

(₹ in crores)

	Carrying amount	Payable			Total contracted cash flows
		Within 1 year	1-3 year	Beyond 3 years	
Accounts payable and acceptances	5,328.92	5,075.25	206.40	47.27	5,328.92
Borrowings and interest accrued	1,070.01	985.92	82.07	2.02	1,070.01
Other financial liabilities	24.31	24.31	-	-	24.31
Total	6,423.24	6,085.48	288.47	49.29	6,423.24



Notes forming part of the consolidated financial statements

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2022:

(₹ in crores)

	Carrying amount	Payable			Total contracted cash flows
		Within 1 year	1-3 year	Beyond 3 years	
Accounts payable and acceptances	4,423.44	4,205.00	176.37	42.07	4,423.44
Borrowings and interest accrued	1,389.74	1,269.56	118.15	2.03	1,389.74
Other financial liabilities	12.04	12.04	-	-	12.04
Total	5,825.22	5,486.60	294.52	44.10	5,825.22

41.4 Fair value measurements

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

(₹ in crores)

Financial assets / financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at March 31, 2023	As at March 31, 2022		
Investments in Mutual funds at FVTPL	14.23	18.72	Level 1	Refer note 2
Investments in unquoted equity instruments at FVTPL	1.52	1.52	Level 2	Refer note 3(a)
Investments in unquoted equity instruments at FVTPL	209.73	209.73	Level 2	Refer note 3(b)

*Positive value denotes financial asset (net) and negative value denotes financial liability (net).

Notes:

- (1) There were no transfers between Level 1 and 2 in the year.
- (2) The Level 1 financial instruments are measured using quotes in active market
- (3) The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Key Inputs used
(a) Unquoted Equity Instruments	Government notified value of the lands is taken as fair market value in the absence of reliable comparable data.
(b) Unquoted Equity Instruments	Fair value of investments has been arrived either realisable value of underlying assets or as per contractually realisable values.

Notes forming part of the consolidated financial statements

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

(₹ in crores)

	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost:				
- Trade receivables	3,332.56	3,332.56	2,653.12	2,653.12
- Cash and cash equivalents	282.39	282.39	266.54	266.54
- Bank balances other than cash and cash equivalents	426.88	426.88	333.99	333.99
- Loans	374.89	374.89	367.06	367.06
- Other financial assets	568.22	568.22	627.92	627.92
Financial liabilities				
Financial liabilities at amortised cost:				
- Borrowings	973.82	973.82	1,302.43	1,302.43
- Trade payables	5,328.92	5,328.92	4,423.44	4,423.44
- Other financial liabilities	120.50	120.50	99.35	99.35

Note:

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models.

42 Legal / Statutory Reserve

As per Article 106 of the Commercial law of 1974 in the Sultanate of Oman, 10% of the Subsidiary Companies Net Profit is required to be transferred to a non-distributable legal reserve until the amount of the legal reserve equals one-third of the subsidiary's issued share capital. Similarly, as per the provisions of the UAE Commercial Companies Act, 10% of the Subsidiary Companies Net Profit is required to be transferred to a non-distributable statutory reserve until the amount of the statutory reserve equals 50% of the subsidiary's paid up share capital. During the year, the respective subsidiaries had incurred losses, hence no profit had been transferred to the legal reserve.

43 Himachal Sorang Power Limited:

NCC Infrastructure Holdings Limited (NCCIHL), a subsidiary during the year 2012-13, entered into a Share Purchase Agreement (SPA) with TAQA India Power Ventures Private Limited (TAQA), (formerly TAQA Jyothi Energy Ventures

Private Ltd) for sale of 4,144,300 equity shares of ₹ 10.00 each and 7,858,900 Zero Coupon Irredeemable Fully Convertible Debentures held by it in Himachal Sorang Power Limited (HSPL).

In terms of SPA, the sale of shares to be effected in two tranches viz initial sale and subsequent sale. Initial sale shares transferred and consideration realised in 2012-13. Against Subsequent sale of shares amount partly received in advance and shares transfer completed on January 22, 2019. Balance consideration receivable ₹ 9.00 crores against subsequent sale shown under Other Receivables.

During the year 2012-13, the management has estimated and made a provision of ₹ 51.96 crores towards its obligation to meet cost over runs, contingencies, etc. During 2014-15, TAQA invoked bank guarantee of ₹ 36.00 crores, submitted by NCCIHL as security and adjusted this with provision. During 2017-18 Receivable amounts on account of advances paid to HSPL for expenses ₹ 14.08 crores



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adjusted with this provision. The net provision amount of ₹ 1.88 crores presented under "Other Current Liabilities".

During the year 2014-15, TAQA and HSPL had invoked arbitration proceedings under the SPA, in Singapore International arbitration centre, detailing various disputes/claims aggregating to ₹ 409.90 crores which is revised to ₹ 671.43 crores during the Arbitration Process. NCCIHL denied all the disputes/claims in its entirety and raised Counter Claims aggregating to ₹ 210.34 crores (subsequently revised to ₹ 78.50 crores). The Learned Arbitral Tribunal has while quashing the claims of TAQA, has allowed certain claims of HSPL amounting to ₹ 108.38 crores (after adjustments of receivables) together with interest commencing on varied dates.

TAQA/HSPL have filed a petition in Delhi High Court in Mar 2018 for enforcement of SIAC Award dt. January 24, 2018 (First Award). NCCIHL filed an application stating Delhi High Court does not have jurisdiction since NCCIHL does not have any assets in Delhi. While several applications were made before the Court and Orders were also made on them, nothing concrete has been heard thus far on the main enforcement matter. The jurisdiction issue was heard substantially and the next hearing is scheduled on May 13, 2022. In the meanwhile, by way of an Interim Order dt. March 13, 2018, NCCIHL is restrained to sell, alienate, mortgage, or create any third-party interest in its assets, except in the ordinary course of business.

Further, TAQA/HSPL and NCCIHL have filed setting aside (of award) applications in Singapore High Court in April and June 2018 respectively. In Jan 2019, Singapore High Court has dismissed setting aside applications of both parties and grounds for setting aside were provided in November 2019. Both parties have challenged the Singapore High Court's decisions in the Court of Appeal, Singapore. The applications in Court of Appeal were filed in February 2019 and by way of Judgement/Order dt. October 29, 2020, NCCIHL's appeal was dismissed and TAQA/HSPL's appeal was allowed in part and ordered for remission of part of Award to the Arbitral Tribunal for its decision. The hearings on this remitted matter are concluded and the decision on the same is awaited.

In the meanwhile, NCCIHL has invoked another arbitration in December, 2018 under the SIAC rules against HSPL/TAQA for Incentive Payments payable under the provisions of Securities Purchase Agreement (SPA). TAQA has raised counter claims against NCCIHL and NCC (for payment of

awarded amount to HSPL from Award dt. January 24, 2018) and filed an application with the Arbitral Tribunal for joinder of NCC to the arbitration. The Tribunal has agreed for Joinder of NCC. By the Award dt. February 04, 2022 (Second Award), the Arbitral Tribunal has rejected claims of both the parties and only certain costs were awarded to the parties.

NCCIHL has also filed an application in National Company Law Tribunal (NCLT) at Chennai for recovery of ₹ 9.00 Crores (plus interest) from TAQA, as that portion of the Award dt. January 24, 2018 has become final since it was not challenged by TAQA in the Singapore High Court. NCLT has dismissed NCCIHL's application citing couple of reasons including the reason that there are pending disputes between the parties. NCCIHL has filed an appeal in NCLAT (Chennai) and the matter is listed on July 20, 2022. NCCIHL has also filed a petition in Madras High Court against TAQA, for enforcement of Award for this ₹ 9.00 crores and after hearing both the parties the Court on January 11, 2022, has allowed this petition and pronounced a judgement stating that the Award is enforceable as a decree of this Court. TAQA has filed an appeal in the Supreme Court and the hearing is tentatively listed for May 10, 2023.

During the current Financial Year 2022-23, the Management reviewed various items of the claims of both the parties and also considering the in-house legal experts opinion, assessed the likely outcome of the claims and basing on such assessments a further amount of ₹ 14.37 crores is provided under "Other Current Liabilities" in addition to the provision made in previous years.

44 In respect of step subsidiary Savitra Agri Industrial Park Private Limited, certain cases were filed by the petitioners in Honourable High Court of Andhra Pradesh for setting aside alienation of land at Sompeta by Andhra Pradesh Industrial Corporation, setting aside Environmental Clearance for the project and certain other matters. The step subsidiary is a respondent to in all the cases. Besides these, certain individuals have filed cases in Civil Court for permanent injunctions restraining the subsidiary from possession and enjoyment of land admeasuring 1.78 acres. The matters are subjudice. The Management at this juncture do not foresee any adjustments to the carrying value of assets and liabilities on account of these cases at this juncture.

The step subsidiary has planned to develop Aquaculture in own lands (Patta) in Benkili-Baruva Village, Sompeta Mandal Jurisdiction. Accordingly, it has filed application

Notes forming part of the consolidated financial statements

(Form-B) on February 24, 2018, for registration of Fresh Water Aquaculture Farm in 197.00 acres. A Sub-Committee consisting of the officials from Revenue, Irrigation, Ground Water and Agriculture Departments headed by JD-Fisheries visited the project site and made physical inspections. NOCs from all the individual departments have been received except from Agriculture Department which is also expected shortly.

44.A In respect of subsidiary Nagarjuna Contracting Co. L.L.C., as at March 31, 2023, the Entity has a law suit with the customer and the matter is pending before the courts. During the financial year 2018-19, the Management

has decided to cease the operations of the Entity, as the going concern assumption is not valid for the Entity, the financial statements have been prepared on the basis of the accounting convention of realisable /settlement values of assets and liabilities.

45 During the previous year ended March 31, 2022, NCC Limited had sold its entire stake in the Subsidiary company, NCC Vizag Urban Infrastructure Limited for a consideration amounting to ₹ 199.50 crores. On disposal of the subsidiary, gain of ₹ 191.19 crores is recognised as exceptional item in the consolidated Statement of Profit and Loss.



Notes forming part of the consolidated financial statements

46 Service concession arrangement:

Below service concession arrangement has been accounted under financial asset model

Project Name	Orai-Bhognipur Infrastructure Limited
Type of Project	BOT (Annuity)
Concession period	17.5 years (from 19 th October 2006 to 19 th April 2024, Including 2.5 years of construction)
Annuity collection	Fixed semi - annuity based :- ₹ 44.82 crores (in the month of April and October in a financial year)
Investment grant from concession grantor	Nil
Project Description	Constructing, Operating and Maintaining road highway from 220 km to 255 km (i.e. 30 km) on NH-25 and from 421.20 to 449 km on NH-2 on Orai-Bhognipur in Uttar Pradesh.
Infrastructure return at the end of concession period	Yes
Renewal and termination options	Nil

47 Segment Reporting:

- a) Business segment: The Group has considered business segment as primary segment for disclosure. The Group's operations predominantly consist of construction / project activities, which in the context of Ind AS 108 "Operating Segments" is considered the only business segment.
- b) Geographical segment: The Group has operations within India and outside India and the disclosures in respect of the geographical segment are given below:

(₹ in crores)

Geographical Segment	Revenue for the year ended	Segment assets as at*
Within India		
March 31, 2023	15,458.30	2,162.53
March 31, 2022	11,065.13	1,834.33
Outside India		
March 31, 2023	95.11	235.25
March 31, 2022	72.83	236.17

* Segment assets represents non current assets excluding financial assets and deferred tax asset.

Notes forming part of the consolidated financial statements

48 Earnings per share:

	Year Ended March 31, 2023	Year Ended March 31, 2022
Net Profit after tax available for equity shareholders (₹ in crores)	609.20	482.41
Weighted Average number of equity shares for Basic EPS (Nos)	623,389,054	609,846,588
Weighted Average number of equity shares for Diluted EPS (Nos)	623,726,137	614,097,235
Face value per share (₹)	2.00	2.00
Basic EPS (₹)	9.77	7.91
Diluted EPS (₹)	9.77	7.86

49 Corporate Social Responsibility:

(₹ in crores)

	March 31, 2023	March 31, 2022
a) Gross amount required to be spent by the Company during the year	8.65	11.03
b) Amount approved by the Board to be spent during the year	8.65	11.04

c) Amount spent during the year ended:

(₹ in crores)

Particulars	March 31, 2023			March 31, 2022		
	In cash	Yet to be paid	Total	In cash	Yet to be paid	Total
i) Construction/acquisition of any asset	-	-	-	-	-	-
ii) On purposes other than (i) above	8.36	-	8.36	8.90	-	8.90
Total	8.36	-	8.36	8.90	-	8.90

d) Details related to spent / unspent obligations:

(₹ in crores)

Particulars	March 31, 2023	March 31, 2022
i) Spent for CSR activities during the year	3.46	1.36
ii) Contribution	4.90	7.54
iii) Unspent amount in relation to:		
- On going project	0.29	2.14
- Other than ongoing project	-	-
Total	8.65	11.04

* Unspent amount of ₹ 0.29 crores (31.03.2022: ₹ 2.14 crores is deposited in the separate bank account on April 30, 2022) deposited in the separate bank account on April 29, 2023.



Notes forming part of the consolidated financial statements

e) Others:

Particulars	March 31, 2023	March 31, 2022
i) Reason for shortfall	The shortfall of CSR expenditure is on account of non identification of activities by District Authorities.	Identification of the Govt. schools and colleges for implementation of the project in the State of Uttar Pradesh was delayed because of the state election.
ii) Nature of CSR activities	Rural Development, Education, Health care and Skill development.	Rural Development, Education, Health care and Skill development.
iii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
Contribution to NCC Foundation in relation to CSR expenditure	3.16	5.41

50 The exceptional items for the year ended March 31, 2023 is ₹ 14.37 crores towards provision made on obligation on sale of investment.

The exceptional items for the year ended March 31, 2022 is ₹ 203.57 crores, pertains to Profit on sale of stake in the Subsidiary Company, NCC Vizag Urban Infrastructure Limited, additional area allotted to NCC Limited on approval of revised plan as per the contractual terms in relation to Investment property under construction, provision made for impairment of investment and provision made on obligation on sale of investment.

51 Consequent to the encashment of Bank Guarantees (BGs) of ₹ 343.10 crores in the year 2017-18 by one of the customer (Sembcorp Energy India Limited), NCCL invoked the arbitration clause and submitted a claim of ₹ 1,571.41 crores towards refund of retention money, refund of BGs amount, payment of pending bills, additional works done and cost incurred on prolongation of the project by the customer. Against which, the customer has filed a counter claim of ₹ 1,071.46 crores towards liquidated damages, turbine replacement, balance works, etc. As per the management assessment and legal advise, no provision is required for the subject matter and arbitration proceedings are expected to be completed within a year.

Notes forming part of the consolidated financial statements

52 Deferred tax assets (Net):

Significant components of deferred tax (liabilities) / assets for the year ended March 31, 2023: (₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Deferred tax (liabilities) / assets in relation to:		
Property, plant and equipment	(3.17)	(5.72)
Provision for doubtful trade receivables, contract assets, advances and others	38.18	50.41
Provision for employee benefits	35.25	32.68
MAT Credit entitlement	13.31	9.11
Deferment in recognition of income	(22.22)	(22.22)
Total	61.35	64.26

52.1 Unrecognised deductible temporary differences, unused tax losses and unused tax credits:

 (₹ in crores)

	As at March 31, 2023	As at March 31, 2022
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- Long-term / Short-term capital loss	323.92	388.35
- Unused tax credits	105.61	123.09
Total	429.53	511.44

53 Amounts included in contract liabilities at the beginning of the year recognised as revenue in the current year of ₹ 859.94 crores (31.03.2022: ₹ 582.05 crores).

Change in the contract assets and contract liabilities as at March 31, 2023 from March 31, 2022 is on account of increase in operations of the Company.

54 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

There is no difference in the contract price negotiated and the revenue recognised in the statement of profit and loss for the current year. There is no significant revenue recognised in the current year from performance obligations satisfied in previous periods.

55 Performance obligation:

The transaction price allocated to the remaining performance obligations is (excluding non-moving orders) ₹ 50,244 crores (31.03.2022: ₹ 39,361 crores), which will be recognised as revenue over the respective project durations. Generally the project duration of contracts with customers is ranging 1 to 3 years.

56 The trade receivables and contract assets includes an amount of ₹ 122.33 crores (31.03.2022: ₹ 189.52 crores) (net of mobilisation advance) relating to Amaravati Capital City projects in Andhra Pradesh. Execution of the work / payment in these projects has been slow since May, 2019. Management based on internal assessments and discussions with agencies is confident of recovering these balances.



Notes forming part of the consolidated financial statements

- 57** No transactions made with the Struck off Companies in the current year (31.03.2022: ₹ Nil).
- 58** Previous period's figures have been regrouped wherever necessary to conform to current period's presentation.
- 59 Approval of financial statements:**
The financial statements were approved for issue by the Board of Directors on May 26, 2023.

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration No. 101049W/E300004
CHARTERED ACCOUNTANTS

per **NAVNEET RAI KABRA**
Partner
Membership No. 102328

K. KRISHNA RAO
E.V.P (F&A) / CFO

M.V. SRINIVASA MURTHY
Company Secy. & Sr. E.V.P (Legal)

For and on behalf of the Board

A.A.V. RANGA RAJU
Managing Director / CEO
(DIN No: 00019161)

A.G.K. RAJU
Executive Director
(DIN No: 00019100)

Hyderabad, May 26, 2023

Form AOC-1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies.

PART A: Subsidiaries

(₹ in crores)

Sl. No.	Name of the Subsidiary	The Date since when subsidiary was acquired	Reporting currency	Share Capital	Other Equity	Total Liabilities	Total Equity & Liabilities	Total Assets	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for taxation	Profit/ (Loss) after Taxation	Extent of shareholding (In percentage)
1	NCC Urban Infrastructure Limited	8-Dec-2006	INR	250.00	132.54	224.54	607.08	607.08	115.11	361.53	49.01	4.96	44.04	80%
2	NCC Infrastructure Holdings Limited	27-May-2005	INR	709.49	(386.67)	134.57	457.39	457.39	441.41	0.48	(14.93)	-	(14.93)	62.84%
3	Samashti Gas Energy Limited	29-Sep-2010	INR	0.05	-	-	0.05	0.05	-	-	-	-	-	100%
4	NCC Infra Limited	28-Nov-2011	INR	17.90	(0.20)	5.00	22.70	22.70	22.68	-	-	-	-	100%
5	OB Infrastructure Limited	31-Mar-2006	INR	13.34	166.48	30.34	210.16	210.16	-	89.64	10.09	0.16	9.94	64.02%
6	Pachwara Coal Mining Private Limited	1-Jun-2016	INR	0.20	40.02	424.22	464.44	464.44	-	1,779.61	70.28	17.77	52.51	51%
7	Talaipalli Coal Mining Private Limited	25-Dec-2017	INR	0.09	(0.33)	0.25	0.01	0.01	-	-	-	-	-	51%
8	Savitra Agri Industrial Park Private Limited	17-Feb-2017	INR	0.12	62.83	-	62.95	62.95	-	-	-	-	-	100%
9	CSVS Property Developers Private Limited	13-Feb-2007	INR	0.05	1.78	-	1.83	1.83	-	-	-	-	-	100%
10	Dhatri Developers & Projects Private Limited	13-Feb-2006	INR	0.10	7.45	-	7.55	7.55	-	-	-	-	-	100%
11	JIC Homes Private Limited	12-Feb-2007	INR	0.05	1.79	-	1.84	1.84	-	-	-	-	-	100%
12	M A Property Developers Private Limited	17-Feb-2007	INR	0.05	1.71	-	1.76	1.76	-	-	-	-	-	100%
13	Malleivanam Property Developers Private Limited	15-Mar-2007	INR	0.05	0.95	-	1.00	1.00	-	-	-	-	-	100%
14	Sushanti Housing Private Limited	12-Feb-2007	INR	0.05	1.71	-	1.76	1.76	-	-	-	-	-	100%
15	Sushrutha Real Estate Private Limited	13-Feb-2006	INR	0.10	2.20	-	2.30	2.30	-	-	-	-	-	100%
16	Sushanti Avenues Private Limited	13-Feb-2006	INR	0.10	5.29	-	5.39	5.39	-	-	-	-	-	100%
17	Vera Avenues Private Limited	13-Feb-2007	INR	0.05	1.37	-	1.42	1.42	-	-	-	-	-	100%
18	NCC Urban Ventures Private Limited	11-Sep-2012	INR	0.01	0.01	-	0.02	0.02	-	-	-	-	-	100%



Sl. No.	Name of the Subsidiary	The Date since when subsidiary was acquired	Reporting currency	Share Capital	Other Equity	Total Liabilities	Total Equity & Liabilities	Total Assets	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for taxation	Profit/ (Loss) after Taxation	Extent of shareholding (In percentage)
19	NCC Urban Homes Private Limited	11-Sep-2012	INR	0.01	0.01	-	0.02	0.02	-	-	-	-	-	100%
20	Nagarjuna Construction Company International L.L.C.	17-Jan-2007	OMR	273.60	(276.37)	67.92	65.15	65.15	3.70	45.61	(9.30)	-	(9.30)	100%
21	NCC Infrastructure Holdings Mauritius Pte Limited	27-Apr-2006	USD	390.12	(366.23)	255.48	279.37	279.37	0.25	-	(0.12)	-	(0.12)	100%
22	Al Mubarakia Contracting Co. L.L.C.	7-Jul-1997	AED	2.24	(2.24)	-	-	-	-	-	-	-	-	100%
23	Nagarjuna Contracting Co. L.L.C.	20-Jun-2005	AED	0.67	(0.67)	-	-	-	-	-	-	-	-	100%
24	NCCA International Kuwait General Contracts Company L.L.C.	10-Jan-2017	KWD	6.70	(3.28)	-	3.42	3.42	-	-	-	-	-	100%

Note:

- 1 Exchange rate as on 31.03.2023: Omani Rial = ₹ 213.447, AED = ₹ 22.37, US\$ = ₹ 82.18, KWD = ₹ 267.85, QAR = ₹ 22.58
- 2 Reporting period for all subsidiaries is same as of holding company i.e., 1st April to 31st March.
- 3 Pachhara Coal Mining Private Limited declared and paid a dividend of ₹10 Crores or during the FY 2022-23.
- 4 Percentage of ownership interest in step subsidiaries and associates reported above represents ownership interest of immediate holding company and not the effective interest of the Group, except for Savitra Agri Industrial Park Private Limited.

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Part B: Associates

(₹ in crores)

S. No.	Name of associates	Latest audited Balance Sheet Date	Shares of Associate by			Description of significant influence	Reason for non-consolidation	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit/Loss for the year Considered in consolidation
			No.	Amount of Investment	%				
1	Brindavan Infrastructure Company Limited	31-Mar-23	8,643,036	3.46	33.33%	Significant influence due to % of Share capital	NA	12.44	-
2	Paschal Form Work (India) Private Limited	31-Mar-23	6,549,892	6.91	23.35%	Significant influence due to % of Share capital	NA	0.22	-
3	Nagarjuna Facilities Management Services L.L.C.	31-Mar-23	147	0.17	49.00%	Significant influence due to % of Share capital	NA	-	-
4	Himalayan Green Energy Private Limited	31-Mar-23	1,000,000	-	50.00%	Significant influence due to % of Share capital	NA	-	-
5	Apollonius Coal and Energy Pte. Ltd.	31-Mar-23	3,808,757	0.24	44.22%	Significant influence due to % of Share capital	NA	-	-
6	Pondicherry Tindivanam Tollway Private Limited	31-Mar-23	3,388,040	-	47.80%	Significant influence due to % of Share capital	NA	-	-
7	Ekana Sportz City Private Limited	31-Mar-23	2,268,000	22.68	26.00%	Significant influence due to % of Share capital	NA	23.28	0.24
8	Varapradha Real Estates Private Limited	31-Mar-23	13,344,973	71.50	40.00%	Significant influence due to % of Share capital	NA	87.97	10.47

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